



MINUTES
Committee on Ways and Means
Thursday, January 25, 2018 @ 8:00 a.m.
10th Floor Conference Room, City Hall

CALL TO ORDER

The meeting was called to order at 8:00 a.m.

ROLL CALL

Council Member Jody Washington, Chair
Council Member Kathie Dunbar, Vice Chairperson - excused
Council Member Carol Wood, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Eric Brewer, Council Internal Auditor
Angie Bennett, Finance Director
Kathy Miles
Elaine Womboldt
Denise Estee
Steve Maloney
Ronda Oberlin, Office of Emergency Management
Chelsea Coffey, Mayors office
Greg Venker, Assistant City Attorney
Jim Smiertka, City Attorney
Teresa Frassetto
Suzanne Elms
Dean Brailey
Sarah Riggs

Minutes

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM NOVEMBER 21, 2017 AS PRESENTED. MOTION CARRIED 2-0.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM NOVEMBER 27, 2017 AS PRESENTED. MOTION CARRIED 2-0.

Public Comment

Public Comment will be made during each agenda item.

Discussion/Action

RESOLUTION – Special Assessment for Floodplain Mapping Project

Ms. Oberlin noted to the Committee that the current maps used are from 1978 studies and during some recent mapping evaluations; they found discrepancies in the flood plain area. By lowering the base flood elevations, there could be a lower average flood insurance rate. Thus project will cost \$383,000. There are no qualifications to be involved, everyone pays the same rates, no matter what the risk is. If there is damage each one is looked upon case by case. Ms. Oberlin handed the Committee maps of the changes that will affect Urbandale and the Baker neighborhood. There will be an impact on the effected properties when they sell, because the price will have to be adjusted to accommodate for the flood insurance. Council Member Wood asked Mr. Smiertka if a case can be made in the tax tribunal if someone wanted to dispute it. Mr. Smiertka stated they could. Ms. Oberlin continued noting the area impacts 800 homes, and 600 will be impacted by the new mapping. The next handout represented further details on the property values. She added that the two hardest hit areas are already in the mapping area, and according to the maps she presented, Urbandale does not have any significant changes. Other areas that will now be affected include the Red Cedar, and currently there is no full understanding of the impact from the Grand River. Ms. Oberlin pointed out that this does not just affect Lansing, but will go into Meridian Township. When the study begins if they find there is no impact into Meridian Township, it will stop there and be a one phase project. If they find something, it will be a two phase project. They have already approached and confirmed participation with Ingham County and Michigan State University. The costs will be split between private and public resources, and the property owners will be affected with an average of \$47 per home, which is based on \$.10 per square foot.

Ms. Elms from Sycamore Park asked the Committee to look at other options including the “Lloyds of London” process. Ms. Oberlin stated that would not work in this area, and offered to meet with Ms. Elms after the meeting to provide her with the information and explain everything to her.

Ms. Womboldt asked if the resident affected by the clearing of trees at Ormond Park would be involved, and Ms. Oberlin stated they would not.

PENDING INFORMATION FROM LAW ON THE APPROPRIATE DATE. MOTION CARRIED 2-0.

Ms. Oberlin was asked to attend the public hearing and provide larger maps the night of the meeting.

Pending

Report from Internal Auditor and City Attorney on Retiree Reimbursement

Mr. Brewer stated he did not have a report yet, noting he had not gotten the information he needed. He was advised Law is making a determination on what benefits are and what aren't benefits. His role will be to understand the scope, and if there is merit to the benefits or not. Council Member Washington asked him to follow up with the new Administration on obtaining the information he needs.

Teamster 580 Retiree Healthcare Coverage

Council Member Washington asked Ms. Estee to provide Ms. Sanchez-Gazella a brief history on that the retirees want to see happen.

Ms. Estee went over her history of the situation which went back 8 years. It was noted she received a letter in March, 2010 from the City Finance Department that stated she was tied to active employees effective February 20, 2004. Her opinion was that that police was made and not negotiated with the union. She admitted she had approached the union, but was told they could not represent retirees. She outlined the information Ms. Sanchez-Gazella had in the binder provided by the Council, and even added that in November 2017 she filed a FOIA looking for the list of 2003 retirees and tie-bar, and the number from when the tie-bar took effect through 2007. She believes that at this time 11 Teamster Retirees receive 100% of their insurance paid for and the others lost that benefit with no explanation. She concludes by listing three (3) questions she is looking to find answers to: Where is the 2004 tie bar date? Why back track a policy 6 years? and Why did some retirees get to keep 100% of their benefits while others now have to pay. Council Member Washington asked her if those were the only questions and what income was she hoping to get. Ms. Estee stated the outcome she wanted was monetary, she wanted all their money back, and there needs to be accurate record keeping and no change of information. Council Member Washington then stated to Ms. Sanchez-Gazella that the Committee and retirees are seeking clear answers on why and how, and if the answers they get are not what they want they like, can they hire an attorney. If the answer is not what the retirees want to hear, they need to know clear answers and why it happened. Lastly she added, the Committee has also asked and is asking again for the amount it would cost the City to make the retirees whole.

Council Member Wood briefly outlined the binders she had presented earlier to the Mayor's office and Ms. Sanchez-Gazella, noting the retirees need to know how things were determined and why. The Council needs to know if the City had options, if under option 1; starting today, if they find there were issues, and offered to start taking care of the retiree health care now what the cost would be; and option 2, if the City finds there was an issue, and goes back in time to the initial date, what is the cost and the number of employees affected.

Mr. Maloney stated to Ms. Sanchez-Gazella and the Committee that he does not believe that his issue with the 1% has been resolved yet and he has not been reimbursed. His questions related to having to the payments made on insurance based on the benefits.

Ms. Estee concluded by stated the issues impact the Teamsters from February 2004 until the summer of 2014. During 2004 – 2010 it was the "tie-bar" retirees, where they were vested 100% for benefits, and in 2010 the union negotiated a 1% cap with teamsters that stated the retirees would never pay more than 1% of their retirement towards benefits.

Council Member Washington asked Ms. Sanchez-Gazella how much time she would need. It was determined Ms. Sanchez-Gazella would report back on March 22, 2018.

OTHER

Mr. Smiertka noted to the Committee that the resolution that was earlier acted on will need to be amended to first authorize the special assessment, then authorization the preparation of the roll, and allow notices to be sent to those on the roll, 10 days before the hearing. The Committee determined they would meet on the new agenda at their February 8, 2018 meeting before it goes to Council February 12, 2018.

ADJOURN

Adjourn at 9:05 a.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on March 22, 2018