

PONTIAC CITY COUNCIL

President Mike McGuinness, District 7
Pro Tem William A. Carrington, District 6
Melanie Rutherford, District 1
Brett Nicholson, District 2
Mikal Goodman, District 3
Kathalee James, District 4
William Parker, Jr., District 5



Jonathan Starks, MiPMC, Deputy City Clerk

Phone: (248) 758-3200

123rd Session of the 11th Council – Wednesday, December 27, 2023, at 12:00 p.m.

Meeting Location: City Council Chambers, Pontiac City Hall, 47450 Woodward Pontiac, Michigan 48342

MEETING AGENDA

Call to Order

Invocation

Pledge of Allegiance to the Flag of the United States

Moment of Silence

Roll Call of Councilmembers

Authorization to Excuse Councilmembers from the Meeting

Amendments to and Approval of the Agenda

Approval of the Consent Agenda

- A. December 14, 2023 Finance and Personnel Subcommittee Meeting Minutes
- B. December 14, 2023 Public Safety Health and Wellness Subcommittee Meeting Minutes
- C. December 19, 2023, City Council Meeting Minutes including Closed Session Minutes

Special Presentation

- 1. City of Pontiac Code Enforcement Accomplishments in 2023, including latest demolition of blighted structures at 135 Cesar E. Chavez Avenue
Presentation Presenter: Jack McIntrye, Code Enforcement Manager

Recognition of Elected Officials

Agenda Address (Two Minutes Time Limit)

Agenda Items

Resolution

Human Resources (HR) Department

- 2. Resolution to authorize an increase to the HR Advantage Advisory (HRAA) contract to cover on-site Human Resources Consultant fees not to exceed \$66,000.

Public Comment (Three Minutes Time Limit)

Discussions

- 3. The road has reopened for eastbound traffic under the Phoenix Center for Orchard Lake Road and Auburn Avenue

4. U.S. Department of Housing and Urban Development (HUD) Announced \$10 Million in Rehabilitation Funding for North Hill Farms in Pontiac, City Councilman Mikal Goodman Holding Community Forum on January 4, 2024 from 5:00 to 7:00 pm at North Hill Farms Clubhouse and Invites Community Members to Attend, Learn More, and Share Questions
5. Pontiac Small Business Program Technical Assistance Awards Application Window Opened December 11, 2023, and Applications Being Accepted through January 3, 2024.

Public Communications

City Council

6. Sheriff PAL Winter 2024 Athletics Registration Open December 10, 2023, Through January 7, 2024. Available activities include Junior Basketball Academy, Basketball Academy, Indoor Soccer, Pee Wee Soccer, Track and Conditioning, Cheer Dance and Tumbling, Mentoring, and Coed Intro to Lacrosse. For more information, visit www.sheriffpal.com or email jhickson@sheriffpal.com
7. Pre-New Years Night of Jazz with the Phillips / Stewart Quintet, Friday, December 29, 2023, with 7:00 pm and 9:00 pm seating. Quincy Stewart on trumpet and Damani Phillips on saxophone. Held at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac. Admission \$30. Visit www.theplat.org for more information and to purchase tickets.
8. Alexander Zonjic's Smooth Intimate New Year's Eve Jam, Sunday, December 31, 2023, with doors opening at 9:00 pm and concert from 10:00 pm to Midnight. Featuring Alexander Zonjic's, James Loyd from Pieces of a Dream, Mike Harrington, Kris Kurzawa, and Eugene McBride. Held at Pontiac's Little Arts Theatre, 47 N. Saginaw Street in Downtown Pontiac. Tickets \$50. Call (419) 280-1073 or visit www.zonjic.com for more information and to purchase tickets.
9. Red Carpet Affair New Year's Eve Party, Sunday, December 31, 2023, from 9:00 pm to 2:00 pm, held at Flagstar Strand Theatre, 12 N. Saginaw in Downtown Pontiac, Tickets are \$50, includes Champagne Countdown Toast and Food, Attire is "GQ Fly." Presented by Cameron Bradley, Diana Barnard, Norbert Burrows, and Scottie Mays. Call (248) 842-2102 for more information.
10. Talent Development Coalition (TDC) Presents Career Fitness Camp for 18 to 24 year-olds, as well as for adults 25 and older. Deadline for Camp sign-up is Thursday, January 4, 2024 and the Camp begins on Monday, January 8, 2024. To sign up and for more information, contact Carlton D. Jones at 313-585-9950 or Ricky Bradford at 818-391-3910, or use the QR Code on the accompanying flyer.
11. City Councilman Mikal Goodman Holding District Three Community Forum on Thursday, January 4, 2024 from 5:00 to 7:00 pm at North Hill Farms Clubhouse and Invites Community Members to Attend, Learn More, and Share Questions, including on the news of U.S. Department of Housing and Urban Development (HUD) \$10 Million in Rehabilitation Funding announced for North Hill Farms
12. Pontiac Eastside Community Meeting on Monday, January 8, 2024 from 7:00 to 9:00 pm, held at Prospect Missionary Baptist Church, Pontiac 48341. Contact District Seven's City Councilperson Mike McGuinness for more information.
13. Earthquake featuring LaVar Walker Comedy Show, January 13, 2024, at 8:00 pm, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac. For more information and to purchase tickets, visit flagstarstrand.com or call the box office at (248) 309-6445.
14. Dr. Martin Luther King, Jr. Day March in Downtown Pontiac the morning of Monday, January 15, 2024.
15. Dr. Martin Luther King, Jr. Day Program at McLaren Oakland Hospital, Monday, January 15, 2024, from 9:30 to 10:30 am, in the lobby atrium at McLaren Oakland in Downtown Pontiac

16. Greater Pontiac Community Coalition Dr. Martin Luther King, Jr. Day Luncheon, held Monday, January 15, 2024, at 11:30 am, held at the CenterPoint Marriott in Pontiac. For more information, call Derinda Shaw at (248) 335-8740.
17. Oakland County's Historical Society 150th Anniversary Milestone Celebration, Sunday, January 21, 2024. Marks 150 years to the day from the first gathering of the Historical Society in 1874 in Downtown Pontiac. Time and location being finalized.
18. Oakland University Center for Public Humanities Presents "Spreading the Word: Revisiting Dr. Johnetta Brazzell and the Pontiac Oral History Archive," Thursday, January 25, 2024, at 12:00 pm, held at 242 Kresge Library (the Nyberg Room) on Oakland University's campus, as well as with a Zoom virtual option. Dr. Brazzell conducted interviews in the 1970s with elderly African American residents of Pontiac, Michigan. This event will highlight Johnetta Brazzell and her work, as well as important new work emerging from this oral history collection. For more information, contact the Center for Public Humanities at humanities@oakland.edu.
19. The Steel Drivers Concert at the Flagstar Strand Theatre, Friday, February 16, 2024. Doors Open at 7:00 pm, Show at 8:00 pm. Tickets are now available. The Strand is at 12 N. Saginaw in Downtown Pontiac.
20. The Psychology of Serial Killers, March 15, 2024, at 8:00 pm, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac. For more information and to purchase tickets, visit flagstarstrand.com or call the box office at (248) 309-6445.
21. Comedian Paula Poundstone Performs, Saturday, April 13, 2024, at 8:00 pm, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac. For more information and to purchase tickets, visit flagstarstrand.com or call the box office at (248) 309-6445.
22. Comedian Paula Poundstone Performs, Saturday, April 13, 2024, at 8:00 pm, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac. For more information and to purchase tickets, visit flagstarstrand.com or call the box office at (248) 309-6445.
23. Glenn Miller Orchestra Performs, Sunday, April 14, 2024, at 8:00 pm, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac. For more information and to purchase tickets, visit flagstarstrand.com or call the box office at (248) 309-6445.
24. Tuske Performs, Wednesday, April 24, 2024, at 8:00 pm, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac. For more information and to purchase tickets, visit flagstarstrand.com or call the box office at (248) 309-6445.
25. Eaglemania Performs, Friday, May 3, 2024, at 8:00 pm, held at the Flagstar Strand Theatre, 12 N. Saginaw Street in Downtown Pontiac. For more information and to purchase tickets, visit flagstarstrand.com or call the box office at (248) 309-6445.

Mayor's Office

26. Pontiac Youth Recreation Winter Fest, Saturday, January 20, 2024 from 5:00 to 8:00 pm, held at Pontiac City Hall Grounds, 47450 Woodward Avenue, Pontiac 48342. Featuring ice skating, smores, shopping, polar express ride, music, food, hot chocolate and more. For more information, call (248) 758-3037.

City Clerk's Office

27. City Council Meeting Wednesday, January 3, 2024, at 12:00 p.m.
City Council Meeting Tuesday, January 9, 2024, at 6:00 p.m.
28. Election Day February 27, 2024 Presidential Primary, citizens can contact the City Clerk's office at (248) 758-3200 if you have any questions or need assistance

Closing Comments

Mayor Greimel (Seven Minutes Time Limit)

Clerk and City Council (Three Minutes Time Limit)

Adjournment

CONSENT AGENDA A



Finance and Personnel Subcommittee
Minutes
December 14, 2023
2:00PM

Pontiac City Hall
City Council Conference Room Second Floor
47450 Woodward Avenue
Pontiac, Michigan 48342

Committee Members: Brett Nicholson (Chair), William Parker Jr., and Kathalee James
Others Present: Tim Sadowski, James McQueen, Sherikia Hawkins, Sekar Bana, Melinda Durakovic,
Shannon Hensel, and Alexandra Borngesser

The meeting convened at 2:05 p.m.

Agenda Items

Updates from Grants and Philanthropy-Director Borngesser stated there were 46 million dollars in resources in the 2024 calendar year. Her department received over 50% of the total awards applied for. The Department is looking at trying to spend some of the money faster.

No update from Economic Development

Updates from Finance

1. YTD Financial Review- November 2023 Monthly Financial Reports were submitted to the committee.
2. Upcoming budget amendments none as of now.
3. Annual Audit, everything is on pace.
4. Payroll Transition updates-The payroll transition to BS&A will take place April 2024.

No Update from Purchasing

Updates from Human Resource, the benefits rolled out and the city saved half of a million in savings starting next year.

1. Positions open/new hires, there were 7 new hires. They are currently 10 open posted positions in DPW.
2. There is a career fair in February-La Casa Amiga, the exact date is February 29, 2024.



Finance and Personnel Subcommittee

Minutes

December 14, 2023

2:00PM

Pontiac City Hall

City Council Conference Room Second Floor

47450 Woodward Avenue

Pontiac, Michigan 48342

Committee Members: Brett Nicholson (Chair), William Parker Jr., and Kathalee James

Others Present: Tim Sadowski, James McQueen, Sherikia Hawkins, Sekar Bana, Melinda Durakovic, Shannon Hensel, and Alexandra Borngesser

3. Retirement savings status updates currently there are quotes from three vendors, Titan vs. Creative Benefits vs. USI.
4. Benefit Broker Updates, recommendation has been made for USI. Meadowbrook company will continue to assist us during the transition.
5. GOV HR Compensation Study Update- Received the salary bands for managers.

Councilwoman James wants consideration given to a work force development position and hiring staff in the community development.

No individuals participated in public comment.

The meeting Adjourned at 4:15 p.m.

CONSENT AGENDA B



Pontiac City Council Public Safety Health & Wellness Subcommittee

Agenda

December 14, 2023

4:30 PM

Pontiac City Hall
City Council Conference Room Second Floor
47450 Woodward Avenue
Pontiac, Michigan 48342

Committee Members: William Carrington (Present), Kathalee James (Present), and William Parker (Present)

Others Present: Angelita Santiago, James McQueen, Matthew Covey, Tony Robinson, Charles Hughes, Officer H.Weir, Sennel Threlkeld, Paula Bridges, Deputy Mayor Khalfani Stephens

The meeting started at 4:33 P.M.

Deputy Mayor Khalfani Stephens provided an update on Sheriff Substation Facility: Two upgrades to the facility that are in progress, one the renovations will be the tinting of the windows on one wall, causing the computers to receive heating and glare from the window light. All interview rooms will be updated for a better area to interview people.

Oakland County Sherriff gave status update on City: Provided a report on Crime stats for October- November per Districts in addition to the Citywide report. October had a total of 165 Assaults, 16 B &E 16, CSC (Criminal Sexual Conduct) 6, Homicide 1, Larceny 62, MDOP (Malicious Destruction of Property) 41, Robbery 7. For the month of November, the city had 134 Assaults, 16 B & E (Breaking & Entering), 7 CSC (Criminal sexual Conduct)7, Homicide 0, Larceny 79, MDOP 39 and 10 Robberies.

Updates from EMS Chief Matthew Covey: Provided Council with a monthly Fire Department Report for November 2023. Pontiac Fire District received 373 Fire calls, 18 EMS calls, 207 YTD and 4,526 other types of calls for service. Hazardous conditions, Service calls, good intent, and false calls totaled 148.

Star EMS Reports from Tom Robinson and Charles Hughes: Gave an update on a resident who contacted 911 and the amount of time that it took the EMS to arrive to the home and the hospital, totaling 8 minutes before arriving from the initial call that as placed.

Update from Officer H.Weir: The local police were asked their thoughts on the possible implementation in the near future by adding the Green Light for local businesses throughout the City of Pontiac, in order to help monitor and keep businesses and residents safe.

No public comment

The meeting ended at 5:44 P.M.

CONSENT AGENDA C

December 19, 2023, Draft

**Official Proceedings
Pontiac City Council
122nd Session of the Eleventh Council**

Call to order

A Regular 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 19, 2023, at 6:03 p.m. by Council President Mike McGuinness.

Invocation – Minister Kathalee James – Pontiac, Michigan

Pledge of Allegiance to the Flag of the United States

Moment of Silence

Roll Call

Members Present – William Carrington, Kathalee James, Mike McGuinness, William Parker Jr., and Melanie Rutherford.

Mayor Tim Greimel was present.
A quorum was announced.

Authorization to Excuse Councilmembers

Motion to excuse Councilmembers Goodman & Nicholson for personal reasons from the meeting. Moved by Councilperson Rutherford and second by Councilperson Parker.

Ayes: Carrington, James, McGuinness, Parker and Rutherford

No: None

Motion Carried

Amendments to and Approval of the Agenda

Motion to approve the agenda. Moved by Councilperson Parker and second by Councilperson James. Discussion.

Motion to amend the agenda to remove item #8 (Resolution to Approve the transfer of existing Class C Liquor License from Duckett's Sports Pub & Grill located at 325 W. Walton Blvd. to Slate Family Dining located at 429 Elizabeth Lake Rd.) from the agenda. Moved by Councilperson Rutherford and second by Councilperson Carrington.

Ayes: James, McGuinness, Nicholson, Parker, Rutherford, and Carrington

No: None

Motion Carried

The vote was taken to approve the agenda as amended.

Ayes: James, McGuinness, Nicholson, Parker, Rutherford and Carrington

No: None

Motion Carried

Consent Agenda

23-427 **Resolution to approve the consent agenda for December 19, 2023.** Moved by

December 19, 2023, Draft

Councilperson Parker and second by Councilperson Carrington.

WHEREAS, the City Council has reviewed the consent agenda for December 19, 2023.

NOW, THEREFORE, BE IT RESOLVED that the City Council approves the consent agenda for December 19, 2023, including the December 11, 2023, Parks, Recreation, Public Works Subcommittee Meeting Minutes and December 12, 2023, City Council Meeting Minutes including Closed Session Minutes.

Ayes: McGuinness, Parker, Rutherford, Carrington, and James

No: None

Resolution Passed

Agenda Items

Resolution

Human Resources (HR) Department

23-428 **Resolution approving Appointment of Tarrance Price as Parks and Recreation Director.** Moved by Councilperson Rutherford and second by Councilperson Carrington.

WHEREAS, in accordance with Article IV, Chapter 1, Section 4.106 the Mayor may appoint for each department of the executive branch a director who serves at the pleasure of the Mayor as head of the department; and

WHEREAS, in accordance with Article IV, Chapter 1, Section 4.106 such appointment is subject to the approval of Council; and

WHEREAS, Tarrance Price has the experience and professionalism necessary to serve as the Director, Parks and Recreation;

NOW THEREFORE, BE IT RESOLVED, in accordance with the appointment procedures provided by law and the City Charter, Mr. Tarrance Price is formally appointed, effective January 3, 2024, as the Director, Parks and Recreation for the City of Pontiac and will receive the budgeted salary of \$105,000.00 for this position.

Ayes: Parker, Rutherford, Carrington, James and McGuinness

No: None

Resolution Passed

Public Hearings

Public Hearing on Sale of Former Landfill at Kennett Rd. Parcel 14-18-301-002

Council President McGuinness opened public hearing on Sale of Former Landfill at Kennett Rd. at 6:33 p.m. Eight (8) individuals addressed the body during public hearing.

1. Chuck Johson – Wants to know how prospective buyer begins on developing the land.
Individuals come into city and use properties that people who live in the city should be using yet we offer it to people outside of the city.
2. Dr. Deirdre Waterman – Mentioned that this public hearing was not done like it regularly is.
Administration has not done its homework in knowing what this sale is about and the citizens do not know what it is about either. There should be information for public to view.
3. Carlton Jones – Mentioned that the organization of the public hearings should have been done in some kind of order that makes sense. Information should be provided in the packet.
4. Darlene Clark – Mentioned that half of the information was brought up and there was no mention of a starting bid on how much would be asked for the bid.
5. Katherine Dessureau – Expressed her concerns on the laws (state, federal) with regards to backfilling this land with buildings already sinking. How and have the laws changed? Do they exist?
6. Gloria Miller – Mentioned having transparency between administration and the public.

December 19, 2023, Draft

7. Beatrice Wright – Mentioned that we often have developers coming into the city in hopes of gaining something from it. She wants transparency.
8. Linda Watson – Wanted to know how the environmental concerns will be mitigated.

Council President McGuinness closed public hearing at 7:04 p.m.

Public Hearing on Sale of Former Perdue School Parcel 14-28-455-001

Council President McGuinness opened public hearing on Sale of Former Perdue School Parcel 14-28-455-001 at 7:14 p.m. Eleven (11) individuals addressed the body during public hearing.

1. Dr. Deirdre Waterman – Mentions that this public hearing is not being conducted like a regular public hearing. Administration has not done their job of giving information to the public about the sale.
2. Carlton Jones – Agreed that the Council works for the people. They need to listen to the people and Council should tell the Administration what the people are asking for and make sure that it happens.
3. Gloria Miller – Mentioned acquiring the school was due to the Ottawa Towers deal. She wants to see something good done with the property.
4. Matt Garris – Mentioned that people are coming into the city and taking things as the “haves” and the citizens who are not getting anything are the “have nots”.
5. Beatrice Wright – Talked about Project Lift. She said she worked for the school district for 41 years as a vocational counselor. She expressed her concern about Project Lift teachings and proper training.
6. Linda Watson – Mentioned that the use of the location if used for education can be exempt from property taxes.
7. Veronica Taylor – Mentioned that if public wants to know what is going on that they should attend the Planning Commission meetings. This is an abandoned building and a eye sore and has the potential for bad things to happen.
8. Darlene Clark – Mentioned that the city has not done their due diligence to protect the interest of the residents in all seven districts. Properties have not been secured and maintained to improve the neighborhood. Concern that Project Lift is already being advertised as a Pontiac program.
9. Angela Rakowski – Would like to see resources utilized for departments that do not have the space and could use them to work out of before giving them to others outside of the city.
10. Chuck Johnson – Reiterates Rakowski idea on utilizing those buildings for departments that could use the space. Perdue School should not be in the condition it is in and should at least be boarded up so that it is presentable. Should also have funds to tear it down.
11. H. Bill Maxey – Talked about integrity, dignity, respect and being humble.

Council President McGuinness closed public hearing at 7:55 p.m.

Recognition of Elected Officials

1. Beatrice Wright – Precinct Delegate

Agenda Address

1. Minister Veronica Taylor addressed item #7
2. Beatrice Wright addressed items #3 and #13
3. Linda Watson addressed item #15
4. Sue Sinclair addressed item #10
5. Nicole Bowden addressed item #10
6. Carlton Jones addressed item #1
7. Dr. Deirdre Waterman addressed items #12 and #15
8. Billie Swazer addressed items #10 and #12
9. Chuck Johnson addressed item #11

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11. Gloria Miler addressed item #1

Ordinances

23-429 Resolution to approve the First Reading of a Zoning Ordinance Map Amendment to Rezone four parcels totaling 0.59 acres at 148 E Howard St. Moved by Councilperson James and second by Councilperson Parker.

WHEREAS, before the City of Pontiac City Council for consideration is an Ordinance to amend the City of Pontiac Zoning Ordinance Map to rezone four parcels (64-14-28-104-009, 64-14-29-233-018) from, 64-14-28-103-016, and 64-14-28-103-017) totaling .59 acres at 148 E Howard St; specifically, to amend the Zoning Ordinance Map which lists these properties as R-1 One Family Dwelling to C-1 Local Business and P-1 Parking.

WHEREAS, the City of Pontiac City Council finds it is in the best interest of the health, safety, and welfare, to approve the Planning Commission's Recommendation and approve the amendments to the Zoning Ordinance Map as presented.

NOW THEREFORE, BE IT RESOLVED by the Pontiac City Council that it hereby adopts the first reading of the amendments as presented to the City Council on December 19, 2023, to the City's Zoning Ordinance Map.

Ayes: Parker, Rutherford, Carrington, James and McGuinness

No: None

Resolution Passed

23-430 Resolution to Approve First Reading of a Zoning Ordinance Text Amendment to Amend Article 2, Chapter 3, Section 2.301, Article 2, Chapter 3, Section 2.304 and Article 6, Chapter 5, Section 6.506. regarding Minimum Lot Width. Moved by Councilperson James and second by Councilperson Parker.

WHEREAS, before the City of Pontiac City Council for consideration is an Ordinance to amend the following sections of the City of Pontiac Zoning Ordinance: Section 2.301, Section 2.304, and Section 6.506.

WHEREAS, the City of Pontiac City Council finds it is in the best interest for the health, safety, and welfare, to accept the Planning Commission's Recommendation and approve the amendments to the Zoning Ordinance Text Amendments as presented.

NOW THEREFORE, BE IT RESOLVED by the Pontiac City Council that it hereby adopts the first reading of the amendments to the City of Pontiac's Zoning Ordinance as presented to the City Council on December 19, 2023.

Ayes: Rutherford, Carrington, James, McGuinness and Parker

No: None

Resolution Passed

23-431 Resolution to Approve First Reading of a Zoning Ordinance Text Amendment of Chapter 9, Section 6.902(B)(3) to increase the buffer distance for notices from 300' to 500' and to require public notification signs for properties subject to a public hearing. Moved by Councilperson Carrington and second by Councilperson Rutherford.

WHEREAS, before the City of Pontiac City Council for consideration is an Ordinance to amend the following sections of the City of Pontiac Zoning Ordinance: Section 6.902

WHEREAS, the City of Pontiac City Council finds it is in the best interest for the health, safety, and welfare, to accept the Planning Commission's Recommendation and approve the amendments to the Zoning Ordinance Text Amendments as presented.

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NOW THEREFORE, BE IT RESOLVED by the Pontiac City Council that it hereby adopts the first reading of the amendments to the City of Pontiac's Zoning Ordinance as presented to the City Council on December 19, 2023.

Ayes: Carrington, James, McGuinness, Parker and Rutherford

No: None

Resolution Passed

Resolution

City Clerk's Office

23-432

Resolution to Approve salary increase for the Election Specialist position. Moved by Councilperson Rutherford and second by Councilperson James.

WHEREAS, the Elections Specialist position has assumed additional responsibilities since the Office of the City Clerk has been without an Elections Administrator; and,
WHEREAS, the City Clerk is recommending that the Elections Specialist position hourly rate be changed from \$25.24 per hour to \$27.16 per hour.

NOW, THEREFORE, BE IT RESOLVED, the Pontiac City Council approves a salary increase for the Elections Specialist position to \$27.16 per hour effective January 1, 2024.

Ayes: James, McGuinness, Parker, Rutherford and Carrington

No: None

Resolution Passed

Code Enforcement Division

23-433

Resolution to Authorize the City Clerk to publish notice of proposed Budget Amendment for Fiscal Year 2023-24 to increase GL 249-371-702.000 salary and wages account by \$22,499.99, GL 249-371-718.500 401A Employer Cost account by \$900.00, GL 249-371-716.000 Medical Insurance by \$5,887.50, GL249-371-719.001 Dental by \$ 568.00, GL 249-371-716.011 Hearing by \$5.00, GL 249-371-717.000 Life Insurance by \$ 928.00. GL249-371-719.000 Workers Comp by \$500.00, GL 249-371-725.000 Sick and vacation by \$216.35, GL249-371-707.003 and GL 249-371-977.002 Vehicles by \$29,308.00 (This proposed budget amendment is for changing a part-time Code Enforcement Officer position to full-time and the lease of a 2024 Chevrolet Equinox for \$29,308.00 for Code Enforcement). Moved by Councilperson Rutherford and second by Councilperson James.

WHEREAS, The Code Enforcement Division has the need to create an additional full time Inspector position for the downtown parking enforcement and purchase an additional vehicle.

WHEREAS, The Code Enforcement funds require a budget amendment for fiscal year 2023/2024. Fiscal Year budget to cover these costs,

NOW, THEREFORE IT IS RESOLVED: The Pontiac City Council authorizes the Clerk to publish notice of the proposed budget amendment for fiscal year 2023-2024 to increase GL 249-371-702.000 salary and wages account by \$22,499.99, GL 249-371-718.500 401A Employer Cost account by \$900.00, GL 249-371-716.000 Medical Insurance by \$5,887.50, GL249-371-719.001 Dental by \$ 568.00, GL 249-371-716.011 Hearing by \$5.00, GL 249-371-717.000 Life Insurance by \$ 928.00. GL249-371-719.000 Workers Comp by \$500.00, GL 249-371-725.000 Sick and vacation by \$216.35, GL249-371-707.003 and GL 249-371-977.002 Vehicles by \$29,308.00.

Ayes: James, McGuinness, Parker, Rutherford and Carrington

No: None

Resolution Passed

December 19, 2023, Draft

Department of Public Works (DPW)

Resolution to Support the Michigan Department of Transportation (MDOT) creation of four road islands along the M-59 corridor. (Postponed for one week at the City Council Meeting on December 12, 2023.) Moved by Councilperson Rutherford and second by Councilperson James.

WHEREAS, the Michigan Department of Transportation (“MDOT”) has performed a road safety audit dated June 21, 2022, along the M-59 (Huron Street) corridor from Telegraph Road to Woodward Loop in an attempt to evaluate potential options to create a safer and more pedestrian friendly environment for the motoring and general public.

WHEREAS, MDOT proposes to create three (3) pedestrian refuge islands with crossings between Waldo/Chippewa and Monroe/Miami, between Oneida and Lincoln and between Henderson and Palmer along with one (1) center turn unsignalized island located between Waldo and Dakota in the Telegraph Road and Woodward Loop area; and

WHEREAS, MDOT research concludes that by establishing pedestrian islands and a center turn lane island in the identified area will decrease pedestrian crashes and promote a safer walking experience.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the City of Pontiac supports MDOT creating three (3) refuge island crossings and one (1) center turn lane island in the referenced areas in the Spring of 2025 subject to the approval of required agreement(s) between the City and MDOT.

Ayes: None

No: McGuinness, Parker, Rutherford, Carrington and James

Resolution Failed

Mayor’s Office

23-434

Resolution to Approve the tentative agreement reached with International Union of Operating Engineers Local 324 and authorize the Collective Bargaining Agreement between the City of Pontiac and Local 324 for Department of Public Works (DPW) staff. Moved by Councilperson Rutherford and second by Councilperson James.

WHEREAS, the Michigan Employment Relations Commission has certified the International Union of Operating Engineers Local No. 324 AFL-CIO (hereinafter “Local 324”) as the exclusive representative under the Michigan Public Employment Relations Act, MCL 423.201 *et seq.*, of a bargaining unit consisting of certain employees in the City’s Department of Public Works; and

WHEREAS, the City retained the law firm of Clark Hill PLC to advise and assist the City with the negotiation of a collective bargaining agreement with Local 324; and

WHEREAS, the City’s bargaining team has reached a tentative agreement on the terms of a collective bargaining agreement to be in place from the date of ratification through June 30, 2026 and Local 324 has informed the City that its members have ratified the tentative agreement; and

WHEREAS, the City is authorized by the Michigan Public Employment Relations Act, MCL 423.201 *et seq.*, to enter into collective bargaining agreements with labor organizations who are the certified representatives of employees in the City.

NOW THEREFORE, BE IT RESOLVED that the City Council hereby ratifies the tentative agreement reached with Local 324 (attached here to as Exhibit A), and authorizes the Collective Bargaining Agreement between the City of Pontiac and Local 324; and

FURTHER RESOLVED that the Mayor is authorized to execute the Collective Bargaining Agreement consistent with the Tentative Agreement in a final form to be approved by the City Attorney.

Ayes: Parker, Rutherford, Carrington, James and McGuinness

No: None

Resolution Passed

****See the agreement as Exhibit A after the minutes****

23-435 **Resolution to Approve the merger agreement between the City of Pontiac VEBA Trust, the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan and the City of Pontiac.** Moved by Councilperson Rutherford and second by Councilperson Parker.

WHEREAS, This Merger Agreement is entered into by and between the City of Pontiac VEBA Trust, the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan, and the City of Pontiac, effective as of December 31, 2023;

NOW THEREFORE BE IT RESOLVED, the Pontiac City Council approves the Master Agreement between the City of Pontiac VEBA Trust, the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan, and the City of Pontiac, effective as of December 31, 2023 and authorizes the mayor to sign the agreement.

Ayes: Parker, Rutherford, Carrington, James and McGuinness

No: None

Resolution Passed

****See the agreement as Exhibit B after the minutes****

Public Comment

1. Veronica Taylor
2. Beatrice Wright
3. H. Bill Maxey
4. Carlton Jones
5. Pastor Kathy Dessureau
6. Billie Swazer
7. Chuck Johnson
8. Darlene Clark
9. Gloria Miller
10. Matt Garris

Discussions

Pontiac Small Business Program Technical Assistance Awards Application Window Opened December 11, 2023, and Applications Being Accepted through January 3, 2024.

Amtrak Proposes a New Corridor Passenger Rail Route from Pontiac – Detroit – Detroit – Metro Airport – Toledo – Cleveland.

Closed Session

23-436 **Resolution to proceed in Closed Session pursuant to MCL 15.268 (h) of the Open Meetings Act to review an Attorney-Client Privileged Memorandum at 10:09 p.m.** Moved by Councilperson Carrington and second by Councilperson Rutherford.

WHEREAS, the City Council seeks to adjourn into closed session under the Michigan Open Meetings Act, MCL 15.268 (h) to discuss a written legal opinion prepared by the City Attorney Clark Hill LLC; and

WHEREAS, the Michigan Open Meetings Act Section 8(h) provides that a public body may meet in Closed Session to consider an attorney-client privileged legal opinion, which includes material exempt from discussion or disclosure by state or federal statute.

NOW THEREFORE BE IT RESOLVE, the City Council will proceed in Closed Session pursuant to MCL 15.268 (h) of the Open Meetings Act to discuss a confidential attorney-client legal opinion as requested by the Mayor.

December 19, 2023, Draft

Ayes: Rutherford, Carrington, James, McGuinness and Parker

No: None

Resolution Passed

Motion to come out of Closed Session at 10:54 p.m. Moved by Councilperson James and second by Councilperson Carrington.

Ayes: Carrington, James, McGuinness, Parker and Rutherford

No: None

Motion Carried

Communications

City Council, Mayor's Office and City Clerk's Office

Mayor, Clerk and Council Closing Comments

Mayor Tim Greimel, Councilwoman Melanie Rutherford, Councilwoman Kathalee James, Councilman William Parker Jr. and Council President Mike McGuinness made closing comments.

Adjournment

Motion to adjourn the meeting. Moved by Councilperson Rutherford and second by Councilperson Parker.

Ayes: James, McGuinness, Parker and Rutherford

No: None

Motion Carried

Council President Mike McGuinness adjourn the meeting at 11:07 p.m.

Garland S. Doyle
City Clerk

Tentatively Agreed Upon Provisions as of October 15, 2023.

These TAs are subject to the parties reaching a full tentative agreement and ratification by both the Union and the City.

AGREEMENT

THIS AGREEMENT made and entered into as of _____ (date ratified by Union members and the City), by and between City of Pontiac, hereinafter referred to as the "City" or "Employer" and the INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL NO. 324 AFL-CIO, hereinafter referred to as the "Union".

ARTICLE 1: RECOGNITION

Pursuant and in accordance with all applicable provisions of Act 379 of the Public Acts of 1965, as amended, the Employer does hereby recognize the Union as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, and other conditions of employment for the term of this Agreement of all full-time and regular part-time DPW employees. excluding, clerical, guards, supervisors, professionals, executives, and all other employees.

The Union recognizes the responsibilities imposed upon it as exclusive bargaining agent of the employees of the bargaining unit and realizes the Employer must, within the existing framework of the statutes of the State of Michigan, maintain City services as efficiently and at the lowest possible cost consistent with fair labor standards. The Union understands that the employees within the bargaining unit will individually and collectively perform loyal and efficient work.

ARTICLE 2. GENDER AND CONTRACTUAL LANGUAGE

Reference to the male gender shall apply equally to the female gender and vice versa. The parties may also use a plural, such as "they" or "their" in order to avoid the use of gendered pronouns. In such cases, plurals, such as "they" or "their" may refer to a single person, position, office, etc.

ARTICLE 3: UNION/MEMBERSHIP DUES

- A. The City shall notify the Union in writing within thirty (30) days of the name and address of a new employee, their date of hire, location of employment, classification, rate of pay and union affiliation, if any.
- B. Dues Check-Off: The City agrees to deduct from the pay of each employee, all dues and/or initiation fees of the Union and pay such amount deducted to the Union for each employee, provided that the Union shall present to the City an authorization voluntarily signed by each such employee which allows such deductions and payments to the Union, as aforesaid.

- The dues and/ or initiation fees shall be forwarded to the Union not later than seven (7) days before the month they are due. The Union shall refund the employee Union dues, service fees, initiation or records maintenance fees or assessments erroneously deducted by the City and paid to the Union.
- A properly executed copy of the form authorizing deduction by an employee for whom initiation fees and monthly membership dues are to be deducted in accordance with this Agreement shall be delivered to the Employer before any payroll deductions are made. Deductions shall be made thereafter only under a properly executed authorization which is in effect. Any authorization form which is incomplete or in error will be returned to the Financial Secretary of the Union by the Employer.
- Deductions under all properly executed authorizations shall become effective at the time such authorizations are tendered to the Employer and shall be deducted from the last pay of the month and each month thereafter.
- In consideration of the foregoing, the Union agrees that upon forwarding such payment by mail to the Union's last designated address, the City, its officers and employees shall be released from any liability to the employee and Union under such assignment. The Union shall co-defend and fully indemnify and hold the City, its agents, and employees harmless against all liability including costs and attorney fees that may arise out of or by reason of the City meeting its obligations in this Article.

Dues payments and inquiries shall be sent to:

Operating Engineers 324 Stationary Dues Dept.
500 Hulet Dr. Ste. 115
Bloomfield Twp., MI 48302
Phone: (248) 451-0324

ARTICLE 4: PROBATIONARY EMPLOYEE

- A. The term "probationary employee" as used in this Agreement relates to an employee who has not satisfactorily completed the required initial probationary period of work in City Employment.
- B. Probationary Period – An employee shall be considered a probationary employee until they have worked for and completed six (6) full months of full-time regular employment with the City and within the bargaining unit. This period shall be extended by any leave taken during the probationary period. The City agrees to inform the Union in writing of its decision to reduce the probationary status of a full-time employee. The letter shall state the name of the employee and the date that their probationary status shall end. A probationary employee shall have no seniority until he/she has completed his/her probationary period. The City reserves the right to discipline or terminate any probationary employee at its discretion and without cause during the employee's

probationary period. The decision to discipline or terminate a probationary employee shall not be subject to the Grievance Procedure. Probationary employees will be eligible for benefits the first day of the month after they have completed thirty (30) days of work.

ARTICLE 5: MANAGEMENT RIGHTS

Section 1

The Employer and the Union expressly agree that, except as abridged by this Agreement, all powers, rights, and authority of the Employer are reserved by the Employer, and that the Employer retains sole and exclusive control over any and all matters concerning the operation, management, and administration of the City, the control of its properties and the maintenance of order and efficiency of the workforce, and complete authority to exercise those rights and powers, including, by way of illustration but not by way of limitation, the exclusive right and authority:

- A. To determine the type, kind, and schedule of services to be rendered and the work to be performed by employees covered by this agreement;
- B. To make all financial decisions;
- C. To determine the number, location, or relocation of facilities;
- D. To determine its organizational and business structure;
- E. Whether to purchase services from others;
- F. To discipline, suspend, demote, or discharge employees for just cause;
- G. To lay off employees;
- H. To determine the amount and type of supervision;
- I. To determine the method and means by which work shall be performed and services provided;
- J. To determine the number and qualifications of employees;
- K. To adopt, modify, and enforce policies, rules, regulations, and standards of quality and performance;
- L. To determine quality and performance standards; and
- M. To establish, modify, and eliminate job classifications. The Employer shall also have the right to establish the wages for any newly created classification. Provided, however:
 - 1. The Union shall be provided notice of any newly established or modified job classification(s) within the bargaining unit prior to the establishment or modification.
 - 2. The Union shall have fourteen (14) calendar days following notice to request a meeting with the Employer to discuss any newly established or modified job classification(s) within the bargaining unit, and/or the wages established by the Employer for a newly established job classification.
 - 3. If, following the meeting, there is a disagreement with the established wages for a newly established classification or the wages for a modified job classification, a grievance may be processed through the Grievance and Arbitration Procedure, provided it is submitted in writing at Step 2 of the Grievance Procedure within seven (7) working days after the

Union is afforded the opportunity to discuss the matter with the Employer. If such a grievance is processed through Arbitration, the Arbitrator shall have no power or authority to remove or revise the newly established or modified job classification(s), but only to determine the proper wages for the newly established or modified job classification(s).

Section 2.

The Employer shall also have the right to hire, promote, assign, transfer, layoff and recall personnel; to make judgments as to ability and skill; to determine fitness for duty; to determine workloads; to establish and change work schedules; to provide and assign relief personnel.

Section 3.

Supervisors may continue to perform work in the bargaining unit as they have in the past, provided the parties agree to make reasonable efforts to utilize bargaining unit members prior to supervision performing such tasks.

Section 4. Subcontracting

The Union recognizes that the Employer has the right to contract or subcontract its services.

Section 5. Job Assignments

All current employees and new hires will be cross trained on all DPW equipment regularly used by their position within twelve (12) months of their employment or within twelve (12) months of the ratification of this Agreement, whichever comes last. The Employer will place all fully cross trained employees on a job preference list based on seniority, skills, and ability. The Employer agrees to make a reasonable effort to accommodate employee preferences consistent with operational needs.

ARTICLE 6: SENIORITY/LAYOFF

- A. Seniority shall be by date of hire or date of transfer into the department of public works. Any layoff due to a reduction in the workforce shall be based upon ability to perform the available work, as determined by the Employer. Where such ability to perform the available work is equal, seniority shall be taken into account. Return to work when the workforce is increased after a layoff shall also be based upon ability to perform the available work as determined by the City and, where such ability is equal, seniority shall be taken into account.
- B. Both parties agree to an updated employee list, including names and date of hire. Copy of the list will be available upon request. All new employees will be supplied with a current copy of both Contract and employee list.
- C. An employee's seniority date shall start with the date of his or her latest hiring or transfer into the department of public works, it being understood that the resumption of work by

an employee, after a leave of absence granted by the City in writing or after temporary layoff, shall not be considered a new hiring.

- D. An employee shall have their seniority frozen for one full year upon leaving a position in the bargaining unit for a position with the City outside of the bargaining unit. Such employee shall have their seniority unfrozen, without credit for time spent outside of the bargaining unit, if they return to a position in the bargaining unit within one year. Any frozen seniority shall be lost if the employee does not return to the bargaining unit within one year. There is no guarantee that an employee will be allowed to return to their prior position or any other position.
- E. An employee shall cease to have seniority and be on any seniority list if:
1. They submit a resignation to the City ;
 2. They are discharged for just cause.
 3. They are absent for three (3) days without notice to the employee's supervisor. The City may, in its sole discretion, allow exceptions for good cause as determined by the City. Any such exceptions granted by the City shall not be used as precedent in other cases.
 4. They do not return to work within three (3) days after they are recalled to work; unless the employee provides advance notice not to exceed two (2) weeks of a need to leave another job outside the City and further provided, that an employee required to give such notice in leaving the other job shall report for work on first day of work after the end of the notice period.
 5. A period of twelve (12) months elapsed since layoff by the City or twelve (12) months elapsed since leave due to a non-work-related injury or illness or twenty-four (24) months elapsed since a leave due to a work-related illness or injury. Further, it shall be the employee's responsibility to keep the City fully advised as to his or her current place of residence, current condition, prognosis, and anticipated return to work date..
 6. He or she retires.
 7. Fails to return to work after the expiration of an approved leave of absence.
 8. The employee shall notify the City of his or her acceptance or rejection of his or her notice to return to work within twenty- four (24) hours of the receipt of such notice by Certified Mail, Return Receipt Requested.
- F. Upon request, a current seniority list shall be provided to the Union. Such a list shall contain name, address, date of hire, classification, seniority date and the employee's current rate of pay.

ARTICLE 7: NON-DISCRIMINATION

The Employer and the Union both recognize their responsibilities under Federal, State and local laws pertaining to fair employment practices, as well as the moral principles involved in the area of Civil Rights. Accordingly, both parties reaffirm by this Agreement the commitment not to discriminate against any person or persons because of race, creed, color, religion, sex, age or national origin. This provision is not intended to bring any claims for discrimination or harassment which can be brought under Federal or State law within the

scope of the grievance process or within the jurisdiction of an arbitration under this Agreement.

ARTICLE 8: VISITATION

Upon request by the Union, approval by the DPW Director, and presentation of proper credentials, officers or accredited representatives of the Union shall be admitted onto the City's premises during regular City working hours (8:00 a.m. to 5:00 p.m.) for the purpose of ascertaining whether or not this Agreement is being observed by the parties, or for assisting in the adjusting of grievances, provided that said visitation shall not disrupt orderly operations. Visits shall be scheduled in advance with the City and shall be scheduled at the mutual convenience of the parties. Employees shall not be paid for time spent away from the job meeting with accredited representatives of the Union.

ARTICLE 9: UNION BULLETIN BOARD

The Employer will allow the Local Union one (1) bulletin board with provisions at each of the agreed locations. The boards shall be used only for the following notices:

- Recreational and social affairs of the Union;
- Union meetings;
- Union elections;
- Reports of the Union;
- Rulings or policies of the International Union.

Notices and announcements shall not contain anything political or controversial, or anything reflecting upon the Employer, any of its employees, or any labor organization among its employees, and no material, notices or announcements which violate the provisions of this section shall be posted.

ARTICLE 10: LEAVE OF ABSENCE

Employees may request a leave of absence in accordance with City policy and applicable law and regulation.

ARTICLE 11: SAFETY EQUIPMENT AND CLOTHING

- A. The City shall make reasonable provisions for the safety and health of the employees during the hours of their employment and shall endeavor to maintain its equipment in safe operating condition and equipped with safety appliances prescribed by law. The employer shall furnish such protective devices and/ or equipment (i.e. P.P.E., first aid kits,

eyewash kit, etc.) as it is deemed necessary to properly safeguard the health of the employees and protect them from injury.

- B. The City agrees to cover a maximum amount of one-hundred seventy-five dollars (\$175) once per year at a City-approved vendor for eligible employees towards the purchase of one (1) pair of ANSI-approved footwear such as boots or shoes. For the purposes of this sub-section 11(B), eligible employees include workers covered by the collective bargaining agreement and/or included in subsequent agreements. The City further agrees to cover a maximum amount of three-hundred dollars (\$300) towards the purchase of one (1) jacket and/or one (1) coverall for eligible employees, every other year, at a City-approved vendor.

Where the City's approved vendor does not have the employee's size, the employee shall provide proper documentation and obtain prior written approval from the DPW Director or designee to purchase the item(s) from another vendor. If reimbursement is necessary, employees will only be reimbursed if receipt(s) are submitted to the DPW Director or designee.

Employees are required to wear items purchased under this provision during and in the course of their work duties as an employee of the City of Pontiac."

- C. The City may provide uniforms to employees. Employees will be required to wear uniforms if such are provided by the City.
- D. The City will also provide a designated changing area for the employees.

ARTICLE 12: MILITARY CLAUSE

Employees drafted or enlisting in the Armed Forces or the National Guard of the United States, pursuant to the Uniformed Services Employment and Reemployment Rights Act (USERRA), shall be granted all rights and privileges, which are mandatory under the Act.

ARTICLE 13: JURY DUTY, SUBPOENA AND WITNESS TIME

- A. Any full-time employee summoned for jury duty or subpoenaed as a witness should notify the employee's supervisor as soon as possible and provide a copy of the jury summons or subpoena. Jury duty is considered excused leave in accordance with MCL §600.1348 for the amount of time the employee is required to be present for jury services during the employee's regular work hours. Employer paid leave will be granted to full-time regular employees for jury duty or witness service in addition to the employee's regularly accrued paid leave time.
- B. Employees are expected to return to work whenever they are temporarily excused from any proceedings, provided that combining the time worked for the day with the time spent on jury duty that day does not exceed the number of hours the employee normally and customarily works in a given day and returning to work would not require the employee to work past the employee's normal quitting time, unless the employee has

voluntarily consented to working the additional hours or working past the employee's normal quitting time.

ARTICLE 14: DISCHARGE OR SUSPENSION

The City shall not discharge or suspend any non-probationary employee without just cause. For cumulative incidents of minor misconduct, progressive discipline will apply.

1. The City shall reduce any discharge to writing and promptly provide copies to the discharged employee and the Union. Appeal from discharge or suspension shall be taken up as provided in Article 16 hereof.
2. Where a decision is made to permit an employee to resign in lieu of dismissal, the employee must submit a resignation in writing. In only those cases where the City has allowed an employee to resign in lieu of termination, the resignation shall be held for twenty-four (24) hours after which it shall become final and effective as of the time when originally given unless retracted during the twenty-four (24) hour period. This rule applies only when a resignation is accepted in lieu of dismissal and the employee shall have been told in the presence of a witness that he/she will be terminated in the absence of the resignation. The offer of such resignation in lieu of dismissal shall be at the sole discretion of the City and the resignation and matters related thereto shall not be grievable.

ARTICLE 15: STRIKES AND LOCKOUTS

The parties of this Agreement mutually recognize and agree that the services performed by employees covered by this Agreement are services essential to the public health, safety and welfare. As such, there shall be no strikes, slowdown, picketing, sympathy strikes, work stoppage, lockouts, or any other interference with the work and statutory functions or obligations of the City during the term of this Agreement.

In the event of a work stoppage, or any other curtailment by the Union or the employees covered hereunder during the term of this Agreement, the Union, by its officers and agents, shall immediately declare such work stoppage to be illegal and unauthorized in writing to the employees and order said employees in writing to stop the said conduct and resume full work. The Union shall further advise any and all members in the bargaining unit involved, including notification to the communications or press media, if requested by the Employer, that such bargaining unit members are in violation of this Agreement and that all members of the bargaining unit involved shall return forthwith to their regular duties. Copies of such written notices shall be served upon the Employer. If the Union takes the foregoing steps and has not acted in violation of its obligations under the Agreement, it shall not be liable in any way for such activities. In the event the Union does not adhere to or abide by the above provisions of this clause, it shall be liable for any and all damages, injuries, and costs incurred by the Employer.

The Employer shall have the right to discipline, up to and including discharge, any employee

who instigates, participates in or gives leadership to any activity herein prohibited. In addition, any member or members of the bargaining unit, violating this provision may be held liable by the Employer for any and all damages, injuries, and costs incurred. An employee in violation of this Article shall have no recourse through this Grievance or Arbitration Procedure and the Union agrees it will not represent members who violate this Article.

ARTICLE 16: ARBITRATION AND GRIEVANCE PROCEDURE

1. The following grievance procedure shall be the sole and exclusive means for addressing grievances as defined herein.
2. A Grievance under the Agreement is a written dispute, claim or complaint arising under and during this Agreement and filed by an authorized representative of the Union on behalf of that Union or on behalf of an employee in the bargaining unit. Grievances are limited to matters of interpretation or application of written provisions of this Agreement. The parties recognizing that an orderly grievance procedure is necessary, agree that each step must be adhered to as set forth herein or the grievance is forfeited.
3. Any grievance not presented in writing for disposition through the grievance procedure within ten (10) working days of the date of the occurrence of the conditions giving rise to the grievance, shall not hereafter be considered a grievance under this Agreement.
4. If the Union fails to file an appeal within the stipulated time limits, the grievance will be considered settled based upon the last answer submitted by the Employer. If the Employer fails to respond to the grievance at any step within the specified time limits, the Union may appeal the grievance to the next step of the procedure.
5. It is mutually agreed that all grievances, disputes, or complaints arising under and during the terms of this Agreement shall be settled in accordance with the procedure herein provided. It is agreed that only the Union shall have the right to assert and press against the Employer any claim, proceeding or action asserting a violation of this Agreement on behalf of itself or any employee. No employee or former employee shall have any right under this Agreement in any claim, proceeding, action, or otherwise on the basis, or by reason of any claim that the Union or any Union Officer or Representative has acted or failed to act relative to the presentation or prosecution of or settlement of any grievance or other matter as to which the Union or any Union officer or representative has authority or discretion to act or not to act under the terms of this Agreement. Should any complaint by an employee arise based upon an event condition or circumstance allegedly resulting in a violation of an applicable provision of this Agreement, there shall be a good faith effort on the part of the parties to settle such promptly in conformance with the following procedure. Provided, however, that any individual employee at any time may present grievances to the Employer and have the grievances adjusted, without intervention of the bargaining representative, if

the adjustment is not inconsistent with the terms of a collective bargaining contract or agreement then in effect, if the bargaining representative has been given opportunity to be present at such adjustment.

6. A grievance may be withdrawn, and, if so withdrawn, all financial liabilities shall be canceled. If a settlement agreement is reached the parties will equally share the cost of any fees assessed.
7. Computation of Back Wages. No claim for back wages shall exceed the amount of wages the employee would otherwise earn at his regular rate less any unemployment compensation and/or any compensation received for employment obtained subsequent to removal from the payroll. Claims for back wages may go back no further than ten (10) working days prior to the time the Union informs the City that it is aware of a possible grievance.
8. Any and all grievances resolved at any step of the grievance procedure (other than the informal discussion with the supervisor), as contained in this Agreement, shall be final and binding upon the Employer and the Union.
9. For the purposes of this Article, the term "working days" shall mean Monday through Friday 8:00 AM through 5:00 PM, excluding City recognized holidays.

10. Procedure

- A. Verbal discussion with immediate supervisor. An employee having a grievance may present it orally to the employee's supervisor. In the event an employee desires that the employee's steward be present, the employee shall make this request through the supervisor, and the supervisor shall send for the steward. This informal discussion shall not toll the time limit for filing a formal grievance. Resolution of a grievance by a supervisor shall be considered to be informal and shall not set precedent for other matters.

B. STEP 1 - Written Grievance to the DPW Director

If the grievance is not settled through verbal discussion with the supervisor, the Business Representative must present the grievance in written form (email is sufficient) to the DPW Director within the time period stated above. The grievance forms must indicate (1) a clear and concise statement of the grievance and the facts upon which it is based and citing the alleged violation(s) of this Agreement, and (2) the remedy or correction requested.

1. It is agreed that written grievances in the first stage shall be presented to or filed with the DPW Director within ten (10) working days of the date of the incident or occurrence which it is alleged resulted in the cause of the grievance. If the grievance is not reduced to writing and presented to the DPW Director, within ten (10) working days of the date of the incident or

occurrence, which it is alleged resulted in the cause of the grievance, then it shall be considered out of time limits and abandoned

2. The DPW Director's disposition shall be in writing and shall be returned to the aggrieved or representative within ten (10) working days from the time of written presentation.
3. If an unsatisfactory disposition is returned by the Supervisor, the Union may appeal to the second stage within ten (10) working days from the time of the unsatisfactory disposition.

B. STEP 2 - Appeal to Director of Human Resources

If the decision of the DPW Director is not satisfactory to the Union, it shall be appealed in writing to the Director of Human Resources within ten (10) working days of the receipt of the answer from the DPW Director. Upon receipt of the written appeal, the Director of Human Resources will within ten (10) working days schedule a meeting with the Union to discuss the grievance. The Director of Human Resources will render a disposition of the grievance within ten (10) working days of the meeting.

C. STEP 3 - Arbitration The Union may request arbitration, during the term of this Agreement or any extensions thereof of any unresolved grievance by giving written notice of its intent to arbitrate within ten (10) working days following receipt of the City's disposition of the second stage meeting or the grievance shall be considered settled and concluded.

1. The parties will confer within ten (10) working days of the receipt of the appeal to choose a mutually acceptable arbitrator. If the parties fail to agree upon an arbitrator, a demand will be filed by the Union with the American Arbitration Association within five (5) working days. The rules of the American Arbitration Association will apply to all arbitration hearings.
2. The arbitrator's powers shall be limited to the application and interpretation of this Agreement as written to settle the grievance before him/her. The arbitrator shall at all times be governed wholly by the terms of this Agreement and he/she shall have no power or authority to amend, alter or modify this Agreement in any respect, or to specify the terms of a new Agreement, or to substitute his/her discretion for that of any of the parties hereto. The Arbitrator shall have no power to establish wage schedules or rates or to change any rate unless it is provided for in this Agreement. If the issue of arbitrability is raised, the arbitrator shall only determine the merits of the grievance if arbitrability is affirmatively decided. By accepting a case from the parties, the arbitrator acknowledges his/her limitations of authority and agrees not to decide an issue which is outside of his/her jurisdiction under this Agreement. The arbitrator recognizes that the Employer is governed by certain laws of the State of Michigan, and the arbitrator agrees that this Agreement shall be interpreted and construed consistent with such laws. Any award of the

Arbitrator shall not be retroactive prior to ten (10) working days from the time the grievance was first submitted in writing.

3. Arbitration awards shall be final and binding on the City, Union and employees. However, each party reserves the right to challenge, through civil litigation only, arbitration or awards thereunder if the arbitrator has exceeded their jurisdiction or has arrived at their award fraudulently or by improper means or as otherwise allowed by law.
4. The fees and expenses of an arbitrator shall be shared equally by the City and the Union, including those instances where the parties reach settlement either prior to, during or after a hearing. Parties shall each pay their own respective costs, including wages of witnesses called by the party. If the Union unilaterally withdraws a grievance from arbitration prior to hearing, the Union shall pay all costs of the arbitrator as assessed.
5. If an employee or the Union seeks a remedy for grievances, disputes or complaints arising under and during the terms of this Agreement outside the provisions of this Article, the grievance shall be immediately withdrawn and any rights under this Article shall be deemed to have been waived.

ARTICLE 17: STEWARDS

- A. The City recognizes the right of the Union to designate a Steward or Alternate to handle such Union business as may from time to time be delegated to the Steward by the Union.
- B. The Steward shall be granted top seniority for layoffs and rehire. The Alternate Steward shall be granted top seniority for layoffs and rehire in those cases where the Steward is not in the group impacted by the layoffs or rehire. Only one (1) Steward shall have top seniority for such purpose in any given layoff or recall.
- C. The Union will inform the City as to any changes of Steward, or Alternate, within five (5) days.
- D. The Steward will be notified of any layoffs which will result in a reduction of the bargaining unit.
- E. The Steward will be part of the Bargaining Committee and is to attend all Contract negotiation meetings.

ARTICLE 18: INSURANCE

- A. Full-time, benefits eligible employees shall be eligible to participate in the health care plans offered by the City to other full-time benefits eligible hourly employees. The City retains the right to modify the health care plans it offers, including the right to change the carrier and/or to become self-insured.
- B. The health care offered by the City shall comply with the Publicly Funded Health Insurance Contribution Act, MCL §§ 15.561 *et seq.*, and the City shall retain the right to make all elections and allocations allowed by the Act. Any employee contributions for health care coverage shall be made by payroll deduction.

- C. The City retains the right to modify the other benefit plans it offers, for example, short-term disability, long-term disability, life insurance, vision insurance, and dental insurance) including the right to change the carrier and/or to become self-insured, provided the overall level of benefit remains the same.

ARTICLE 19: RETIREMENT

Full-time employees shall be eligible to participate in the City's defined contribution retirement plans, subject to the plan and policy requirements. The City shall have the right to change these plans from time to time.

ARTICLE 20: VACATION AND VACATION PAY

- A. The City provides full-time employees with annual vacation leave, as follows:

	Years of Service	Vacation Pay	Max Carryover
Full Time Employees	0-4 years	80 hours upon hire	60 hours
	5-9 years	120 hours	60 hours
	10-14 years	160 hours	60 hours
	15 & above years	200 hours	60 hours

- B. Vacation time can be used immediately. Employees must have Supervisor approval prior to vacation leave. Requests for vacation time must be made at least two (2) weeks before the leave is to begin. Employees that take vacation time prior to it being approved may face disciplinary actions.
- C. Employees are responsible for promptly requesting vacation time in light of the limitation on vacation carryover.
- D. It is agreed the Employer is under no obligation to approve vacation requests. This also applies to requests made in the last sixty (60) days of a vacation year which are made to avoid an employee losing accrued vacation time due the limitation on vacation carryover.
- E. Any holiday recognized in this Agreement which occurs during the approved vacation period will not be charged as vacation time.
- F. Employees who voluntarily resign or retire shall be eligible 100% payout for their unused vacation up to 160 hours. This time will be prorated based on the month the employment ends. Employees who are terminated from employment are not eligible for a payout.

ARTICLE 21: PAYDAY

- A. Employees covered by this Agreement shall be paid bi-weekly. The pay period shall be from Sunday through Saturday with the pay day on every second (2nd) Thursday. If payday falls on a federal holiday, employees will receive their paycheck on the preceding workday.

- B. The City shall show on each employee's paycheck stub or payroll report the number of regular hours worked, overtime hours worked, all authorized deductions and withholding taxes required to be deducted by federal, state, or local governments, as well as accrued vacation and sick leave.

ARTICLE 22: BEREAVEMENT LEAVE

An employee shall receive up to a maximum of five (5) days of paid bereavement leave for the death of a member of the employee's family as defined and limited: parent/step-parent, spouse/partner, child/step-child, sibling, grandparent, mother-law, father-in-law. An employee may request up to two weeks of additional unpaid days of bereavement leave for the death of a spouse or child. For non-immediate family members, employees shall be granted one (1) day off. The time off shall not be charged to sick or vacation leave. Non-immediate family members include aunt, uncle, cousin, Godparent, or other extended family unless the employee can legally prove that they have an "in locos parentis" relationship with extended family member. The Supervisor will need to approve the additional leave, consistent with the efficient operation of the business.

The employee may be required to provide proof of death of immediate family member.

ARTICLE 23: HOURS OF WORK AND OVERTIME PAY

- A. The regular workday shall consist of eight (8) hours, plus a one-half (1/2) hour unpaid lunch period, Monday through Friday.
1. The City may change the regular work shifts to respond to the needs of the City, such as clearing snow and other situations necessitating continuous work from DPW employees.
 2. The parties agree to discuss alternative work schedules, for example, ten hour shifts, upon request.
 3. Nothing in this Agreement shall be viewed to create a level of staffing nor a guarantee of hours of work.
- B. Employees may forgo lunch break and leave one-half hour early for personal or work-related reasons, so long as they obtain permission from their Immediate Supervisor in advance.
- C. With supervisory approval, employees may take their lunch breaks at a time most practical to the work schedule between the hours of 11 a.m. and 2 p.m. At the discretion of the employee's Immediate Supervisor, an extension or change in lunch break to accommodate a personal appointment may be allowed.
- D. For hourly wage employees, time and one-half (1-1/2X) shall be paid for all time worked in excess of forty (40) regular hours in any one (1) payroll week.
- E. A premium will be paid as follows for weekend work, calls, and emergencies:
1. Hours worked on recognized City holidays, will be paid at the overtime rate of double time in addition to holiday pay.

2. Hours worked on weekends will be paid at a rate of time-and-one-half (1-1/2X), unless the employee has taken unpaid leave during that workweek in which case the overtime rate will apply once the employee exceeds 40 hours worked for that week.
3. Overtime shall be divided and rotated as equally as possible according to seniority within the classification and among those employees who regularly perform such work. When the City mandates overtime, the City will offer it to all employees who are qualified to perform the work before mandating those employees with the lowest number of overtime hours worked and turned down.
4. Hours on call, but not worked will not count as hours worked for overtime purposes.

ARTICLE 24: CALL-IN PAY

- A. Any full-time employee covered by this Agreement who reports to work as scheduled and was not notified at least two (2) hours before his starting time that there will be no work that day shall receive a minimum of three (3) hours work or three (3) hours pay in lieu thereof, civil disturbances excluded.
- B. Any full-time employee called back to work after the regular workday shall receive at a minimum three (3) hours' work, at their normal hourly rate. If, after completion of the assigned work, the employee chooses not to stay for three (3) hours, they will be paid only for time worked. This sub-paragraph (B) shall not apply to time that is contiguous with the employee's scheduled shift.

ARTICLE 25: CLASSIFICATIONS AND WAGES

- A. The following wage schedule shall become effective for each employee effective the first full pay period following ratification by both parties.

Position	Start	First Pay Period After Six Full Months	First Pay Period After One Full Year
Engineering Tech	24.08	26.21	28.33
Laborer II	21.89	23.82	25.75
Laborer I	17.00	18.50	20.00
Building Laborer	20.29	22.08	23.87
Sanitation Worker	17.00	18.50	20.00

All current employees in full-time positions at the time of full ratification by both parties of the 2023-2026 Collective Bargaining Agreement shall be placed at the maximum pay rate regardless of hire date with the City.

The City shall have the right to hire employees into the bargaining unit at any step on the scale based on their qualifications and experience and such placement shall not be subject to the Arbitration and Grievance Procedure.

- B. Wage increase, if any, effective the first pay period following July 1, 2024 shall match the annual wage increase, if any, given to all hourly employees in the City through the City Council Budget process for the July 1, 2024 to June 30, 2025 fiscal year. Adjustments to individual positions or employees, for example due to market or merit considerations, shall not be considered for the purposes of this provision. Increases will commence the first full-pay period following July 01 of each new fiscal year.
- C. Wage increase, if any, effective the first pay period following July 1, 2025 shall match the annual wage increase, if any, given to all hourly employees in the City through the City Council Budget process for the July 1, 2025 to June 30, 2026 fiscal year. Adjustments to individual positions or employees, for example due to market or merit considerations, shall not be considered for the purposes of this provision. Increases will commence the first full-pay period following July 01 of each new fiscal year.

As part of an overall package to settle the collective bargaining agreement, the Employer will pay a lump sum payment of \$325 to every bargaining unit member on the payroll on the date of full ratification by both parties. Payment to be made within thirty (30) days of full ratification. The Union agrees this resolves any claims arising from the City's July 1, 2023 pay increase which was not extended to members of the bargaining unit.

ARTICLE 26: PROMOTIONS

Any promotion within the bargaining unit shall be based upon ability to perform the work, as determined by the Employer. Where such ability to perform is equal, seniority shall be taken into account.

ARTICLE 27: MISCELLANEOUS

- A. Change of employee's address - an employee shall notify both the City and Union in writing within five (5) days of any change of address.
- B. Upon approval of the office of the DPW Director the Union shall have the right to examine time sheets and other records pertaining to the computation of compensation of any employee whose pay is in dispute or any other records of the employee pertaining to a specific grievance, at a reasonable time with employee's consent.

- C. The City must provide employees with access to drinking water and hygiene supplies (soap, hand towels, cleaners) at City buildings.
- D. Employees covered by this Agreement shall not engage in supplemental employment where there is a conflict of interest or where said supplemental employment adversely impacts the employee's attendance, punctuality, and/or performance at the City of Pontiac.

ARTICLE 28: HOLIDAY AND HOLIDAY PAY

- A. Regular full-time employees will receive holiday pay equal to their regular wage for their normally scheduled shift on each of the following holidays:

New Year's Day	Labor Day
Martin Luther King Day	Veterans Day
Presidents Day	Thanksgiving
Good Friday	Day After Thanksgiving
Memorial Day	Christmas Eve and Christmas Day
Independence Day	Juneteenth
	New Years Eve

- B. Employees who are serving their six (6) month probationary period are entitled to holiday pay for holidays falling within the probationary period.

If these holidays fall on Saturday, the preceding Friday will be a holiday. If they fall on Sunday, the following Monday will be a holiday. The City reserves the right to pay eligible employees in lieu of time off if the holiday falls on Saturday.

ARTICLE 29: SICK TIME.

- A. Each full-time employee covered by this Agreement shall accrue sick time at 3.69 hours per pay period. Sick time may be carried over year to year without limitation.
- B. Employees who will not report to work as a result of personal leave shall notify their Immediate Supervisor of that fact before the start of work that day and shall give twenty-four (24) hours' notice if possible. If foreseeable, employees should schedule sick time in advance.
- C. Employees may receive a payout of 50% of their accrued and unused sick time up to 80 hours (for a maximum payout of 40 hours) upon resignation or retirement. Employees who are terminated are not eligible for a payout of unused sick time.

ARTICLE 30: RENEWAL OR CHANGE OF AGREEMENT

If either party desires to terminate this Agreement, it shall, between one hundred eighty (180) and sixty (60) days prior to the termination date, give written notice of termination. If neither party shall give notice of termination of this Agreement as provided in this paragraph or notice of amendment, as hereinafter provided, this Agreement shall continue in effect from year to year thereafter subject to notice of termination by either party or between one hundred eighty (180) and sixty (60) days written notice prior to the current year's termination date.

If either party desires to modify or change this Agreement, it shall, between one hundred either (180) and sixty (60) days prior to the termination date or any subsequent termination date, give written notice of amendment. If notice of amendment of this Agreement has been given in accordance with this paragraph, this Agreement may be terminated by either party on ten (10) days written notice of termination but not before the effective termination date of this Agreement. Any amendments that may be agreed upon shall become and be a part of this Agreement without modifying or changing any of the other terms of this Agreement.

Notice of Termination Modification - Notice shall be in writing and shall be sufficient if sent by certified mail addressed to the Union or, if to the Employer, addressed to the Director of Human Resources. Alternatively, notice shall be sufficient if emailed to the established business email address of the Union or, if to the Employer, the Director of Human Resources.

Pursuant to MCLA 423.215(7), an emergency manager appointed under the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, may reject, modify, or terminate this Agreement as provided in the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575.

ARTICLE 31: SAVINGS CLAUSE

It is mutually agreed that if any clause, terms, provisions of this Agreement is or is hereafter found to be illegal or in contravention of any Presidential Executive Order, Court Ruling, Michigan Employment Relations Commission Ruling, or ruling of any board or agency having jurisdiction in the matter, such clause, terms or provisions shall be or become inoperative of any effect without disturbing the other clauses, terms or provisions of this Agreement and the remaining part of this Agreements shall remain in full force and effect. The parties affected shall enter into immediate collective bargaining negotiations upon the request of either party for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, either party shall be permitted all legal recourse as allowed by this Agreement in support of its demands.

ARTICLE 32 WAIVER

Section 1.

The provisions of the Agreement may be amended, supplemented, rescinded or otherwise

altered only by mutual agreement in writing signed by the parties hereto.

Section 2.

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and Agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waive the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement.

ARTICLE 35: LENGTH OF AGREEMENT

THIS AGREEMENT shall remain in full force and effect from December ____ 2023 through, , June 30, 2026.

IN WITNESS WHEREOF, the parties hereto have hereunto caused these presents to be executed by their respective duly authorized officers this day of _____, 2023.

FOR THE CITY:

City of Pontiac
47450 Woodward Ave.
Pontiac, MI 48324
Phone: 248.758.3600

FOR THE UNION:

International Union of Operating
Engineers Local 324- AFL-CIO
500 Hulet Dr.
Bloomfield Twp., MI 48302
Phone: 248.451.0324

Douglas W. Stockwell,
Business Manager

Ken Dombrow,
President

Chad Lynch,
Recording-Corresponding Secretary

Diane Pizzo, - Health Care Plan

Chris Chavez,
Business Representative

MERGER AGREEMENT

This Merger Agreement is entered into by and between the City of Pontiac VEBA Trust, the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan, and the City of Pontiac, effective as of December 31, 2023.

WHEREAS, the City of Pontiac, Michigan (the “City”) established the City of Pontiac VEBA Trust (the “Super VEBA”) on March 23, 2020;

WHEREAS, the Internal Revenue Service issued a determination letter on August 10, 2020, indicating that the Super VEBA is exempt from federal income taxation under Code §501(c)(9) effective 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 issued determination letters on September 22, 1997, and October 19, 2021, indicating that the P&F VEBA is exempt from federal income taxation under Code §501(c)(9);

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, and was amended on May 23, 2023 (the “Settlement Agreement”);

WHEREAS, Settlement Agreement §7 directs the P&F VEBA to merge into the Super VEBA with the Super VEBA being the surviving entity;

WHEREAS, Settlement Agreement §7 directs that after the merger, the former P&F VEBA members shall receive retiree health benefits under the terms and provisions of the Super VEBA;

WHEREAS, article 10 of the Super VEBA Trust Agreement generally permits the provisions of such trust agreement to be amended to the extent such amendment is not inconsistent with the Settlement Agreement and does not adversely affect the tax exempt status of the Super VEBA;

WHEREAS, article X of the P&F VEBA Trust Agreement generally permits the provisions of such trust agreement to be amended to the extent such amendment does not adversely affect the tax exempt status of the P&F VEBA;

WHEREAS, the City, the P&F VEBA Trustees, and Super VEBA Trustees have also determined that the merger of the two VEBAs will facilitate coordination of benefits and administrative and cost efficiencies and will be in the best interest of the City, the P&F VEBA, the Super VEBA, and members and beneficiaries of the two VEBAs;

WHEREAS, on December ____, 2023, the Pontiac City Council approved a resolution authorizing the adoption of this Merger Agreement in order to effectuate the terms of Settlement Agreement §7;

WHEREAS, on December 7, 2023, the P&F VEBA Trustees approved a resolution authorizing the adoption of this Merger Agreement in order to effectuate the terms of Settlement Agreement §7; and

WHEREAS, on December 7, 2023, the Super VEBA Trustees approved a resolution authorizing the adoption of this Merger Agreement in order to effectuate the terms of Settlement Agreement §7.

NOW THEREFORE, in order to effectuate the merger of the P&F VEBA into the Super VEBA, the parties hereby agree as follows in this Merger Agreement.

ARTICLE 1 DEFINITIONS

The following definitions shall govern the following terms when used in this Merger Agreement, unless otherwise specifically required by the context:

“City” means the City of Pontiac, Michigan.

“Code” means the Internal Revenue Code of 1986, as may be amended from time to time.

“CPREA” means the representative party in *City of Pontiac Retired Employees Association et. al. v. Schimmel et. al*, Docket #64-2, Case No. 2:12-cv-12830-AC-PJK (United States District Court Eastern District of Michigan).

“Effective Date” means December 31, 2023.

“Funds Transfer Date” has the meaning set forth in Section 2.1.

“P&F VEBA” means the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan.

“P&F VEBA Group” means the members, eligible deferred vested members, retirants, and beneficiaries who have an interest in the P&F VEBA as of the date immediately prior to the Effective Date.

“P&F VEBA Trust Agreement” means the Declaration of Trust and Agreement of the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan.

“P&F VEBA Trustees” means the board of trustees for the P&F VEBA.

“Settlement Agreement” has the meaning set forth in the preamble. The Settlement Agreement (along with the November 19, 2018 court order approving the Settlement Agreement and the May 23, 2023 court order modifying the Settlement Agreement) is attached to this Merger Agreement as Exhibit A.

“Super VEBA” means the City of Pontiac VEBA Trust.

“Super VEBA Trust Agreement” mean the City of Pontiac VEBA Declaratory Trust Agreement.

“Super VEBA Trustees” means the board of trustees for the Super VEBA.

ARTICLE 2 MERGER, TRANSFER, AND ASSIGNMENT

2.1 **Merger of Assets and Transfer of Funds.** Pursuant to the requirements of Settlement Agreement §7, the P&F VEBA is hereby merged with and into the Super VEBA (with the Super VEBA continuing as the surviving entity) as of the Effective Date. Subject to the terms and conditions set forth within this Merger Agreement, the P&F VEBA Trustees are directed to effectuate the actual transfer of funds from the P&F VEBA into the Super VEBA as follows:

(a) As soon as administratively feasible after the Effective Date, the P&F VEBA Trustees shall assign, transfer, and/or convey all of the P&F VEBA assets to the Super VEBA in the form directed in writing by the Super VEBA Trustees (“Funds Transfer Date”) in order to provide retiree health benefits to the P&F VEBA Group in accordance with the terms of the Settlement Agreement and the Super VEBA Trust Agreement. With respect to any contribution which had accrued but has not been paid to the P&F VEBA as of the Effective Date, the P&F VEBA Trustees shall direct the party responsible for such contribution to remit the contribution as soon as administratively feasible to the Super VEBA.

(b) Assets shall be increased by earnings or gains and decreased by expenses or losses on such funds in the P&F VEBA between the Effective Date and the Fund Transfer Date. Thereafter, the assets shall be credited with investment gains and losses and earnings and expenses in the same manner as are the comparable accounts in the Super VEBA.

(c) All obligations and liabilities of the P&F VEBA existing on the Effective Date, including continuation of payment of retiree health benefits as described in the Settlement Agreement and the Super VEBA Trust Agreement, are transferred to, assumed by, and made obligations and liabilities of the Super VEBA upon transfer of substantially all of the P&F VEBA assets to the Super VEBA.

(d) Following the merger and transfer of assets from the P&F VEBA into the Super VEBA, the Super VEBA Trustees shall administer the resulting combined merged VEBA pursuant to the terms of the Super VEBA and Settlement Agreement.

Benefits provided under the Super VEBA are meant to replace the benefits which would have otherwise been available to the P&F VEBA Group had the P&F VEBA's assets not been transferred to and liabilities assumed by the Super VEBA. In no event shall the P&F VEBA Group receive duplicative benefits under both the P&F VEBA and the Super VEBA.

2.2 **Assumption of Liabilities on Merger.** As of the Funds Transfer Date, the liability for the P&F VEBA Group shall become the liability of the Super VEBA, and the P&F VEBA (including its administrator, fiduciaries, trustees and other individuals and entities responsible for its administration) shall thereafter have no responsibility or obligation with respect to such transferred account balances. Concurrent with the merger, the Super VEBA assumes all obligations and liabilities for benefits to the P&F VEBA Group, and discharges the P&F VEBA and its fiduciaries from such obligations and liabilities, except to the extent that such remaining liability is attributable to actions, or omissions to act, by the administrator of the P&F VEBA, P&F VEBA Trustees, or their authorized representatives and/or other service providers, prior to the actual Funds Transfer Date. The Super VEBA also assumes all obligations and liabilities for unpaid administrative expenses of the PF VEBA that are invoiced to the PF VEBA after the transfer date. The PF VEBA shall use its best efforts to pay all known administrative expenses, incurred before the transfer date. However, upon recognition that the PF VEBA will be invoiced, after the transfer date, for administrative expenses that were incurred before or after the transfer date, the Super VEBA shall assume the obligation and liability to pay those PF VEBA administrative expenses.

This Merger Agreement shall represent a removal of the P&F VEBA Trustees and the appointment of the Super VEBA Trustees as the P&F VEBA Trustees' successor for purposes of the merged assets. The P&F VEBA Trustees are directed to take any action that is necessary to liquidate or assign (as directed in writing by the Super VEBA Trustees) the investments of the P&F VEBA, to account for such assets, and to transfer such assets to the Super VEBA Trustees. Notwithstanding the foregoing, neither the Super VEBA nor the Super VEBA Trustees shall be liable for actions or omissions to act in relation to the P&F VEBA and its assets that occurred prior to the Effective Date, except to the extent that any such Super VEBA Trustees were also P&F VEBA Trustees prior to the Effective Date.

Notwithstanding the foregoing, the P&F VEBA Trustees shall assist the Super VEBA Trustees in any and all actions to fully wind down the operations of the P&F VEBA and to transfer the assets of the P&F VEBA to the Super VEBA.

2.3 **Transfer of Ownership.** As soon as administratively feasible on or after the Effective Date, the P&F VEBA Trustees are directed to deliver to the Super VEBA Trustees all of the books, records, and documents of the P&F VEBA pertaining to, the interests, assets, and liabilities transferred from the P&F VEBA to the Super VEBA, together with all such documentation, fully executed, as may be necessary to permit the transfer / assignment of title, registration or other indicia of ownership to the Super VEBA of all assets transferred / assigned. The Super VEBA Trustees shall be directed to accept the same.

2.4 **Books and Records.** As soon as administratively feasible on or after the Effective Date, the administrator of the P&F VEBA is directed to deliver to the administrator of the Super

VEBA all of the books, records, and documents of the P&F VEBA relating to the P&F VEBA Group whose interests have been merged into the Super VEBA. The P&F VEBA Trustees shall ensure that all records necessary to meet the recordkeeping requirements of Treasury Regulation §1.501(c)(9)-5 as related to the P&F VEBA are so transferred.

2.5 Eligibility of P&F VEBA Group to Participate in the Super VEBA After Merger. Each person who falls within the definition of the P&F VEBA Group shall automatically become, continue as, or have a deferred vested right to become a member of the Super VEBA as of the Effective Date. The terms and provisions of the Super VEBA, as it may be amended from time to time, shall apply to the P&F VEBA Group after the Effective Date.

Each member of the P&F VEBA Group who had years of service credited under the P&F VEBA shall have that service apply for each purpose under the Super VEBA, including but not limited to, eligibility to participate, and entitlement to benefits, rights and features.

All elections, waiver, consents, designations, directions, and other exercises of rights and privileges under the P&F VEBA shall be deemed effective and applicable with respect to the Super VEBA until otherwise modified or terminated.

As of January 1, 2024, non-deferred members of the P&F VEBA Group shall become eligible to participate in the Super VEBA health plans. The participants in the Super VEBA health plans prior to the Effective Date shall continue to receive benefits under the Super VEBA health plans.

ARTICLE 3 COMPLIANCE WITH STATUTORY PROVISIONS

3.1 Applicable Code Requirements. As of the Effective Date, the assets and liabilities of the P&F VEBA related to any individual in the P&F VEBA Group shall be merged into the Super VEBA in a transaction satisfying all applicable requirements of Code §501(c)(9) and its implementing regulations. The methodology utilized to provide benefits to beneficiaries to calculate the amount of assets to be transferred to the Super VEBA shall be consistent with the requirements of Code §501(c)(9) so as not to affect the tax exempt status of the Super VEBA or the P&F VEBA (as of its termination). The assets transfer by the P&F VEBA will not be used to benefit the City in any manner other than through any incidental cost savings and efficiencies it may enjoy through a simplified structure. The City will have no right to receive any funds that are transferred from the P&F VEBA to the Super VEBA. All of the transferred assets shall be used for the exclusive purpose of providing funding for retiree health benefits as specifically set forth in the Super VEBA Trust Agreement and as required by the Settlement Agreement and the Super VEBA Trust Agreement. No part of the net earnings of the Super VEBA prior to or after the Effective Date shall inure, other than by payment of benefits described in the Super VEBA Trust Agreement (as permitted by Treasury Regulation §1.501(c)(9)-3), to the benefit of any private shareholder or individual.

ARTICLE 4 MISCELLANEOUS

4.1 Expenses. Each party to this Merger Agreement shall bear its own expenses incurred in connection with the negotiation and consummation of the transactions contemplated under this Merger Agreement.

4.2 Binding Effect. This Merger Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

4.3 Complete Agreement. This Merger Agreement represents the entire agreement of the parties, and supersedes any and all prior or contemporaneous agreements, concerning this subject matter, whether written, unwritten, express or implied. The parties acknowledge that there are no oral representations, understandings, or agreements relating to this Merger Agreement which are not fully expressed herein.

4.4 Severability. Any provision of this Merger Agreement which is determined to be invalid or unenforceable, shall not affect the remainder of this Merger Agreement, which shall remain in effect, unless the removal of the invalid or unenforceable provision would substantially defeat the basic intent, purpose and spirit of this Merger Agreement.

4.5 Applicable Law. This Merger Agreement shall be construed and enforced according to the laws of the State of Michigan, to the extent that federal law does not control.

4.6 Counterparts. This Merger Agreement may be executed in multiple counterparts all of which shall be deemed originals.

4.7 Amendment of VEBA Trust Agreements. This Merger Agreement shall serve as an amendment to the Super VEBA Trust Agreement and the P&F VEBA Trust Agreement.

4.8 Notice to City, Trustees, and CPREA. A copy of this Merger Agreement shall be provided to the P&F VEBA Trustees, the Super VEBA Trustees, the City, and CPREA to confirm to such persons that the merger of the P&F VEBA into the Super VEBA has been authorized, and to direct that the assets in possession of the P&F VEBA Trustees be transferred to the Super VEBA Trustees as soon as administratively feasible following the Effective Date.

4.9 Further Assurances. The parties agree to execute such other instruments, including any necessary amendments to the P&F VEBA and Super VEBA, and to perform such other acts as may be necessary and proper to effectuate the intent of this Merger Agreement. The parties agree that this Merger Agreement shall not be interpreted to favor, disfavor, or otherwise augment or diminish their respective positions, in litigation or otherwise, related to the ability or inability to alter benefits provided through the Super VEBA. The parties further agree that this Merger

Agreement shall not be interpreted in any way to be addressing, dictating, or not dictating that the Super VEBA Trust Agreement supersedes the Settlement Agreement.

4.10 Valuation. The annual valuation of the Super VEBA shall be made by the Super VEBA Trustees on the combined balances in the Super VEBA after the transfer of assets and liabilities from the P&F VEBA has occurred.

IN WITNESS WHEREOF, the parties have caused this instrument to be signed and/or executed by duly authorized officers of the City of Pontiac VEBA Trust, the City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan, and the City.

City of Pontiac VEBA Trust

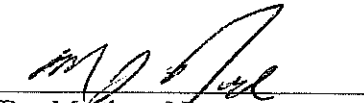


By: Claudia Filler

Its: Chairperson

Dated: Dec, 7, 2023

City of Pontiac Police and Fire Retiree Prefunded Group Health and Insurance Plan



By: Matthew Nye

Its: Chairman

Dated: DEC, 7th, 2023

City of Pontiac

By: Tim Greimel

Its: Mayor

Dated: _____, 2023

EXHIBIT A

SETTLEMENT AGREEMENT & COURT APPROVALS

41464944.1/071371.00075

#2

RESOLUTION



CITY OF PONTIAC

OFFICIAL MEMORANDUM

TO: Honorable City Council President and City Council

FROM: Melinda Durakovic, Human Resources Director

CC: Timothy Sadowski, Finance Director, Mayor Tim Greimel, Khalfani Stephens, Deputy Mayor

DATE: December 27, 2023 Agenda

RE: **Resolution to authorize an increase to the HRAA contract to cover on-site Human Resources Consultant fees**

The Human Resources Department is seeking authorization to amend the Human Resources budget to pay for fees of the on-site Human Resources Consultant whose services were contracted from HR Advantage Advisory during the vacancy of the City of Pontiac's Human Resources Director position. The referenced services of an on-site Human Resources Consultant was an unanticipated expense in the previous budget.

The Human Resources Department is requesting authorization to increase the contract amount for FY 2023-24 to an amount not to exceed \$66,000 for the on-site Human Resources Consultant. The increase was also due to filling the gap related to the starting date for the new Human Resources Director.

This budget authorization is anticipated to cover a work period through January 19, 2024. If the professional is asked to do work beyond that date, a more detailed request will follow.



Resolution for authorization to increase the HRAA Contract to an amount not to exceed \$66,000

WHEREAS, the Human Resources Department had an unexpected vacancy for the City's Human Resources Director; and,

WHEREAS, an on-site Human Resources Consultant was contracted through HR Advantage Advisory to assist the City with its HR responsibilities; and,

WHEREAS, Human Resources is requesting authorization to increase the contract amount for the FY 2023-24 by \$30,000 to pay for the referenced services.

NOW THEREFORE, BE RESOLVED, the Pontiac City Council authorizes the Mayor or his Designee to increase the HRAA contract to an amount not to exceed \$66,000.