MINUTES
Committee of the Whole
Monday, April 2, 2018 @ 5:30 p.m.
City Council Chambers

CALL TO ORDER
Council President Wood called the meeting to order at 5:30 p.m.

PRESENT
Councilmember Kathie Dunbar- arrived at 5:48 p.m.
Councilmember Jeremy A. Garza- left the meeting at 7:43 p.m.
Councilmember Adam Hussain - excused
Council Member Brian T. Jackson
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Jody Washington- left the meeting at 9:13 p.m.
Councilmember Carol Wood

OTHERS PRESENT
Sherrie Boak, Council Staff
Eric Brewer Internal Auditor
Jim Smiertka, City Attorney- left the meeting at 6:23 p.m.
Heather Sumner, Deputy City Attorney
Samantha Harkins, Mayor's Executive Assistant
Brett Kaschinske, Parks and Recreation Director
Mindy Biladeau, Downtown Lansing, Inc. Director
Scott Keith, LEPFA
Bob Trezise, LEDC
Kris Klein, LEDC
Karl Dorshimer, LEDC
Marchelle Smith, LEDC
Andy Kilpatrick, Public Service Director
Fredrick Schaible
Derek Melot
Shirley Mitchner
Steve Mitchner
Kathy Miles
Sarah Lehr, LSJ
Teresa Smith
Peter Wood
Loretta Stanaway

Dennis McCants

Minutes
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM MARCH 26, 2018 MEETING AS PRESENTED. MOTION CARRIED 6-0.

Public Comment on Agenda Items (Up to 3 Minutes)
Ms. Mitchner spoke to the Committee on the tragic death of her son, who was found deceased in the Grand River, and was present to seek their assistance in the reinstallation of a fence in the location. Ms. Mitchner confirmed she had spoke to BWL and informed it was not their property but was the City property. She then spoke to the Mayor and Public Service and a fence was installed, but not protection anyone else from falling into to the river. Ms. Mitchner stated she was told the installation of a fence would be cost prohibitive.

Mr. Mitchner asked for Council to address the public safety in this location along the river.

Ms. Smith spoke on behalf of the Mitchner family and also requested the fence be replaced.

Mr. McCants asking for resolution to replacing the fence.

Ms. Mitchner asked for a cost to replace the fence. Council President Wood informed the public that Public Service is on the agenda later for their budget and they will be asked the question then. Council Member Washington suggested the topic, discussion and resolution be taken up at the Committee on Public Service.

Ms. Miles spoke on the budget for Groesbeck Golf Course and connection to LEPFA. Ms. Miles asked if the Council can ask LEPFA how their new contract will compare to the past one, and who they will be accountable to.

Mr. Wood spoke on the Groesbeck Golf Course budget and asked the Committee to ask for a plan and criteria to hold them accountable, then publish it for the public and hold them accountable.

Ms. Harkins confirmed Mayor Schor's office spoke to the Mitchner's, spoke to Dick Peffley with BWL and Public Service. The opinion is that they cannot fence the entire river, but they believe there was never a permanent fence but a construction fence on site in the area. Council President Wood asked Ms. Harkins to inform Mr. Kilpatrick that when he comes later tonight for his budget to bring the numbers he put together for the feasibility in that area.

Discussion/Action:
RESOLUTION – Appointment of Frederick Schaible; Member of the Elected Officers Compensation Commission; Term to Expire October 1, 2025
Council President Wood informed the Committee that the Administration is withdrawing the recommendation for appointment due to a conflict he has with Ordinance 208.02 of the City Ordinance. Ms. Harkins confirmed.

RESOLUTION – Appointment of Derek Melot; Member of the Elected Officers Compensation Commission; Term to Expire October 1, 2019
Mr. Melot introduced himself and noted he was contacted by the Mayor's office for this position, and until recently with his career he was not able to serve, so he was positive that he could finally can contribute to the community. Mr. Melot has lived in Mid-Michigan since 1999 and a home owner in Lansing since 2002.

Council Member Jackson asked if Mr. Melot felt he would have a conflict with dealing with and making decisions for the elected officials. Mr. Melot admitted he was friends with Mayor Schor, Council Member Spadafore and Council Member Dunbar, along with working with Council President Wood in a professional capacity in the past but assured the Committee that he did not believe any of those relationships would be a conflict. Council Member Washington asked Mr. Melot what Ward he was located in, and after providing a cross street of Moores River and Addiss, it was determined he resides in the 4th Ward. Council President Wood asked why Mr. Melot was choosing this Commission since it was not listed as a consideration on his application. Mr. Melot acknowledged he submitted his application before being asked by the Mayor to serve on this Commission.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE APPOINTMENT OF DEREK MELOT FOR THE ELECTED OFFICERS COMPENSATION COMMISSION. MOTION CARRIED 7-0.

RESOLUTION – Appointment of Gillian Dawson; Member of the Elected Officers Compensation Commission; Term to Expire October 1, 2020
Not present, will be placed on the next agenda.

Presentation

Budget-General Overview (Fees, Revenues, Fringe)
Ms. Harkins began the budget presentation by noting the executive summary provided an overview and addresses a number of major priorities that were talked about in the beginning of the year. She noted, that this includes but is not limited to the corridor focus, the increase in premise officers to address one in each Ward, a focus on infrastructure with $400,000 from GF going into repairs, and 100% of the infrastructure millage to the roads projects. She continued by noting that $300,000 is proposed for sidewalks, and they are proposing new positions in the Treasury Office taking some part time to full time positions. Lastly, they are proposing funding to address the pension and retiree health care, and all this is consistent with the Mayor's plan.

Council President Wood outlined the process that will occur with the presentations, which was to document any questions that do not get answered, and those will be sent to the department and they will need to provide the answers before the budget process is complete.

Department Budget Presentations
Ms. Bennett distributed the budget book index along with a power point handout of the General Fund Overview. (Attached) Ms. Bennett took the Committee through the handout presentation, which included the total of $218.6 million for all funds with the breakout of departments, and CIP.

Council Member Dunbar stepped away from the meeting at 6:08 p.m.

The next slide in the presentation was the notes on the General Fund at $134.3 million, moving into the slide on the pension and retiree healthcare cost trends, and general fund budgeted revenues.

Council Member Spitzley stepped away from the meeting at 6:10 p.m.,
Council Member Dunbar returned to the meeting at 6:10 p.m.

The presentation moved onto property tax revenues, income tax revenue, and gas and weight tax.

Council Member Spitzley returned to the meeting at 6:11 p.m.

The Committee and Administration reviewed the revenue information.

Council Member Dunbar stepped away from the meeting at 6:18 p.m.
Council Member Dunbar returned to the meeting at 6:21 p.m.

Council Member Spadafore asked if the spending was going down since the fund balance reflected a decrease. Ms. Bennett stated that it is the same amount, so as the expenditures go down, so does the fund balance. Council Member Spadafore then asked regarding the general fund revenues, the charges for services and fees, what is anticipated in revenue for those fee changes. Ms. Bennett answered $200,000. Council Member Spadafore referred Ms. Bennett to page 4 which was the debt services and asked if there was a chart that showed how long those had left in their timeline. Council President Wood stated that the Internal Auditor had a debt book that the Council Members should have, which he can provide to him. Council Member Jackson asked what effect on paying into the pension and liability will taking contract employees to full time employees. Ms. Bennett stated there are a total of 6-part time positions under contract in Community Media and two in Finance. The contract in the Empowerment Center will go to full time so they will have pension and health care, however there is no defined health care and the pension multiplier was reduced. Council Member Garza asked if in the budget there any room was to hire full time employees to put into the pension. Ms. Bennett stated that the positions that are contract are going to full time, and those positions will not have retiree health care because they would be considered new hires, and the pension multiple is 1.25% with defined contribution. Council President Wood pointed out that the City has a balanced budget, so if they want to add a position they would move money to do it and look at the position to see if it generates revenue for its position. Council Member Jackson suggested hiring Code Enforcement just for that reason, because their position will generate revenue to help to cover their positions.

Council Member Spitzley stepped away from the meeting at 6:28 pm.

Council Member Dunbar asked Ms. Bennett if hiring of more employees actually increase the amount put towards the pension deficit or just spread it over the larger pool. Ms. Bennett clarified that in the first year they are added some benefits like pension do and that is the amount that is paid. For retiree health care, some bargaining units do not have that promise for health care.

Council President Wood referred the Committee and Administration to page 1 of 9 in the line item and asked if the “Payment in Lieu of Taxes” were the residential PILOTS. Ms. Bennett confirmed they were the low-income housing PILOTS, and they collect $150,000.

Council Member Spitzley returned to the meeting at 6:31 p.m.

Council President Wood then questioned why if it is approved for $240,000 why the City only receives $150,000. Ms. Bennett noted it was not based on property value. Council President Wood asked her if some of the PILOTS have reached their life of the PILOT and now are being charged regular property taxes, and that is why there is a decrease from $240,000 to $150.000.

Council Member Jackson stepped away from the meeting at 6:32 p.m.

Ms. Bennett was not able to confirm and stated she would have to look into it and get back with Council. Council President Wood asked to include in her search how many units are tied to the $150,000. Council President Wood then asked under the “Income Taxes” on page 1 of

9 of the Line Item, if the increase in projection for hiring is in the Treasurer's Office and Ms. Bennett confirmed it was and included the City Attorney Office.

Council Member Jackson returned to the meeting at 6:33 p.m.

Council Member Wood asked why the increase in Local Community Stabilization Share. Ms. Bennet explained that personal property tax used to collect, and the amount the City has each year, and then the State calculates the loss. In the past few years they have distributed past the loss.
Council President Wood referred to page 2 of the Line Item budget, item "Fees and Licensing" and asked why $200,000 for a projection, because if everything moves forward this year the majority of the licenses will be distributed this year. Ms. Bennett stated that there will be an annual fee for dispensaries, operations, transports, etc.

Mr. Brewer asked Ms. Bennett why 12% target for the general fund reserve levels. Ms. Bennett confirmed there is an intent to roll the reserve. Council Member Spitzley asked about the proposed $400,000 from reserve. Ms. Bennett acknowledged that the 2018 projected revenue was $500,000 higher than expenditures, meaning there was a net gain. This year revenues and expenditures are equal, so they are not proposing an additional amount going to reserves. Council Member Dunbar asked what the plan was going forward on how to balance and keep in fund balance, and what to put towards retiree health care. Ms. Bennett stated the budget policy, if below 12%, is to budget increases to get to 12%. The City has changed their target goal to 12-15%. It will cap at 15% for fund balance. Council Member Spadafore asked if with flat funding the pension and retiree health care, even though it could go down, is the Administration making a call to fund it at the level. Ms. Bennett answered that in this current year, the actuary came in less than budgeted, but the City continued to contribute the amount budgeted. And on the retiree health care side, they are continuing to pre-fund. Council Member Spitzley referred to page 110 of the budget, GF debt transfers and the efforts supporting My Lansing. The breakdown shows FY 2018 at $100,000 and a FY2019 proposed $20,000, but the documents states 100% increase. Ms. Bennett agreed it was an error and she would check into it.

Council President Wood asked about the Fire Works administration fee revenue the City is supposed to see but has not ever seen in the budget. Ms. Bennett stated she believed she answered that question last year and will look again.

Ms. Harkins stepped away from the meeting at 6:44 p.m.

<u>Downtown Lansing Inc.</u>
Ms. Biladeau outlined the missions and the 5 standing committees. There are over 50 volunteer stake holders, and recently successfully completed the 5-year level with Michigan Mainstreet.

Ms. Harkins returned to the meeting at 6:46 p.m.

Since fiscal year 2011, Ms. Biladeau stated, the annual budget has grown 163%, which they have accomplished with partnerships, aggressive grants and special event revenue. The FY2019 resources raise more than 50% of their budget. The top three expenses for FY2019 will be sidewalks, snow removal and salting, promotions and programming. Personnel is ranked 4 on the expenses. The department has a strong and stable fund balance. Highlights for FY2019 will be the work with Michigan Mainstreet on the 5-year strategic plan with a focus on objectives, which includes the sense of place, individual development, and the measurables that need to be put in place to move up in all the areas. Ms. Biladeau stated the department is aggressively taking in approaches to compete and update the 2012 market study and which did allow the, to advance business recruitment. She informed the Committee of a recently top prospect survey which 400 people referenced a top choice of the need for a deli, a specialty grocery, and a gift souvenir store. Regarding the wayfinding program, they are in a 3-year CIP project, which started in 2017 and runs to 2019. This was done in partnership with the City, LEPFA, and the Visitors Bureau. In the fall of 2017 was the first phase which saw the installation of 90 signs, and 100 old out stated signs. The phase 2 is the pedestrian portion of the system, which will be in 2018 spring/summer. They have already gotten a $50,000 grant and $25,000 from the Visitors Bureau. A new project in the FY2019 budget is a new website, because the current one is 10 years old and needs to have more mobility responsiveness. This will begin in 2019 and go into FY2020. The department will be working on a new public art project on the 8th story elevator shaft of the North Grand ramp, which is planned to be unveiled in the Fall of 2018. In 2018 the department will extend their hanging baskets along Michigan Avenue from Capital to Pere Marquette. This will increase the number of baskets to 76. The BWL has provided 52 new holiday wreaths which will have energy efficient lighting.

Council Member Jackson asked where the determination of the amount of $156,300 in the City transfer from GF to DDA comes from since they have a surplus of $31,000. Ms. Biladeau informed him that over 50% of phase two of the way finding is calculated with the 3-year commitment of $61,000. There is $10,000 for avenue support for silver bells, but the department could use more. Council Member Jackson asked again, how the amount is determined. Ms. Biladeau acknowledged the DDA Committee takes the suggestion to the Administration and Ms. Bennett added that page 25 of the line item lists the amounts where revenue and expenditures are set and in 2019 they are suggesting they use $14,000 of their $31,000 surplus. Council Member Jackson encouraged the DDA to take more risks. Council Member Washington asked how long before the DDA is self-sufficient and no longer need City funds. Ms. Biladeau stated her opinion that the City should invest in downtown, and in the City this size, the investment they are providing is low. The principal shopping district has been low, and they have not increased it since 1976. They believe it will take a while to catch up. Council Member Washington asked what part of the budget is for trash removal, who pays for the watering of the hanging baskets and in REO Town and Old Town. Ms. Biladeau answered the majority is for maintenance and the basket are maintained through the maintenance contract. The DDA collects $23,000 form Old Town and all of it goes back to Old Town in grants, which the ordinance states the DDA can do. When they have requested funds for trash pickup and flowers, it is granted.

Council Member Spadafore asked if the art project includes the walkway between the Radisson and the Lansing Center. It was confirmed there are some funding sources and collaboration to do things with that. Council Member Spadafore then asked what ever happened to the events that were free events. Ms. Biladeau stated that there are 34 events annually, and the majority are free. Council Member Spadafore then asked about the spelling of “Capital” with an “a” instead of an “o”. Ms. Biladeau acknowledged they have researched it with State partners, historians, and the Administration and finding it is correct with “a” and even State signs will be changing in the future.

Council Member Washington stepped away from the meeting at 7:09 p.m.

Council Member Spitzley referenced the miscellaneous revenue line which had FY2018 at $339,500, projected at $428,000 and proposed at $298,000.

Council Member Washington returned to the meeting at 7:11 p.m.
Council Member Spadafore stepped away from the meeting at 7:11 p.m.

Ms. Biladeau stated it represents the entire operating, minus assessments and includes all project and programming. Ms. Bennett added that there are things they raise funds for with methods other than PSD assessments, and there were extra dollars from promotions. On the expenditure side it is off-set by the revenue line item they collect from the events. Under the revenues of $876,975 are funds that includes revenues that are collected from others that offset expenditures.

Council Member Garza stepped away from the meeting at 7:14 p.m.

Council Member Spitzley asked why when they talk about way finding, there is $50,000 contribution, and $25,000 from the Convention Visitors Bureau. Ms. Bennett clarified that the total amount is $156,000 and that includes the City portion of way finding.

Council Member Spadafore returned to the meeting at 7:15 p.m.

Council Member Spitzley asked where the funding for the way finding was coming from. Ms. Bennett confirmed it was under operating on the expenditures side and any sponsorship support is in the miscellaneous line on the revenue side. The question then was asked what the transfer from the GF is used for, at which Ms. Bennett clarified that it is needed to balance. Council Member Spitzley asked if there is another phase for the way finding, and if so what that total is. Ms. Biladeau confirmed there were no further phases. The design was $80,000, $262,000 for phase 1 implementation, and $136,000 for phase 2 and 50% of the complete project was funded privately. Council Member Spitzley asked if the department is responsible for maintaining the sidewalk, at which Ms. Biladeau confirmed they do the clearing of them, but the repairs are Public Service.

Council Member Garza returned to the meeting at 7:17 p.m.

Council Member Spitzley asked if the website project will be contracted out. Ms. Biladeau confirmed they will do an RFP for proposals. Council Member Spitzley asked if the City do it the project, at which Ms. Biladeau stated the City does not have the employees with the resources to develop.

Council Member Dunbar asked what types of funding came from other sources that were not grants. Ms. Biladeau stated they did receive sponsorships, revenue from the street vendors, sponsorships for the hanging baskets, and the movie nights. Council Member Dunbar explained her understanding that the department raised funds outside of the process and classified it in Main Street to show the expenses vs. the funds raised to see what to budget for.

Council President Wood asked how much of the $156,300 GF transfer was for way finding. It was confirmed the amount was $60,000. Council President Wood then asked if any of the CIP goes to Downtown Inc. Ms. Bennett answered that it would be wayfinding, but not listed in the CIP section.

<u>LEDC</u>
Present for the presentation were Bob Trezise Karl Dorshimer, Marchelle Smith and Kris Klein.

Council President Wood passed the gavel to Council Member Washington at 7:26 p.m.

Th presentation included updates on the LEDC, LBRA and TIFA.

Council Member Washington passed the gavel to Council President Wood at 7:28 p.m.

Mr. Trezise outlined for the Council the process of the Brownfields, which releases 10-20% to all taxing entities. For a TIF it encompasses all of the immediate downtown Lansing and has been in place 50 years and used to pay and benefit the region. It has helped on the funding for the building or pay off of parking structures. The LEDC has a $300,000 contract this year with the City. The EDC board will subcontract with LEAP then the EDC addresses the administration from the TIFA and then Brownfield, totaling $200,000. The total of $500,000 to hire LEAP for downtown, with the $300,000 spent on development in the City. The City also has $150,000 for the arts and culture program. The presentation moved on to the business expansion and retention in the City. Projects were valued at $563 million, 13 business and placemaking projects, retention of 2,912 jobs. LEDC does not track the impact on vendors or construction jobs. The presentation continued with a list of the projects in 2017 and placemaking. Council Member Washington asked about the Brownfield retention and reduction in urban sprawl. Mr. Trezise stated that over the last 10 years, businesses and people have not been leaving. Council Member Washington then acknowledged the work the group have done on the Façade Improvement Grant, she then asked what debt the TIFA was paying. Mr. Trezise stated the TIFA District uses Ingham County taxes to pay out the City debt on parking structures and the Lansing Center. Council Member Jackson asked if there is increased funding for the façade improvement program and can it be assured there is a fair reliable process. Mr. Trezise admitted that the $150,000 budget goes fast. They do have a committee that is from diverse agencies and a written criterion.

Council President Wood asked if there were funds from the GF in the TIFA that the City has paid back. Mr. Trezise informed the Committee that the City GF never subsidizes it. The only time the City has was the East Village project, and the City had to subsidize or help pay the bonds. In that case the City was paid back with interest.

Council Member Jackson stepped away from the meeting at 7:53 p.m.

Council President Wood asked for updates on the earlier questions from the budget update meeting. Mr. Trezise asked that the questions be sent to him and he will follow up. Council President Wood then asked if the neighborhood enterprise was revoked because it was sold. Ms. Smith stated that would be question for the Treasurer, they monitor the taxes and if the person moves or rents, LEDC wouldn't know. They wait to be notified by the Treasurer.

Mr. Brewer had not comments or questions.

<u>LEPFA</u>
Council Member Dunbar stepped away from the meeting at 7:55 p.m.
Council Member Jackson returned to the meeting at 7:55 p.m.

Mr. Keith began his presentation with highlights such as 2017 in the 6th year of growth in attendance at the Lansing Center, and 200,000 attendees for the Lugnuts. The Lansing Center also had $6 million plus in revenue and they are looking to do improvements with IT Infrastructure. The Lugnuts hosted the second largest crowd in minor league baseball in 2017, and the MLB is requiring additional netting behind home plate that will be installed with the proposed budget. Also, it was noted by Mr. Keith that in the future the Lansing Center will have to expand to be competitive.

Council Member Dunbar returned to the meeting at 8:01 p.m.

Other highlights from the department included an increase per day of attendance at over 40,000 for Common Group, in August 2017 Groesbeck was back up 18 holes, and LEPFA took over January 2018, hiring 2 full time, a golf pro, and golf maintenance manager. The golf course has a new website with booking tee times via the web, which coordinates tee time and

payment. They have done aesthetic changes to the buildings, increased the leagues from 17 to 20 for 2018, and secured Lansing Catholic Central's golf team as their home course, and secured the Greater Lansing Amateur tournament, and all City tournaments. The overall funding request from LEPFA is down 10% from last year, which is a reduction of 9.5% in their budget. Regarding the Lansing City Market, they are working on plans with the City on new plans which could alter the property. LEPFA goals for 2018 are to take a look at reducing costs, but with the Lansing Center life safety is past due.
Council Member Jackson asked about the amount listed in the Groesbeck green fees, which reflected a $160,000 proposed budget of $254,000 revenue, and questions what would happen if the $94,000 difference does not happen. Mr. Keith pointed out that the course in 2017 was 16 holes and is now back to 18 holes, so they have seen a jump of 15%. Any difference will be taken from the reserves.
Council Member Spitzley asked Mr. Keith what the occupancy of the City Market was at and how many vendors. The answer provided by Mr. Keith was that it was at 61.5% with 4 occupants, with the restaurant taking the majority of the occupancy.
Council Member Washington what the dollar amount would be to expand the Lansing Center and be competitive. Mr. Keith noted it depended on the options, noting that to bring it up to standards now is about $13 million, but to expand in 2-3 years would be $30-40 million. Council Member Washington asked what the cost of bring up to standard on safety concerns, and that was noted at $13 million. Council Member Washington asked the question to consider to the Committee what would need to be done to sell the City Market. Council President Wood stated the first step would be to see if the area is a dedicated park, and if so the people would have to vote on the sale, if it is not a dedicated park then the City can sell like any other City property.

Council President Wood asked if the $50,000 for stadium netting was the only CIP, and Mr. Keith confirmed. Council President Wood then asked if or when Common Ground will self-sufficient. Mr. Keith acknowledged they are still under their own funds, receive sponsorships with the City. They did not make money in 2017, and the last time they broke even was 2012 and 2013. Mr. Keith did not have the actual percentage but would get that information. Council President Wood then asked Mr. Keith to put forth a proposal on performance measures that the City can expect to be coming out of LEPFA managing Groesbeck. She then asked if they do not meet their expectations, in the next year will they ask for a larger subsidy for the golf course. Mr. Keith stated they will use reserves for any losses. Council President Wood asked if the patio pad was installed. Mr. Keith confirmed LEPFA is working with Parks and Recreation but they could use more funds and they hope to have surplus revenues to invest back into the golf course. Council President Wood pointed out that the pad was coming out of parks millage from last year. Mr. Keith could not confirm that, and so it was noted Council will asked the Parks Director during his budget presentation. Lastly, Council President Wood asked about discussions on the City Market. Mr. Keith confirmed he has been in discussions with Mr. McGrain with the EDP Department and will be reporting back in a month or two.

<u>Public Service</u>
Council President Wood asked Mr. Kilpatrick if there was a preliminary cost for the replacement of the fence on the open area along the Grand River mentioned in the public comment. Mr. Kilpatrick confirmed there was never a fence but a guard rail, before BWL came in to do their project. It was located in the section of street, not in the sidewalk section. The previous administration had a cyclone fence installed. He admitted he had no cost estimates, that would be up to the Administration, and he was not asked to provide a cost or respond. Council Member Spitzley stated to Mr. Kilpatrick and the Administration that putting a fence up was cost prohibitive, which implies there is a dollar amount floating out there, so Council needs to know what that cost. Council Member Spadafore referred to an earlier

comment from Council Member Washington to have the Committee on Public Service review it so the Administration have time to prepare. Council Member Spitzley acknowledged that request but again stated the inquiry was valid, so if a letter was sent that it was cost prohibitive the Council should hear what that cost was. Mr. Kilpatrick stated he did not send the letter. Ms. Harkins confirmed Mr. Kilpatrick did not send the letter, it was from Mayor Schor's office. She informed the Committee that it was a decision made by the Mayor's Office. It was a discussion on what it looks like City wide. Ms. Harkins suggested the Mayor could speak to Council, but they are not prepared to discuss it today. Council Member Spitzley referred back to an earlier request, where Ms. Harkins was asked to inform Mr. Kilpatrick to be prepared during this budget presentation. If it was not going to be presented, it should have been stated then. She continued her statement by voicing her confusion on why Council now cannot even ask the question. Council President Wood pointed out to the Administration that this meeting is during the budget time and this topic is a budget issue. If Council thinks the item is paramount, and they have to move funds around, they will need to see what that cost is. She then asked that the Committee on Public Service to take this topic up at a future meeting.

Council Member Jackson asked Ms. Sumner if Council can wait on the information, now that they are aware is there future or potential liability.

Council Member Washington asked for details on the area, specific to the distance along the drop off section.

Ms. Sumner confirmed she would look into the question by Council Member Jackson, and did not write it down, so asked it to be sent to her.

After a discussion on the Committee it would be discussed at, it was decided the Committee on Public Service will start a discussion on April 10th, then again at their meeting on May 1st, to report back to Committee of the Whole on May 7th. Council President Wood asked Mr. Kilpatrick to look at the cost, and Council staff will have him at the Committee meeting.

Mr. Kilpatrick began on his budget presentations; performance indicators, and goals to address pot holes, reduce pot hole complaints, goal for sidewalks to improve walkability.

Council Member Spitzley stepped away from the meeting at 8:35 p.m.

The Committee reviewed the slides on the WWTP and reduction of the cost of utilities, a department organizational chart, and street millage.

Council Member Spitzley returned to the meeting at 8:39 p.m.

Regarding the cost for street repair, Mr. Kilpatrick stated it would be $2.2 million to get 4.3 miles, which is about $500,000 per mile. Of the streets, 75% are in poor shape with a current PACER rating of 3.17 and will continue to go down. The CIP slides noted projects to address the sidewalks which includes $410,000 for sidewalks, $220,000 for new sidewalks, a goal to address all sidewalk tripping hazards in the next 2 years, $1,100,000 for major maintenance, $1,000,000 for surface match, trunk line improvements, millage paving projects, and bridge rehabilitation. The other CIP projects in Public Service included digital radios because they are currently on the BWL system and they will no longer support the radios. The Department plans to also address the maintenance master plan, the Aurelius Road landfill, and vehicle and equipment purchases. Each vehicle has an average age of 10 years, and average miles of 50,000. Mr. Kilpatrick then informed the Council that the department is currently working with the Mayor's office on social media outreach but will bring forth a proposal for communication staff in the future. Regarding the vehicle purchases, Mr. Kilpatrick confirmed that they are looking at used ladder truck from Mason, because it does not have as many miles on it so not as costly as paying full price. Council Member Spadafore asked if there was a comprehensive plan to replace a certain number of vehicles a year. Mr. Kilpatrick stated that they create the annual schedule once they know what is approved by the budget. It was noted that the first steps they take are look at challenges maintaining them and then look at replacing. Council Member Dunbar asked if other departments still put funds into the vehicle replacement fund. Mr. Kilpatrick stated they would like to propose and work with each department, Administration, and Council on what their monthly costs would be so they can start planning in their own budget instead of counting the large vehicle account. That could be addressed in priority budgeting per department.

Council acknowledge Mr. Kilpatrick on his presentation and the performance indicators, asking Ms. Harkins to recommend all future departments present something similar.

Council President Wood asked Mr. Kilpatrick about the increase in the recycling fee from $98.50 to $105 since it was set up to help pay for itself. Mr. Kilpatrick agreed it was set up to pay for itself, but the commodity market is hard. They are not making money on recyclables. Currently the City ships to the Detroit area so there are trucking costs. They are looking at options to do recycling locally. Council President Wood asked about ticketing for recycling and trash containers left at the curb, because there were not fees listed for ticketing. Mr. Kilpatrick stated that the way the ordinance is written the containers are picked up by City employees. They have submitted to Law a review to ticket any bins. He offered to check on the fee to ticket City carts left out here, but no the City has no authority now to ticket private bins. Council President Wood asked if they a have ever discussed same day pick by all vendors. Mr. Kilpatrick said they have looked at recycling and solid waste on the same day to be more efficient. He acknowledged they could meet with Granger to see if there is a way to align. Council Member Wood asked if there are new State funds for bonding and using those dollars and pay back with increased revenue.

Council Member Jackson stepped away from the meeting at 9:00 p.m.

Mr. Kilpatrick agreed to look at the rates but hoped for funding now to fix now. Council Member Dunbar suggested changing the schedule to 4 days a week schedule for pick up. Mr. Kilpatrick noted he would look at and discuss. Council Member Dunbar noted for the public they cannot recycle plastic bags, so not to put items in plastic bags in the recycling.

Council Member Spadafore asked what percentage each main carrier collects. Mr. Kilpatrick did not have that information but offered to find out what Granger has for cart and the tag program. With the City bag program, every week the City has to drive every street because there is no cycle. Council Member Spadafore inquired into if they have had discussions on eliminating the bag program. Mr. Kilpatrick considered the discussions and if more recycling was done, there would not be a generation of a lot of waste.

Council Member Jackson returned to the meeting at 9:03 p.m.

Council Member Spitzley referred back to the earlier statement of performing the recycling locally instead of Detroit and asked if it was going to be a Lansing enterprise, would other regional partners bring their recycling here to process. Mr. Kilpatrick confirmed and they will put out the RFP and submit the proposals to the Administration, and currently there are the hopes of a joint venture between the City and East Lansing. The City does not have the expertise to run the facility and they will need a certain amount to come in, currently the City is not sure if right now they have the volume. The plan would be to contract for a period of time, not bond for a facility, but a per ton cost to drop off. They will have to work through the process and risks. Council Member Dunbar asked Mr. Kilpatrick if they have revisited the feasibility study that was done before. Mr. Kilpatrick admitted that before they we invest in new equipment, they will look at what the future for the City looks like.

Council Member Washington asked if they are saving money with the sidewalk grinding process, because they are also getting complaints that those sections are slippery. Mr. Kilpatrick acknowledged the concern and confirmed they could look at limiting the length of cuts or do something after the cut.

Council President Wood asked if the manufacturer was changed on the blue bags. Mr. Kilpatrick confirmed they did switch and they have not had any complaints on the new bags. Any customer who is still using the old bags and still has issues a call and have them replaced.

Parks & Recreation

Mr. Kaschinske began his presentation which spoke to proposed new fees for Marshall Park, boat slip rental, SEPA late fees and Turner Dodge rental. The department is also working with the Capital Region Foundation for improvements along the downtown corridor from the Fish Ladder to I-496.   Other highlights in the presentation included the City-wide repair and maintenance funding, an ice rink, and the CIP for playground installation and renovation. Regarding paving projects, they will work on Foster, Sycamore Park, Davis and then Gier Park by the ball fields. Council Member Jackson asked for the cost of the ice rink, at which he was told it was under $15,000 so not a CIP project. This project will not have any clearing or staff. Council Member Spitzley referred back to a comment by Mr. Keith with LEPFA on Groesbeck Golf Course and the pavilion pad and asked if it was done and if park millage will be used. Mr. Kaschinske confirmed the Mayor is looking at the dollars and still interested. Council President Wood asked if there were additional funds in the proposed budget to facilitate. She was told there were not funds in the CIP, but they still have the funds in the millage. They are looking at what funds come from for the $25,000 to make a pavilion. Council President Wood asked how much in the residuals CIP projects, not spent over the years. Ms. Kaschinske stated he did not have the answer but would get it to Council. Council President Wood asked how the funding was for the cemetery. Mr. Kaschinske stated that overall the CIP $1.3 million into projects, and they have not come close to that, so they are reducing the subsidy out of millage funds, and now able to do the project. The mowing contract at the cemetery helped ad they are opening up Section G.

Council President Wood asked about the mowing and naturalization questions from the budget update meeting earlier in the year. Mr. Kaschinske acknowledged that naturalization is a priority in the 5-year plan, so at last the Park Board meeting they created a sub-committee to talk about the feedback on the subject.   Council President Wood stated that Council staff will forward the questions from the budget update meeting to Mr. Kaschinske so he can provide the numbers that were asked for. She added that she was interested in the costs for in house or vendors.

Mr. Brewer had not questions or comments.

Other

Council President Wood reminded the Committee that the next meeting on April 9th would be the Human Resource Budget and the Police Budget.

Place on File

Executive Order 2018-02; Establishing the Mayor’s Diversity Advisory Council

Council President Wood asked if the name would be changed to reflect “Inclusion” and Ms. Harkins stated the City Attorney was redrafting it.
Council President Wood placed Executive Order 2018-02 on file.

ADJOURN

The meeting was adjourned at 9:33 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on April 9, 2018