



MINUTES
Committee of the Whole
Monday, May 22, 2023 @ 5:30 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER

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

PRESENT

Council Member Carol Wood
Council Member Jeremy Garza
Councilmember Adam Hussain
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Brian T. Jackson
Councilmember Jeffrey Brown
Councilmember Ryan Kost

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Jim Smiertka, City Attorney
Lisa Hagen-Lawrence, City Attorney
Desiree Kirkland, Finance Director
Jackson Mills, Finance
Mayor Schor
Jane DiSessa, Mayor's Office
Stan Schuck
Loretta Stanaway
Michael Lynn
Erika Lynn
Scott Bean, Mayors Office
Libby Rice
Farhan Sheikh-Omar
Tamara Carter

Minutes

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE MINUTES FROM MAY 11, 2023.
MOTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE MINUTES FROM MAY 15, 2023.
MOTION CARRIED 8-0.

Public Comment

Council President Wood referenced conversations in the public about the \$1.9 million in the veto from the Mayor. These funds were not hidden in the budget but part of the last minute adjustments and not caught by the Internal Auditor or Budget Controller until passage. Council President Wood acknowledged that she is the Council member that provided the budget information and would take responsibility for what was presented to Council.

Mr. Carnegie spoke about the crime going on in the City speaking directly to Council Member Hussain.

Mr. Shuck spoke on the budget, position vacancies that are not being filled, and fees.

Mr. Stanaway spoke on the warming and cooling centers in the budget, speaking in support of the necessity for them. She then spoke on the Parks and Recreation budget cuts and hopes the budget carry forwards will help the department.

Mr. Lynn acknowledged Council President Wood for the earlier statement and asked where those funds were going to be going. He then acknowledged that the Mayor went against his word that he stated earlier, and the transparency in the process. Mr. Lynn then asked for the CSO attend a meeting for the breakdown on the spending to see where funds are being saved.

Mr. Nick Zande spoke on budget cuts, and disapproval of the action of the veto.

Ms. Lynn acknowledged the earlier statement by Council President Wood, and how the budget discussions were done jointly with the Council leadership and the Mayor. She supported the effort that was put forth in the budget, amendments and the process.

Ms. Rice acknowledged the earlier statement and the response to the public concerns.

Mr. Sheikh-Omar spoke on the timeline of the budget process, his opinion on lack of transparency. He spoke in opposition to the process taken by the Mayor during the budget. He asked Council to start the process all over, in addition to obtain the warming centers proposed.

Ms. Carter spoke on her budget concerns and the City being over budget. She then spoke in support of the amendments that Council made.

Discussion/Action

RESOLUTION – Set a Public Hearing; Re-Adopting the Codified Ordinances

Council President Wood explained that this resolution is something Council has stated they will do annually with the budget.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR JUNE 12, 2023. MOTION CARRIED 8-0.

RESOLUTION – Annual Training Requirements; All City Boards and Commissions training on the Ethics Ordinance, conflicts of interest, and the Open Meeting Act

Council President Wood explained this was done last year and Council requested it be done annually.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION FOR THE ANNUAL TRAINING REQUIREMENTS FOR ALL CITY BOARDS AND COMMISSIONS.

Council President Wood asked the OCA if Boards and Commissions have received the training. Mr. Smiertka stated it is the intent that they will, but at this time cannot confirm the time all of them received the training.

MOTION CARRIED 8-0.

DISCUSSION/ACTION – Fiscal Year Budget 2023/2024 Veto Discussion

COUNCIL MEMBER HUSSAIN MADE A MOTION TO APPROVE THE RESOLUTION ON THE VETO OVERRIDE.

Council President Wood asked to be recused from the discussion and veto override consideration due to a conflict with her job at RSVP Senior Corps because there is a conflict with the budget and veto that effects funding that impacts RSVP which would put her in violation of State and Federal filing regulations on behalf of RSVP. RSVP does have an active contract with HRCS and a contract for the upcoming for FY 2023/2024 and part of those contracts funds are used for match money with the Federal government, and she is not allowed to have it perceived by the Office of Integrity with the Federal government to appropriate those dollars. If that has been deemed a factor, the Federal government will reduce the funds to RSVP.

Council Member Jackson spoke in opposition to the recusal because he believed it is only on the veto, not on the funds themselves and his belief is that a recusal is the easy way out. Council President Wood acknowledged that statement but stated she would not error on that if there is potential that the Federal government would withhold funds to RSVP. In the veto it speaks to HRCS twice.

Council Member Spitzley acknowledged that the veto contains funds back into the operating budget. She then spoke briefly on her need for recusal also for her career with Racer Trust. Council Member Spitzley then spoke briefly on the Council budget that was to be 10% cuts, and now the veto is contains funds that was agreed upon. Council Member Spitzley then acknowledged she will need to be recused as well because she could not jeopardize her job, and this is not the easy way out. It was proposed to Council that the Mayor would bring carry forwards later and it was not.

Mr. Smiertka said OCA did an analysis on conflict of interest, if there is no conflict demonstrated, or if there is a conflict raised, all members present must vote except the person of conflict and then majority.

Council Member Spitzley stated this about the veto. Council President Wood stated it used to be 6 votes for conflict of interest. Mr. Smiertka stated conflict is majority of balance. Council Member Spitzley asked if 2 recused, there are still 6 needed to override the veto. Mr. Smiertka confirmed 6 to override veto.

MOTION BY COUNCIL MEMBER WOOD FOR APPROVAL TO BE RECUSED FOR CONFLICT OF INTEREST DUE TO THE BUDGET FUNDS IN HRCS IN THE VETO THAT AFFECT FUNDING AT HER JOB WITH RSVP SENIOR CORPS. MOTION CARRIED 7-0.

Council Member Spitzley asked to be recused from the discussion and veto override consideration due to a conflict with her job at Racer Trust because there is a conflict with the Economic Development and Planning budget and veto that effects funding that impacts Racer Trust.

Council Member Brown asked for clarification on the veto, and asked if it was the Council budget. Council President Wood explained it is the document submitted from the Mayor.

Mr. Smiertka stated the question is can the veto be overridden, and it is a straight question and cannot be separated out.

Council Member Hussain stated his frustration with the veto language, and then spoke briefly on conflicts of interest.

Council Member Spitzley stated she signed a contract with her employer that stated once she was a Council Member she could not act on anything in the City.

Council Member Brown asked Council President Wood how Council Member Spitzley is assigned to the Chairperson on the Committee on Development & Planning. Council Member Spitzley stated she would recuse at the Committee if there was a project and is on the Committee because she has the knowledge of development and planning. Council Member Spitzley then submitted her resignation from the Committee on Development & Planning.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVAL TO BE RECUSED FOR CONFLICT OF INTEREST DUE TO BUDGET FUNDS IN ECONOMIC DEVELOPMENT & PLANNING THAT AFFECT FUNDING FOR HER PLACE OF EMPLOYMENT AT RACER TRUST. MOTION FAILED 2-5.

Council Member Spitzley asked Ms. Linden where the funds are for the warming center. Ms. Linden stated that with the veto there are no funds. Council Member Spitzley stated the Mayor cannot guarantee that the State funds will be allocated, she then asked if HRCS had carryforwards. Ms. Linden stated she has not seen carry forwards yet. Council Member Spitzley asked if Council would consider for funds for the warming center in any future carry forwards. Council President Wood noted that when an amendment comes through Council they cannot adjust funds but can vote up or down on the Mayor's proposed amendments and carry forwards. Ms. Linden confirmed there are currently no funds for the centers, and there are no carryforward funds available now, however should get them 3 weeks, but that submitted is up to Finance because they are preparing it.

Council Member Spitzley stated her frustration again with the media posting of a "Council budget", when it was represented as Council but it was the Mayor's budget with discussions with the Council President. Council Member Spitzley then noted the veto did not replace any funds to Parks and Recreation, but a statement was made by the Mayor to backfill, however they did not get any. She then expanded on the process where the amendments could have been veto, but the Mayor had an agreement that was not upheld.

Council Member Hussain stated the amendments were included in the veto and then revenues exceeded expenditures, so the Mayor's veto put funds back in. He then spoke in support of the override of the veto, and explained why with added capacity of services there have not been cuts in redundancy and efficiencies.

Council Member Jackson acknowledged what happens with budget discussions and ideas that have been proposed in the past but not have things off limits. The work done by Council President Wood was acknowledged because of the good faith attempt to address the deficit, and when the Mayor did not have a plan for a multi year deficit, this attempt at addressing it appeared to start the process.

Council Member Brown spoke in frustration in the budget and veto process, and disappointment in fighting over a basic need of a warming and cooling center. He then spoke on the frustration of the lack of a plan moving forward from the Administration and the needs stated to Council from the constituents. He then referred to the Internal Auditor memo which stated the reversal of the budget amendments and his frustration on the lack of respect for the work they did.

Council Member Kost asked OCA, if the veto is override, what happens with the \$1.9 million funds. Mr. Smiertka stated if override it would not be allocated. Council President Wood clarified the Mayor would make the recommendation for appropriation and Council would vote on that. Council Member Kost asked if overriding would not allocate any funds, therefore he believed there are no funds that would a benefit for a conflict of interest determination and recusal. Mr. Smiertka stated Council Member Spitzley was recused at the original budget and was recused so this is a carry forward on that recusal.

Council Member Spitzley stated she has asked and been recused for 8 years; Council is either recused from budget or not recused. She then expanded on her statement, noting the Mayor could

have set aside funds for a warming center in the veto, but did not and there appears not be priorities. The \$1.9 million could have been used to shore up the budget and provide the warming centers.

Mr. Smiertka clarified, the veto allocates the funds, if the veto is overridden it is not allocated. Council Member Hussain then added, that if the override passes then the Mayor comes back with the fund allocation to Council.

Council Member Brown stated Ms. Hagen Lawrence had just stated to him that if veto is overridden then \$1.9 million will come back to Council.

Council Member Spitzley asked if the veto overridden, for the warming center to stay in the budget. Council President Wood stated the Mayor would have to bring all appropriations to Council for a vote.

COUNCIL MEMBER KOST MADE A MOTION TO CALL THE QUESTION. MOTION CARRIED 7-0.

MOTION ON THE RESOLUTION TO OVERRIDE VETO CARRIED 6-1. 1 RECUSAL.

Adjourn

The meeting adjourned at 6:43 p.m.

Respectfully Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee June 12, 2023