

City of Ecorse

Receivership Transition Advisory Board Meeting Minutes

Tuesday, June 14th, 2016

Ecorse City Hall

Council Chambers

Albert B. Buday Civic Center

3869 West Jefferson

Ecorse, Michigan 48229

RTAB MEMBERS PRESENT:

ROBERT BOVITZ

JEFF SYKES

MEMBERS ABSENT:

JOAN BROPHY

ALSO PRESENT:

PATRICK DOSTINE

Michigan Department of Treasury

Reported by:

Nina Lunsford (CER 4539)

Modern Court Reporting & Video, LLC

SCAO FIRM NO. 08228

101-A North Lewis Street

Saline, Michigan 48176

(734) 429-9143/nel

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Called to order at 9:00 a.m.

MR. SYKES: Okay, so I'm going to go ahead and call this meeting to order. So, I'll call the City of Ecorse Receivership Transition Advisory Board meeting for this Tuesday, June 14, 2016 to order.

So, Mr. Dustine (sic), could you -- Dostine -- sorry. Do the roll call?

MR. DOSTINE: Sure. Ms. Brophy's asked to be excused; Mr. Bovitz?

MR. BOVITZ: Here.

MR. DOSTINE: Mr. Sykes?

MR. SYKES: Here.

MR. DOSTINE: You have quorum, Mr. Chair.

MR. SYKES: All right, thank you. Okay, so our, first, is the approval of the agenda. So I'm going to entertain a motion to approve the agenda, but there's one item that we'd like to modify on the agenda, and that is in the new business section. We'd like to remove number 12, so I'm going to ask for a motion to approve the agenda, excluding number 12.

MR. BOVITZ: So moved.

MR. SYKES: I'll support. Any discussion?

(No response)

MR. SYKES: Seeing none, those in favor of the motion by saying aye. Aye.

1 MR. BOVITZ: Aye.

2 MR. SYKES: Opposed, the same. All right, the
3 agenda is approved, with the one exception.

4 Next we'll move on to the RTAB minutes of May
5 10th. Oh, I'm sorry about that; thank you very much.

6 I wanted to remind the audience that if you
7 intend to speak during the public comments portion of the
8 meeting, it will be necessary for you to sign in at the
9 sheet at the podium. Is there a sheet at the podium? The
10 sheet over, located here. All right, thank you. Thank
11 you for that.

12 Okay, so, now it's approval of the RTAB minutes
13 of May 10th, so I will entertain a motion for approval of
14 the RTAB minutes of May 10th.

15 MR. BOVITZ: So moved.

16 MR. SYKES: I'll support.

17 Any discussion?

18 (No response)

19 MR. SYKES: Seeing none, those in favor the
20 motion say aye. Aye.

21 MR. BOVITZ: Aye.

22 MR. SYKES: Opposed, the same.

23 (No response)

24 MR. SYKES: The minutes are approved. We will
25 move onto old business. We have the resolution, it's

1 number 101.11. This is a city council intends -- is
2 intending, actually, to rescind the proposed budget, and
3 so we're going to go ahead and put a motion in place to
4 deny number 101.16, so I'm putting forward a motion to
5 deny resolution number 101.16.

6 MR. BOVITZ: So moved.

7 MR. SYKES: I'll support. Any discussion?

8 (No response)

9 MR. SYKES: Seeing none, those in favor the
10 motion say aye. Aye.

11 MR. BOVITZ: Aye.

12 MR. SYKES: Opposed, the same.

13 (No response)

14 MR. SYKES: All right, seeing that there is no
15 opposition, this motion has passed.

16 So we'll move onto new business. So this is
17 approval of the resolution and ordinance for city council
18 meetings. So the first item is resolution from the
19 regular city council meeting of April 26th, 2016. There
20 is -- Patrick, there is removal of?

21 MR. DOSTINE: Yes, Mr. Chair, what we'd like to
22 do is remove, pull out, Resolution 126, regarding the
23 Dingell Park restrooms, to make it an informational item
24 only. And City Administrator David Flaten is here to
25 provide that information.

1 MR. SYKES: Okay. Would you like to provide
2 that information now?

3 MR. DOSTINE: Well, I mean, you could actually
4 have a vote to approve all the resolutions but 126, which
5 will -- we can make it an informational item. Mr. Flaten
6 will come up and address that.

7 MR. SYKES: I would move to approve all of the
8 resolutions from April 26th, 2016, excluding number
9 125.16.

10 MR. DOSTINE: 126.

11 MR. SYKES: I'm sorry, 126.

12 MR. BOVITZ: Support.

13 MR. SYKES: Any discussion?

14 MR. FLATEN: On the Dingell Park, I had met up
15 with Hennessy engineers, and asked them to redesign that
16 floorplan to include a concession area. And to do it in
17 such a fashion that you're not going to increase the cost,
18 if any, but definitely not really that much. To put, you
19 know, make that adjustment on the floorplan so that we can
20 then resubmit that to Detroit Edison and get their
21 concurrence on that plan.

22 And what the alternative there, is, that with
23 that concession area, we would contract with someone to
24 come in and run the concession area, as opposed to using
25 personnel from here. They would run that concession area

1 and we would take a percentage of their gross sales. As,
2 you might say, rent, for being there.

3 And that would keep our costs down, we'd get a
4 little extra -- not much, but, it would be something. And
5 we wouldn't be incurring significant cost for operation.
6 Hennessy should probably have those plans back next week.

7 MR. SYKES: Okay, so this is something that will
8 come back?

9 MR. FLATEN: Yes, it'll be probably from there
10 to the end of July TAB meeting.

11 MR. SYKES: Okay.

12 REPORTER: Sir, can I get your name for the
13 record, please?

14 MR. FLATEN: Sure, it's David, last name's
15 Flaten. F as in Frank, L-A-T-E-N.

16 REPORTER: Thank you.

17 MR. SYKES: Thank you. All those in favor of
18 the motion to approve the minutes?

19 MR. BOVITZ: Aye.

20 MR. SYKES: Aye. Opposed, the same.

21 (No response)

22 MR. SYKES: All right, motion is passed. All
23 right, the next is, I'm entertaining a motion for the
24 resolutions from the regular city council meeting of May
25 10th, 2016.

1 MR. BOVITZ: So moved.

2 MR. SYKES: I'll support.

3 Any discussion?

4 (No response)

5 MR. SYKES: Seeing none, those in favor of the
6 motion say aye. Aye.

7 MR. BOVITZ: Aye.

8 MR. SYKES: Opposed, the same.

9 (No response)

10 MR. SYKES: This motion is passed.

11 Next, we have the motion to approve the claims
12 and accounts from the regular city council meeting, from
13 the draft minutes of May 24, 2016.

14 MR. BOVITZ: So moved.

15 MR. SYKES: I'll support. Any discussion?

16 (No response)

17 MR. SYKES: Seeing none, those in favor the
18 motion say aye. Aye.

19 MR. BOVITZ: Aye.

20 MR. SYKES: Opposed, the same.

21 (No response)

22 MR. SYKES: This motion, too, has passed.

23 Next is city administrator items.

24 First is the approval of city council minutes.
25 I'll entertain a motion.

1 MR. BOVITZ: Will it --

2 MR. SYKES: Support, we'll --

3 MR. BOVITZ: There's a -- you're calling for a
4 motion on which item?

5 MR. SYKES: Approval of city council minutes.

6 MR. BOVITZ: Which one?

7 MR. DOSTINE: That was addressed in new
8 business.

9 MR. BOVITZ: Yeah, that's already --

10 MR. SYKES: Oh, okay. Sorry about that. Okay.
11 So --

12 MR. DOSTINE: You can move to budget to actual
13 now

14 MR. SYKES: Okay. So now we're looking at the
15 approval of the budget to actual, okay. So I'll entertain
16 a motion to approve the budget to actual report for May,
17 April - May, 2016.

18 MR. BOVITZ: So moved.

19 MR. SYKES: I will support. Any discussion?

20 MR. BOVITZ: Do we have Mr. Sadowski's address?
21 Anything you want to -- because I know last month, we --
22 you wanted to say something, and -- any updates? The
23 first thing we did on the old business was turn down the
24 budget proposal, and I think that's because some new
25 numbers have surfaced, or the new administration has -- so

1 I'm just --

2 MR. SADOWSKI: Correct. As you know, we have
3 three weeks left in our financial fiscal year. So
4 basically, we know how this year will end. Right now, the
5 city will have an excess surplus in the general fund of
6 about \$350,000. Well more than projected at the 20,000.
7 In your budget amendment number five, which was why the
8 reason why it was turned down, is the city's operational
9 costs are less than what was budgeted.

10 If you remember the budget, when it was
11 submitted when I redid it, I estimated expenditures high,
12 so that this would happen at the year end. If we went on
13 task as current operating, the city would end up with a
14 surplus every year. And that surplus will probably be
15 over \$400,000. But it will be at least \$350,000 in the
16 general fund, come June 30th.

17 That's the major reflection in the financials
18 for April and May. We saved a significant amount in
19 retiree healthcare this year, creating much of that
20 surplus. Those numbers are actuals, because insurance are
21 prepaids; obviously that's what all insurance are. So we
22 had the year end numbers for Blue Cross/Blue Shield and
23 HAP, and if you look at the retiree healthcare, that
24 savings is several hundred thousand dollars, which created
25 much of the surplus.

1 We did receive the MERS numbers. The MERS
2 numbers have gone up significantly. And I think, going
3 out in the future, that's going to -- that's definitely
4 impacting your five year forecast. Especially the AFSCME
5 units.

6 But as far as this budget, like I said, you'll
7 have a surplus, and the city will report a surplus in
8 almost every single fund.

9 MR. BOVITZ: So the revenue sharing from the
10 state, was that what you anticipated, then?

11 MR. SADOWSKI: Correct. Yeah, that always comes
12 retroactive to us. It's paid after sales tax is
13 collected; on top of that, we get it even further, because
14 the city pledged its revenue sharing for our stabilization
15 bonds, so it actually goes to US Bank. They take their
16 cut, and then they refund us after that.

17 So we're about three months always behind the
18 ball for revenue sharing. That's why it's not recorded on
19 the financial statements and only shows -- it shows less
20 than 100 percent year end. It's because we're paid in
21 arrears.

22 MR. BOVITZ: I applaud your efforts. I know,
23 with an \$11 million budget, and you lose a million dollars
24 from the settlement fund from National Steele, that says a
25 lot to be cut, so it's encouraging.

1 MR. SADOWSKI: This year's financial, we're
2 definitely --

3 MR. BOVITZ: We'll see what the audit says.

4 MR. SYKES: All right, thank you. I'll
5 entertain -- oh, I've got that.

6 Let's see, all those in favor of the motion say
7 aye. Aye.

8 MR. BOVITZ: Aye.

9 MR. SYKES: Opposed, the same.

10 (No response)

11 MR. SYKES: This motion's passed.

12 Okay, so at this point, we're going to talk
13 about a number of items that are coming up. These items
14 are for a number of hires and terminations that have
15 already taken place, and so one of the things that I would
16 like to see is that we get back to a place where these
17 things are actually being approved or denied prior to
18 those actions taking place.

19 So with that, Mr. Dostine, could you please give
20 us a little bit of background on items number three
21 through 14? Obviously, excluding number 12.

22 MR. DOSTINE: Sure. Now, at this point, I would
23 defer to the city attorney, Chuck Wycoff.

24 MR. WYCOFF: Good morning, sir.

25 MR. SYKES: Good morning.

1 MR. WYCOFF: Actually, there are only two of the
2 individuals on this list who have previously been employed
3 and are working, and that happens to be the two
4 individuals identified as number three and number four on
5 this list.

6 The first one, number three, is Mr. DeLeon, and
7 the second one is Mr. Parker. As you will recall, we had
8 a number of DPW employees who were terminated over a
9 period of time. The workforce became so sparse that we
10 had to put a couple of people to work just to get the job
11 done. That's why they are working prior to your approval.

12 But it is appropriate that they would be
13 approved; they are up and working. They are hired
14 according to the terms of employment applicable to DPW
15 workers, and there is nothing that I have that's
16 objectionable to their employment at this time.

17 The third individual is not working at this
18 time; that's the one identified as number five. His name
19 is Bell, he has not been put to work but we do need him to
20 be employed as soon as possible. Again, within the DPW.

21 I also reviewed number six, which is the interim
22 super -- not superintendent; I guess they call him
23 superintendent. DPW superintendent's contract, that's Mr.
24 Maier. I've reviewed the contract, I have approved the
25 contract, and Mr. Maier, of course, is working, he is in

1 that position at this time, approved by the city council.

2 The next one is the termination of Mr. Colby.
3 Mr. Colby was a firefighter for the City of Ecorse; he
4 serves pursuant to a collective bargaining agreement. We
5 had a emergency service call to one of our local
6 companies. For reasons known only to Mr. Colby, in spite
7 of two calls from the citizen, or from the company, I
8 should say, he refused to take those calls.

9 And so, we held a chief's hearing in accordance
10 with the collective bargaining agreement. There was no
11 viable excuse provided for his conduct, and as a result of
12 that, we felt that he endangered the individual who needed
13 assistance, and his employment was terminated. We have in
14 fact received a grievance on that, and his termination
15 will be reviewed according to the process and the
16 collective bargaining agreement.

17 The next one is the termination of a police
18 officer, Mr. Patten. Mr. Patten suffered some legal
19 problems in the City of Flat Rock, which without a doubt
20 provided reasonable and just cause for his termination. I
21 don't believe there's any necessity to go into the merits
22 of that, but I will tell you that as legal counsel for the
23 city, I am extremely well satisfied that there's
24 reasonable and just cause for that termination.

25 There was a chief's hearing held in that matter;

1 the hearing took place, I'm sorry, I forget the date at
2 this point. But it took place in accordance with the
3 provisions of the collective bargaining agreement. The
4 chief considered all of the evidence, and made the
5 ultimate determination that termination was appropriate.
6 So, that's that.

7 The next one is the termination of Mr. Hamel,
8 that's number nine. Mr. Hamel was employed to take the
9 position occupied by one of the persons previously
10 terminated and authorized by this body. After he was
11 employed, there were several complaints relative to his
12 demeanor toward his clients, which would be senior
13 citizens that he was driving. And in addition to that, he
14 was observed, if you will, sleeping on the job, and as a
15 probationary employee, was terminated.

16 We hired a person to take his position; that is
17 Mr. Cecil Hayden, identified in number ten. We do need to
18 get him on board, I don't believe he is working at this
19 time. But his employment is appropriate as necessary for
20 that program.

21 The next three, 11, 13 and 14, you have removed
22 number 12 appropriately because he has accepted employment
23 in another community. These three individuals are all
24 certified police officers, they are being employed part
25 time to fill in and assist with overtime, number one, and

1 because we are currently down either two or three police
2 officers in the police department.

3 They have not been put to work at this point,
4 although they've been tentatively employed subject to your
5 approval. And their employment is also subject to drug
6 testing and completion of a physical examination. So
7 that's where we stand with each of these.

8 Do you have any questions?

9 MR. BOVITZ: Well in the case of the termination
10 of the part time bus driver, a simple letter from the
11 former city administrator was sufficient, but in the case
12 of the firefighter and the police officer, Director Moore
13 wrote a very comprehensive letter. In both cases, cited
14 the reasons for termination; you mentioned there may be a
15 grievance case on the case of the firefighter?

16 MR. WYCOFF: On the case of the firefighter, we
17 do in fact have a grievance. It was delivered to me this
18 morning.

19 MR. BOVITZ: Chief Moore, did you want to -- ?

20 CHIEF MOORE: In the case of the firefighter,
21 there was a warrant request with the prosecutor's office,
22 for criminal charges, also. So that may be --

23 MR. BOVITZ: Because of the nature of
24 disregarding a call?

25 CHIEF MOORE: It's for reckless indifference.

1 There was a warrant request in the prosecutor's office for
2 neglect. Criminal neglect.

3 MR. BOVITZ: So you feel -- and I feel, you
4 know, satisfied that your letter pretty much spelled it
5 out, and as long as our attorney's -- and as far as
6 replacement officers, these are part time officers; would
7 they be entitled to the same benefits as --

8 CHIEF MOORE: No, not at all. No. You have
9 straight \$15 an hour employees. And what there may be
10 forward is that we've got people that have been terminated
11 or there are other positions, and when vacations and
12 things kick in, we start bleeding as far as overtime.

13 These guys will stop the overtime bleeding,
14 where, instead of we're paying 45-50 bucks an hour, we'll
15 be paying \$15 an hour.

16 MR. BOVITZ: And it looks like they're qualified
17 individuals; the resume, everything checks out. And

18 bilingual and the whole shot, so, so you have a good ~~crop corp~~
19 of part time reserve there?

20 CHIEF MOORE: Absolutely.

21 MR. BOVITZ: The ~~corps~~ ~~crops~~, the trenches.

22 CHIEF MOORE: Thank you.

23 MR. SYKES: Anything else? Thank you.

24 Okay, I'll entertain a motion to approve the
25 hirings and appointment that are pointed out in numbers

1 three, four, five and six.

2 MR. BOVITZ: So moved.

3 MR. SYKES: And I will support. Any discussion?

4 (No response)

5 MR. SYKES: Seeing none, those in favor of the
6 motion say aye. Aye.

7 MR. BOVITZ: Aye.

8 MR. SYKES: Opposed, the same.

9 (No response)

10 MR. SYKES: Okay, this motion's passed. Now
11 I'll entertain a motion to approve the terminations
12 spelled out in numbers seven, eight and nine.

13 MR. BOVITZ: So moved.

14 MR. SYKES: And I will support. Any discussion?

15 (No response)

16 MR. SYKES: Hear none, those in favor of the
17 motion say aye. Aye.

18 MR. BOVITZ: Aye.

19 MR. SYKES: Opposed, the same.

20 (No response)

21 MR. SYKES: Hearing none, this motion is passed.

22 Now I'll entertain a motion to approve the
23 hiring of the items number ten, eleven, thirteen, and
24 fourteen.

25 MR. BOVITZ: So moved.

1 MR. SYKES: And I will support; any discussion?

2 (No response)

3 MR. SYKES: Hearing none, all those in favor of
4 the motion say aye. Aye.

5 MR. BOVITZ: Aye.

6 MR. SYKES: Opposed, the same.

7 (No response)

8 MR. SYKES: And this motion is passed.

9 Mr. Dostine, number 15, is this the item that we
10 discussed earlier? Or is this a separate item?

11 MR. DOSTINE: It was addressed by Mr. Flaten.

12 MR. SYKES: So what's the best way to handle
13 this item? Do we just skip over it, or?

14 MR. DOSTINE: Yup, it doesn't have to -- and
15 same with number 16, it was addressed in new business as
16 well.

17 MR. SYKES: Okay, and 17, checks released,
18 information only?

19 MR. DOSTINE: Correct.

20 MR. SYKES: What do we do with that?

21 MR. DOSTINE: There were no checks this month,
22 so there's --

23 MR. SYKES: Okay. So we're on to public
24 comment?

25 MR. DOSTINE: Correct.

1 MR. BOVITZ: Well, one thing I noted was that
2 there were two attachments; looks like identical. Was
3 that just a redundancy? Attachments 50 and 5P are both
4 checks released memo of June 3rd? I don't see any
5 difference between the two. It's the same. So, they're
6 really, so, our agenda package, you really conclude at
7 Attachment 50, I would think?

8 MR. DOSTINE: Yeah, it just looks like a
9 duplication.

10 MR. BOVITZ: Okay.

11 MR. SYKES: All right, you're done?

12 MR. DOSTINE: We have one request for public
13 comments, it's from Timothy Sadowski.

14 MR. SADOWSKI: I already addressed it.

15 MR. BOVITZ: You want to make sure you get your
16 two cents in, okay.

17 MR. SYKES: Okay, so at this time, then, with no
18 public comment, we'll move to board comment.

19 MR. BOVITZ: No comment.

20 MR. SYKES: I have no comment.

21 I'll entertain a motion for adjournment.

22 MR. BOVITZ: So moved.

23 MR. SYKES: And I will support.

24 I probably don't expect any discussion, so with
25 that, those in favor of the motion say aye. Aye.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. BOVITZ: Aye.

MR. SYKES: Opposed the same.

(No response)

MR. SYKES: This motion is passed. Thanks,
everyone.

(Proceedings adjourned at 9:22 a.m.)

STATE OF MICHIGAN

COUNTY OF WASHTENAW) .ss

I certify that this transcript is a complete, true, and correct transcript to the best of my ability of the RTAB meeting held on June 14, 2016, City of Ecorse. I also certify that I am not a relative or employee of the parties involved and have no financial interest in this case.

RESPECTFULLY SUBMITTED:

June 23rd, 2016

s/ *Amy Shankleton-Novess*

Amy Shankleton-Novess (CER 0838)

Certified Electronic Reporter