MINUTES
Committee of the Whole
Monday, August 27, 2018 @ 5:00 p.m.
City Council Chambers, City Hall 10th Floor

CALL TO ORDER
Council President Wood called the meeting to order at 5:00 p.m.

PRESENT
Councilmember Kathie Dunbar
Councilmember Jeremy A. Garza
Councilmember Adam Hussain
Council Member Brian T. Jackson
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Jody Washington
Councilmember Carol Wood

OTHERS PRESENT
Sherrie Boak, Council Staff
Eric Brewer, Council Internal Auditor
Jim Smiertka, City Attorney
Samantha Harkins, Mayor Executive Assistant
Heather Sumner, Deputy Chief City Attorney
Greg Venker, Assistant City Attorney
Loretta Stanaway
Deb Parrish
Chad Gamble, City Parking Manager
Brian McGrain, Economic Development & Planning Director
Rachel Lewis, Lansing School District
Kate Long, TCOA
Joe Reeves, TCOA
Elaine Womboldt
Mary Reynolds
Caamla Canul, LSD Superintendent
Dr. Bryan Beverly, Lansing School District
Dr. Nino Rodriguez, Lansing School District
Dr. Nathan Burroughs, Lansing School District
Guillermo Lopez, Lansing School District
Ken Lane
Brett Kaschinske, Parks & Recreation Director

Minutes
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM AUGUST 13, 2018 AS PRESENTED. MOTION CARRIED 8-0.

Public Comment on Agenda Items
Ms. Stanaway spoke in opposition to the Adado Park grant.

Ms. Parrish asked for ADA spaces at the Lansing Center site.

Ms. Womboldt spoke in opposition to the cost of the Adado grant.

PRESENTATIONS
City of Lansing Parking Services Presentation Updates
Council President Wood restated to the Committee, staff and public that the discussion began during the budget process when they knew there would be increases in the parking fees at the parking ramp. At that time Council had concerns on the justification with those and even why some ramps had different rates. Because at the time it was so close to passing the budget, Council agreed to go ahead with the increase, but requested a presentation by July 1st with the hopes that if there needed to be additional increases they could make them before fiscal year end. The presentation was never done before that and leadership has extended the offer to the department a few times since then. She continued, that after the first meeting with the parking department there were follow up questions and any additional questions they would take up at this time. Currently, it was noted, there is an agenda item for a Resolution to adjust the fees if the Committee so chooses.

Mr. McGrain distributed a handout on Monthly Parking Ramp Fee Rates Comparison, and Mr. Gamble provided an updated on the current construction projects on the lots and ramps. It was noted that Lot 21 and 37 at the Lansing Center and Lot 8 off Michigan Avenue behind The Green Door have been completed. They have begun work on the north and south parking lots at Foster Center with the hopes to finish the end of the week of September 3, 2018. The funds for that job, Mr. Gamble confirmed, were from the park millage funds. Mr. Gamble then stated that they will be 2/3 through the ramp improvements, and once they are done with the North Grand Ramp, they will move to South Capital then onto Townsend.

Council President Wood pointed out to Mr. Gamble that in their last meeting there was a discussion on the justification on the increases, realizing there are improvements that need to be made, but there are some questions on why the different rates in different ramps, along with how those were determined. Mr. Gamble referenced the recent handout, which noted the comparison information from other cities, such as East Lansing and Grand Rapids. He then referred back to his earlier meeting presentation, slide 8 which reflected revenues of the parking service fund this year and in comparison to the fund balance. Some rates, it was noted, have not been raised in the last 4-5 years. Council Member Spadafore asked if that chart also reflects the increases. Mr. Gamble confirmed and stated it also included a hypothetical increase over the life of the chart. Council President Wood asked how much debt service was still left on the Townsend Ramp. Mr. Gamble stated there is a $1.9 million per year, and set to come off in 2022. That is a collective bond issuance but he noted a lot of it is the Townsend Ramp. Council President Wood asked if the case had been settled with the State of Michigan regarding the Townsend Ramp, and Mr. Gamble confirmed it had not, however they hoped to close the case soon. He did add that to his knowledge there is a ball park balance of $400,000. Council Member Garza asked what the repairs on the Townsend Ramp would be, and it was stated they would be addressing drainage issues, traffic design and the asphalt topping.

Council President Wood stated to Mr. Gamble, Council and the Administration that it appeared all the Council questions were answered, and it appeared there was no interest to do a Resolution to amend the current rates. However she asked Mr. McGrain in moving forward with the budget next year, if they wished to increase rates, incorporate those into their EDP Budget next year.

Council Member Spitzley stated to Mr. Gamble that at the last meeting he attended there was a discussion on considering of the cost of living increases so she was curious in more detail on why it came up, what they saw in other areas, and what the rate is. Mr. Gamble stated that it is typical to review and it was a challenge, and his objective is to do the comparison annually. Council Member Spitzley then inquired into the waiting list on ramps he stated at the other meeting and it was monthly or annual permits. Mr. Gamble stated it was most of the facilities, with the exception of the Townsend ramp. Council Member Spadafore asked if they logged where the users were coming from, and Mr. Gamble confirmed they do track transit users.

<u>Lansing School District on Bonding, Finances, etc.</u>
Ms. Lewis introduced other members of the Lansing School Board that were present and the Superintendent. Ms. Lewis then distributed and went through a presentation on Lansing Pathway Promise 2016 Bond Update. Dr. Beverly went through the financial aspect found on slide 3, which was the $120 million investment, then slide 4 outlined the current debt and sinking fund millage out to 22/23. Dr. Beverly highlighted the budget to date, which currently had a balance of $516,478.00. Ms. Lewis took over the presentation highlighting the progress that has been made thus far on technology updates including classroom audio updates, security video surveillance and entrance intercoms. Dr. Beverly added that they also do address weekly security concerns beyond the current bond. Ms. Lewis continued with the progress nothing the new Pattengill Biotechnology Academy will open September 4, 2018. Other schools to open in 2019 will be Post Oak IB Academy, Eastern Biotechonolgy IB High School and Dwight Rich.

Council Member Garza asked if there was video surveillance at every entrance, and was informed they do not because of the structural design, but they are having security upgrades across the district. These upgrades could include creating vestibules at some locations, and the schools with the vestibules already do have the video. It will take a few years to address at all the schools. Council Member Garza asked what plans they had for the swim team since Eastern was moving to Pattengill. Dr. Beverly confirmed they have opportunities to share with pools in the community. Council Member Washington asked if students in North Lansing only have the option to attend Sheridan Road and Geyer. Dr. Beverly confirmed there was also Willow and the District does have district wide busing if they choose to attend another school.

Council Member Washington asked about a reservoir that recently has received complaints on it because of odor. Dr. Beverly confirmed they are working on a buffer and are doing engagement opportunities to get input from the residents, regarding the odor the smell was a result of top soil that was laid down on wet dirt and then the recent rains stirred it up. Council Member Washington then asked for assurance, per the resident's request, that the streets around Post Oak that were damaged would be repaired, and Dr. Beverly confirmed there were ongoing discussions with the school and community. There was a brief explanation on "centralized busing". Council Member Hussain asked what happens to the students if they cannot get into the school in their neighborhood, and Mr. Beverly confirmed it does not happen. Council Member Hussain then asked what the District plan was for Pleasant View School, and then stated his frustration all the funds were spend in the east side. Dr. Beverly stated there are no current plans for Pleasant View.

Council Member Hussain stepped away from the meeting at 5:56 p.m.

Council Member Dunbar referred back to the slide on the budget and inquired into why the "Food Services Added" had no funds spent yet. Ms. Lewis stated they have to bond for food services, that is part of a rebate and a revenue. Council Member Spadafore explained further that the District had to budget for that fund in the bond because when the District makes the expenditures it would be in there for the reimbursement. Food service had the funds for the expenditures so the bond is refunded. Council Member Dunbar asked if that can be reallocated, which she was informed it could be for another food service. Dr. Beverly added that Pattengill did get a new kitchen and there was an upgrade at Averill, along with District purchasing refrigerated food trucks.

Council Member Hussain returned to the meeting at 5:58 p.m.

Council President Wood asked if the balance in the budget of $516,478 can be used for other things. Dr. Beverly confirmed that $75,000 still has to be used on food services, and the balance can be used for additional facility updates. Council President Wood then informed the School Board members of a complaint she had received that the contractors were working on Saturdays at the former Fairview, but it appeared no noise waiver was granted. She encouraged them to get a noise waiver in the future. Council President Wood then inquired into the status of what she had heard were field issues at Eastern. Ms. Lewis confirmed that site samples were taken and they determined what to build but when they dug they found that the former school foundation was still buried, and in turn they found environmental removal issues. They worked with facilities to cap the materials, followed all guidelines and that site was and is going to be a parking lot. Council President Wood asked if there have been offers or interest from outside purchasers for Otto Middle School. She was informed that they have been approached but no current offers.

Council Member Washington voiced a concern with traffic exiting from the Eastern site onto Orchard, and Dr. Beverly assured her that they plan to direct traffic away from that street.

Tri-County Office on Aging; FY 2019 Annual Implementation Plan
Ms. Long presented a 2019 Annual Implementation Plan Summary which highlighted their goals, grant funding, resources and programs.

DISCUSSION/ACTION
RESOLUTION - Tri-County Office on Aging; FY 2019 Annual Implementation Plan
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE TRI-COUNTY OFFICE ON AGING FY2019 ANNUAL IMPLEMENTATION PLAN.

Council President Wood asked to be recused from the motion because her daily job creates a conflict.

MOTION BY COUNCIL MEMBER WASHINGTON TO RECUSE COUNCIL MEMBER WOOD FROM THE MOTION. MOTION CARRIED 7-0.

MOTION CARRIED 7-0, ONE RECUSAL.

RESOLUTION – Adado Riverfront Park Outdoor Recreation Legacy Partnership (ORLP) Grant
Ms. Harkins stated that this is a new grant with the National Parks Services Grand, and they can choose two (2) grants to submit, so this resolution is showing support to submit the grant application. This would be for the re-design of Adado Park without a full stage. The Administration wants to make sure park can be used all the time and so they will be re-designing the space. The way the grant is drafted, it says the City will match the grant which could be the park millage or other funding. Ms. Harkins continued stating this is the first step of several to get submitted by the Park Services DNR and will be for FY2019/2020.

Council Member Spitzley referred to the grant application, noting the total funds are $1.7 million, but it appears they are only asking for $750,000. She asked if the City match is $1 million. Ms. Harkins assured her the grant will only match the maximum amount of $750,000. Council Member Spadafore confirmed the City was not committing but just considering. Ms. Harkins confirmed, and if the City does not appropriate they will not get the grant, so they are voting to just support putting the application in. Council Member Jackson asked if the design will accommodate Common Ground and when would could get input on the creative ideas. Mr. Kaschinske answered that the plan would increase the number of people in the park area. He added that they have brought in a number of partners including LCC, Art Council, and festivals that come into the park regularly. Council Member Jackson asked if they are considering designing a stage to be used by Common Ground so they do not have to rent one. Mr. Kaschinske noted that the overall plan from a community stake holder meeting, was to address with this grant the middle of the park, which is the start, and will be good for daily impact and Common Ground. The renovations will be built with a plan in mind for phases. Council President Wood asked Law to confirm that since the statements in the resolution are in the “Be It Resolved” if it would be committing Council to any funding obligation without another vote for appropriation. Mr. Smiertka stated it is an agreement of principal. Not coming at this time as a supplement appropriation per Charter, just a commitment to the concept at this point. Council President Wood then asked Ms. Harkins when the process for the grant application started, and Ms. Harkins stated she received an email on August 14th.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE ADADO RIVERFRONT PARK OUTDOOR RECREATION LEGACY PARTNERSHIP (ORLP) GRANT. MOTION CARRIED 8-0.

RESOLUTION - Reappointments of two (2) individuals to Boards &Commissions
Cassandra Nelson – At Large; Historic District Commission
Joseph Quick – At Large; Board of Zoning Appeals
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE TWO REAPPOINTMENTS; CASSANDRA NELSON AND JOSEPH QUICK. MOTION CARRIED

RESOLUTION – Reappointments of three (3) individuals to Boards & Commission
Frank Ferro- At Large; Board of Fire Commissioners
David Kenney- 2nd Ward; Board of Fire Commissioners
Price Dobernick – At Large; Lansing Entertainment & Public Facilities Authority
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE REAPPOINTMENTS OF 3 MEMBERS; FRANK FERRO, DAVID KENNEY AND PRICE DOBERNICK. MOTION CARRIED

RESOLUTION – Addition of AML Group, PLC to the City Attorney's approved Outside Counsel List
Council Member Spadafore asked if Mr. Lane had a "non-compete" clause in his contract with Clark Hill. Mr. Lane stated he did not have one.

Mr. Smiertka referenced the Charter (4-304.6) which stated that before City Attorney can start speaking to a new outside Counsel, Council must agree to place them on the list. Council Member Wood, on behalf of the Retirement Boards, stated they can pick their own Attorney, and since Mr. Lane was working with them for years as a representative from Clark Hill, they were interested in continuing working with him. Council Member Jackson asked what the fee difference was from Clark Hill to Mr. Lane's new company, AML Group. Mr. Smiertka acknowledged that this resolution was strictly to place him on the list and authorize them to start discussions with Mr. Lane. Therefore, there has been no discussions on the rates; noting however that the Office of the City Attorney is exempt from the Bidding Ordinance.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE ADDITION OF AML GROUP PLC TO THE APPROVED OUTSIDE COUNSEL. MOTION CARRIED 8-0.

RESOLUTION - Issuance & Sale of General Obligation Refunding Bonds to refund the Building Authority Refunding Bond, Series 2007
Ms. Bennett confirmed the debt was outstanding to the Townsend Road Ramp, and were refunding 2007 and the City has another 11 years to look into the bond. Council President Wood informed Ms. Bennett that Mr. Gamble stated earlier that the bond for

the Townsend Ramp would be paid off in 2022. Ms. Bennett stated there are multiple bonds on the ramp, and he could have been talking about a different one, but this one will be 2029. With this refund they are expecting $450,000 savings projected, but won't have the final numbers until the day it goes on the market.

Council Member Garza stepped away from the meeting at 6:44 p.m.

Ms. Bennett referred to page 11 of the resolution which states that the debt resolve has to be acceptable to the City and if this was no longer in our benefit the City can pull back. Council President Wood asked what the cost on the estimated payment was. Ms. Bennett stated annually it was going to be about $680,000. Council President Wood then asked how many bonds were connected to the Townsend Ramp. Ms. Bennett stated two, but confirmed she would have to check, and Mr. Brewer was asked but did not have the information either. Council Member Spitzley voiced her concern with the staff that during the same day there are two conversation on the same subject and conflicting information.

Council Member Garza returned to the meeting at 6:49 p.m.

Council Member Spitzley went on to state her concern that staff speaks to payoff and interest, but cannot provide a definite number. She requested definitive answers, and stated she was concerned the Administration was only reviewing bonds "time to time".

Council President Wood pointed out that at the last Council meeting when the items were being referred, 8/13/2018, Council was also being asked to address in COW and Council the same night. She then asked if they needed to be addressed at Council. Ms. Bennett stated it was highly preferable. Council President Wood asked then these bonds were initiated in her office, and Ms. Bennett confirmed a month ago. Council Member Spitzley stated she would not support last minute requests.

Council Member Spadafore spoke in support of the refinancing, and noted in the approved budget there was $2 million in debt service, and $1.2 million in interest in the Parking Fund. Council Member Jackson asked if the $1.7 bond is covered from the State. Ms. Bennett corrected the statement stating that was separate, and this was "not to exceed refunding". Council Member Washington asked how much was still owed on this debt service, and was informed by Ms. Bennett it was $6.4 million. The perimeters are in the resolution, and they will not know the interest rates until the day of sale, but will not exceed 5.7%. Council Member Washington asked for the interest rate on each maturity and if approved, what the final year will be. As for the final year question, Ms. Bennett stated 2029, with a $45,000 savings per year. She added the City would not go forward unless the interest rate would be a significant savings. Council Member Washington again asked for the interest rates.

Council Member Spitzley referenced the section in the resolution which stated the City Finance Director would take the action without Council action, and asked what that meant. Ms. Bennet states it means she can work with the escrow agent to make sure it is set up appropriately, and work with the underwriters, then the day of the market it is net savings to proceed. Council Member Washington asked why they were before

Council now, and Ms. Bennett stated it was because with this bond, and the way maturity works, they look at interest rates.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLTUION TO AUTHORIZE THE ISSUANCE OF REFUDNIGN THE BONDS. MOTION CARRIED 6-2.

RESOLUTION – Issuance & Sale of Michigan Transportation Fund Bonds to Reconstruct and Repair City Streets
Ms. Bennett stated that these bonds are the Michigan Transportation Fund Bonds for the CSO 34C project. Prior to, there were sewer revolving funds issued, and an ineligible portion. Those can only be used for water pollution costs. This bond is related to the storm sewer and road work. The first step is to authorize and the 2nd is the sale. The normal 45 day referendum period does not apply for this.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE ISSUANCE AND SALE OF THE MICHIGAN TRANSPORTATION FUND BONDS TO RECONSTRUCT AND REPAIR CITY STREETS. MOTION CARRIED 8-0.

RESOLUTION - Issuance and Sale of 2018 Michigan Transportation Fund Bonds
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE ISSUANCE AN SALE OF 2018 MICHIGAN TRANSPORTATION FUND BONDS. MOTION CARRIED 8-0.

Council President Wood stated the Administration is also looking for Council to add them as late items to the Council agenda at the next meeting. Council Member Washington reiterated to the Administration that items need to be provided at an earlier timeline for Council to consider, and Council President Wood assured the Council that she had already been in discussions with the Mayor on the scheduling of things in the future, as she had stated at the beginning of the year.

RESOLUTION - LBWL Return on Equity/Payment in Lieu of Taxes; Amendment No. 4 to Agreement between the City of Lansing and the Lansing Board of Water & Light
Moved to the next agenda.

PLACE ON FILE - Proposal by Citizen Initiative; Annexation of Eight (8) Parcels in Delta Township to the City of Lansing
Moved to the next agenda.

ADJOURN
The meeting was adjourned at 7:08 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on September 10, 2018