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CITY OF FLINT  
RECEIVERSHIP TRANSITION ADVISORY BOARD MEETING  
WEDNESDAY, MARCH 16, 2016  
2:00 P.M.

A meeting before the RTAB Board at  
1101 S. Saginaw (Dome), Flint, Michigan, on  
Wednesday, March 16, 2016.

BOARD MEMBERS:

- Frederick Headen, Chairperson
- Michael Finney, Member
- Michael Townsend, Member
- Joel Ferguson, Member

ALSO PRESENT:

- R. Eric Cline (Department of Treasury)
- Mayor Karen Weaver (City of Flint)
- Jody Lundquist (Finance Director)
- Anthony Chubb (City Attorney)
- Kerry Nelson (Council President)

MEMBERS OF THE PUBLIC ADDRESSING THE BOARD:

- Chris Delmaroney (Flint resident)
- Eric Mays (Councilman)

REPORTED BY:

- Quentina R. Snowden, (CSR-5519)
- Certified Shorthand Reporter,
- Notary Public

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| 2  | I. CALL TO ORDER  |      |
| 3  | A. Roll Call  | 03   |
|    | B. Approval of Agenda   | 03   |
| 4  | C. Approval of February 26, 2016<br>RTAB meeting minutes  | 04   |
| 5  |   |      |
| 6  | II. UNFINISHED BUSINESS:  | 05   |
| 7  | (None.)   |      |
| 8  | III. NEW BUSINESS:  |      |
| 9  | A. Mayor and Council President  | 05   |
| 10 | B. Approval of Resolutions &<br>Ordinances for City Council<br>Meetings                                   |      |
| 11 |   |      |
| 12 | 1. Resolutions from Regular City<br>Council meeting of February   | 07   |
| 13 | 8, 2016 (Resolutions 997, 998,<br>004, 005)   |      |
| 14 | a. Resolution 006   | 07   |
| 15 | (Water Bills)   |      |
| 16 | 2. Resolutions from Regular City<br>Council meeting of February   | 16   |
| 17 | 22, 2016 (Resolutions 008,<br>010, 011, 012, 013, 014, 015,<br>020, 023, 024, 025, 026, 027,<br>028, 029) |      |
| 18 |   |      |
| 19 | C. City Administrator Items   |      |
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1 Wednesday, March 16, 2016

2 Flint, Michigan

3 2:04 p.m.

4 CHAIRPERSON HEADEN: We'll start the  
5 meeting, please.

6 MEMBER FERGUSON: Excuse me, I didn't  
7 mean to hold the meeting up.

8 CHAIRPERSON HEADEN: The meeting will  
9 please be in order. The first item of business  
10 is roll call. Let the record reflect that we do  
11 have four members present.

12 Next item is the approval of the  
13 agenda. I have several amendments to the agenda.  
14 One is to add to the agenda RTAB Resolution  
15 2016-2 under New Business, Item D.

16 The second change would be under New  
17 Business, B2, Resolutions from the regular City  
18 Council meeting of February 22nd, 2016.

19 FROM THE AUDIENCE: Hello, we can't  
20 hear you. They're saying they can't hear you.

21 CHAIRPERSON HEADEN: Please, under the  
22 Resolutions listed there strike Resolution 16 and  
23 17. Those were already approved by the RTAB at  
24 our special meeting on the 26th of February. And  
25 if you would please add Resolution Number 28 to

1 the ones listed there. Are there other revisions  
2 to the agenda?

3 FROM THE AUDIENCE: I'm sorry, sir,  
4 but we still can't hear you.

5 CHAIRPERSON HEADEN: If not, is there  
6 a motion that the agenda, as amended, be  
7 approved?

8 MEMBER FERGUSON: So moved.

9 CHAIRPERSON HEADEN: Is there support?

10 MEMBER FINNEY: Support.

11 CHAIRPERSON HEADEN: Without  
12 objection, the agenda, as amended, is approved.

13 The next item of business is the  
14 approval of the RTAB meeting minutes from the  
15 special meeting of February 26th. They are  
16 Attachment 1. Are there corrections or additions  
17 to those minutes?

18 MEMBER TOWNSEND: Motion to approve.

19 CHAIRPERSON HEADEN: Is there support?

20 MEMBER FINNEY: Support.

21 CHAIRPERSON HEADEN: Those in favor of  
22 approving the minutes please say "Aye."

23 (All ayes.)

24 CHAIRPERSON HEADEN: Opposed? Motion  
25 is adopted, the minutes from February 26th are

1 approved.

2 Unfinished Business, there is none.

3 New Business, Mayor and City Council

4 President. Madam Mayor.

5 MAYOR WEAVER: Good afternoon. Really

6 I just had a couple of things that I wanted to

7 talk about this morning, and one is to say that

8 on Monday evening, City Council and I -- I just

9 had a couple things that I wanted to say and one

10 was that on Monday evening, City Council and I

11 worked together and we came to an agreement as

12 far as the contract, to end the contract for

13 Natasha Henderson.

14 And one of the things, I do want to

15 commend City Council because we have all been

16 trying to be fiscally responsible here, and so we

17 were able to take the time out going into

18 executive session and have that and make that

19 happen. So I just wanted you to be aware that

20 that took place Monday evening.

21 The other thing, I wanted to introduce

22 Mr. Steve Branch. He's the new Chief of Staff.

23 And I know you had the opportunity to meet

24 Sylvester Jones before, but he is here again. So

25 I did want to acknowledge them so you all could

1 see who they are. I didn't know if you had that  
2 opportunity. But everybody was here the last  
3 time except Mr. Branch, and he came in, he's been  
4 volunteering his time and that's what he's been  
5 doing, is volunteering his time until we were  
6 able to make this happen officially. So that's  
7 taken place as well, so -- and I should also  
8 acknowledge one other person that's here, Admiral  
9 Dunwoody. She has been sent by the President and  
10 she is helping as far as getting things together  
11 with what's going on health-wise in the City of  
12 Flint. We've been trying to put together some  
13 kind of health infrastructure, and have a common  
14 ground to see what's missing and what do we have  
15 and how do we now communicate different kinds of  
16 services. And so she is going to be here with us  
17 for a month just to meet with different community  
18 groups and help us with that issue as well. So I  
19 wanted you to know who she was as well. And that  
20 was it.

21 CHAIRPERSON HEADEN: Council President  
22 Nelson?

23 Next item is the approval of  
24 resolutions and ordinances from City Council  
25 meetings. We'll begin with the regular City

1 Council meeting February 8th, 2016. It is  
2 Attachment 2 of Resolutions 997, 998 and 04 and  
3 05.

4 Any questions about those Resolutions?  
5 If not, is there a motion that those Resolutions  
6 be approved?

7 MEMBER FERGUSON: I so move.

8 CHAIRPERSON HEADEN: Motion has been  
9 made. Is there a second?

10 MEMBER TOWNSEND: Support.

11 CHAIRPERSON HEADEN: Any discussion?  
12 Those in favor of the motion, please say "Aye."

13 (All ayes.)

14 CHAIRPERSON HEADEN: Opposed? Motion  
15 is adopted.

16 Next item is Resolution 006, it's  
17 Attachment 3, concerns water billing. Questions  
18 about that particular Resolution? This  
19 Resolution would ask the administration to  
20 discontinue billing customers for water.

21 I do have several questions about this  
22 to direct either to the Council President or the  
23 Finance Director.

24 First question would be, what impact,  
25 if any, would this have on cash flow of the water

1 supply fund if this Resolution were, in fact,  
2 approved?

3 MS. LUNDQUIST: I'm sorry, I was  
4 speaking with Counsel. Could you please restate  
5 the question?

6 CHAIRPERSON HEADEN: Yes, this is with  
7 regards to Resolution 006 to discontinue water  
8 billings. The initial question I had was what  
9 impact, if any, would this have on the cash flow  
10 of the water supply fund if it were adopted?

11 MS. LUNDQUIST: So regardless -- can  
12 you hear me?

13 CHAIRPERSON HEADEN: Yes.

14 MEMBER FINNEY: We can hear you.

15 MS. LUNDQUIST: Well, regardless of  
16 the impact on the cash flow I'd first like to  
17 address that the Resolution in itself would  
18 violate State Law and the Revenue Bond Act. So,  
19 should the law not have applied to the  
20 Resolution, and without respect to the \$30  
21 million relief program that the City is actively  
22 working to administer and the complications that  
23 would ensue from the Resolution in trying to do  
24 both, administer the relief program and  
25 discontinue billing, we would be out of money



1 within two to three months.

2 MEMBER TOWNSEND: Can you, while  
3 you're there, can you elaborate on the law that  
4 you -- tell us a little bit about the law that  
5 you said it violates?

6 MS. LUNDQUIST: In layman's terms, the  
7 Revenue Bond Act requires that when the City has  
8 an outstanding debt in the form of revenue bonds  
9 for a fund, in this case the Water Fund, it is  
10 obligated to set rates and administer billing  
11 such that it is covering the cost of not only  
12 operating and maintenance, but the payment of the  
13 principal and interest on those bonds such that  
14 then the -- the bond covenants are satisfied.

15 CHAIRPERSON HEADEN: And again, can  
16 someone from the Council speak to this issue?  
17 This Resolution was adopted 6 to 1 with two  
18 abstentions, and I'd like to understand sort of  
19 what the thinking was of the City Council behind  
20 this resolution.

21 COUNCIL PRESIDENT NELSON: Thank  
22 you to the RTAB. I guess what the Council was  
23 saying, because of the numerous phone calls  
24 that we were receiving saying that the water  
25 was no good to do anything but to flush, which

1 I do agree, that paying for a water bill was  
2 just unheard for. And we know some relief was  
3 coming, but because of the numerous calls that  
4 we receiving from the people that we represent,  
5 we felt like we had to do something.

6 At that time Attorney Chubb said he  
7 would check and see if it was in violation or  
8 not.

9 And at the time of -- when this  
10 resolution was brought forth, it was so many  
11 calls coming in from every direction. Talking to  
12 other colleagues, they were receiving calls; you  
13 go to block clubs, it dominated the conversation,  
14 that the water was just no good and we're  
15 receiving all of these high water bills.

16 And so the Council said we wanted to  
17 do something. And at that time Attorney Chubb  
18 did, like I said before, said he would have to  
19 look into it and see if he could, you know, do  
20 that.

21 But as representing the people of the  
22 City of Flint from various Wards 1 through 9, we  
23 felt we had to step up and do something, whether  
24 it was a violation or not, we didn't know at that  
25 time, but we still feel, and I do, that we still

1 need more relief. And, yes, the Governor has  
2 sent some and he's trying to send some more that  
3 I'm aware of, but the people need some help right  
4 away, and they wanted somebody to take a stand  
5 for them and say something for them. And so that  
6 way the Council put something together in saying  
7 that we feel that the people that we represent  
8 should not have to pay for their water services  
9 at this time. All right?

10 Any questions for me?

11 CHAIRPERSON HEADEN: The only other  
12 question I would have with regards to the  
13 resolution is that it has no end date. So was  
14 there any consideration given to how long the  
15 discontinuation would occur; would it be six  
16 months, would it be a year, would it be --

17 COUNCIL PRESIDENT NELSON: We have --  
18 some colleagues had said 6 months, some had said  
19 12. We did not come to a number term. We're not  
20 going no longer than 12 months. Some had said 6  
21 months, some had said 12.

22 Personally I would rather -- you know,  
23 my opinion was 12. 12 months, one year. Some  
24 said let's do 6 months. But it all depended upon  
25 -- Attorney Chubb had said he had to do his

1 research whether we could -- you know, at this  
2 point because there's a law that says we cannot,  
3 we can't even do three days, but we wanted to do  
4 something to stand up for the people that we  
5 represent and say something.

6 CHAIRPERSON HEADEN: Other questions?  
7 Mr. Ferguson?

8 MEMBER FERGUSON: I think --

9 CHAIRPERSON HEADEN: It's on.

10 MEMBER FERGUSON: Okay. I think if  
11 it's ever possible to do this, it should be for  
12 whatever the duration -- whatever the length of  
13 time the people weren't able to use their water.

14 COUNCIL PRESIDENT NELSON: Right.

15 MEMBER FERGUSON: It should be a  
16 corresponding time. So if it's been a year, or a  
17 year and a half, or six months --

18 COUNCIL PRESIDENT NELSON: That would  
19 be two and a half years.

20 MEMBER FERGUSON: Whatever that is  
21 where people weren't getting their value for what  
22 they were writing the checks for, then anything  
23 that we could figure out should be for -- they  
24 get the relief for what -- when they paid for  
25 nothing --

1 COUNCIL PRESIDENT NELSON: Right.

2 MEMBER FERGUSON: -- it should -- they  
3 should get a refund for all of the time they paid  
4 for nothing. If we could figure out how to do  
5 this, that should be the length of time. Okay?

6 COUNCIL PRESIDENT NELSON: So that  
7 would make it two and a half years.

8 MEMBER FERGUSON: Whatever it is. If  
9 we're looking for another source, because the  
10 City of Flint can't afford do that, so if we  
11 could bring some outside monies in if we could do  
12 this, because you couldn't -- you couldn't, as a  
13 City Council, pay for it, because then you'd have  
14 to get the money from the citizens in some other  
15 pot. So we have to work to try to bring in an  
16 outside source to make this happen, okay? But I  
17 understand where you're coming from, it made  
18 sense, what you're requesting and calling  
19 attention to, okay?

20 MEMBER FINNEY: So, looking at the  
21 City Attorney here, I assume you concur with the  
22 comments that were offered by the Finance  
23 Director?

24 ATTORNEY CHUBB: Yes, everything that  
25 Jody and everybody else spoke to as to what I

1 said is correct.

2 The Revenue Bond Act in both, I  
3 believe it's Section 17 and Section 21, in  
4 different places both require you to charge  
5 more -- or what it costs at the very minimum to  
6 produce the water when you sell the water, and  
7 then additionally has a separate provision that  
8 prohibits giving away water for free to anyone.

9 So either of those -- you know, I just  
10 said -- everybody feels the same, and I'm a Flint  
11 water customer and I don't like paying for the  
12 water either, obviously, but it's just a chicken  
13 before the egg thing. And so as Jody and I work  
14 virtually daily with the State in implementing  
15 the \$30 million credit, you know, that's when  
16 people will get that allowance and that's when we  
17 will be able to legally draw back the billings.

18 MEMBER FINNEY: So, Mr. Chair, given  
19 the input that we've now received from the  
20 Finance Director, the Attorney and from the  
21 Council President, I would move to table this  
22 item and refer it back to the Administration for  
23 their final review before it comes back to us for  
24 consideration.

25 CHAIRPERSON HEADEN: Motion has been

1 made. Is there support?

2 MEMBER FERGUSON: Support.

3 CHAIRPERSON HEADEN: Discussion?

4 Those in favor of tabling this particular item,  
5 please say "Aye."

6 (All ayes.)

7 CHAIRPERSON HEADEN: Opposed? Motion  
8 is adopted and the item is tabled to refer back  
9 to the Administration and City Council.

10 Mr. Ferguson?

11 MEMBER FERGUSON: I -- listening to  
12 what's being said, it was really a symbolic -- it  
13 was a communication by the City Council to tell  
14 the people of Flint that they hear them.

15 I think what they've done is they've  
16 made an announcement and some kind of way we've  
17 got to kick the can and find a way for  
18 legislature or someone else to where we can bring  
19 a source in to bring relief for this action that  
20 they requested have done. Because they can pass  
21 all of the resolutions they want going forward,  
22 but if we can't find the money, it's really -- it  
23 doesn't mean anything. So it's kind of kick the  
24 can where we can communicate to the legislature  
25 or someone else if we can get a fund or someone

1 to help relieve this pain that we have on this  
2 matter.

3 MEMBER FINNEY: Mr. Chairman, I would  
4 just suggest that there -- what my fellow Board  
5 member just suggested is outside of our purview.  
6 I honestly think that the Administration should  
7 continue working with the State on funding  
8 opportunities, and I think that is an active  
9 effort that's underway. We all know that \$30  
10 million has already been committed to begin  
11 solving the water problem and I know that the  
12 Finance Director and the Attorney just indicated  
13 they're working on it.

14 So I would rather us not try to get in  
15 the middle of whether the State or any other  
16 source should provide additional funding. I  
17 think that the City Administration should take  
18 the lead in doing that, and then bring back to  
19 us, as an RTAB, whatever resolutions are  
20 appropriate and legal for our consideration at  
21 some future date.

22 CHAIRPERSON HEADEN: Thank you both  
23 gentlemen.

24 Next item is Resolutions from the  
25 regular City Council meeting of February 22nd.



1 The Resolution numbers are listed there again, 16  
2 and 17 was struck having been approved previously  
3 and Resolution 28 was added to the list.

4 Are there questions about any of the  
5 Resolutions listed there; and if not, I'll  
6 entertain a motion that those resolutions be  
7 approved.

8 MEMBER FERGUSON: So approved.

9 MEMBER FINNEY: Support.

10 CHAIRPERSON HEADEN: Any discussion?  
11 Those in favor, please say "Aye."

12 (All ayes.)

13 CHAIRPERSON HEADEN: Opposed? Motion  
14 is adopted, Resolutions from February 22nd are  
15 approved.

16 Next item, City Administrator items,  
17 Budget to Actual. Ms. Lundquist?

18 MS. LUNDQUIST: I apologize that what  
19 I'm about to ask is outside of the agenda that I  
20 know that has been adopted. There were two  
21 resolutions that were passed by Council at their  
22 meeting this past Monday, March 14th, that are of  
23 some urgency. The one regarding the termination  
24 of City Administrator Natasha Henderson, I would  
25 ask that the City Council speak on should you

1 have any questions.

2 And the second is a budget amendment  
3 that is predicated on the termination of the City  
4 Administrator. It is a budget amendment that  
5 then authorizes the transfer from the City  
6 Administrator's department to the Mayor's  
7 department in order to create the chief of staff  
8 position and the appointment that has been made  
9 to Steven Branch.

10 Again, I did not realize that these  
11 were not requested to be added to the agenda  
12 sooner, so there aren't copies for everyone.  
13 I'll pass them to you now for your consideration.

14 CHAIRPERSON HEADEN: I'm reluctant to  
15 have us consider these now because in fact we've  
16 not seen these previously. And so I think we  
17 need an opportunity, at least as a Board, to  
18 review these content. We were in contact with  
19 the City beginning, I believe, yesterday morning  
20 to try to ascertain what business, if any, was  
21 conducted by the City Council Monday night, and  
22 as of at least 11:00 this morning, we had  
23 received no information.

24 So, we would have been prepared had we  
25 gotten the information sooner to add it to the

1 agenda, if necessary, but I think all things  
2 considered it would be unfair to ask us to review  
3 and vote upon this now. We certainly are willing  
4 to consider this once we've had a chance to  
5 review it.

6 MS. LUNDQUIST: I thank you for your  
7 consideration, and again, I would -- those  
8 communications are normally directed through the  
9 Mayor's office, so I did not -- I was not aware  
10 that they had any correspondence or that those  
11 had not been added, but for the sake of the City  
12 business and moving these items forward in  
13 addition to bringing them to your attention  
14 today.

15 CHAIRPERSON HEADEN: I appreciate  
16 that.

17 ATTORNEY CHUBB: And gentlemen, if I  
18 may, if we need to take a recess or if I could  
19 perhaps explain to you the resolutions in  
20 question. We haven't asked for the entire agenda  
21 to be approved, but these are two that are  
22 extremely time-sensitive. And if you did attempt  
23 to call my office, I'm very sorry if I was not  
24 able to get with you.

25 CHAIRPERSON HEADEN: No, we did not

1 contact --

2 ATTORNEY CHUBB: Okay. Just to make  
3 sure.

4 CHAIRPERSON HEADEN: -- your office.  
5 We contacted the Mayor's office.

6 ATTORNEY CHUBB: And just generally,  
7 the first item that we're looking to be approved,  
8 as there's been a lot of discussion about in RTAB  
9 Resolution -- or Order 2016-1 that provided  
10 amended powers to the Mayor and gave her  
11 appointment authority consistent with the City  
12 Charter, what's also been discussed is that  
13 the -- an employment contract that Ms. Henderson  
14 had required termination by three parties, that  
15 being the Mayor, the Council and the RTAB.

16 And so until I have approval of each  
17 of those bodies, that contract remains in full  
18 force and the City is incurring costs associated  
19 with it.

20 And so, the first resolution is simply  
21 to terminate that contract so that we can divert  
22 those resources to the payment of the Chief of  
23 Staff and the new City Administrator. And  
24 consistent with that, the second thing that we're  
25 asking you to approve is a resolution that makes

1 that budget amendment so that we may pay the  
2 salaries of the Chief of Staff and the City  
3 Administrator, because it's really imperative  
4 right now that we get staff on the ground and  
5 working as quickly as possible.

6 And so I really apologize for this  
7 imposition, but these are extremely time-critical  
8 and that's the only reason why I'm asking you to  
9 consider them immediately.

10 CHAIRPERSON HEADEN: And again, if we  
11 had received these sooner -- and again to make it  
12 clear, we did not contact your office.

13 ATTORNEY CHUBB: I understand.

14 CHAIRPERSON HEADEN: So there was no  
15 misunderstanding there. And I appreciate the  
16 explanations to the content of these, but again,  
17 I think as far as our due diligence goes, we need  
18 an opportunity to review these. If necessary,  
19 from a timing standpoint, we can certainly call a  
20 special meeting, but I think we need to have an  
21 opportunity to review these.

22 There is also a related issue of  
23 whether or not the employment contract provision  
24 could legally impose an obligation upon the RTAB  
25 to be involved in this that we need to have

1 worked out at the state level. So I think to act  
2 upon this, this afternoon, would be premature.

3 ATTORNEY CHUBB: I appreciate it.

4 CHAIRPERSON HEADEN: Mr. Ferguson?

5 MEMBER FERGUSON: What happens since  
6 we're not doing -- if we don't do this, what kind  
7 of burden does it put on the City if we don't?

8 ATTORNEY CHUBB: Just that Natasha's  
9 contract will be in place and the City will be  
10 obligated to pay on that contract. And without  
11 the budget adjustments, we will not be able to  
12 hire the Chief of Staff or the replacement City  
13 Administrator until such time as you take action  
14 on these resolutions.

15 MEMBER FERGUSON: I mean, this --  
16 this -- in other words, you don't have the funds  
17 here at the City to still hire those people  
18 without this happening?

19 ATTORNEY CHUBB: The necessity of the  
20 budget adjustment would really need to be  
21 explained by Jody.

22 MS. LUNDQUIST: The budget adjustment  
23 is necessary in order to create the chief of  
24 staff position. It is a new position, therefore,  
25 it had not been budgeted and adopted fiscal year

1 '16 budget. There was not adequate funding in  
2 the Mayor's budget for a position, again, as it  
3 had not been in existence at the time the budget  
4 was created. So this would transfer monies from  
5 the City Administrator's budget to the Mayor's  
6 office so that both the new City Administrator  
7 and the Chief of Staff wages and pensions could  
8 be funded.

9 MEMBER FERGUSON: You've kind of  
10 explained this. If we recess and read this, I  
11 mean, that's the only problem we have on this?  
12 I -- I just --

13 CHAIRPERSON HEADEN: No, I think the  
14 problem is that -- the problem would be the same  
15 as if we were presenting something to the City  
16 Council at a meeting expecting them to pass upon  
17 it without having had any opportunity to review  
18 the contents of it. I think they would be quite  
19 right in their position of saying that they would  
20 take the opportunity to review it, through their  
21 normal process, and then dispose of it once they  
22 had a chance to do so.

23 We were originally supposed to meet  
24 last Wednesday, as I recall, and we delayed the  
25 meeting until today, because we were advised that

1 the City Council might take an action on the  
2 14th.

3 And so rather than meet for  
4 consecutive weeks, we decided to accommodate the  
5 City and the City Council by delaying our meeting  
6 until today. And once we were aware of the fact  
7 that City Council did meet on Monday night,  
8 rather than simply wait to see what  
9 communications came through, staff at the  
10 Department of Treasury reached out to the  
11 Administration to find out what, if anything, was  
12 done that could be brought before this particular  
13 body. As I indicated, as late as 11:00 this  
14 morning we got no indication at all as to what  
15 business was conducted.

16 In fact, I think I went to the City's  
17 website Tuesday morning to find a copy of the  
18 agenda. So I at least had some idea of what  
19 business was before the City Council, but no idea  
20 as to what business was actually conducted.

21 So I'm not unsympathetic, but on  
22 the other hand, I don't think it's fair to the  
23 RTAB to be placed in a position of saying we  
24 have to act immediately, otherwise the City is  
25 going to incur certain expenses, when I've



1 heard no clear explanation as to why these  
2 resolutions could not have been provided to us  
3 sometime yesterday, for example, within the  
4 last 24 hours to give us an adequate  
5 opportunity to review them.

6 Frankly, had they come in this morning  
7 even before I left for this meeting, I would have  
8 been more than happy to add them to the agenda  
9 and try to examine them prior to the meeting.  
10 But, this is not really short notification, this  
11 is no notification.

12 ATTORNEY CHUBB: And unfortunately,  
13 ironically enough, the communication from the  
14 Mayor's office would have come through the very  
15 people which we're trying to get approval to  
16 hire. So it likely would have come through the  
17 Chief of Staff or the City Administrator. So if  
18 that provides some explanation as to why.

19 CHAIRPERSON HEADEN: It might, but I  
20 mean we got the other resolutions and related  
21 information for this particular meeting in due  
22 course.

23 ATTORNEY CHUBB: I understand your  
24 concerns, yes.

25 CHAIRPERSON HEADEN: Typically we have

1 a deadline, that the staff knows, of the -- I  
2 believe it's the Friday before the meeting,  
3 because we have to have an opportunity to get the  
4 information vetted internally and out to the RTAB  
5 members for their review. And I'm always  
6 sensitive to making sure I get information out to  
7 my colleagues so they have an opportunity, as I  
8 do, to review it before we come into a meeting.

9 ATTORNEY CHUBB: I understand your  
10 concern.

11 CHAIRPERSON HEADEN: So I'm reluctant  
12 to take precipitative action about this, this  
13 afternoon.

14 MEMBER TOWNSEND: I feel in terms of  
15 the budget adjustment, I understand those quite  
16 clearly in terms of that, but I think the legal  
17 issue is more important, and the timing of  
18 getting it here and having the State's legal  
19 staff look at it because of the fact that this  
20 Board can be sued for actions that we take, and  
21 so from that standpoint, I think -- and the  
22 nature of not necessarily the budget adjustment,  
23 but the nature of the termination is something,  
24 and our mention in that contract is something  
25 that I would not feel comfortable without at

1 least getting some sort of legal response from  
2 the State saying basically, you know, our action  
3 could cause this or that.

4 So as far as that's concerned, I think  
5 from my standpoint, again, the budget adjustment  
6 I'm not really concerned with that. Most of you  
7 know I can look at it and say "Yeah, it's good"  
8 real quick. But as far as the termination and  
9 the legal ramifications, I have a great concern.

10 MEMBER FERGUSON: Well, my question on  
11 that one is, we could pass something subject to  
12 the Attorney General's -- the legal approving it.  
13 We could pass this, but I just hate to have legal  
14 be a basis when we can pass something that  
15 doesn't take effect until it's been vetted  
16 legally, we send this up to whoever this legal  
17 party is that's going to say it's all right what  
18 we did, and if they don't approve it, then it  
19 doesn't happen.

20 But, as far as we're here today, if we  
21 believe that they have an emergency action that  
22 they hold up hiring people they need, that it  
23 will -- we can pass a resolution, in my mind,  
24 subject to legal approval, you know. And I'm  
25 just saying that that's another way of being

1 proactive, and, you know -- because I just -- I  
2 know they're late, but I just don't want to, you  
3 know, punish the City if we can find a way not  
4 to. That's where I'm coming from.

5 MEMBER FINNEY: Mr. Chairman, I  
6 certainly respect your decision not to address  
7 these items as a part of today's agenda, and I do  
8 have similar concerns to Mr. Townsend with  
9 respect to ensuring that there's been a  
10 reasonable level of due diligence on these items  
11 before we take them up for consideration.

12 But I also want to respect the urgency  
13 that the City has of addressing this budget  
14 situation. And so as an alternative to us taking  
15 an action prior to an appropriate review by State  
16 legal staff, I would be prepared to meet either  
17 tomorrow or Friday of this week so that this  
18 doesn't go on any longer than it should, than it  
19 can, so we can actually have an opportunity to  
20 take action on this.

21 And I trust -- we were expecting that  
22 we would have about 24 hours to have a review.  
23 Unfortunately that didn't happen and so, with  
24 that spirit in mind, I would offer to make myself  
25 available, and I don't know about others, but I'd

1 be available tomorrow or either Friday or  
2 Saturday, for that matter, if it works out that  
3 we can -- still need to address this right away.

4 CHAIRPERSON HEADEN: Mr. Cline?

5 MR. CLINE: Well, Mr. Finney has  
6 indicated what I was going to suggest, is if the  
7 Board was interested in a special meeting, my  
8 office certainly can step forward and organize  
9 that immediately, and we can get copies of the  
10 information that the City has to you right away.

11 Just as to add a little bit of  
12 additional clarity, my office was in coordination  
13 with the Mayor's office on any additional  
14 information. It is our understanding that they  
15 were internally trying to gather that  
16 information, and for whatever reason, it was  
17 unavailable to send to us, which is why we were  
18 unaware that this would be on the agenda today.

19 But certainly if the Board elects a  
20 special meeting, we will organize one as soon as  
21 possible for you.

22 CHAIRPERSON HEADEN: Let's do that.  
23 There's no need for a motion because these  
24 resolutions are not properly before us, but we  
25 will certainly have this information distributed

1 by this afternoon, and we can then have staff  
2 canvas four of us to see the availability to meet  
3 later this week if necessary.

4 MEMBER FERGUSON: Do you want to -- do  
5 we need a motion on this?

6 CHAIRPERSON HEADEN: We do not need a  
7 motion because the resolutions were never  
8 properly --

9 MEMBER FERGUSON: I thought a motion  
10 on the suggestion of Mike, however he said how we  
11 do this, do we need a motion?

12 CHAIRPERSON HEADEN: No, we can simply  
13 have staff, when we return to Lansing, canvas the  
14 members about their availability for a meeting on  
15 either tomorrow or Friday.

16 Item D under New Business, RTAB  
17 Resolution 2016-2. I believe Mr. Cline has my  
18 copy, but that resolution was previously  
19 distributed to the RTAB members, as was a letter,  
20 I believe, from the 11th of March from the Mayor  
21 requesting that EM Ambrose Resolution Order  
22 Number 2 dealing with bonds issued by the City's  
23 Water Fund being restructured a second time, to  
24 have savings.

25 I've been informed by staff of

1 Treasury that if the bonds are in fact  
2 restructured, it will save the City approximately  
3 \$2.2 million in interest over the remaining life  
4 of the bonds and will save the Water Supply Fund  
5 another \$15.5 million over the next five years in  
6 cash flow savings.

7 This proposed resolution of the RTAB  
8 would recommend to the State Treasurer that that  
9 EM Order Number 2 be modified or amended, to the  
10 extent necessary, to allow the City to  
11 restructure these bonds a second time.

12 So that's the basic content of the  
13 resolution.

14 Are there any questions about RTAB  
15 Proposed Resolution 2016-2?

16 MEMBER FINNEY: I'd move to support.

17 MEMBER FERGUSON: Support.

18 CHAIRPERSON HEADEN: Motion is made  
19 and seconded. Any further discussion? If none,  
20 those in favor of the resolution, please say  
21 "Aye."

22 (All ayes.)

23 CHAIRPERSON HEADEN: Opposed? Motion  
24 is adopted.

25 Next item is Public Comment. Mr.

1 Cline, any individuals signed up for public  
2 comment?

3 MR. CLINE: One moment. I have two  
4 individuals. The first name is Chris Delmaroney.

5 MR. DELMARONEY: I will try and speak  
6 loud enough for everyone to hear me. My name is  
7 Chris Delmaroney. I live in Flint, Michigan.

8 And in regards to the appointments and  
9 the discussion you just had, it sounds like the  
10 cart was put before the horse; and you will  
11 travel down the same road as our Council did if  
12 you consider things at the last minute. That's  
13 part of the problems we had here in Flint.

14 In regards to new positions, even if  
15 the money is transferred from one fund to another  
16 to fund those positions, I speak against that.  
17 Unless you can tell me that Flint is no longer in  
18 a financial -- does not have a financial problem.  
19 If we no longer have a financial problem, we  
20 should immediately tell the State that and  
21 disband and leave our city, or leave the  
22 positions.

23 If we have extra money available  
24 because we're no longer paying someone \$140,000  
25 and someone else less than that, then we could



1 use that money to hire police and fire, fix our  
2 parks, our roads, sweep our streets, pay debt,  
3 lower our water and sewer rates. But to simply  
4 create a new position which we do not have now,  
5 and the financial stress that this city is in,  
6 makes no sense to me.

7 I would go so far as to say you're not  
8 being responsible in your positions. This city  
9 does not have the money, and if you think it  
10 does, drive through -- drive on our streets, go  
11 to our parks. We can't even get the trees  
12 trimmed on our streets. I called three weeks  
13 ago, two, three weeks ago about tree limbs that  
14 were down on our street because last year and the  
15 year before, the third year before that the City  
16 would not trim the trees, whether they had the  
17 money or not. They wait until the limbs fall in  
18 the street and then we call and then they don't  
19 come out.

20 So we have problems in this city more  
21 than just lead in the water. Lead in the water  
22 is a very serious problem, but we just simply do  
23 not have the money in this community. Thank you.

24 CHAIRPERSON HEADEN: Thank you.

25 MR. CLINE: Eric Mays.

1 MR. MAYS: Good afternoon.

2 CHAIRPERSON HEADEN: Councilman.

3 MR. MAYS: As I listen to the  
4 discussion, and I'll probably listen some more,  
5 so far, maybe, so good. But on the item and the  
6 lateness of getting -- as I listen to the  
7 discussion, I want to say this to the RTAB and to  
8 the staff, to the Mayor's office, and to the  
9 Council. You can get what happened in Council  
10 meeting not by just relying on the Mayor's  
11 office. We got a city clerk. The City Clerk  
12 works with the Council and can provide that  
13 information. So I want to send a message loud  
14 and clear to staff. Don't just check with the  
15 Mayor's office as to what happened in the last  
16 Council meeting to be timely, also check with the  
17 staff in the Clerk's office, because I don't like  
18 to see business hold -- held up and I don't like  
19 to see a government that's looked at as just one  
20 branch of government. I like both branches work,  
21 both the Council office as to what happened in a  
22 council meeting and the Mayor's office.

23 So I want to correct that as it  
24 relates to communications about what happens in a  
25 council meeting.

1 I'm glad that here that you would look  
2 at a special meeting. I hope some of my  
3 colleagues look at that and learn from it,  
4 because I've been hollering for special Council  
5 meetings for months. And so that needs to  
6 happen. The Mayor can call them according to our  
7 Charter, and two or more Council people can call  
8 them. So I applaud you for just defending what  
9 you said, because I was kind of getting nervous.  
10 And so, so far, so good.

11 I do agree with what Mr. Ferguson was  
12 saying as well, even with subject to a legal  
13 opinion. Mr. Headen, you are the legal guy. So  
14 believe me, I'm glad you're all taking this  
15 responsibility seriously, because when you trying  
16 to function and make a transition out, every  
17 little help that you come up with, and I like the  
18 mix of the four of you all, I don't -- I have to  
19 end by saying, I don't like transition advisory  
20 boards, I don't like emergency manager law. I  
21 believe in democracy and government, and I would  
22 say this to you, Mr. Finney and Mr. Headen, when  
23 Mr. Ferguson says some of us wear more than one  
24 hat, we're on the Transition Advisory Board  
25 working within its parameters, but we also got

1 the ear of governors and politicians.

2 I see the road as a transition  
3 advisory board member, but I'm going to say it,  
4 yeah, we need to lobby for money for the water  
5 and sewer fund based upon this debacle and we  
6 need to lobby for money for the general fund  
7 based on this debacle. Because I put on four  
8 different hats and I think if we do it the way  
9 that I've heard and stay on the track that I see,  
10 Flint will be fine.

11 Thank you and God bless you, if  
12 anything I said makes sense. Amen. Amen.

13 MR. CLINE: That's all.

14 CHAIRPERSON HEADEN: Mr. Cline,  
15 anybody else?

16 MR. CLINE: No.

17 CHAIRPERSON HEADEN: Is there any  
18 further business before this Board? If not, is  
19 there a motion that we adjourn?

20 MEMBER FERGUSON: So moved.

21 CHAIRPERSON HEADEN: Support?

22 MEMBER TOWNSEND: Support.

23 CHAIRPERSON HEADEN: Without  
24 objection, we are adjourned.

25 (Meeting adjourned at 2:49 p.m.)

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C E R T I F I C A T E

I, Quentina Rochelle Snowden, do hereby certify that I have recorded stenographically the proceedings had and public comment taken in the meeting, at the time and place hereinbefore set forth, and I do further certify that the foregoing transcript, consisting of (37) pages, is a true and correct transcript of my said stenographic notes.

Dated: March 19, 2016



*Quentina R. Snowden*

Quentina R. Snowden, CSR-5519

Notary Public, Genesee County, Michigan

My commission expires: 1/4/2018