



CITY OF PONTIAC
OFFICE OF THE EMERGENCY MANAGER

LOUIS H. SCHIMMEL

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Dated: April 20, 2012

ORDER NO. S-191

RE: Pontiac Public Library

TO: John Naglick, Acting Finance Director
Sheryl Stubblefield, Acting Treasurer
Carl Johnson, Controller (Plante & Moran)
Cathy Square, Human Resources Director

The Local Government and School District Fiscal Accountability Act (Public Act 4 of 2011) in Section 17(1) empowers an Emergency Manager to issue the orders the Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local officials or employees to whom they are issued. Section 19(1) provides that an Emergency Manager may take on one or more additional actions with respect to a local government in receivership: (f) Examine all records and books of account, and require under the procedures of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a, or 1919 PA 71, MCL 21.41 to 21.55, or both, the attendance of witnesses and the production of books, papers, contracts, and other documents relevant to an analysis of the financial condition of the unit of local government; (g) Make, approve or disapprove any appropriation, contract, expenditure...; (y) enter into agreements with other local governments, public bodies, or entities for the provision of services, the joint exercise of power, or the transfer of functions and responsibilities; (z) entering into agreements with other units of local government to transfer property of the municipal government...or as otherwise provided by law...; (dd) Exercise solely, for and on behalf of the local government, all other authority and responsibilities of the local government of the chief administrative officer and governing body concerning the adoption, amendment and enforcement of ordinances or resolutions of the local government...; and 19(2) ...the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the Emergency Manager.

The public library in Pontiac was established in accordance with Section 10(A) of Act 164 of the Public Acts of 1877 ("Act 164") being MCLA 397.210(a), as amended, to provide library services to the citizens of the Pontiac. Before the Library was established pursuant to Act 164, the City had operated a public library as a department of the City.

The City has provided certain administrative and other services to the Pontiac Public Library and the Pontiac Public Library has utilized certain City real and personal property to provide library services in the City of Pontiac. However, in an effort to streamline the City's governmental activities and provide more efficiencies for the Pontiac Public Library, both parties desire to separate their respective functions and operations to the extent permitted by law.

In order to fully accomplish the mutual objectives, the City shall cease providing administrative services and the Pontiac Public Library shall cease compensating the City for administrative services. In addition, the City agrees to transfer certain real and personal property to the Pontiac Public Library. The transfer of assets by the City and entry into the Agreement referenced below has been authorized by the State Treasurer as provided in Public Act 4 of 2011. The Pontiac Public Library, pursuant to Act 164, agrees to purchase and accept certain real and personal property from the City.

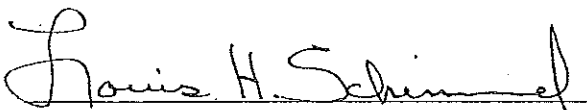
It is hereby ordered:

- (1) The City agrees to enter into and execute a Separation of Operations and Property Transfer Agreement with the Board of Trustees of the Pontiac Public Library ("Agreement").
- (2) Pursuant to the Agreement, the City agrees to convey the Pontiac Public Library building and adjacent parking lots through a Covenant Deed and Quit Claim Deed to the Board of Trustees of the Pontiac Public Library.
- (3) The City agrees to transfer, by a Bill of Sale, library books, equipment, furniture and other personal property to the Board of Trustees of the Pontiac Public Library.
- (4) The City agrees to the conditions of the attached Covenant of Use required by the Economic Development Administration/U.S. Department of Commerce ("EDA") in order to acquire a Release of a Non-Alienation Agreement dated August 4, 1982 recorded by the EDA against the Pontiac Public Library building.

The Order shall have immediate effect.

Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (Public Act 442 of 1976, MCL 15.231, et. seq.).

This Order is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in the **Local Government and School District Fiscal Accountability Act (Public Act 4 of 2011)** and the contract between the State of Michigan and the Emergency Manager.



Louis H. Schimmel
Emergency Manager

cc: State of Michigan Department of Treasury
Mayor Leon B. Jukowski
Pontiac City Council

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