

CITY OF HAMTRAMCK
OFFICE OF THE EMERGENCY MANAGER

CATHY L. SQUARE

3401 Evaline
Hamtramck, MI 48212
Telephone: (313) 876-7700

Dated: December 16, 2014

ORDER NO. S-016

RE: Order Adopting Wastewater Disposal Services Contract between City of Hamtramck and City of Detroit Water and Sewerage Department

**TO: City Clerk
Mayor
City Council
Department Heads**

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.1541, et. seq.) in Section **10(1)** states that “[a]n emergency manager shall issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of [the] act, including, but not limited to, orders for the timely and satisfactory implementation of a financial and operating plan... or to take actions, or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan.” Any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 12(1) provides that an Emergency Manager may take one or more of the following actions: **(g)** Make, approve, or disapprove any appropriation, contract, expenditure, or loan, the creation of any new position, or the filling of any vacancy in a position by any appointing authority; **(n)** Consolidate or eliminate departments of the local government or transfer functions from 1 department to another and appoint, supervise, and, at his or her discretion, remove administrators, including heads of departments other than elected officials; **(o)** Employ or contract for, at the expense of the local government and with the approval of the state financial authority, auditors and other technical personnel considered necessary to implement this act; **(ee)** Take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities; and **Section 12(2)** Except as otherwise provided in this act, during the pendency of the receivership, the authority of the chief administrative officer and governing body to exercise

power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the emergency manager.

It is hereby ordered:

1. That the Wastewater Disposal Services Contract between the City of Hamtramck and the City of Detroit Water and Sewerage Department, dated October 28, 2014, is hereby entered into by the Emergency Manager on behalf of the City in the form attached to this Order. The Contract shall be immediately adopted and implemented, and shall have full force and effect.
2. That all terms and conditions of the relationship between then parties shall be governed by the Contract, as described above.
3. To the extent that this Order conflicts with any provision of the City Charter, any City Ordinance or any prior Order, this Order is controlling.
4. Should any section, clause, or provision of this Order be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared unconstitutional, void, or illegal shall thereby cease to be a part of this Order, but the remainder of this Order shall stand and remain in full force and effect.

The Order shall have immediate effect.

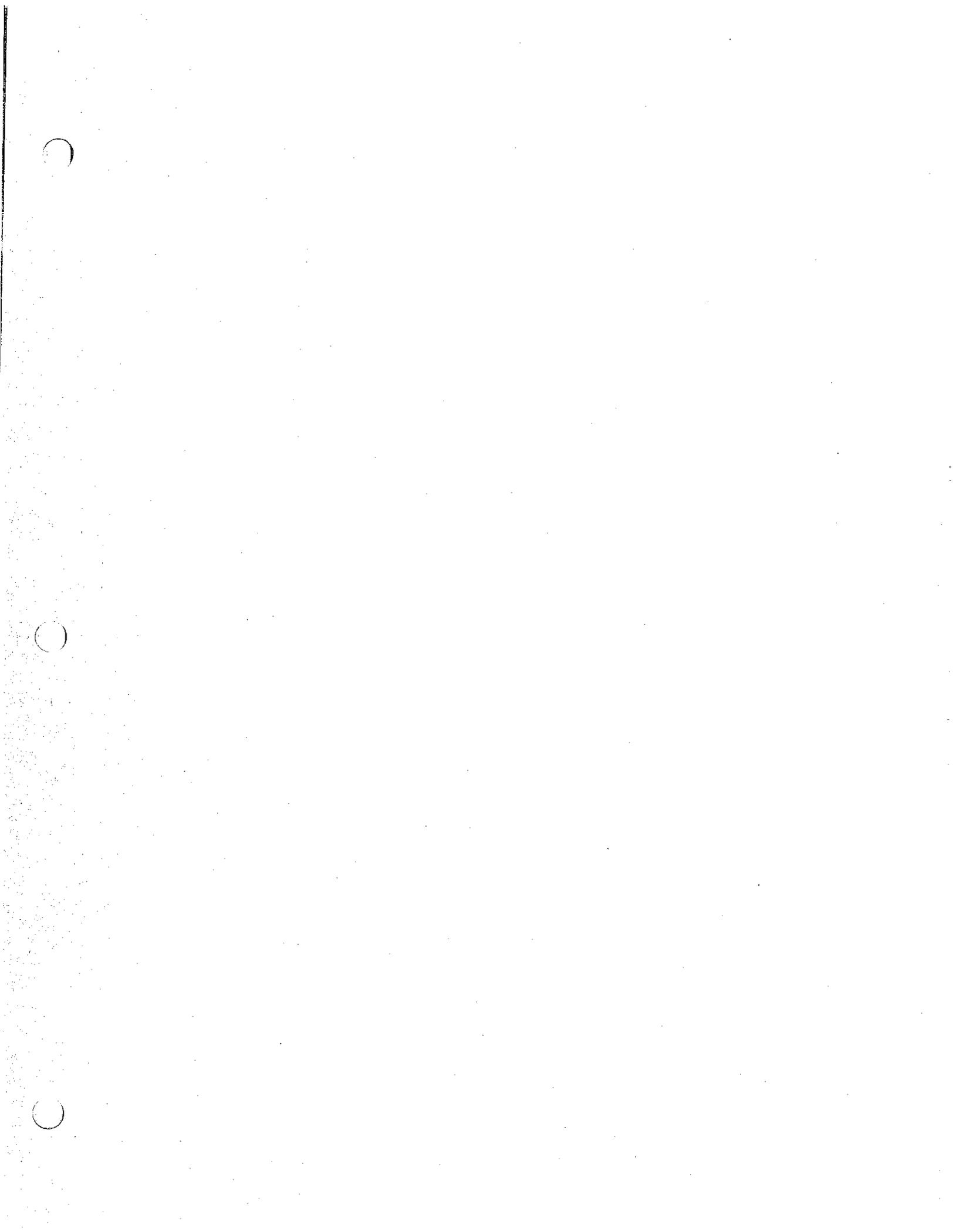
Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained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

This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.



Cathy Square
City of Hamtramck
Emergency Manager

cc: State of Michigan Department of Treasury



**CITY OF HAMTRAMCK
OFFICE OF THE EMERGENCY MANAGER**

CATHY L. SQUARE

3401 Evaline

Hamtramck, MI 48212

Telephone: (313) 876-7700

Dated: December 16, 2014

ORDER NO. S-017

RE: Order Appointing Various City Employees and Department Heads; Order Designating City Street Administrator; Order Regarding Additional Duties of City Manager, Mayor, and Council; Order Restoring the Pay of Council and Mayor

**TO: City Clerk
Mayor
City Manager
City Council**

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.1541, et. seq.) in Section 10(1) states that “[a]n emergency manager shall issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of [the] act, including, but not limited to, orders for the timely and satisfactory implementation of a financial and operating plan... or to take actions, or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan.” Any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 12(1) provides that an Emergency Manager may take one or more of the following actions: (g) Make, approve, or disapprove any appropriation, contract, expenditure, or loan, the creation of any new position, or the filling of any vacancy in a position by any appointing authority; (i) Notwithstanding any minimum staffing level requirement established by charter or contract, establish and implement staffing levels for the local government; (n) Consolidate or eliminate departments of the local government or transfer functions from 1 department to another and appoint, supervise, and, at his or her discretion, remove administrators, including heads of departments other than elected officials; (ee) Take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government; (ff) Remove, replace, appoint, or confirm the appointments to any office, board, commission, authority, or other entity which is with or is a

component unit of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities; and **Section 12(2)** Except as otherwise provided in this act, during the pendency of the receivership, the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the emergency manager.

It is hereby ordered:

1. That Ms. Bessie Johnson is hereby appointed to the position of Income Tax Administrator, effective December 11, 2014. Further, The Employment Agreement between Bessie Johnson and the City of Hamtramck, dated December 11, 2014, is hereby adopted and shall be given immediate effect from the date of execution.
2. That Mark Ragsdale is hereby appointed to the position of Director of Public Services Department, effective October 21, 2014. The Employment Agreement between Mark Ragsdale and the City of Hamtramck, dated October 21, 2014, is hereby adopted and shall be given immediate effect from the date of execution.
3. That Mr. Mark Ragsdale, the Director of Department of Public Services, is hereby designated as the single Street Administrator for the City of Hamtramck in all transactions with the State Transportation Department as provided in Section 13 of Act 51, Public Acts of 1951. Such designation shall be effective immediately.
4. That the position of Deputy City Manager is hereby created within the City and that Mr. John Gabor is hereby appointed to the positions of Deputy City Manager and City Treasurer, effective immediately. The Employment Agreement between John Gabor and the City of Hamtramck, dated December 16, 2014, is hereby adopted and shall be given immediate effect. The Deputy City Manager shall be responsible to the City Manager and the City Manager shall prescribe all duties and responsibilities of the Deputy City Manager.
5. That Ms. Katrina Powell is hereby appointed to the position of City Manager, effective December 8, 2014. The Employment Agreement between Katrina Powell and the City of Hamtramck, dated November 26, 2014, is hereby adopted and shall be given immediate effect from the date of execution.
6. That in addition to the duties and responsibilities found in Charter, the City Manager shall have the following additional exclusive duties and responsibilities during the period where any Transition Advisory Board has been appointed pursuant to PA 436 of 2012:
 - a. Review current and potential litigation with the City Attorney and report on any litigation to Council or the Board, as needed.

- b. Have complete decision making authority on behalf of the City, subject to the approval of the Board, on all matters of litigation, including the ability to settle or initiate lawsuits, mediations, arbitrations or any other legal proceeding.
 - c. Sign all contracts on behalf of and entered into by the City and modify or terminate any current contract with the City, subject to the terms and conditions of the contract, any applicable law, and only with prior approval by the Board.
 - d. Hire any professional consultants, auditors, or accountants, with approval of the Board.
 - e. Hire, suspend, or terminate any City employee, appointee, or department head, with approval of the Board.
 - f. Approve or modify the salary, benefit package, or employment agreement of any employee, appointees, or members of boards or commissions, with the approval of the Board.
 - g. Make, approve, or modify any policy relating to Council meetings and decorum, as long as such policy is not in violation of State Law and with approval of the Board.
 - h. Supervise the Deputy City Manager and prescribe any duties or responsibilities of the Deputy City Manager.
7. During the period where any Transition Advisory Board has been appointed pursuant to PA 436 of 2012, the Mayor and any Council Member shall not take any action to interfere with any of the duties and responsibilities of the City Manager, as articulated both in the Charter and above.
8. Additionally, during the period where any Transition Advisory Board has been appointed pursuant to PA 436 of 2012, the Mayor and any Council Member shall not:
- a. Appoint any staff to City Council or contract for services for City Council.
 - b. Sell, lease, exchange, or in any way dispose of any real property without approval of the Board, and only after public notice and hearing.
 - c. Change the compensation of any elected or appointed official unless such change is approved by the City Manager and the Board.
 - d. Cancel, amend, or impair any contract signed by the Emergency Manager or terminate any professional consultants currently providing the City with services, including, but not limited to, attorneys, auditors, or accountants.

- e. Create any full-time or part-time positions, or modify the job descriptions of any existing full-time or part-time positions, without approval of the City Manager and the Board.
 - f. Take any action to cancel, modify, or rescind any authorization by the City Building Official with respect to American Axle Manufacturing and their manufacturing facility located within Hamtramck.
9. Beginning January 1, 2015, the pay of City Council Members and the Mayor, as provided for in the Charter, shall be fully restored.
 10. The City Manager and City Council shall take any necessary actions to remain compliant with all Court ordered and other required mandates and otherwise act on the recommendations of the City Attorney regarding the lawsuit of *Garrett et. al v. Hamtramck et. al.*, case number 68-cv-32004.
 11. The City Treasurer shall take any and all actions necessary to collect all fees, monies, and tax revenues due and owing to the City pursuant to the Interlocal Agreement between the City of Detroit and the City of Hamtramck relating to the Central Industrial Park Project, dated May 1, 1981.
 12. In the lawsuit of *Serafino et. al. v. City of Hamtramck et. al.*, case number 14-cv-14112, while Giarmarco Mullins & Horton, P.C. shall remain head Council on said litigation, the City is instructed to enter into an engagement with the law firm of Miller Canfield to provide any additional legal services as Giarmarco Mullins & Horton, P.C. deems necessary and appropriate only on said litigation. Any and all legal fees of Miller Canfield incurred on said litigation shall be paid to Miller Canfield directly and shall be reimbursed by the State.
 13. To the extent that this Order conflicts with any provision of the City Charter, any City Ordinance or any prior Order, this Order is controlling.
 14. Should any section, clause, or provision of this Order be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared unconstitutional, void, or illegal shall thereby cease to be a part of this Order, but the remainder of this Order shall stand and remain in full force and effect.

The Order shall have immediate effect.

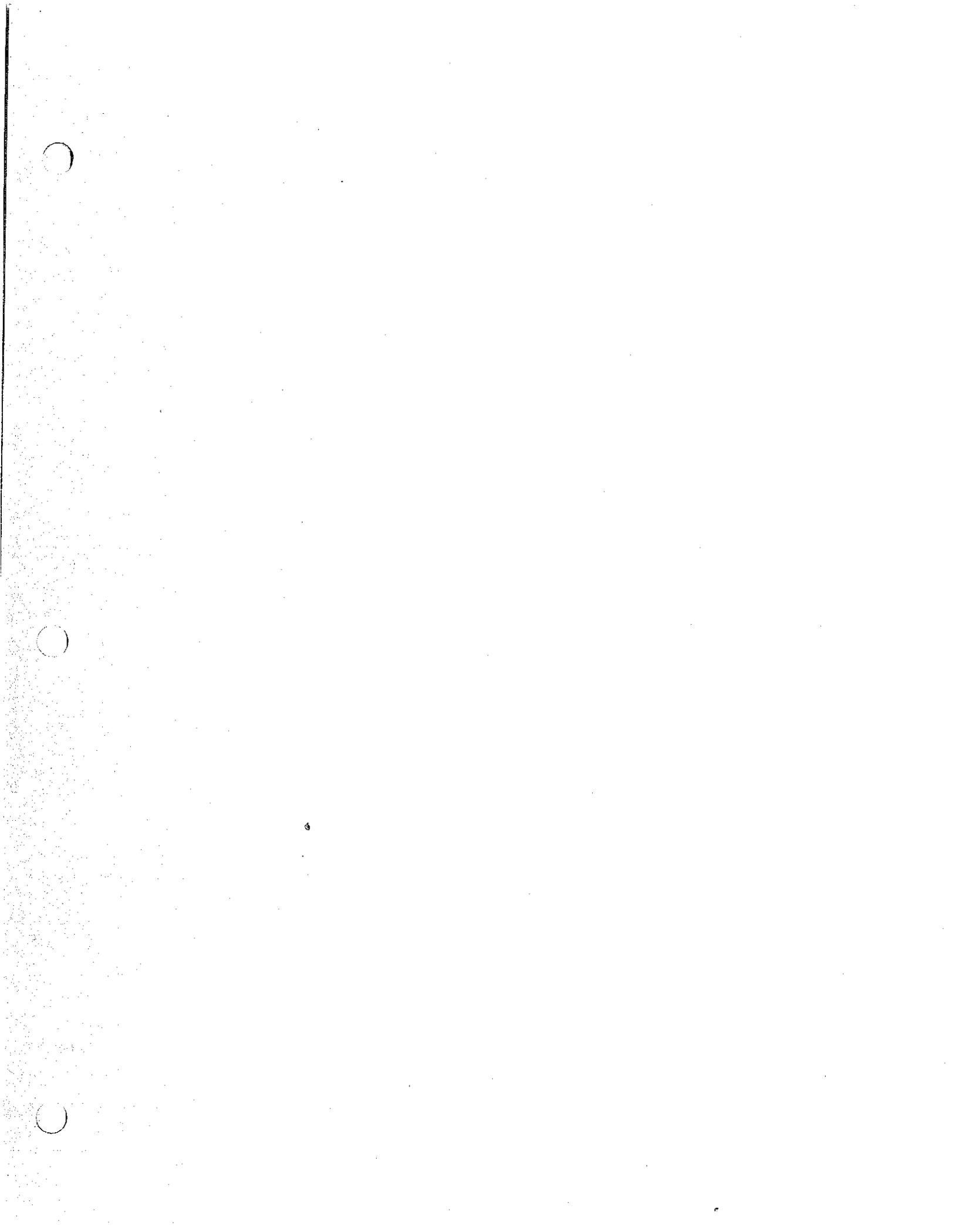
Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained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

This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.



Cathy Square
City of Hamtramck
Emergency Manager

cc: State of Michigan Department of Treasury



CITY OF HAMTRAMCK
OFFICE OF THE EMERGENCY MANAGER

CATHY L. SQUARE

3401 Evaline
Hamtramck, MI 48212
Telephone: (313) 876-7700

Dated: December 16, 2014

ORDER NO. S-018

RE: Order Regarding Various Consulting Services Agreements

TO: City Clerk
Mayor
City Manager
City Council

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.1541, et. seq.) in Section 10(1) states that “[a]n emergency manager shall issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of [the] act, including, but not limited to, orders for the timely and satisfactory implementation of a financial and operating plan... or to take actions, or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan.” Any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 12(1) provides that an Emergency Manager may take one or more of the following actions: **(g)** Make, approve, or disapprove any appropriation, contract, expenditure, or loan, the creation of any new position, or the filling of any vacancy in a position by any appointing authority; **(i)** Notwithstanding any minimum staffing level requirement established by charter or contract, establish and implement staffing levels for the local government; **(n)** Consolidate or eliminate departments of the local government or transfer functions from 1 department to another and appoint, supervise, and, at his or her discretion, remove administrators, including heads of departments other than elected officials; **(o)** Employ or contract for, at the expense of the local government and with the approval of the state financial authority, auditors and other technical personnel considered necessary to implement this Act; **(ee)** Take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities; and **Section 12(2)** Except as otherwise provided in this act, during the pendency of the receivership, the authority of the chief administrative officer and governing body to exercise

power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the emergency manager.

It is hereby ordered:

1. That the Agreement for an analysis of police services with Mark Nottley and Municipal Consulting Services to provide an in-depth evaluation of police department operations is hereby entered into by the Emergency Manager on behalf of the City in the form attached to this Order.
2. That the Hamtramck Police Department shall implement any and all recommendations contained within the Final Report, unless permission of both the City Manager and the Transition Advisory Board, if any, is obtained.
3. That the Agreement for Pension Plan Assistance with Robert Moroni and The Segal Group to provide a report and recommendations on the actuarial assumptions, actuarial recommendations, and an assessment of the City's pension allocation and average final compensation is hereby entered into by the Emergency Manager on behalf of the City in the form attached to this Order.
4. To the extent that this Order conflicts with any provision of the City Charter, any City Ordinance or any prior Order, this Order is controlling.
5. Should any section, clause, or provision of this Order be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared unconstitutional, void, or illegal shall thereby cease to be a part of this Order, but the remainder of this Order shall stand and remain in full force and effect.

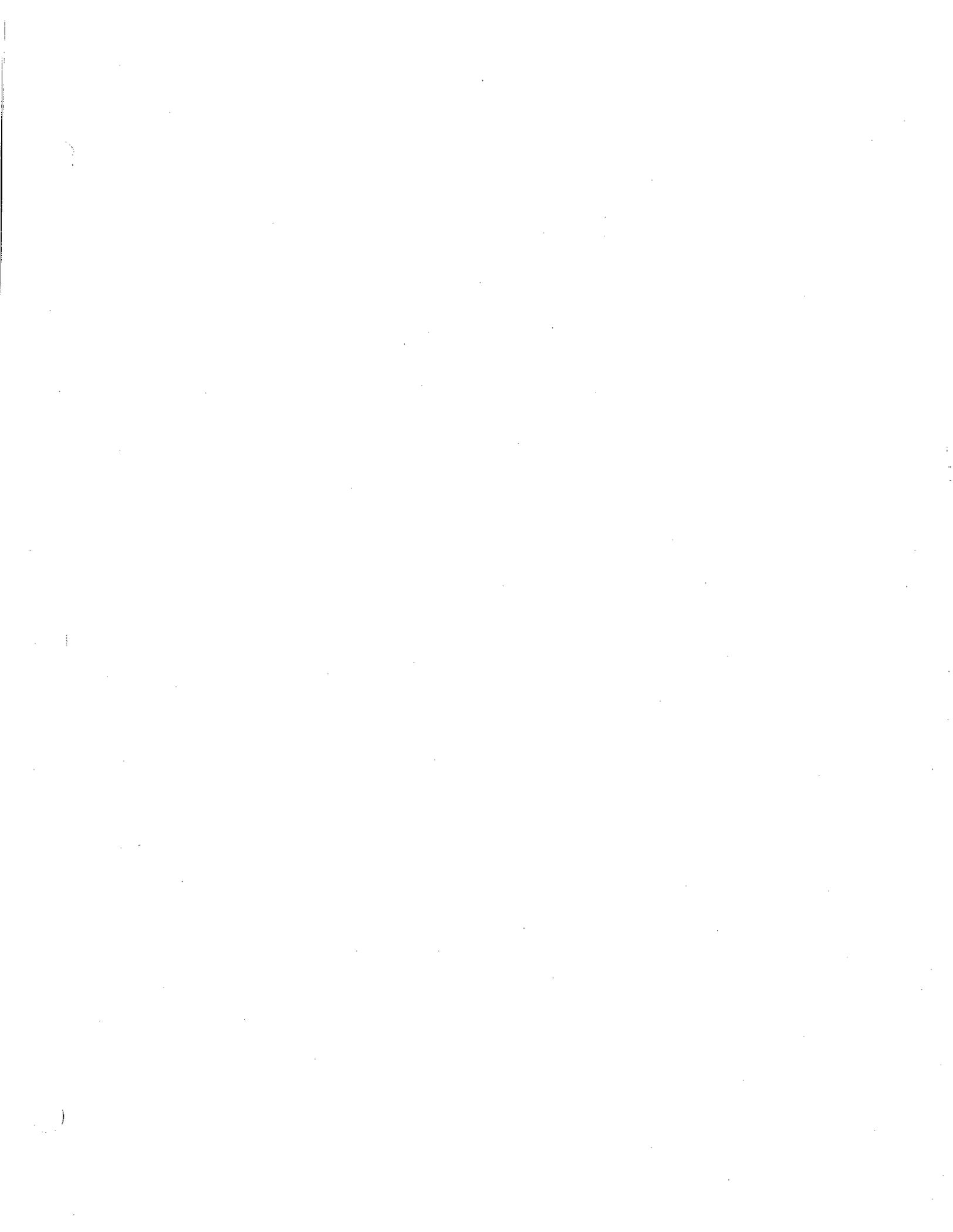
The Order shall have immediate effect.

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This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.


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OFFICE OF THE EMERGENCY MANAGER

CATHY L. SQUARE

3401 Evaline

Hamtramck, MI 48212

Telephone: (313) 876-7700

Dated: December 16, 2014

ORDER NO. S-019

RE: Order Regarding State Revolving Fund Loan

**TO: City Clerk
Mayor
City Council
Department Heads**

The Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.1541, et. seq.) in Section 10(1) states that “[a]n emergency manager shall issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of [the] act, including, but not limited to, orders for the timely and satisfactory implementation of a financial and operating plan... or to take actions, or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan.” Any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

Section 12(1) provides that an Emergency Manager may take one or more of the following actions: (a) Analyze factors and circumstances contributing to the financial emergency of the local government and initiate steps to correct the condition; (b) Amend, revise, approve, or disapprove the budget of the local government, and limit the total amount appropriated or expended; (d) Require and approve or disapprove, or amend or revise, a plan for paying all outstanding obligations of the local government; and (s) Apply for a loan from the state on behalf of the local government, subject to the conditions of the emergency municipal loan act.

WHEREAS, the City of Hamtramck, Michigan (the “City”), a municipal corporation of the State of Michigan (the “State”), has been duly created under the provisions of The Home Rule Cities Act of the State, Act 279, Michigan Public Acts of 1909, as amended (“Act 279”), pursuant to which the City has the comprehensive home rule power conferred upon it by Act 279 and the Constitution of the State of 1963 (the “Constitution”), subject only to the limitations of the exercise of that power contained in the Constitution, by statute of the State or by City Charter (the “City Charter”) provisions; and

WHEREAS, the State has enacted the Revised Municipal Finance Act, Act 34, Michigan Public Acts of 2001, as amended (“Act 34”), relative, inter alia, to the borrowing of money and

the issuance of certain debt and securities, providing for tax levies, authorizing the issuance of certain debt and securities and to generally govern municipal finance practices in the State; and

WHEREAS, the City is defined to be a “municipality” under Act 34 that has the power to issue a security such as bonds, notes, contracts, obligations, or other similar instruments; and

WHEREAS, pursuant to the provisions of the Local Financial Stability and Choice Act, Act 436, Michigan Public Acts of 2012 (“Act 436”), a financial emergency has been determined to exist within the City and Cathy Square has been appointed, pursuant to Act 436, as emergency manager (the “Emergency Manager”) for the City and is authorized to take certain actions in accordance with Act 436; and

WHEREAS, the City has applied for an S2 Grant under the State Revolving Fund and has been placed on the SRF priority list and is eligible for a loan up to \$11,500,000.00.

NOW, THEREFORE, BE IT ORDERED AND RESOLVED, by the Emergency Manager of the City of Hamtramck, that:

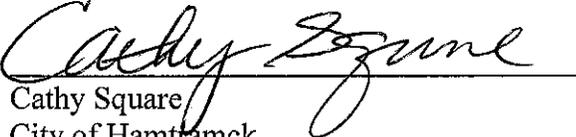
1. The City is authorized to submit an application to the SRF in accordance with the S2 project plan requesting a loan of at least \$1,500,000 but not to exceed \$6,500,000, based on the City’s credit rating, as determined through Standard & Poor, or such part thereof as the SRF may authorize (the “Loan”) for which a note (the “Note”) of the City shall be issued as evidence thereof.
2. The Loan shall be a general obligation of the City, and the full faith and credit of the City shall be pledged to the payment of the principal of and interest on the Note as and when due. The Note shall be payable out of the general funds of the City, including collections of ad valorem taxes the City may levy on all taxable property within the City within applicable Constitutional, statutory, and City Charter limitations. As additional security for the payments due and owing under the Note, the City shall acknowledge, assign, and pledge to the repayment of principal of or interest on the Note, the State’s statutory right to withhold the amount of all delinquent payments due on the Note from State payments owed to the City under the Glenn Steil State Revenue Sharing Act of 1971, Act 140, Michigan Public Acts of 1971, as amended (“Act 140”).
3. The City Manager shall execute the Note on behalf of the City and the City’s seal or facsimile thereof shall be imprinted or affixed thereon, and upon receipt of the principal amount of the Loan, the fully executed Note shall be delivered to the SRF as agent for the State.
4. Notwithstanding anything herein to the contrary, the City Manager, City Clerk, Finance Director, City Attorney, and any other official or employee of the City are each hereby authorized and ordered to take such action or execute such documents and certificates as may be necessary or desirable and in the best interest of the City in connection with the delivery of the Note and the City’s receipt of the proceeds of the Loan.

5. The appointment of the law firm of Giarmarco, Mullins, & Horton, P.C. of Troy, Michigan, as Note Counsel for the Note securing the Loan is hereby ratified and confirmed notwithstanding the periodic representation Giarmarco, Mullins, & Horton, P.C. in unrelated matters of the State and other parties and potential parties, if any, to the issuance of the Note. The fees and expenses of Giarmarco, Mullins, & Horton, P.C. shall be payable as part of the issuance costs from the proceeds of the Notes and other available funds of the City in accordance with the letter of such firm on file.
6. The City shall develop an Infrastructure Capital Improvement Plan by June 30, 2015.
7. All resolutions and parts of resolutions insomuch and insofar as they conflict with the provisions of this Resolution be and the same are hereby rescinded.
8. Should any section, clause, or provision of this Order be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause, or provision declared unconstitutional, void, or illegal shall thereby cease to be a part of this Order, but the remainder of this Order shall stand and remain in full force and effect.

The Order shall have immediate effect.

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

This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Financial Stability and Choice Act (Act 436 of 2012/MCL 141.15411, et. seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.


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