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MINUTES
Committee of the Whole
Monday, June 22, 2026 @ 5:30 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER

Council Member Spadafore called the meeting to order at 5:30 p.m.

PRESENT

Councilmember Tamera Carter
Councilmember Jeremy Garza
Councilmember Adam Hussain
Councilmember Ryan Kost
Councilmember Clara Martinez- excused
Councilmember Deyanira Nevarez Martinez
Councilmember Trini Pehlivanoglu
Councilmember Peter Spadafore

OTHERS PRESENT

Sherrie Boak, Council Staff
Greg Venker, City Attorney
Lisa Hagen-Lawrence, City Attorney
Chris Mumby, Deputy Mayor
Ingham County Commissioner Sebolt
Jake Brower, Chief Strategy Officer
Scott Taylor, LBWL
Michael Coco, Atlanta Fireworks
Scott Hefferon, Atlanta Fireworks
Dick Peffley, BWL

Minutes

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE MINUTES FROM MAY 18, 2026 AS PRESENTED. MOTION CARRIED 7-0.

Public Comment

Mr. Hefferon stated he can answer any questions, and was asked to stay until the agenda item.

Presentation

Ingham County Commissioner Sebolt; Ingham County Ballot Proposal on Hotel Tax

Mr. Sebolt summarized the topic, beginning in 2024 which was not clear, the County has approved from 5% to 8% pending voter approval. The ballot language was utilized by the successful ballot language from Kent County. This would be hotel visitors at hotels in Ingham County. The anticipated collection would be \$3.2 million, up to \$7 million because they also collect on Airbnb and VRBO. Mr. Sebolt broke down the percentage breakout of the collected

DRAFT

funds. These will cover renovations at the Ingham County fairgrounds, and updates at Jackson Field that could be in line for these funds. This is not a millage, but once set in place can be something the county can count on, for long term investments. There are arts and museum needs that can be invested in for the long term.

Council Member Hussain asked roughly how many stays are out of county visitors. Mr. Sebolt stated Choose Lansing might have that, but he did not. Council Member Hussain asked what kind of feedback was given. Mr. Sebolt stated in 2024 the language was confusing, largely legal ease, with this new ballot proposal is more clear. Council Member Hussain asked if other than Kent County someone else was successful with the ballot. Council Member Hussain asked the average night stay, and Mr. Sebolt stated that info would have to be provided by Choose Lansing. Again it is not on residents but people staying at the hotels. Council Member Hussain asked what percentage goes to Lansing facilities, and Mr. Sebolt stated 80% goes to Choose Lansing, but he didn't have the specifics. The focus is on facilities in Lansing and East Lansing for tourism in those areas. Council Member Hussain asked if there was a mandatory waiting time after it failed in 2024, and there was no timeline to his knowledge.

Council Member Pehlivanoglu asked where is more detail, and was told Ingham County website and commissioner direct emails.

Council Member Spadafore asked how is the revenue distribution decided, and Mr. Sebolt stated the County Commission decides, and without having it in the ballot language it is flexible. There is a possibility to look at the new funding to bring about ideas, is something after initial infrastructure needs are met, they can go back to the public on the needs to showcase tourism.

Discussion/Action

PLACE ON FILE- Board of Water and Light Budget Fiscal Year ending June 30, 2027 and Capital Improvement Plan for Fiscal Years 2027-2032

Mr. Taylor and Mr. Peffley presented before the Committee. They went through the budget and forecast that the BWL Board of Commissioners has approved. In the packet there is an income statement with a positive return on all, and what the proposed rates increases. All departments came together to cut \$7 million to meet their budget, and the budgeted ROE came in higher than the City budget by \$170,000 higher. Included in this filing is the cash flow statement. The rest of the document before the Committee is the capital budget plan which includes the new and renewable spending.

Council Member Hussain asked how they are prioritizing water main replacement. Mr. Peffley stated they are doing 6 miles per year, and they look at 2 things; where CSO goes and look at the area that has the most mains. They track every main break, average 220 a year, and areas that see the highest get programmed out into the budget. Council Member Hussain about scheduling outside of the CSO. Mr. Peffley stated they do speak to Mr. Kilpatrick and they also inform him of other utility work.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO PLACE ON FILE.

Council President Spadafore stated there are a number of items on the agenda that came in late; after deadline, so is recommending in the future setting 3 meetings in June.

MOTION CARRIED 7-0.

DRAFT

RESOLUTION – Board of Water and Light Return on Equity Agreement, Amendment #9

Mr. Taylor summarized the current agreement which expires June 30, 2026, and this is amendment #9 which has already gone to BWL. This extends for 2 years, maintains 6% payment on revenues, and removes the sales because they are just book entries, there are not cash flows to those services. In this amendment, the City retains the benefit of receiving minimum and 6% if it exceeds. These are quarterly payments and the first 3 will be accelerated, after discussions with the Administration. The agreement as amended does satisfy the Charter amendments. Mr. Brower stated that overall it is a 2 year agreement, they paid attention to the Charter language so this would be in consideration with the BWL tax payers, and shared services with BWL and the City of Lansing.

Council Member Spadafore asked why the increase of the amendments, since 7 amendments just in his time on Council. Mr. Brower stated last year it was one year, this year it is 2 year, and if the structure is working they can move forward with a longer term on the amendment.

Council Member Hussain stated with the 8th amendment, they were told Mayor asked for 8% and the counteroffer was 6%. In this amendment were there negotiations. Mr. Brower stated they came in with requests, and looked at overall how is charter written, impact on City and services, rates paid by BWL rate players. Agreed on 6%, but accelerated the submittal of the payments for the first 3 quarters. Mr. Peffley added that there were discussions at BWL, and they took a hard approach on their rate strategy, similar utilizes are 10% rate increase, and BWL did 2%. There are a lot of new customers in the corridor, and look in areas to compete. With 6% they can look at growth, if look at numbers there is more money to the City with 6%. Council Member Hussain asked, in terms of the South Lansing project, there are questions on density of utility poles, and moving forward is there a plan to reduce the number of poles; particularly on MLK. There appears to be a 45% increase. Mr. Peffley stated they have been transparent on showing how many would be left. There has to be poles for the transmitters but would follow up on if they have removed all the ones they can to meet the goal. He will get photos before and after for the constituents.

MOTION BY COUNCIL MEMBER PEHLIVANOLGU TO APPROVE THE RESOLUTION ON AMENDMENT #9 RETURN ON EQUITY AGREEMENT WITH LBWL. MOTION CARRIED 7-0.

RESOLUTION – Ballot Proposal; Essential Services Millage Restoration

Mr. Brower stated this is a semi-regular business that comes up every 5 years for the City. This relates to one of several protections to residents on their property taxes. This is for the overall value a city millage captures, overall taxable value, stays at the same dollar amount; part of the Headlee roll back, which is applied to the millage annually. The calculation at the County level rolls back every five years, in these five year millage extensions is to keep at 20 mills levy.

Council Member Kost asked for clarification on 5% cap, not 3%. And Mr. Brower confirmed it is 5% cap. He added that the current operating millage, set to expire 12/31/2026, and this resolution would put on the ballot to be in effect for July 2027.

Council Member Hussain, asked if the administration ever looked at if this was not approved what would they be looking at. \$185 million operating, and calculate 1% of millage, so if this does not get approved for additional mills, 4 mills, that would be a significant reduction in the budget. If no immediate pass, would resubmit for reconsideration. If not passing, he would come back before Council to reduce. Council Member Hussain noted it did fail in the past.

DRAFT

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION FOR THE BALLOT PROPOSAL ON ESSENTIAL SERVICES MILLAGE RESTORATION. MOTION CARRIED 7-0.

RESOLUTION – LDFA BUDGET

Mr. Brower first acknowledged the Council President expediting this, this is the proposed LDFA for FY 2027 which has to be adopted by all 3 taxing authorities prior to fiscal year end. There is a capture from East Lansing, a negative capture of City of Lansing. This has zero dollar impact with the City of Lansing.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION FOR THE LDFA BUDGET AS PRESENTED. MOTION CARRIED 7-0.

RESOLUTION – FISCAL YEAR 2026/2027 BUDGET AMENDMENT

Mr. Brower again thanked the Council President for expediting this. To meet the GASB on audit findings on budget to actual. While cannot 100% guarantee, they look at factors in great detail, and hope to have a positive from the auditors. This is an amendment ending June 30, 2026, with adjustments to GF, income tax revenue, year end accruals, reduced revenue in license and permits. Reduced state grants and revenue sharing.

Council Member Kost stepped away at 6:11 p.m.

Mr. Brower noted there are state laws that have decreased in sales taxes and some revenue sharing. There are increase charges in service due to code enforcement, and reallocation of general fund vacancy savings.

Council Member Kost returned to the meeting at 6:12 p.m.

Mr. Brower spoke on funding that have some activities not anticipated, funding moved where there had been no activity.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION FOR THE FISCAL YEAR 2026/2027 BUDGET AMENDMENT. MOTION CARRIED 7-0.

RESOLUTION – Fireworks Permit; Jackson Field, Boomball Tour; Atlanta Special FX July 4th

Council President Spadafore noted he received a call from the City Clerk, and with the timing of 4th of July and no Lugnuts game, there was time delay on the application.

Council Member Kost asked OCA, could this date be added to the resolution annually from LEPFA for the initial fireworks permit. Mr. Venker stated it would depend on who the applicant and insurance company, it would be consistent. If ASM Global was the applicant and they had agreements with vendors.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION FOR THE FIREWORKS PERMIT FROM ATLANTA SPECIAL FX FOR FIREWORKS ON JULY 4, 2020. MOTION CARRIED 7-0.

Closed Session

MOTION BY COUNCIL MEMBER PEHLIVANOGLU- Pursuant to MCL 15.268(e), I hereby move that we recess into closed session at 6:19 p.m. 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 City of Lansing concerning these cases.

Allen, Keith v. City of Lansing

DRAFT

Bernard, Tashawn v. City of Lansing, et al.
City of Lansing v. Adeleye, MDMC, and Padsinab
City of Lansing v. Eli Lilly, et al.
City of Lansing, et al. v. Purdue Pharma, et al.
Coward, Avis v. Douglas Hall
Elms, Suzanne v. City of Lansing
Eskin, Keith v. Melanie Smith, et al.
Fountain, David v. City of Lansing et al.
Harken, James v. City of Lansing
Hokenson, David v. City of Lansing, et al.
Republican National Committee v. City of Lansing
Robinson Memorial Church of God in Christ v. City of Lansing
Robinson Memorial Church of God in Christ v. City of Lansing, et al.
Romero, Ashly for Estate of Romero, Stephen v. City of Lansing, et al.
Willis, Delaney v. City of Lansing

ROLL CALL VOTE. MOTION CARRIED 7-0.

Reconvene

Council President Spadafore reconvened the meeting at 6:35 p.m.

Adjourn

The meeting adjourned at: 6:35 pm

Respectfully Submitted by,

Sherrie Boak, Recording Secretary, Lansing City Council

Approved by the Committee