MINUTES
Committee of the Whole
Monday, September 10, 2018 @ 5:30 p.m.
City Council Chambers, City Hall 10th Floor

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

PRESENT
Councilmember Kathie Dunbar- excused
Councilmember Jeremy A. Garza
Councilmember Adam Hussain
Council Member Brian T. Jackson
Councilmember Peter Spadafore
Councilmember Patricia Spitzley- excused
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
Judge Huge Clarke, 54 A District Court
Judge Alderson, 54 A District Court
Anethia Brewer, 54 A District Court
Heather Sumner, Deputy Chief City Attorney
Lisa Hagen, Assistant City Attorney
Loretta Stanaway
Loretta Brent
Kat Potroff
Kathy Miles
Elaine Womboldt
Scott Keith, LEPFA
Mary Reynolds

Minutes
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM AUGUST 27, 2018 AS PRESENTED. MOTION CARRIED 6-0.

Public Comment on Agenda Items
Ms. Stanaway spoke on the audit of the City Market and in her opinion found that the operating income loss for the year was 42,223.62 in comparison to the $90,000 to subsidize, meaning there revenue is $32,000.

Resident made a complaint on the parking meters and the cost.

PRESENTATIONS
Court Consolidation for Ingham County
Council President Wood began with a quick statement that there would be no action tonight and the Administration had one-on-one meetings with all Council Members.

Ms. Harkins briefly provided details on how they had gotten to this point which began when the Administration was approached mid –summer to consolidate 54A, 54B and 55A Courts. They have held discussions with Courts, all Chief Judges, LPD, County Sherriff, County Board Members, and then referenced the recent legislation HB 6344. It was noted that if the HB does pass, it does not mean immediate consolidate.

Judge Alderson concurred it is a work in progress, and they need the State Statute to allow it to happen. The HB allows further discussions on future savings, and access for citizens to court. There is an option on co-locations, and other unanswered questions, but nothing would happen unless all three (3) funding units agreed. If that occurs City Council would have to pass a secondary resolution to move forward. Out of the 54A Court, she stated it is supported by Judges’ Alderson, DeLuca and Buchanan.

Council Member Washington referenced the letter submitted by Judge Clarke and asked for answers to all his questions; asked for the figures on revenue if the City will lose revenue; inquired into the election of a judge County wide and if that could be disparaging to minorities. Council President Wood asked Judge Alderson if there any points in the letter referenced she wanted to answer at this time. Judge Alderson admitted she did get a copy of the letter the week earlier, and provided it to all the Judges’ in the region to provide feedback. Council President Wood inquired into the question of how the Judges would be elected in this consolidation. Judge Alderson clarified that as the HB is introduce, the City of Lansing and Lansing Township would be kept as an election district, and however there would be a transition period, which is currently 8 years. Once that time is up, they would then be elected County wide. Being that it is a State Bill, the legislation can make changes and potentially they could reduce or increase the amount of years in transition.

Judge Clarke referenced his letter from the packet that was delivered to the Council Members before the meeting, and outlined some of his concerns. One of those were that the City will lose the number of City residents to serve on the cases, and question how that would get fixed without the risk of tampering, along with the City Residents voting for judges. He continued with his concern that there is not a majority of color in a jury case where the defendant is colored, and that number will be less when the jury pool is County wide, therefore his concern they would not be served justly. Judge Clarke then spoke briefly on revenues and funding, and how much will then go to the County. He concluded by inquiring into what happens to the current City employees, and asked for the question to be asked "why do this now?" Judge closed his portion by offering to meet with each Council Member to go over the demographics.

Council Member Jackson voiced his concerns on future cases and who would hear those; if the defendant was from Lansing, if the jury would be Lansing residents, and questioned the time period it would take to be County wide. Judge Alderson referred the Council to the final page of the legislation which spoke to jury's. If the jury would be a 54A case, then the jury would be picked from the City of Lansing. If it was 54B they would be a jury of East Lansing. Council Member Jackson asked if there was a discussion on anticipated revenue or savings. Judge Alderson confirmed that in the initial conversations there was a recommendation that once they consolidated they could eliminate one judge, which would be a savings, however the savings depend on where people located are, and where the co-location is. She continued to inform them that the three (3) funding units are meeting to look at the numbers to provide better documentation. There is a request with the judges to look at judicial administration, having one Court Administrator and how to use all the employees in future. Regarding the parking bureaus, East Lansing and the City of Lansing are both keeping their parking. Only tickets contested or not paid come to court, so 2/would go to the County and 1/3 to the City. Council Member Jackson asked if there is a projection on how the City will come out on fines and costs when consolidated. Judge Alderson did not have answer at this time. Council Member Spadafore asked if there was room to compromise on a consolidation so Lansing does not lose its identity and include Lansing and Lansing Township. Judge Alderson stated the legislation was modeled after the City of Kalamazoo, however currently each individual jurisdiction can make suggestions to the process. Council Member Spadafore then asked if consolidation is needed or just to consolidate the courts. Judge Alderson admitted they are two different discussions; one is to consolidate, the other would be to co-locate for more savings.

Ms. Harkins stated that passing legislation does not mean it is a done deal; each jurisdiction has to pass it and as an example when Genesee County consolidated, it took them 7 years for it to be complete. Council Member Spadafore pointed out that the legislation does dictate what happens to City courts but it does not commit to consolidation, but puts forth a path forward for consolidation. It was also stated that this might not be the right fit for Lansing at this time.

Council President Wood asked Judge Alderson to go through Judge Clarke's letter to address any points he made.

Council Member Jackson stepped away from the meeting at 6:05 p.m.

Council President Wood asked Ms. Harkins to include the Council Internal Auditor in the mentioned financial meetings.

Internal Auditor Presentation on Audit Findings for City Market

Council Member Jackson returned to the meeting at 6:07 p.m.

Mr. Brewer referenced new information on the DIAS that he just distributed on the June details. He noted it was material not in the audit process. Mr. Brewer informed the Committee that after his review the numbers did match and any discrepancies were addressed by LEPFA. The operating revenue line at $96,484, per LEPFA was reconciled and the majority of the details comes from rental and utilities. The operational expenses is at $149,000, and the income revenue vs. expense loss was $52,000. Mr. Brewer concluded that there were amounts not spent but allocated. Mr. Keith responded to the report noting that they try to operate on an unreserved equity to last 180 days in case of emergency. The savings this past year so far is due to not filling the market manager position since the City stated they could not continue with market. Council President Wood referenced the utility line at $46,000 annually, and asked if they reached out to Consumers and BWL for energy savings options. Mr. Keith acknowledged that when it was built they put in energy efficient fixtures. The structure is not close to steam with BWL, so they use gas from Consumers. Council Member Garza asked if there was ever a study done on heat loss, and was told no. Council President Wood inquired into what the $25,000 for professional services would be for, and was told a breakdowns would have to be provided, but it was assumed by Mr. Keith it would be for legal fees, hiring of a landscaper and a mix of vendors.

Council President Wood asked if Ms. Harkins if, since the Mayor went through the process to find other uses or continue the use, and stated at that time LEPFA was no longer in charge, so the question would be who is in charge. Ms. Harkins stated that Mr. McGrain is taking the RFP and LEPFA is working with him. Council President Wood asked again, if LEPFA was still the responsible party. Ms. Harkins confirmed that LEPFA is still responsible because the current tenant still has a lease with LEPFA. When the tenant leaves, then it will fall under the purview of the City.

Council Member Washington stepped away from the meeting at 6:16 p.m.

Ms. Harkins corrected her earlier statement, stating that there is a tenant in the building who does not have a lease, but the case is currently in court, so once the case is adjudicated in the courts it will go from LEPFA to the City.

Council Member Washington returned to the meeting at 6:18 p.m.

DISCUSSION/ACTION

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

Council President Wood informed the Committee that the agreement is with the BWL on return on equity, and their Board has already acted on this. Normally Council would act first but this time BWL acted first based on the negotiations with the Board and the Mayor's office.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE LBWL RETURN ON EQUITY AMENDMENT NO. 4 TO CONTINUE AT 6.1%. MOTION CARRIED 6-0.

DISCUSSION – Update on Severance Package for Lansing Housing Commission Executive Director

Council President noted that in 2015 after the Administration provided a severance package to Mr. Peter Lark with BWL, the City Council was adamant to address this so that large portions of tax dollars could not be used for severance packages. A Charter Amendment was done so that there would be no more packages and departing employees would only get accrued sick time. She continued, stating she recalled a discussion, and asked the City Attorney at the time, if this covered all boards and commissions, including the Housing Commission, and Council was informed it did. The voters of the City of Lansing approved this this process and recently the LHC provided a severance package to the Executive Director that resigned, so the current City Attorney was asked to look into it. Mr. Smiertka provided information on his offices research, which determined that the LHC is a State commission and long standing tradition in housing law for the State. He admitted there have been different decisions but the current law the LHC is that it is a separate Commission, and not part of the City structure. Therefore the employment agreement and package approved by the LHC, is pre-empted. The Statute pre-empts the Charter, so it does not apply to the LHC, and they even have a court of appeals decision also. Council Member Spadafore pointed out that the LHC Director had a statement in his contract that if the LHC Board releases him, his resignation does not qualify for a severance package. Mr. Smiertka stated that either way the Charter does not apply. Council President Wood asked the Administration and City Attorney to check with the LHC if they recall the discussions that they were made aware of the Charter amendments, and since they are appointed by the Mayor, if the Mayor can recommend to the Board there is no severance package since Council cannot mandate. Mr. Smiertka confirmed the Mayor can make recommendations, but the Board is an independent Board and are responsible to act in the best interest of the LHC. They can take into consideration the recommendation, but as far as decision making, it is up to them. Council President Wood then asked if the Charter language the public voted on has no recourse for Council to eliminate a severance package. Mr. Smiertka stated that there was nothing brought to the Law attention that would minimize what they found to be the Law; the LHC Commission is in charge of their staff, and the Supreme Court says the Commission has full control over their employees.

DISCUSSION – Fiscal Year 2019/2020 Budget Policies and Priorities

The Committee went through Draft #1 and Council President Wood read the new items. This included 3 items on page 4 to address an investment into one-time money for retirement and OPEB; funds for infrastructure including roads and sidewalks; and one-time funds hardware and software investments. Page 5 was an item that Council Member Spadafore added to help generate revenue by expanding the down payment assistance program with employers to encourage their employees to live in the City. On page 8 of the document Council Members Garza and Washington requested a designated Community Policing officer in Ward 2, street sweeping increased schedule, and a traffic calming study. Council Member Hussain spoke in support of a study on traffic calming measure. Council Member Washington encourage the LFD and first

responders be present the discussions on that topic. Council Member Spadafore suggested a comprehensive transportation plan under item 5 a 2, however Council President Wood noted that there is a plan the Tri County Regional Planning board is discussing, but Council Member Spadafore confirmed that has never appeared on an since he started in his role on that Board, so she offered to meet with him.
Council President Wood asked Committee members to submit any other items to Council staff by September 19, 2018. Council Member Spadafore asked that something be added to look at an efficiency study to make sure the City services are being done in the most efficient way and increase better services for the City.
Council Member Washington stated she had asked for two (2) more code officers in her earlier recommendations, but it did not appear in this draft. Council President Wood stated she did not put it in because there is a section that already speaks to Code in general. Council Member Washington asked for a specific number to be listed, along with a corridor officer, and a clerical person so the officers can spend more time in the field. Council Member Hussain referred to page 5, II a) (1), but again Council Member Washington pointed out it does not speak to the exact number.
Council Member Spadafore asked that the Council Internal Auditor analysis the resolution with what is being proposed and determine the cost vs. the current and proposed. The Council would need to know the cost of the suggestions so they can prioritize the resolution. He added, then Council would know how to prioritize and finds the funds. Mr. Brewer stated that would be part of the budget process, and the information would be from the Administration and Finance Director. He concluded in his opinion his task would be to make sure their information was accurate. Council Member Spadafore acknowledged he was not asking for a budget, but what would these priorities cost, and in turn to understand the list of priorities and what it would take. Council Member Washington added that it is important that the Administration looks at the budget to make sure funds are allocated for Council important items and Council in turn can help the Administration find where to get the money.

Council President Wood asked Ms. Harkins to go through this resolution when they do their budget in May and explain how each will be addressed in the budget.

<u>Other:</u>
Place on File – Mayoral Withdraw of Ballot Language for Potential Sale of the City Market property

MOTION BY COUNCIL MEMBER WASHINGTON TO PLACE ON FILE THE DOCUMENT FROM THE MAYOR WITHDRAWING THE BALLOT LANGUAGE FOR THE POTENTIAL SALE OF THE CITY MARKET PROPERTY. MOTION CARRIED 6-0.

Place on File - Mayoral Withdraw of Reappointment of Dennis Louney. 1st Ward Member to the LBWL Board of Commissioners

MOTION BY COUNCIL MEMBER WASHINGTON TO PLACE ON FILE THE DOCUMENT FROM THE MAYOR TO WITHDRAW THE REAPPOINTMENT OF DENNIS LOUNEY TO THE LBWL BOARD OF COMMISSIONERS. MOTION CARRIED 6-0.

Place on File - Proposal by Citizen Initiative; Annexation of Eight (8) Parcels in Delta Township to the City of Lansing

MOTION BY COUNCIL MEMBER WASHINGTON TO PLACE ON FILE THE DOCUMENTS FROM THE CITIZEN INITIATIVE; ANNEXATION OF EIGHT (8) PARCELS IN DELTA TOWNSHIP. MOTION CARRIED 6-0.

{Closed Session}
City Attorney Update on Pending Litigation
Council Member Washington stated she would not make a motion or vote to go into closed session as stated on the agenda because recently there is information stated in closed sessions that is being released outside of those meetings.

Council President Wood stated there would need to be 6 votes to go into closed session, and since it is now evident they do not have 6 votes, they will not be asking for a motion.

Resolution on Redistricting
Council Member Spadafore presented a resolution on redistricting and has been reviewed by the City Attorney and against State law. He asked that it appear on the Committee and Council agenda for September 24, 2018. Mr. Smiertka added that the Michigan Campaign Finance Act prohibits expenditures of public resources in favor or against ballot issues. There is however an exemption to have those in policy making positions, such as Council, to make a statement.

Council Member Jackson moved the discussion to the lack of a Closed Session and asked if there were any items in litigation that Council Member should meet with him individually or request a closed session at the next meeting. Mr. Smiertka first informed the Committee that with recent law changes, if they were to go into closed session for litigation he is now required to list each case for the record. Regarding a need for closed session as soon as possible, he stated there was nothing that was urgent. Mr. Smiertka then briefly summarized that there are 29 Federal or State pending cases and since the last update 11 other cases have been closed. Regarding marihuana cases, there were 5 closed, 4 open and those could be licensing, zoning, relief, or appeals. Ms. Sumner added that they are in mediation with the Radisson regarding parking, the opioid litigation is in discovery, and Mr. added they are constant discussions with Friends of Ormond Park.

Council Member Washington again stated she understood Council Members concerns on finding out any pending litigation, but currently she believes there is a violation of the Charter regarding the closed sessions and will not vote for one.

ADJOURN
The meeting was adjourned at 7:04 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on September 24. 2018