



MINUTES
Committee of the Whole
Monday, November 9, 2020 @ 5:00 p.m.

<https://us02web.zoom.us/j/88259062610>; ID: 882 5906 2610; or Dial in: (646) 876 9923

Held virtually in an effort to protect the health and safety of the public & to mitigate the spread of COVID 19

CALL TO ORDER

Council President Spadafore called the meeting to order at 5:00 p.m.

PRESENT- via audio/video

Councilmember Peter Spadafore remotely from Lansing, Michigan
Councilmember Adam Hussain remotely from Lansing, Michigan
Councilmember Carol Wood remotely from Lansing, Michigan
Councilmember Patricia Spitzley remotely from Pensacola, Florida
Councilmember Kathie Dunbar remotely from Port Austin, Michigan
Councilmember Brandon Betz remotely from Lansing, Michigan
Councilmember Jeremy Garza remotely from Lansing, Michigan
Councilmember Brian T. Jackson remotely from Lansing, Michigan

MEMBERS PRESENT- via audio/video

Sherrie Boak, Council Staff
Jim Smiertka, City Attorney
Samantha Harkins, Deputy Mayor
Lisa Hagen
Bart Carrigan
Dick Peffley, LBWL
Scott Taylor, BWL
Heather Shawa, BWL
Kris Klein, LEDC
Mr. Marek

Minutes

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM OCTOBER 26, 2020 AS PRESENTED. ROLL CALL VOTE, MOTION CARRIED 8-0.

Public Comment

No public comment at this time.

Discussion/Action

RESOLUTION – Appointment; Bart Carrigan; Lansing Citizen to the Employee's Retirement System Board of Trustees; Term to Expire June 30, 2024

Mr. Carrigan noted he moved to Michigan for his college education, stayed in Michigan residing in Lansing for 15-16 years and recently retired. Mr. Carrigan became a Professional Trustee on pension plans for carpenters, brick layers, engineering, along with other trades similar. Those pensions he stated are similar to what his Board would see.

Council Member Wood asked if he has been involved in the MAPERS meetings, and Mr. Carrigan stated he has attended over the last 3 years. Council Member Wood asked if he currently sits on other Pension Boards and he informed the Committee he currently sits on the Michigan Infrastructure and Transportation (MITA) Labor Pension in Lansing, and the Flint Sheet Metal Pension and Healthcare. Council Member Wood asked if he was paid for those, and he informed them it is voluntary, but being a professional trustee he is paid by the MITA. Council Member Wood asked Mr. Carrigan if he thought he would have a conflict with those two boards by serving on this board, and Mr. Carrigan assured them he did not believe he had a conflict and his experience augments it. Council Member Wood asked if he was recruited for this vacancy or found a posting for it. Mr. Carrigan admitted he worked with Mayor Schor when he was with the legislator, and also spoke to Mr. Joe Abood about this Board. Council Member Wood asked Mr. Carrigan his thoughts on potentially turning over the retirement to the MERS program, and Mr. Carrigan admitted this was the first time he had been approached with that question and so was not prepared to respond at this time. Council Member Spitzley asked if he was a Lansing resident and he confirmed he was in Ward 4.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE APPOINTMENT OF BART CARRIGAN TO THE ERS BOARD. ROLL CALL VOTE, MOTION CARRIED 8-0.

Presentation

Lansing Board of Water and Light Annual Audit for FY 6/30/2020

Mr. Peffley introduced Mr. Taylor to summarize the annual documents in the packet. Mr. Taylor went through the document highlighting the annual changes, the work with the City on COVID and retirement funds. Council President Spadafore asked if the revenue was down, and Mr. Taylor noted it was up 2% over the year, which was driven by the rate change. Council President Spadafore asked if the grant on the Council agenda for the Michigan Department on Treasury for Public Safety and Public Health and Mr. Taylor confirmed. Council Member Wood asked how long they have used BakerTilly and was told 5 years, and they are working on developing the RFP for the next contract. Council Member Wood asked what the total debt the Board has for bonds, and Mr. Taylor responded with \$692,000,000 all included. Council Member Wood referred to the report, noting with the bad debt, and increase from last year to this year and asked if that increase was due to BWL waiving late fees and penalties during COVID. And if that was the fact, has that continued to increase or leveled off. Mr. Taylor admitted they have seen it level off, they did have an increase of 6,000 but are now under 1,000. Council Member Wood asked if the BWL has done an analysis of the number of people working from home and the impact on their usage. Mr. Taylor said there has been an increase in residential usage sales and reduction in commercial. Council Member Wood asked if they are projecting out. Mr. Taylor stated they anticipate similar trends. Council Member Wood asked Mr. Peffley how many BWL employees were working at home, and Mr. Peffley stated there are 250 working from home out of 720. Council Member Wood then asked how many of those are Lansing residents, and was told approximately 20-25%.

Discussion/Action-continued

RESOLUTION – Outside Counsel, Addition of Sandra Brown and Thompson Hine and Warner, Norcross and Judd

Mr. Smiertka informed the Committee that this was a request from BWL to add them to the outside counsel list because they specialize in coal transferring and different types of energy. The Office of City Attorney recommends approval of this addition.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE OUTSIDE COUSEL ADDITION OF SANDRA BROWN AND THOMPSON, HINE, WARNER, NORCROSS AND JUDD.

Council Member Wood asked if this is to enter into contracts or litigation. Mr. Smiertka explained that BWL informed his office it is needed to navigate difficult regulations as they close down rail lines that deliver coal.

ROLL CALL VOTE, MOTION CARRIED 8-0.

RESOLUTION –Commercial Rehabilitation District; 329-337 S. Washington Square

Mr. Klein outlined the project application with a closing date at the end of the year, noting it is a commercial rehab exemption for the restoration of a commercial property, operations, details and some commercial residential units. Mr. Klein noted this rehabilitation would bring the building to economic condition, and the district and certificate for 10 years which will freeze real property value. This will not change land value or make any changes to the State or school taxes in regards to value. Lastly, Mr. Klein stated after this approval it goes to the Tax Commission, and confirmed the developer has already executed the universal developer agreement with the provisions for local labor, and percentage of investment and finish in the projected timeline. Mr. Marek spoke to the Committee on the project and items they will address under the rehabilitation including but not limited to foundation issues, roof issues, and other issues they believe were not addressed on the previous owners NEZ. Council Member Spitzley added to the presentation that at the Committee on Development & Planning they were told the total investment is \$274,000. She then asked Mr. Marek if the repairs proposed could be separated out between commercial and residential. Mr. Marek stated there are a couple items that could be separated but the largest items are included in the whole building structure. Council Member Wood asked Mr. Marek how long he has owned the building and if he has invested any funds so far. Mr. Marek replied that he did purchase in March, 2020 and has spent approximately \$30,000. Council Member Wood asked Mr. Klein when the NEZ came off the property, and Mr. Klein informed the Committee it ran from 2007 to 2019. Council Member Wood asked for the tax capture, but Mr. Klein was not able to provide that information at this time, so was asked to have that information at the Council meeting. Mr. Klein was asked for the taxable value and when the project would be completed, at which he stated \$552,000 tax value with the completion date of July 31, 2021. Council Member Hussain asked about if the Commercial Rehab District and Certificate were open to all districts in the City, and Mr. Klein stated that it is an option, but it would depend on the size of the district, how many commercial, how many residential, number of parcels and number of acreage. Council Member Wood lastly asked if this was just one property or the district would cover other properties, and Mr. Klein stated there are 3 parcels all owned by Mr. Marek or an entity he is invested in.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE COMMERCIAL REHABILITATION DISTRICT FOR 329-337 S WASHINGTON SQUARE.
ROLL CALL VOTE, MOTION CARRIED 8-0.

RESOLUTION – Commercial Rehabilitation Certificate; 329-337 S. Washington Square

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE COMMERCIAL REHABILITATION CERTIFICATE FOR 329-337 S WASHINGTON SQUARE.

Council Member Betz spoke in opposition of the Certificate, asking the Committee to vote no on the certificate. He listed items in the plan including residential projects of bathroom remodels, apartment remodels, and conference rooms up to \$70,000 of the \$275,000

ROLL CALL VOTE, MOTION CARRIED 6-2.

Other

MOTION BY COUNCIL MEMBER HUSSAIN AT 5:54 p.m. TO GO INTO CLOSED SESSION FOR:

Pursuant to MCL 15.268(e), I hereby move that we recess into closed session to consult with the City Attorney in connection with the following specific pending litigation. An open meeting will have a detrimental financial effect on the litigating or settlement position of the Lansing City Council concerning these cases.

Atkinson, Boyce, Israel, Odom, Odom, Randle, and Talifarro v. City of Lansing, Local 421 IAFF, Schor, Weber, Harkins,
Block 100 v. City of Lansing, LBA (Radisson)
Burwell v City of Lansing, Anderson, Liskiewicz, Kelley, Ouderkirk & Ridenour
Chen, Le v. Lansing Police Dept., Garcia, and Fearnow
City of Lansing v. Angavine Holdings LLC
City of Lansing Treasury v. Brown, Rachel
City of Lansing v. OCOF Nonprofit Housing Corp
City of Lansing, et al. v. Purdue Pharma, et al. (Opioid Litigation)
Doe, Jane v. City of Lansing, Lansing Public Schools, Lansing Board of Education, Yvonne Canul, Mark Coscarella, Donna Pohl, Matthew Priebe, Kimberly Petroff, and other unidentified Does (1)
Doe, Jane v. City of Lansing, et al. (2)
Election Integrity Fund, Linda Lee Tarver, Kirklyn Valentine, Jim Miraglia v. City of Lansing and Flint
Funches, Blakie, et al. v. City of Lansing, et al.
Funk v City of Lansing
Gardner/Holsey/Hill
Hulon, Anthony Scott v. City of Lansing
Jackson & Lansing Railroad Co. v. South St LLC, SC Environmental Services, LLC, John Kendrick Sears, Norfolk Southern Railway Co., City of Lansing, Jelsema Concrete Construction, Inc., and Hamilton Mutual Insurance Co.,
Kyle Shaw Residential Properties, LLC v. City of Lansing
Lynn, Michael v. City of Lansing
Lynn, Michael v. Mayor Andy Schor, Dave Purchase, and Eric Weber
La Fille Gallery, LLC, et al. v. City of Lansing, et al. (Consolidated)
OPV Partners, VW230, Real Estate Service Solutions v. City of Lansing AND Appeal

Sellers, Deshayney v. City of Lansing and Eric's Refuse
Spalding, Estate of v. Eaton County, City of Lansing, Ingham County, et al.
Stafford, Shawn v. Dave Klein and City of Lansing
Taylor, Andrew v. City of Lansing, Schmidt, Blanck, Wright, Kocan, Traskie, McBride, Curtis
Thompson Smith, Avery C. v. Amy Castillo, City of Lansing, Ingham County Board of Commissioners, Eric A. Schertzing, Caitlin Budzinski, Ingham County, Does 1 - 12
Trevino, HydroWorld v. Blackburn, Allen, Carter, Shields, and City of Lansing
Wagner, Jeff v. City of Lansing
McLaren Health Care Corp. v. City of Lansing

ROLL CALL VOTE, MOTION CARRIED 7-1.

{RECONVENE} AT 6:38 P.M.

Adjourn

The meeting adjourned at 6:38 pm

Respectfully Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee November 30, 2020