



MINUTES
Committee on Ways and Means
June 20, 2017 @ 3:30 p.m.
10th Floor Conference Room, City Hall

CALL TO ORDER

The meeting was called to order at 3:30 p.m.

ROLL CALL

Councilmember Jody Washington, Chair
Councilmember Kathie Dunbar, Vice Chair
Councilmember Carol Wood, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Angie Bennett, Finance Director
Joe Abood, Chief Deputy City Attorney
Randy Hannan, Mayors Executive Assistant
Denise Estee
Steve Maloney
Lynne Meade
Kathy Miles
Jon Miles
Mr. Brownlee
Debbie Mikula, Lansing Arts Council
Robert Engle
Isobel McCallum
Mindy Biladeau, DDA
Eric Brewer, Council Internal Auditor

Minutes

Action on the minutes from May 31 and June 6 were moved to the next meeting.

Public Comment

Public comment held during each agenda item and no public comment at this time.

Discussion/Action

RESOLUTION – Set the Public Hearing for the Principal Shopping District (PSD) Assessment for FY2018 to FY2020

Council Member Washington explained the item was continuation from the last meeting, and the Committee was waiting on information. Ms. Bennett answered earlier questions, but stating that the Downtown Lansing Inc subsidy for 2018 is \$138,805 which does not include the \$100,000 for wayfinding signs. Ms. Bennett answered the second pending question, which was information on the amount of the special assessment on the City properties in the district, which totaled \$74,943. Those properties include City Hall, parking ramps, the river trail and parks. Ms. Biladeau recapped for the Committee that the renewal is for 3 years for District A only, and it will be 3% each year for 3 years. Council Member Wood asked for a list of the properties.

MOTION BY COUNCIL MEMBER WOOD TO SET THE PUBLIC HEARING FOR JULY 31ST FOR THE PSD ASSESSMENT FOR DISTRICT A FOR FY 2018-FY2020. MOTION CARRIED 3-0.

RESOLUTION – Grant Acceptance; National Endowment for the Arts

Ms. Mikula informed the Committee of the timeline, with the submittal over the last two year, after applying for multiple grants and being denied, they were able to secure the for the design aspect for a permanent stage and re-evaluation of the green space at Adado Riverfront Park. Through the process they found that many organizations that utilize the park have large expenses on renting and installing a stage facility. With this grant they are awarded \$40,000 for a 2-year grant with the grant cycle ending May, 2018, and a City match of \$40,000.

Mr. Hannan added to the presentation that there are three activities that will be funded. Those include the hydrological evaluation because of the park location in a flood plan, what can be built that close proximity to the river, and with the DNR as the regulatory agency, they will require a consultant to do modeling on what surface area can be displaced and not run afoul of the runway. The second activity is a conceptual design for a stage. This project will include two community charrettes, and then the end product would be a conceptual design. If the stake holders are in agreement, the last activity would be researching on how to fund it. This could be applying for additional grants and financial model in sustaining in it. Overall, Mr. Hannan stated this is to see what can be done in the space, include community engagement, and result in not just a stage but the immediate surroundings and potentially look at flood management.

Council Member Wood asked where the City match was coming from, and Ms. Bennett stated there is a line item for grant matches in the budget. It will not come from the Parks grant match. Council Member Wood asked the Administration present to also look into a sinking fund for the maintenance as they work on design and funding.

Council Member Wood asked why if it was grant was awarded in May 2016 is Council was just hearing about it. Mr. Hannan apologized accepted the blame stated they receive preliminary notification in May 2016, then reviewed it to see what they could do and also held conversations with the State on the flood plain. Earlier in 2017 he was unavailable, and so it was not forwarded as it should have been. Ms. Mikula did confirm that they were given an extension to May 2018 to do the charrettes and they hope to move forward on the process by selecting a design firm and coordinate the charrettes to occur in Fall 2017.

Council Member Wood asked who the engineering firm was. Ms. Mikula stated the engineering was not part of the grant they were awarded. The \$80,000 will cover the charrettes, conceptual

design and hydro design. Mr. Hannan stated the group that did the sculpture at the City Market is the group they are using currently and he will provide that name to the Committee.

Council Member Washington asked Mr. Hannan what the timeline for the project would be, and Mr. Hannan stated it would depend on the new administration, and on what comes out of the charrette. Then there is the cost and creation of a financial model. Sometimes the design and engineering is built into the construction budget.

MOTION BY COUNCIL MEMBER WOOD TO ACCEPT THE GRANT FOR THE NATIONAL ENDOWMENT FOR THE ARTS. MOTION CARRIED 3-0.

RESOLUTION – Housing and Urban Development (HUD), 2016 Continuum of Care Homeless Assistance Programs Notice of Funding Availability (NOFA)

Council Member Washington acknowledged there was no representation from the HRCS Department to answer questions or provide information. The Committee was asked for their decision on how to proceed. Mr. Brewer had no comments. The consensus was to act on the Resolution, with the condition that Dr. Joan Jackson Johnson provide information on if there are any items that are getting more, getting less or if there are new items.

MOTION BY COUNCIL MEMBER DUNBAR TO APPROVE THE RESOLUTION FOR THE HOUSING AND URBAN DEVELOPMENT (HUD) 2016 CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS NOTICE OF FUNDING AVAILABILITY (NOFA).

Council Staff was directed to ask Dr. Jackson Johnson for the information before the Council requested action on June 26, 2017.

MOTION CARRIED 3-0.

Sole Source Purchase: Segal Waters Consulting Group, Human Resources

Ms. Riley was not present, so this agenda item was again moved to the next meeting. Council Staff again sent an email to Ms. Riley with the next date of July 11th.

OTHER

Teamsters 580 Retiree Healthcare Coverage

Ms. Estee submitted written comments for the record and recited them (attached). Council Member Washington acknowledged the letter and reiterated from the last meeting that Council Member Wood was working on an update. Council Member Wood was not able to provide an update at this time, but stated she would have it at the next meeting and will provide files of information for the Committee.

Mr. Engle spoke in opposition to the work done thus far by the City. He also confirmed he had sent letters in the past to the City Attorney and has never heard a response. Mr. Engle concluded with his opinion that what was happening was illegal and wanted Council to investigate.

Council Member Washington admitted she too was perplexed with the lack of information that has extended for multiple years, and agreed it needed to be resolved by end of this calendar year. She then apologized for the delay and frustration, asking the retirees to be patient.

Mr. Abood informed the Committee that he had spoken to City Attorney Smiertka and was asked to tell them that Law is doing is ongoing. Mr. Abood admitted also to receiving requests

from Mr. Engle and Ms. Estee, and in the midst of his review and research for his memo, there was a change in direction and that is when Mr. Smiertka became City Attorney. The Law office is researching the law and there are some attorneys in that office that have concerns, and the law does not support the memo by Ms. McIntyre that Ms. Estee refers to. In addition he noted that Mr. Smiertka does not support the memo by Ms. McIntyre, and therefore Ms. Estee claims have been denied and any other claims that overlap with Ms. Estee claim will receive the same answer. Council Member Washington asked for one final opinion and documents. Mr. Abood stated that the City Attorney never plans to create a formal City Attorney opinion, but a memo is done from Law that backs up the statements, Mr. Abood offered to ask Mr. Smiertka for it. Council Member Washington asked it to be submitted by July 11th. Mr. Abood could not guarantee that, therefore they were also offered the first Committee meeting in August, August 15th.

Ms. Estee spoke again, asking not for a memo from Law about the law is, but wanted to know where the 2004 tie-bar language is and what is the significance of the tie-bar is, why was it done in 2010 and pre-dated to 2004 and lastly she asked why they took a group of retirees and split them in regards to their benefits. Council Member Wood stated she had asked for a copy of the language from Ms. Bennett, and Ms. Bennett stated the language is available on the City Intranet in the CBA, and it is an attorney matter, not something in her duties. Mr. Abood asked if the Committee was asking for the CBA from 2004, and Council Member Wood confirmed.

Mr. Engle asked the Committee to look into the law at the time the contract was signed.

Ms. Meade provided a history on the information she was provided but was not a participant in, but her opinion was that Mr. Colby, Ms. Thelen, Mr. Ambrose was at the table at which Mr. Colby then did a memo.

Ms. Brownlee spoke as retiree and spoke in support of the frustration by retirees on what she believed is a breach of contract.

Council Member Wood clarified that originally there were two situations, and the one in regards to the overcharges was resolved and those retirees were repaid.

Mr. Abood asked for clarification that there are two things the City Attorney office does know, they know what the contract language says and what the law is, and that is what they will make their City Attorney opinion on at this point.

Ms. McCallum, as a spouse of a retiree, spoke in opposition to what has occurred so far with the retiree benefits.

ADJOURN

Adjourn at 4:23 p.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on July 11, 2017

Ways and Means Committee, June 20th, 2017, 3:30 PM

RE: Teamsters 580 retiree tie-bar issue

I believe the City Charter authorizes the City Council to investigate and obtain answers from the Administration. I believe this investigation into the Teamster 580 retiree issue is now done as a result of obtaining Part 2, 2004 Tie-bar issue, Janene McIntyre 11-23-2015 report.

Ms. McIntyre concludes that there is no 2-20-2004 tie-bar to actives as stated in the Mark Colby March 2010 memo to retirees. This was further supported all along by:

1. Statement from Local 580 to Internal Audit questionnaire in 2014.
2. FOIA requests.
3. Actuary reports on healthcare.
4. My statement to the committee as a member of the 580 negotiating team on the 2003-2007 CBA.
5. The inability of the City to produce the so-called tie-bar contract language after 7 yrs.

It should be further noted that in 2016 both Interim City Attorney Abood and City Attorney Smiertka both failed to prepare a report on the 2004 tie-bar issue as requested by the Committee on Ways and Means. They chose not to do so.

I question the so-called Attorney/client privilege. Addressed to Mayor, Randy Hannan and Chad Gamble. None of those parties requested a report. The City Council did.

I accuse the administration of creating a "lie" in 2010, then committing "fraud?" against a group of retirees by charging them unauthorized deductions from their pensions.

I further accuse the Administration of a major cover-up. Numerous and endless City staff knew of this memo or saw this memo and buried it. Very disturbing is the fact that the City Attorneys' office helped in the coverup by reporting to the Committee that "they couldn't find it" or "they were not at liberty to say if it was found".

Again I find our original complaint to be investigated and answered. Seven (7) years of committing deceit and discrimination against Teamster 580 retirees has gone on long enough.

I am requesting that the City of Lansing Administration make the retirees whole including and not limited to refund of healthcare premiums overcharged beginning 3-31-2010. This impacts Teamsters 580 retirees as follows.

Retired 2-20-2004 thru February 8, 2010 Vested healthcare at 100% paid by the City.

Retired 2-8-2010 thru August 1, 2014: 1% cap on deduction.

Denise A. Estee, Teamster 580 retiree

Submitted Comtg

Wood, Carol

From: Robert Engel <2robert0e@gmail.com>
Sent: Sunday, July 9, 2017 6:02 PM
To: Wood, Carol
Subject: Minutes

Categories: Council Event

Dear Carol;

After reading the minutes, I find where my wife Isobel McCallum was talking is included, but not what she said. "At the time I retired in Sept. 2005, I took Option A as it was the only Option that included health insurance if my wife survived me". So I'm already paying for her health insurance, by taking the deduction from Straight life. I could have taken Straight life and purchased \$1,000,000. life insurance policies and had money left over, but the health insurance was the key reason for taking Option A.

Please see that this is added to the minutes.

Thank you,

Robert Engel