

**Official Proceedings
Pontiac City Council
196th Session of the Tenth Council**

Call to order

A Formal Meeting of the City Council of Pontiac, Michigan was called to order electronically on Tuesday, October 27, 2020 at 6:00 p.m. by Council President Kermit Williams.

Invocation – Councilmember Taylor-Burks

Pledge of Allegiance

Roll Call

Members Present: Pietila, Shramski, Taylor-Burks, Waterman and Williams.

Members Absent: Carter and Miller

Mayor Waterman was present.

Clerk announced a quorum.

Excuse Councilmembers

20-478 **Excuse Pro Tem Carter and Councilperson Miller for personal reasons.** Moved by Councilperson Pietila and second by Councilperson Taylor-Burks.

Ayes: Pietila, Shramski, Taylor-Burks, Waterman and Williams

No: None

Motion Carried

Amendments to and Approval of the Agenda

20-479 **Motion to move item 6 (Adoption of an Ordinance to Amend the City of Pontiac General Employees' Retirement System and Provide a Date of Termination) before closed session and defer items 4 (Update on Re-opening of Pontiac Youth Recreation and Enrichment Center (PYREC) & 5 (IT City of Pontiac Telecommunication Strategy) to next week.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Pietila, Shramski, Taylor-Burks, Waterman and Williams

No: None

Motion Carried

20-480 **Motion to approve the amended agenda.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Shramski, Taylor-Burks, Waterman, Williams and Pietila

No: None

Motion Carried

Approval of the Minutes

20-481 **Approval of minutes for October 20, 2020.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Waterman, Williams, Pietila and Shramski

No: None

Motion Carried.

Ordinance

20-482

Adoption of an Ordinance to Amend the City of Pontiac General Employees' Retirement System and Provide a Date of Termination. Moved by Councilperson Taylor-Burks and second by Councilperson Pietila.

AN ORDINANCE TO AMEND THE CITY OF PONTIAC GENERAL EMPLOYEES' RETIREMENT SYSTEM AND PROVIDE A DATE OF TERMINATION.

The City of Pontiac ordains:

Section 1. Amendments.

That the City of Pontiac General Employees' Retirement System ("GERS") is hereby amended as follows:

a. Section 10(g) [92-11(g)] of the GERS is amended in its entirety to read as follows:

(g) No person hired after April 1, 2013, shall be eligible to participate in the General Employees' Retirement System, except for employees hired pursuant to, and whose employment is covered by, the Michigan Association of Public Employees (MAPE) collective bargaining agreement with the City.

b. Section 36 [92-46] of the GERS is amended in its entirety to read as follows:

Any and all provisions of this General Employees' Retirement System may, from time to time, be modified, changed, or terminated by Ordinance duly adopted by the City Council of the City of Pontiac. The Council shall consult with the Board and seek its technical review of the proposed changes prior to amendment or termination of the Ordinance. The accrued financial benefits of this General Employees' Retirement System shall not be diminished or impaired by such modifications or changes and subject to the conditions of Public Act 728 of 2002, as amended. All provisions of City law inconsistent with the provisions of this General Employees' Retirement System are hereby repealed to the extent of such inconsistency.

c. Section 36A [92-46A] of the GERS is added in its entirety to read as follows:

The General Employees' Retirement System is hereby terminated effective March 31, 2021 ("Termination Date"). Effective with this termination, all assets of the General Employees' Retirement System shall be allocated in accordance with the provisions of this Section, and the accrued benefit of each affected Member shall become fully vested to the extent funded. The termination of the General Employees' Retirement System shall not result in the reduction of benefits under the Michigan Constitution. Upon termination of the General Employees' Retirement System, no further benefits shall accrue and no further contributions shall be made to the General Employees' Retirement System.

Upon termination of the General Employees' Retirement System and favorable determination by the Internal Revenue Service that the General Employees'

Retirement System maintained its tax-favored status at the Termination Date, the Board is hereby directed to transfer the General Employees' Retirement System's assets and liabilities as follows:

- (a) As soon as administratively feasible after the Termination Date and the effective date of the Reestablished General Employees' Retirement System, the Board shall transfer the GERS Assets to the Reestablished General Employees' Retirement System in order to provide Retirement Allowances to Members, Retirants, and Beneficiaries. Such benefits will be based upon accrued benefits as of the Termination Date.
- (b) The Excess Assets resulting from erroneous actuarial computation shall be transferred to a voluntary employees' beneficiary association under Code §501(c)(9) (that has received a favorable determination letter as to the tax-exempt status of such trust under Code section 501(c)(9)) established or to be established by the City to fund retiree health benefits for certain City retirees that are subject to the Settlement Agreement.
- (c) All obligations and liabilities of the General Employees' Retirement System existing on the Termination Date, including continuation of payment of Retirement Allowances, are transferred to, assumed by, and made obligations and liabilities of the Reestablished General Employees' Retirement System upon transfer of the GERS Assets to the Reestablished General Employees' Retirement System.
- (d) For purposes of this Section, the followings terms shall have the following meaning:
 - (i) "*Excess Assets*" means the assets held within the General Employees' Retirement System on the Termination Date which exceed 130% of the General Employees' Retirement System's liabilities / obligations on that date.
 - (ii) "*GERS Assets*" means assets held within the General Employees' Retirement System on the Termination Date equal to 130% of the General Employees' Retirement System's liabilities / obligations on that date.
 - (iii) "*Settlement Agreement*" means the settlement agreement entered into in *City of Pontiac Retired Employees Association et. al. v. Schimmel et. al.*, Docket #64-2, Case No. 2:12-cv-12830-AC-PJK dated March 30, 2018 (United States District Court Eastern District of Michigan), which was given final approval by the court on November 19, 2018.
- d. Section 38 [92-48] of the GERS is deleted in its entirety.
- e. Section 39 [92-49] of the GERS is deleted in its entirety.
- f. Section 40 [92-50] of the GERS is deleted in its entirety.

Section 2. Severability.

If any section, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause or provision declared to be unconstitutional, void or illegal shall thereby cease to be a part of this Ordinance, but the remainder of the Ordinance shall stand and be in full force and effect.

Section 3. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 4. Publication.

The Clerk shall publish this Ordinance in a newspaper of general circulation.

Section 5. Effective Date.

This Ordinance shall be effective 10 days after adoption by the City Council.

Ayes: Waterman, Williams, Pietila, Shramski and Taylor-Burks

No: None

Ordinance Passed.

Closed Session

20-483 **Motion to go into a closed session.** Moved by Councilperson Waterman and second by Councilperson Shramski.

Ayes: Williams, Pietila, Shramski, Taylor-Burks and Waterman

No: None

Motion Carried

ProTem Carter arrived during closed session.

Roll Call of members present after closed session

Members Present: Carter, Pietila, Shramski, Waterman and Williams

20-484 **Motion to come out of closed session.** Moved by Councilperson Pietila and second by Councilperson Shramski.

Ayes: Pietila, Shramski, Waterman, Williams and Carter

No: None

Motion Carried

Special Presentation

General Election Update

Presentation Presenter: Garland Doyle, Interim City Clerk

Recognition of Elected Officials – None

Agenda Address - None

Resolution

Economic Development

20-485 **Resolution to confirm Obsolete Property Rehabilitation Exemption Certificate for Kevadiya Properties, LLC at 100 N Saginaw, extending the time for completion of improvements for one year, and amending the beginning date to December 31, 2020.** Moved by Councilperson Pietila and second by Councilperson Waterman.

WHEREAS, The City of Pontiac approved an application for Obsolete Property Rehabilitation Exemption Certificate for the property at 100 N Saginaw (Tax ID 14-29-426-012) by public hearing on March 26, 2019; and

WHEREAS, the City has been informed of practical difficulties to the property that caused a reasonable delay in completing the necessary improvements to occupy the property and cause the proper reassessment of the property in accord with Public Act 146 of 2000; and

WHEREAS, the COVID 19 pandemic and associated executive orders have further caused the project to be delayed through not fault of Kevadiya Properties, LLC; and

WHEREAS, the purpose and intent of the approval, and the support stated in the 2019 resolution supporting the approval, remain true and accurate and the requested extension fully supported by the record presented to the City of the present hardship in meeting the strict deadlines of the Act and approval; and

WHEREAS, an extension of the time for completion shall defer the required reassessment of the property by Oakland County Equalization for one year, allowing the property to receive the intended benefit of Public Act 146 of 2020.

NOW THEREFORE BE IT RESOLVED that the Obsolete Property Rehabilitation Act Exemption Certificate for the property known as 100 N Saginaw (Tax ID 14-29-426-012) is hereby confirmed and the time for completion of improvements is extended for one year from the date hereof;

IT IS FURTHER RESOLVED that the Exemption Certificate shall be amended to reflect a beginning date of December 31, 2020 and ending date of December 31, 2032 with all other terms remaining as stated, in accord with Public Act 146 of 2000, as amended

Ayes: Pietila, Shramski, Waterman and Williams

No: None

Resolution Passed

Finance

20-486 **Resolution to direct City Treasurer to distribute \$ 19,177.60 of drain assessments on the 2020 Winter Tax Rolls as directed by Water Resources Commissioner.** Moved by Councilperson Shramski and second by Councilperson Waterman.

WHEREAS, the Water Resources Commissioner has notified the City of property assessments for nearly 6,901 parcels in the City of Pontiac that specifically benefited the property owner; and,

WHEREAS, the Pontiac City Council believes that this drain assessment should be paid from the General Fund to give relief to the city residents at this current pandemic;

NOW THEREFORE, BE IT RESOLVED that the Pontiac City Council direct that the Finance Director pay \$19,177.60 from the General Fund.

Ayes: Shramski, Waterman, Williams, Carter and Pietila

No: None

Resolution Passed

20-487 **Resolution to direct City Treasurer to distribute \$44,780.60 of aged Miscellaneous Accounts receivable on the 2020 Winter Tax Rolls.** Moved by Councilperson Pietila and second by Councilperson Shramski.

WHEREAS, the Pontiac City Council believes that it is in the best interest of the City, that property owners receive a direct benefit from the grass cutting, litter cleanup, demo and nuisance ordinance should pay for the benefit;

NOW THEREFORE, BE IT RESOLVED, that the Pontiac City Council directs that the City Treasurer spread \$44,780.60 of aged special assessment receivable on the 2020 winter tax rolls.

Ayes: Waterman, Williams, Carter, Pietila and Shramski

No: None

Resolution Passed

20-488 **Resolution to approve a budget amendment to increase budgeted revenues in the amount of \$100,000 to the General Fund in account 101-000-532.000 –Grant Income, and appropriations in the amount of \$100,000 to a General Fund account. The City received a \$100,000.00 grant from the Community Foundation of Southeast Michigan to support the development of an internal grants management process and system.** Moved by Councilperson Shramski and second by Councilperson Taylor-Burks.

WHEREAS, the City of Pontiac timely approved the 2020-21 budget on June 30, 2020 and;
WHEREAS, the City has received a grant from the Community Foundation of Southeast Michigan to support the development of an internal grants management process and system and;
WHEREAS, the Mayor is proposing to the City Council to increase the budgeted revenue for the current fiscal year 2020-2021 in the amount of \$100,000 for grant income, and increase the appropriations in the amount of \$100,000, representing reimbursed grant expenditures.
WHEREAS, the increased appropriations will not cause the fund balance in the General Fund to go below the policy mandated thresholds and;
NOW THEREFORE, BE RESOLVED that the City Council hereby approves the budget amendment to increase budgeted revenues in the amount of \$100,000 to the General Fund in account 101-000-532.000 – Grant Income, and appropriations in the amount of \$100,000 to a General Fund account.

Ayes: Waterman, Williams, Carter, Pietila, Shramski and Taylor-Burks

No: None

Resolution Passed

Suspend the Rules

20-489 **Motion to suspend the rules to let City Attorney to speak about the settlement.** Moved by Councilperson Pietila and second by Councilperson Waterman.

Ayes: Williams, Pietila, Shramski, Taylor-Burks and Waterman

No: None

Motion Carried

20-490 **Motion to authorize the Mayor to execute letter of intent with Dearborn Capital LLC regarding Phoenix Center and Ottawa Towers as discussed in closed session.** Moved by Councilperson and second by Councilperson.

Ayes: Pietila, Shramski, Taylor-Burks and Waterman

No: Williams

Motion Carried

Council President Williams left the meeting. Councilperson Waterman assumed the chair.

Resolution

Planning and Economic Development

20-491 **Approval to Amend the Development Agreement for Planet Fitness building mounted signs at the Village at Bloomfield and authorize the City Attorney to finalize the amendment for Mayor’s signature.** Moved by Councilperson Shramski and second by Councilperson Taylor-Burks.

WHEREAS, on June 17, 2020, Planet Fitness received approval from the Joint Development Council (JDC) for wall mounted signs for an approximately 30,000 sq. ft. building, subject to seeking an amendment to the Development Agreement for wall signs.

WHEREAS, a previous amendment to the Village at Bloomfield Development Agreement requires that primary building signs are allowed at 6% of the building façade area and total signage not to exceed 150 sq. ft. The Planet Fitness facility is classified as ‘Building B’, which allows one primary wall sign and a secondary wall sign. The secondary wall sign area shall not exceed 50% of the primary sign area.

WHEREAS, the wall signs on the east and south elevations of the Planet Fitness building are proposed with a combined total sign area of 255 sq. ft. The proposed overall wall sign area exceeds the requirements by 105 sq. ft.

WHEREAS, the amendment to the Development Agreement would follow previous actions by the JDC that the signs would include backlighting and dimming capabilities, based on a timer and an on/off switch. The dimming of the signs shall be determined by the surrounding government municipalities and the developer when it is deemed necessary.

WHEREAS, the proposed amendment has been initially reviewed by the City Attorney, presented by REDICO and approved by Bloomfield Township Board of Trustees on August 24, 2020.

THEREFORE BE IT RESOLVED that the Pontiac City Council for the City of Pontiac to amend the Development Agreement at the Village at Bloomfield and authorize the City Attorney to finalize the amendment for Mayor’s signature.

Ayes: Pietila, Shramski, Taylor-Burks and Waterman

No: None

Resolution Passed

Public Comment

Three (3) individuals submitted public comments read by the City Clerk.

Mayor, Clerk and Council Closing Comments

Mayor Deirdre Waterman, Interim Clerk Garland Doyle, Councilwoman Pietila, Councilwoman Shramski and Councilwoman Waterman made closing comments.

Adjournment

Councilperson Patrice Waterman adjourned the meeting at 8:10 p.m

GARLAND S DOYLE
INTERIM CITY CLERK