

STATE OF MICHIGAN

SPECIAL MEETING

FLINT RECEIVERSHIP TRANSITION
ADVISORY BOARD

Thursday, January 19, 2017

2:00 PM

Richard H. Austin Building
State Treasurer Board Room - 1st Floor
430 W. Allegan Street
Lansing, MI 48922

REPORTED BY: Natalie A. Gilbert (CSR-4607)

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2 MR. FRED HEADEN: Let the record reflect that
3 we do have a quorum, including Mr. Finney, Mr. Townsend
4 participating by conference call, and we also expect
5 Mr. Ferguson to be here physically in a moment. This is
6 a special meeting, so there are no additions to the
7 agenda. I'll consider the agenda approved as submitted.
8 We also have no unfinished business.

9 We'll proceed to new business and we have
10 several resolutions that we'll begin with, beginning with
11 Resolution #0.1, which is a budget amendment regarding a
12 \$417,199 grant to the City from the Mott Foundation. You
13 have that as Attachment 1 in your packet.

14 For discussion purposes, is there a motion that
15 Resolution #0.1 be approved?

16 MR. MICHAEL FINNEY: So moved.

17 MR. FRED HEADEN: Is there support?

18 MR. MICHAEL TOWNSEND: Support.

19 MR. FRED HEADEN: Motion has been made and
20 supported. Is there any discussion regarding
21 Resolution #0.1?

22 MR. MICHAEL TOWNSEND: The only question to the
23 Chair, is there a City official there to ask any
24 questions?

25 MR. FRED HEADEN: Yes. Do you have a question

1 you'd like to pose?

2 MR. MICHAEL TOWNSEND: I don't know if it was
3 this one or the other one. It was on the other.

4 MR. FRED HEADEN: It's on one of the others?

5 MR. MICHAEL TOWNSEND: I'm okay with this.

6 MR. FRED HEADEN: Okay. Is there any further
7 discussion? If not, those in favor of the motion, please
8 say aye.

9 MR. MICHAEL FINNEY: Aye.

10 MR. MICHAEL TOWNSEND: Aye.

11 MR. FRED HEADEN: Opposed? Motion is adopted.
12 We'll proceed to Resolution #001, which is a budget
13 amendment with respect to a second Mott Foundation Grant
14 in the amount of \$125,523. You have that as
15 Attachment 2.

16 For discussion purposes, is there a motion that
17 Resolution #001 be approved?

18 MR. MICHAEL TOWNSEND: Motion to approve.

19 MR. MICHAEL FINNEY: And supported.

20 MR. FRED HEADEN: Motion has been made and
21 seconded. Any discussion and/or questions? Hearing
22 none, those in favor of the motion, will you please say
23 aye?

24 MR. MICHAEL FINNEY: Aye.

25 MR. MICHAEL TOWNSEND: Aye.

1 MR. FRED HEADEN: Opposed? Motion is adopted.
2 Next item is City Council Resolution #003, which is a
3 budget amendment with respect to a \$3.8 million Federal
4 SAFER Grant for the fire department. You have that as
5 Attachment 3 in your packet.

6 For discussion purposes, is there a motion that
7 Resolution #003 be approved?

8 MR. MICHAEL FINNEY: So moved.

9 MR. FRED HEADEN: Is there support?

10 MR. MICHAEL TOWNSEND: Support.

11 MR. FRED HEADEN: Motion has been made and
12 seconded. Any discussion or questions regarding that
13 proposed motion?

14 MR. MICHAEL TOWNSEND: My question was maybe
15 answered at the last meeting but wasn't there a
16 conversation that there was approval to begin this early,
17 because this grant says March 1st as a starting period,
18 but wasn't there conversation that we're able to start
19 this grant early?

20 MR. FRED HEADEN: I believe there was at our
21 last meeting but I'll direct that question either to the
22 Fire Chief or to Mr. Branch.

23 CHIEF BARTON: We did get approval from FEMA.
24 What it is they actually give you a six-month recruitment
25 period where you're awarded the grant. However, if you

1 get your candidates before that six months, all you have
2 to do is ask for approval, and we did receive an approval
3 letter to start that process.

4 MR. MICHAEL TOWNSEND: So Chief, what you're
5 saying in reference to this, we started this off at the
6 last meeting, your conversation was that it had already
7 given notice to the individual they could start I believe
8 the 17th or something of this month?

9 CHIEF BARTON: Yes.

10 MR. MICHAEL TOWNSEND: So basically, what
11 you're saying is that this grant started up -- will be
12 actually starting up in January and ending December?

13 CHIEF BARTON: It's for two years, and so we
14 got approval to start it up for January the 17th, so
15 therefore it would end on January the 16th, because it
16 gives you two years. However, if we're in the same
17 situation like we were before under the last grant, there
18 was still like \$200,000. The past Fire Chief chose to
19 give the money back to the grant. All you have to do is
20 ask for an amendment and use the money.

21 It's actually a two-year grant, and if anything
22 is left out of that \$3.8 million at the end of two years,
23 you can ask for an extension, because we have some
24 firefighters that come in at different rates of pay but
25 everybody is based on the one-year firefighter's rate.

1 So when we're taking them through the Academy, they're
2 paid at the trainee level, so they're paid a little less.
3 So at the end of the grant, there's usually a few dollars
4 left over.

5 MR. MICHAEL TOWNSEND: Thank you, Chief.

6 MR. FRED HEADEN: Mr. Finney.

7 MR. MICHAEL FINNEY: So as part of the motion
8 then, should we include a notation that the grant period
9 will actually be January 17th through January 16th of
10 2019 versus what's in here right now?

11 CHIEF BARTON: Yes.

12 MR. FRED HEADEN: So January 17th of '17
13 through January 16th of '19?

14 CHIEF BARTON: Yes.

15 MR. MICHAEL FINNEY: And then the only other
16 question I have -- first of all, this is a very positive
17 development that the City is able to take advantage of
18 this. This appears to be a recurring type of grant based
19 on what the Chief just said and based on the feedback we
20 had at the last meeting.

21 Is this the kind of thing that we would
22 anticipate continuing beyond 2019 or is that just too
23 much of a guess given all the changes in administration
24 and everything else that are going on in Washington?

25 CHIEF BARTON: What happens is, if we meet a

1 criteria, the SAFER is opened up on a yearly basis, and
2 they have criteria set, and sometimes it's for new hirees
3 or whatever, and then we're hoping, like the first time
4 we applied, we applied under a loss, so it brought
5 retired firefighters back.

6 When we applied for the second time, we applied
7 under imminent layoff, because those guys that came back
8 to work, we brought back 39 firefighters, and we were
9 able to hire additional firefighters. The second time we
10 applied under retention, so we would have to wait until
11 2018 when they open up the grant and see what the
12 criteria is, and if we meet the criteria, then we would
13 apply.

14 So I would be speculating in 2018 when we start
15 looking at the grant we would apply under retention, if
16 that's an avenue, to keep the firefighters that we would
17 have serving under the grant from 2017 to 2019.

18 MR. MICHAEL FINNEY: So is the complement of
19 firefighters that you'll have on board adequate to cover
20 the entire City effective now or would you still need
21 additional people power in order to get to a full
22 complement?

23 CHIEF BARTON: Well, it puts us right in the
24 ballpark. NOPA standards say you should have one
25 firefighter for every thousand people in your community,

1 so that means we should have about 99. We are bringing
2 these firefighters in and these firefighters are going to
3 put us at 92, so we'll be 7 below.

4 MR. MICHAEL FINNEY: Okay. Great. I don't
5 have any other questions.

6 MR. FRED HEADEN: So the question is on the
7 adoption of the motion is that City Council Resolution
8 #003 adopted by the City Council on the 9th of January be
9 approved with the clarification that the time frame of
10 the grant is January 17th of 2017 through January 16th of
11 2019. Those in favor of that motion, please say aye.

12 MR. MICHAEL FINNEY: Aye.

13 MR. MICHAEL TOWNSEND: Aye.

14 MR. FRED HEADEN: Opposed? Motion is adopted.
15 The next item is City Council Resolution #019. This is a
16 corollary to Resolution #0.1, which was a budget
17 amendment with respect to the Mott Foundation Grant for
18 \$417,199.

19 This particular resolution, Resolution #019, is
20 a resolution to accept that amount from the Mott
21 Foundation and you have that in your packet as
22 Attachment 4. Is there a motion that Resolution #019 be
23 approved?

24 MR. MICHAEL FINNEY: So moved.

25 MR. FRED HEADEN: Is there support?

1 MR. MICHAEL TOWNSEND: Support.

2 MR. FRED HEADEN: Motion has been made and
3 supported. Any discussion? If not, those in favor of
4 the motion please say aye.

5 MR. MICHAEL FINNEY: Aye.

6 MR. MICHAEL TOWNSEND: Aye.

7 MR. FRED HEADEN: Opposed? Motion is adopted.
8 That leaves City Council Resolution #020, which is a
9 corollary to Resolution #003, in this case to accept from
10 the Mott Foundation the amount of \$125,523. Is there a
11 motion that Resolution #020 be approved?

12 MR. MICHAEL FINNEY: Move approval.

13 MR. FRED HEADEN: Is there support?

14 MR. MICHAEL TOWNSEND: Support.

15 MR. FRED HEADEN: Motion is made and supported.
16 Those in favor of the motion please say aye.

17 MR. MICHAEL FINNEY: Aye.

18 MR. MICHAEL TOWNSEND: Aye.

19 MR. FRED HEADEN: Opposed? Motion is adopted.

20 That brings us to Item F, which is the position
21 description and salary range for the Chief Legal Officer
22 position. You have that as Attachment 6. In keeping
23 with prior custom, we will treat the position description
24 and the salary range as separate items.

25 So we'll begin with position description. For

1 discussion purposes, is there a motion that the position
2 description for the Chief Legal Officer position be
3 approved?

4 MR. MICHAEL TOWNSEND: So approved.

5 MR. MICHAEL FINNEY: Support.

6 MR. FRED HEADEN: Motion is made and seconded.
7 Any discussion, gentlemen, regarding the position
8 description?

9 MR. MICHAEL FINNEY: One quick question and I
10 guess this question applies to both the salary and the
11 position description. I know we're handling them
12 separately, but since someone from the City will be
13 responding, did anything change from the prior
14 description that we approved last year?

15 MR. FRED HEADEN: Mr. Branch.

16 MR. BRANCH: No.

17 MR. FRED HEADEN: Chief of Staff has indicated
18 no changes.

19 MR. MICHAEL FINNEY: Okay. Thank you.

20 MR. FRED HEADEN: Mr. Townsend, did you have a
21 question?

22 MR. MICHAEL TOWNSEND: No, I did not.

23 MR. FRED HEADEN: Any other questions? The
24 question is on the adoption of the motion. Those in
25 favor of the motion to approve the position description

1 please say aye.

2 MR. MICHAEL FINNEY: Aye.

3 MR. MICHAEL TOWNSEND: Aye.

4 MR. FRED HEADEN: Opposed? Motion is adopted.

5 That brings us to the salary range of \$90,000 to
6 \$110,000. Is there a motion?

7 MR. MICHAEL FINNEY: Move approval.

8 MR. FRED HEADEN: Is there support?

9 MR. MICHAEL TOWNSEND: Support.

10 MR. FRED HEADEN: Any discussion? Those in
11 favor of the motion please say aye.

12 MR. MICHAEL FINNEY: Aye.

13 MR. MICHAEL TOWNSEND: Aye.

14 MR. FRED HEADEN: Opposed? Motion is adopted.

15 That brings us to the position description and salary
16 range for the Director of the Department of Public Works.
17 You have that as Attachment 7.

18 For discussion purposes, is there a motion that
19 the position description be approved?

20 MR. MICHAEL FINNEY: Move to approve.

21 MR. FRED HEADEN: Is there support?

22 MR. MICHAEL TOWNSEND: Support.

23 MR. FRED HEADEN: One question that was raised
24 during a review of this is that the position description
25 makes reference to a water system operator license of

1 either F or S and there was a question as to whether or
2 not given the population of the City of Flint if those
3 were the correct designations for licenses or whether or
4 not the correct designations ought to be F1 or S1
5 licenses.

6 So Mr. Branch, can you speak to that question
7 with regards to the DPW's position description? We just
8 want to make sure we have the correct designations.

9 MR. BRANCH: I think it is correct F and S
10 because the actual water plant supervisor has an F1 or an
11 F4 license who actually runs the plant. So this guy
12 doesn't actually run the plant. He just oversees all the
13 DPW.

14 MR. FRED HEADEN: So the City has looked at
15 this issue and concluded that the --

16 MR. BRANCH: Yes. This was also looked at by
17 the MDEQ to basically approve what we put in for the
18 description of the Department of Public Works Director.

19 MR. FRED HEADEN: And then the second question
20 I would have has to do with the certification.
21 Presumably, the person who fills the position not only
22 has to have the certification when he or she is hired but
23 to maintain their certification while they occupy the
24 position. Is that your understanding?

25 MR. BRANCH: That's my understanding that they

1 have ongoing educational requirements to preserve their
2 certifications.

3 MR. FRED HEADEN: Mr. Finney or Mr. Townsend,
4 any questions regarding the position description?

5 MR. MICHAEL TOWNSEND: I had trouble hearing
6 the response from Mr. Branch on that second part.

7 MR. FRED HEADEN: With respect to the
8 maintenance of the certification?

9 MR. MICHAEL TOWNSEND: Correct.

10 MR. FRED HEADEN: I believe to paraphrase his
11 answer was that the individual would be required to
12 maintain the certification and would also have to undergo
13 certain continuing education requirements.

14 MR. MICHAEL TOWNSEND: The other question I
15 would have in reference to that is similar to the ones
16 Mr. Finney asked on the earlier position. In the
17 position description, I know that the things that have
18 changed from the previous description is a requirement of
19 the license that was referenced before. Is that
20 something that was not in the previous description?

21 MR. BRANCH: I do not think it was not in the
22 previous description. I believe it was there and that's
23 where our problem came before, because when we were
24 asking for those type of credentials, the salary range
25 increased which we couldn't afford.

1 MR. MICHAEL TOWNSEND: Okay.

2 MR. MICHAEL FINNEY: And just one other
3 question, the salary range -- well, we haven't gotten to
4 the salary range. I'll wait until we get to that.

5 MR. MICHAEL TOWNSEND: No other questions.

6 MR. FRED HEADEN: The question is on the
7 adoption of the motion. Those in favor please say aye.

8 MR. MICHAEL FINNEY: Aye.

9 MR. MICHAEL TOWNSEND: Aye.

10 MR. FRED HEADEN: Opposed? Motion is adopted
11 for the position description. That leaves the salary
12 range of \$145,000 to \$155,000. Is there a motion that
13 the salary range be approved?

14 MR. MICHAEL FINNEY: So moved.

15 MR. MICHAEL TOWNSEND: Support.

16 MR. FRED HEADEN: Discussion or questions?

17 MR. MICHAEL FINNEY: Yes, just a quick question
18 on the range. Have we now gotten some feedback either
19 from, you know, comps in other cities or, you know, from
20 the International City Manager Association or any of
21 these other organizations who benchmark this stuff to
22 understand that we're in a good ballpark and that we'll
23 be able to draw a good pool of candidates?

24 MR. BRANCH: Well, I'm not sure if we've got
25 comps from other municipalities on that. However, in our

1 last round of recruitment for our DPW Director, we lost
2 the most qualified candidates because we did not have the
3 funding that they requested to take the job.

4 MR. MICHAEL FINNEY: Okay. So this range would
5 have secured that person?

6 MR. BRANCH: This range would have secured that
7 person.

8 MR. MICHAEL FINNEY: Okay.

9 MR. FRED HEADEN: Other questions?

10 MR. MICHAEL FINNEY: So based on the additional
11 funding that we approve that came in for this, do you
12 have any wiggle room at all or is this pretty much the
13 best shot we have?

14 MR. BRANCH: This is pretty much the best shot
15 we have given the fact that the qualified candidates that
16 we reviewed in the past have turned down the job because
17 of the salary range that we were offering and we did have
18 some very qualified candidates that we lost.

19 MR. MICHAEL FINNEY: So if you had another
20 candidate that you were short by a couple of thousand
21 dollars, you don't have that kind of wiggle room in the
22 budget?

23 MR. BRANCH: We would have to look at it very
24 seriously. We're depending on this additional funding
25 from the Mott Foundation to get us to this level.

1 MR. MICHAEL FINNEY: All right. Thank you.

2 MR. FRED HEADEN: Further questions?

3 MR. MICHAEL TOWNSEND: I do have one additional
4 one based on that one. Mr. Branch, before I know that we
5 had -- in reference to the finance position, we did do
6 something that in lieu of benefits I believe there was
7 some additional funds that were given to the Finance
8 Director in his title.

9 Is that something that would allow you to use
10 the wiggle room if the benefits were opted out?

11 MR. BRANCH: If and only if the benefits were
12 opted out. Included in the Mott Grant was an additional
13 bump to the benefits. The Mott Grant basically provided
14 \$50,000 in salary and the other I believe \$27,000 was in
15 the benefits.

16 MR. MICHAEL TOWNSEND: Okay. No other
17 questions.

18 MR. MICHAEL FINNEY: I'm all set with
19 questions.

20 MR. FRED HEADEN: The question is on the
21 adoption of the motion. Those in favor please say aye.

22 MR. MICHAEL FINNEY: Aye.

23 MR. MICHAEL TOWNSEND: Aye.

24 MR. FRED HEADEN: Opposed? Motion is adopted
25 for the salary range. I'll note for the record that the

1 City did present two other position descriptions. As I
2 recall, one had to do with firefighter trainee and I
3 think the second was firefighter EMT.

4 MR. BRANCH: Right.

5 MR. FRED HEADEN: We are not dealing with
6 either one of those today, because under the EM Order,
7 we're only required to pass on position descriptions for
8 either the City Administrator or the Department heads,
9 and I'm presuming that neither of these positions are
10 head of department so those need not be presented to be
11 on our tab in the future.

12 CHIEF BARTON: We just presented it under the
13 grant. When we gave you the packet, we gave you
14 everything that had to do with our hires. We did hire a
15 few people that already had credentials. We did hire
16 people that had to go through the Fire Academy.

17 MR. FRED HEADEN: Okay. Thank you for that
18 clarification, and before we leave new business, just a
19 clarification for my purposes, I noted that with regards
20 to the two Mott Foundation Grants that there were two
21 separate resolutions for each, one to accept the amount
22 and a second one to amend the budget to basically
23 allocate that into the budget.

24 With respect to the SAFER Grant, there was only
25 the budget amendment, and I'm wondering was it not

1 necessary to have a resolution to accept the SAFER Grant
2 or is that simply just a resolution that's not in front
3 of us today?

4 MR. BRANCH: Well, I know that Angela Wheeler,
5 the Chief Legal Officer interim, can talk about that.

6 MS. WHEELER: Good afternoon. I would just say
7 that the reason why it was not attached as a part of it
8 is because there is an existing Emergency Manager Order
9 Number 10 which deals specifically with grants and it was
10 entered back in March of 2015.

11 And under that order, it empowers the City
12 Administrator to accept grants on behalf of the City, and
13 at this point any type of amendment that we would have
14 would need to be -- to that order would need to be
15 brought under the receivership, and right now since we're
16 in a receivership, Public Act 436 has incorporated all
17 the various findings of the previous orders.

18 And at this time EM Order Number 20 under
19 Ambrose has restricted and limitations on amending by the
20 EM Orders by the Mayor, the City Council and the City
21 Administrator. So at this point any type of rescission
22 of that grant, which at this time empowers the City
23 Administrator to accept grants, has not been rescinded by
24 the R Tab.

25 So right now we still have that order in place.

1 So that's why it really was not brought before this body
2 at this point.

3 MR. FRED HEADEN: Is there any reason why that
4 would not have applied to the two Mott Foundation Grants?
5 The reason why I'm posing the question is because we
6 called a special meeting to expedite the approvals of
7 these grants so that with respect to the fire department
8 and otherwise the City could move forward quickly with
9 receipt of these monies.

10 And so I just was trying to understand why it
11 was with respect to the two Mott Foundation Grants -- and
12 this may not be a fair question to pose to the
13 administration. Perhaps it's a question for the City
14 Council as to why it is they felt it was necessary to
15 adopt separate resolutions for those two grants, one to
16 accept the money and then a second resolution to
17 incorporate and grant it into the budget but with regards
18 to the SAFER Grant only did the budget amendment and no
19 resolution to actually formally accept the SAFER Grant.

20 MS. WHEELER: Right, and I know they had
21 brought those later. They wanted those approved and we
22 obliged to approve those as to form and I think there's
23 just a little bit of clarification that was needed at
24 that point. I was at that meeting two weeks ago where we
25 had a committee meeting where the issue came up, how do

1 these come through and not come through this body.

2 So like I said, we got on that in the law
3 department and did a little bit of research just to find
4 out what the situation was. We went ahead and signed
5 those because we didn't want to hold anything up, but
6 really procedurally right now we have a situation where
7 we still have an EM Order that is in effect so to speak,
8 so it's that EM Order 10 that was entered by Ed Kurtz
9 that allows the City Administrator that power to approve
10 the grants and that's why it didn't come necessarily
11 through the -- did not come through the City Council for
12 that approval.

13 And also they have been provided with this
14 information, too, now so they can understand what the
15 situation is. We didn't want to usurp any type of
16 authority. It's just the way things are written right
17 now the power goes directly to the City Administrator to
18 act on accepting the grants.

19 MR. FRED HEADEN: Okay. Thank you. I believe
20 that concludes new business. I don't believe we have
21 anybody here from the general public but we do have four
22 officials here from the City. I'm going to ask if any of
23 you wish to offer any comment during public comment?
24 Anyone?

25 CHIEF BARTON: I'd just like to thank the Board

1 for expediting this meeting because we had these young
2 guys and I thought it was important to get them in and
3 get them trained. We hired a lot of people from the
4 community. I think it's going to be a positive influence
5 seeing young kids being employed by the fire department.
6 Like I said, I just appreciate you all having the meeting
7 so quickly.

8 MR. FRED HEADEN: You're quite welcome. I
9 believe there's no further business before the Board. So
10 I will entertain a motion that we adjourn.

11 MR. MICHAEL FINNEY: Motion to adjourn.

12 MR. MICHAEL TOWNSEND: Support.

13 MR. FRED HEADEN: Without objection, we're
14 adjourned. Thank you, gentlemen.

15 (Concluded at 2:30 p.m.)
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STATE OF MICHIGAN)
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COUNTY OF SAGINAW)

I certify that this transcript, consisting of 22 pages, is a complete, true, and correct transcript of the proceedings and testimony taken in this case on January 19, 2017.

I also certify that I am not a relative or employee of or an attorney for a party; or a relative or employee of an attorney for a party; or financially interested in the action.

February 1, 2017

Natalie A. Gilbert



Natalie A. Gilbert, CSR-4607, RPR

Notary Public, Saginaw County, MI

My Commission Expires: 8-10-2020