

**Official Proceedings
Pontiac City Council
266th Session of the Tenth Council**

Call to order

A Formal Meeting of the City Council of Pontiac, Michigan was called to order at the City Hall Council Chambers, 47450 Woodward Ave Pontiac, MI 48342 on Tuesday, December 7, 2021 at 6:00 p.m. by Council President Kermit Williams.

Invocation – Councilwoman Doris Taylor-Burks

Pledge of Allegiance

Roll Call

Members Present – Carter, Taylor-Burks, Waterman and Williams

Mayor Waterman was present.
A quorum was announced.

Excuse Councilmember

21-381 **Motion to excuse Councilperson Megan Shramski, Mary Pietila and Gloria Miller for personal reasons.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Waterman, Williams and Carter
No: None
Motion Carried

Amendments to and Approval of the Agenda

21-382 **Motion to add-on State of the City Resolution to the agenda as item # 4a.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Ayes: Taylor-Burks, Waterman, Williams and Carter
No:
Motion Carried

21-383 **Motion to add-on a Resolution for “Junior Grand Marshal” Lauren McNair to the agenda as item #4b.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Ayes: Taylor-Burks, Waterman, Williams and Carter
No:
Motion Carried

Councilwoman Megan Shramski arrived at 6:06 p.m.

21-384 **Motion to add-on special presentation and Retirement Ordinance to the agenda.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Ayes: Taylor-Burks, Waterman, Williams, Carter, and Shramski
No: None
Motion Carried

21-385 **Motion to approve the agenda as amended.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

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

No: None

Motion Carried

Approval of Minutes

21-386 **Motion to approve meeting minutes for November 30, 2021.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

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

No: None

Motion Carried

Add-On Special Presentation

Retirement Ordinance

Presentation Presenter: Deborah Munson, Pontiac General Employees Retirement System (GERS)

Councilwoman Gloria Miller arrived at 6:08 p.m.

Public Comment

Twelve (12) individuals addressed the body during public comment

No Recognition of Elected Officials

No Agenda Address

Resolutions

City Council

21-387 **Add-on Resolution regarding the 2021 State of the City Farwell Address.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Whereas, it has come to Council's attention that the Mayor is hosting a 2021 State of the City Farwell Address on December 16, 2021 at M1 Concourse Event Center; and,

Whereas, section 4.102(b) of the Charter states that the Mayor possess all powers inherent in being the chief of operating officer of the executive branch including presenting the proposed annual budget and a state of the city address; and

Whereas, the charter is clear, the Mayor is entitled to have "a," which is singular, state of the city address and not multiple; and,

Whereas, the Mayor provided her State of the City Address on June 28, 2021; and,

Whereas, the Mayor may certainly have a farewell address ad at a location of her choosing, but not using taxpayer dollars.

Now, Therefore Be It Resolved, that the Pontiac City Council does not and will not approve any expenditures related to the Mayor's State of the City Farwell Address or for any other speech or production.

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

No: Miller

Resolution Passed

21-388 **Add-on Resolution for “Junior Grad Marshal” Lauren McNair.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Whereas, it is the sense of this legislative body to honor an outstanding, young adult of remarkable character, who inspirational and who deserves as a role-model to others; and,
Whereas, Lauren McNair has the unique distinction and privilege of representing the City of Pontiac as the 2021 Junior Grand Marshal and is the winner of the Fran Anderson Making a Difference Scholarship; and,
Whereas, Lauren McNair is a Pontiac resident and attends Waterford Mott High School; and,
Whereas, Lauren McNair is an exceptional student who has a passion for volunteering in the community; and,
Whereas, Lauren McNair as a volunteer in the community often assists youth and teens with alcohol and drug abuse prevention, serve as a tutor, creates murals and teaches art classes, and,
Whereas, the driving force behind Lauren McNair’s community involvement is “to make the community a better place,” and,
Whereas, Lauren McNair is also a remarkable scholar who has been on the honor Roll all four years, is a member of both the National Honor Society (NHS) and the National Art Honor Society (NAHS) and has been on the Varsity Cheer team for four years; and,
Whereas, Lauren McNair is a rising star who plans to attend college next fall and major in Health Sciences; and,
Whereas, Lauren McNair is an active volunteer with the Oakland County Sheriff PAL Cheer and Dance program and the Clarence E. Phillips Ascend Foundation T.R.U.T.H Youth Coalition; and,
Whereas, Lauren McNair’s contributions of leadership, selflessness and commitment to our community are invaluable.
Now, Therefore, Be It Resolved, that the Pontiac City Council, and the members of this great community, honor and salute the personal accomplishments and achievements of Junior Grand marshal, Lauren McNair for a job well done and for truly representing the City of Pontiac. Congratulations.

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

No: None

Resolution Passed

21-389 **Resolution to authorize the City Clerk to post notice of a proposed budget amendment for fiscal year 2021/2022 in the Oakland Press to transfer \$55,000.00 out of General Fund Balance GL account 101-101-804-000 Legal Services and transfer \$55,000.00 into the Capitol Improvement Fund GL account 445-265-976-001 Building Additions and Improvements.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Now, Therefore, Be It Resolved, that the Pontiac City Council schedule a public hearing for a proposed budget amendment for fiscal year 2021/2022 in the Oakland Press to transfer \$55,000.00 out of General Fund Balance GL account 101-101-804-000 Legal Services and transfer \$55,000.00 into the Capitol Improvement Fund GL account 445-265-976-001 Building Additions and Improvements on December 21, 2021 at 6:00 p.m. in the Council Chambers at Pontiac City Hall 47450 Woodward Pontiac, MI 48342.

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

No: None

Resolution Passed

Community and Economic Development

21-390 **Resolution to schedule a Public Hearing to reprogram Senior Housekeeping Services to Safety and Repair Services for Seniors and Disabled Persons for Community Development Block Grant (CDBG) Program Years 2019 and 2020.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Now, Therefore, Be It Resolved, that the Pontiac City Council schedule a public hearing to reprogram Senior Housekeeping Services to Safety and Repair Services for Seniors and Disabled Persons for Community Development Block Grant (CDBG) Program Year 2019 and 2020 on December 21, 2021 at 6:00 p.m. in the Council Chambers at Pontiac City Hall 47450 Woodward Pontiac, MI 48342.

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

No: None

Resolution Passed

Law

21-391 **Resolution to authorize entry of State Local Government Intrastate Agreement concerning allocation of Settlement Proceeds in the National Opioids Litigation.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Whereas, the City of Pontiac filed a lawsuit in the United States District Court to address the public nuisance that is the Opioid Epidemic, which named, among other companies, the following four Defendants (“Settling Defendants”):

1. Janssen Pharmaceuticals, Inc. (A prescription opioids manufacturer);
2. Amerisource Bergen Corp. (A prescription opioids wholesaler distributor);
3. Cardinal Health, Inc. (a prescription opioids wholesaler distributor); and
4. McKesson Corporation (A prescription opioids wholesaler distributor) and,

Whereas, the lawsuit was subsequently transferred to the United States District Court in the Northern District of Ohio and centralized as part of In re National Prescription Opiate Litigation, MDL 2804; Case No. 1:17-md-2804, which is presided over by the Honorable Dan Aaron Polster, United State Federal District Court Judge; and,

Whereas, the Settling Defendants have negotiated proposed national settlement agreements (“Proposed Settlements”) with the State Attorneys General, and a Plaintiff Executive Committee-designated negotiating committee that represents approximately 4,000 local governments that have brought lawsuits similar to City of Pontiac’s lawsuit; and,

Whereas, the Proposed Settlements contain a “default” allocation method where settlement funds that are allocated to a particular state to resolve the claims asserted by state and local governments within the state are allocated as follows:

- 15% of settlement proceeds paid under the Proposed Settlement are allocable to the State;
- 15% of the settlement proceeds are allocable to local governments; and
- 70% of the settlement proceeds are allocable to an opioid abatement fund; and

Whereas, the Proposed Settlements enable the state and local governments within a State to negotiate alternative allocation methods to the “default” allocation method referenced above; and

Whereas, the City of Pontiac desires to enter into an alternative allocation method which allocates settlement funds solely to:

1. Participating Local Governments who have elected to participate in the Proposed Settlements; and
2. The State of Michigan.

Now, Therefore, The City of Pontiac authorizes the execution of a Michigan State-Subdivision Agreement for Allocation of Distributor Settlement Agreement and Jassen Settlement Agreement substantially similar to the proposed agreement attached to this resolution. The City of Pontiac also authorizes execution of a similar state-subdivision agreement to the extent that it provides a substantially

similar allocation of settlement or bankruptcy proceeds obtained from opioids litigation with any other entity.

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

No: None

Resolution Passed

Mayor's Office

21-392

Resolution to adopt the Final Version of the Merger Agreement between the City of Pontiac, Police and Fire VEBA and Super VEBA. Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Whereas, the City entered into a settlement agreement with a class of retirees related to City funding of retiree health benefits 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 (the "Settlement Agreement");

Whereas, the City of Pontiac, Michigan (the "City") established the City of Pontiac VEBA Trust (the "Super VEBA") on March 23, 2020;

Whereas, the City established the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan (the "P&F VEBA") on August 22, 1996;

Whereas, the Internal Revenue Service has issued determination letters indicating that both the Super VEBA and P&F VEBA are exempt from federal income taxation under Code §501 (c)(9);

Whereas, Section 7 of the Settlement Agreement requires that the P&F VEBA be merged into the Super VEBA with the Super VEBA being the surviving entity;

Whereas, the City Council has been provided the proposed merger agreement to be entered into by and between the Super VEBA, the P&F VEBA, and the City, effective as of January 31, 2022 (the "Merger Agreement").

Whereas, the City Council has reviewed and discussed the Merger Agreement; and

Whereas, to effectuate the terms of the Settlement Agreement, the following resolutions are hereby adopted:

Resolved, the Merger Agreement is approved in its proposed substantive form;

Further Resolved, that Dr. Deirdre Waterman, Mayor of the City of Pontiac, is directed and authorized to (1) execute the Merger Agreement on behalf of the City; and (2) execute and direct legal counsel to make any submission to the Internal revenue Service on behalf of the City related to approval of the Merger Agreement by the Internal revenue Service pursuant to the terms of the Settlement Agreement ("IRS Submission"); and

Further Resolved, that the filing fees associated with any IRS Submission are authorized to be paid to the Internal revenue Service by the City.

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

No: None

Resolution Passed

Mayoral Monthly Reports

Received Personal Monthly Staff Report

Mayor, Clerk and Council Closing Comments

Mayor Waterman, Legislative Counsel Sharpe, Councilwoman Shramski, Interim Clerk Doyle, Councilwoman Miller, Council President Pro tem Carter and Council President Williams made closing comments.

Adjournment

December 7, 2021 Approved Minutes

Council President Kermit Williams adjourned the meeting at 7:51 p.m.

Garland Doyle
Interim City Clerk