MINUTES
Committee of the Whole
Monday, March 18, 2024 @ 5:30 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER
Council President Garza called the meeting to order at 5:30 p.m.

PRESENT
Councilmember Peter Spadafore
Councilmember Adam Hussain
Councilmember Tamera Carter
Councilmember Trini Pehlivanoglu
Councilmember Jeffrey Brown
Councilmember Ryan Kost
Councilmember Jeremy Garza
Councilmember Brian T. Jackson

OTHERS PRESENT
Sherrie Boak, Council Staff
Lisa Hagen-Lawrence, OCA
Greg Venker, OCA
Emily Linden, Internal Auditor
Mark Lawrence, Mayor's Office
Barb Kimmel, Economic Development & Planning
Cathleen Edgerly, DLI
Dan Danke, Public Service
Jake Brower, Chief Strategy Officer
Jackson Mills, Budget
Nick Zande

Minutes
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM MARCH 11, 2024, AS PRESENTED. MOTION CARRIED 8-0.

Public Comment
Mr. Zande spoke on the closed session litigation cases, asking why then need to be in closed session.

Discussion/Action
RESOLUTION – Grant Application; Michigan Department of Transportation Local Bridge Program
Mr. Danke outlined the bridge funding application which is done annually by the Public Service Department. This is a request to MDOT for three projects: a bridge over Sycamore Creek and

a bridge over the Red Cedar. These include preventative maintenance, widening, and rip rap project involving six (6) bridges which was indicated in bi-annual inspections. In the past they have gotten funding for 2-3 projects.

Ms. Linden stated she does not have any questions.

Council President Garza asked for what rip rap was, and Mr. Danke stated they are boulders.

Council Member Hussain noted these are repeat requests from 2022 and 2023 for the bridges over the Red Cedar and over Sycamore Creek. He was noting the increase in costs which would increase the city match, asking then why the increase of costs. Mr. Danke stated that MDOT provides an estimating costs sheet, and so the city uses their costs. Some costs have increased on material, inflation, but bids are coming in well under estimate.

Council President Garza asked the delay in local street projects, and asked if the City gets the grant would this get pushed out also. Mr. Danke stated he could not address that, and Council President Garza stated he would follow up with Mr. Kilpatrick.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE GRANT APPLICAIONT FOR THE MICHIGAN DEPARTMENT OF TRANSPORTATION LOCAL BRIDGE PROGRAM. MOTION CARRIED 8-0.

Presentation

Chief Strategy Officer Overview and Policy Projections

Mr. Brower was not present at this time and the Administration made an effort to contact him. Council President Garza started by reading the ordinance on Chief Strategy Officer when Mr. Brower arrived.

Mr. Brower explained that the Financial Health Team looked at the City finances and longstanding obligations and recommended this position. He expanded on his responsibilities including looking at costs savings, looking at revenues, consulting with actuary on financial practices, and collaborating with departments. He is working with department directors to look at their priorities to reduce costs across the board, and continuity of services. In addition to those responsibilities and he added he is working on the budget which they hope to get to Council tonight. Mr. Brower then spoke on the budget the Council anticipates to receive.

Ms. Linden asked about responsibilities that Mr. Brower worked on that did not have to do with budget. Mr. Brower stated he has worked with the Unions on saving costs, impact of pay increases, saving money yet paying workers well. He stated he negotiated benefits in a way to hold firm costs. Ms. Linden recapped the budget discussions he stated he earlier, and asked if those conversations with departments were not happening before he took the positions. Mr. Brower stated they were having them, but in his role he is looking at line items and increasing their roles, along with the strategic planning. Ms. Linden stated last year Council was told there were going to have strategy meetings and asked if they have been taking place. Mr. Brower explained the budget process started in November, and they took the budget priorities for departments to consider, then over last 2-3 months he has met with each department director and their staff to talk about what were they requesting in their budget; prioritize those, what challenges they are facing, and will the budget address those.

Council President Garza asked if he found any deficiencies when he met with the department. Mr. Brower stated every department would state they do not have enough staff or funds, and they would look at how they could maximize the funds towards infrastructure.

Council President Garza asked for more tangible results from his presentation in the future; not always counting on grants. Mr. Brower assured them that one thing that has addressed the unfunded liabilities is the $11.5 million grant for the employees retirement system. This informs the State that the City has done their part, and asking for funds to reach the 60% funding threshold.

Council Member Kost asked Mr. Brower about his statement on the unions and if any bargaining units made any concessions in the budget process coming up.

Council Member Jackson stepped away from the meeting at 6:00 p.m.

Mr. Brower stated not as far as budget, but they have worked to address paramedic incentive payments for their lead role and training opportunities.

Council Member Spadafore stepped away from the meeting at 6:01 p.m. and returned at 6:02 p.m.

Council Member Kost recapped a statement of benefit and long term savings and asked him to expand. Mr. Brower stated the City is bidding out the active healthcare within confines of collective bargaining units. Overall they are looking at ways self-selection and how that effects the rates.

Council Member Jackson returned to the meeting at 6:03 p.m.

Mr. Brower stated this is to look at an overall review to look at ways to recognize savings.

Council Member Hussain asked if he is currently the CSO and Budget Director, and Mr. Brower confirmed. Council Member Hussain stated that when the ordinance was established for the position based on the Financial Health Team it was an intention for a full time Chief Strategy Officer dedicated to pension, OPEB liability. There was a list of questions Council Member Hussain stated he had but his understanding of the presentation thus far is those would not be answered at this meeting. Council Member Hussain listed out his questions; what is the current unfunded liability is for pension and OPEB and what it was last year, what are short term and long term strategic goals, policies and action plans Mr. Brower is currently developing or monitoring that are aimed at reducing the City's own funded legacy liability, what is City doing strategically to reduce the number and what are the long term projections in terms of the annual City contribution number, what Mr. Brower is specifically doing to audit positions, services and practices in the City for deficiencies and redundancies, if Mr. Brower has done any audit on the facilities, debt owed on facilities and if there is a strategic plan to off load some of those facilities. In addition what is the City doing to negotiate the Capital City Allocation at the State level. He concluded by stating he would put together a list of questions and other Council members can as well, and at this time he did not believe the position was doing the work that was envision by Council.
Council Member Hussain then asked about the revenue sharing bill at the State level and if it was specific to public safety. Mr. Brower confirmed it was specific to public safety and it has strict requirements that the City does not reduce the number of existing resources that the City has towards balance reduction, that there are certain things that cannot be purchased with the funds, and if the City does not reduce their share of violent crimes within 2 years, that the allocation will be reduced with the amount reduced allocated to all the other municipalities that do reduce their share of violent crimes. Mr. Brower stated in his view budget is what he sees as something as a foundation of getting things in a stable view. His intent is to work towards train the finance staff to make the budget better in the long term. Council Member Hussain asked about the current "hybrid" position, and if Mr. Brower position is in the Mayor's office or the Finance Department. Mr. Brower stated he is in the Mayor's office, working with Finance and other departments. He then expanded more on the upcoming budget, but with hopes to

perform the audits, acknowledging not responded to the Internal Auditor. Regarding long term debt, he will look into and potential finance future projects.

Council Member Hussain stepped away from the meeting at 6:10 p.m.

Council President Garza stated Council would get a list and hope to get a list of answers from Mr. Brower.

Council Member Hussain returned to the meeting at 6:11 p.m.

<u>RESOLUTION- Set a Public Hearing; Community Development Block Grant Coronavirus (CDBG-CV) Small Business Support Grant</u>
Ms. Kimmel and Ms. Edgerly presented on the grant. Ms. Kimmel stated this is a request for a public hearing; the final public hearing, and the grant was provided in 2022 for $1 million and it was awarded to DLI. They utilized the funds for small businesses inside the Principal Shopping District. Ms. Edgerly expanded on the work that they were able to provide small business support grants up to $50,000 based on their need and this resulted in helping 18 different businesses.

Council Member Jackson asked about the award process, and other than the 18 how many applied. Ms. Edgerly confirmed there were more than 18, but did not have the number. The process included a review team outside of DLI staff. Council Member Jackson asked who was on the review team. Ms. Edgerly stated it was made up of local banks, small development specialists.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR APRIL 15, 2024 FOR THE CDBG-CV SMALL BUSINESS SUPPORT GRANT. MOTION 8-0.

<u>RESOLUTION – Budget Amendment; Carryforwards from Fiscal Year 2022-2023 to Fiscal Year 2023-2024</u>
Mr. Brower stated these related to basic human needs funds in HRCS and OPIOD settlement funds late in the year. They were appropriated not in time for them to be spent, and these funds will sit in all the accounts until appropriated by City Council. This includes $920,844 for HRCS and $368,244 for OPIOD Settlement Fund.

Council Member Carter asked why funds would not be accepted by an agency. Mr. Brower stated if they applied but for some circumstances they might not be able to follow through with the grant.

Council Member Brown referred to the HRCS portion and noted Carefree Medical and Listening Ear it was noted they did not get the application in time, but are in need of funding. Mr. Brower stated they did not submit in the time period, but HRCS does want to provide and while this will not be part of the budget process, HRCS would rather bring before Council in this adjustment. Council Member Brown noted they have heard concerns there is not consistency across the board, is this saying they did not get their application on time similar to others, but these two agencies can continue but is that being offered to other agencies that missed the application. Mr. Brower noted they do not want to make a habit of it, but the department feels that the services by these agencies are services they want to fund and they are willing to take unexpended funds to use for those agencies. He concluded he agrees with the caution, that this is not a practice. Council Member Brown noted the Listening Ear has two applications both not meeting the timelines. He voiced his concern that the practices are not being followed across the board, and he could not support the funds. Council President Garza stated this is an up or down vote. Mr. Brower asked if Council would accept a substitute moving those funds to the HRCS funds across the board, and Council Member Brown acknowledged that.

Council Member Jackson referred to the resolution and areas of racial justice equity alliance, and racial justice discretionary asking where the funds have been. Mr. Brower stated HRCS informed him this was for a program that was approached in step one, year one looking at a Ward and they upcoming allocations would be applied towards a broader project to address the needs determined in the studies. The alliance is operating funds to continue the work of the program. Council Member Jackson stated the funds were put there for a purpose and are not to be able spent on any tangible project, just a study or RFP to request proposals.

Council Member Kost noted it appears to be the same amount from last year, and Mr. Brower stated it would have been carried forward. Council Member Kost stated Council was told the RFP for Racial Justice were going to done and asked why they were not done and getting carried forward again. Mr. Brower explained his belief it was timing.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE BUDGET AMENDMENT AND CARRY FORWARDS TO FY 2023/2024.
Council Member Jackson asked what happens if it is not passed. COuncil President Garza stated if it fails, the Administration would have to bring another one forward.

MOTION CARRIED 8-0.

PLACE ON FILE – Executive Directive 2024-01' Bidding Requirements and Local Labor Preference for Purchasing and Subcontractors
Mr. Lawrence stated this aligns with their commitment to use local labor with the City on projects undertaken by the City. He added that this is expanding the process they are currently doing.

Council Member Jackson left the meeting at 6:31 p.m.

MOTION BY COUNCIL MEMBER HUSSAIN TO PLACE ON FILE. MOTION CARRIED 7-0.

PLACE ON FILE – 2023 Annual Report
MOTION BY COUNCIL MEMBER HUSSAIN TO PLACE ON FILE. MOTION CARRIED 7-0.

CLOSED SESSION
MOTION BY COUNCIL MEMBER HUSSAIN AT 6:31 P.M. Pursuant to MCL 15.268(e), that City Council 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 City of Lansing concerning these cases.

Atkinson, et al. v. City of Lansing, et al.
City of Lansing v. Merica Media Group, et al.
People of the City of Lansing v. Miggins
City of Lansing, et al. v. Purdue Pharma, et al.
Fisher v. City of Lansing
Fitzpatrick v. City of Lansing, et al.
Fowler v. City of Lansing
Hulon v. City of Lansing, et al.
Khorrami v. City of Lansing, et al.
Lynn v. City of Lansing
Lynn v. Schor, et al.
Martin v. LPD, et al.

OPV Partners, LLC v. City of Lansing, et al.
Phillips v. City of Lansing, et al.
Romero v. City of Lansing, et al.
Sampson v. City of Lansing

ROLL CALL VOTE. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER HUSSAIN Pursuant to MCL 15.268(1)(h) of the Open Meetings Act, that City Council will recess into closed session to consult with the City Attorney to consider material exempt from discussion or disclosure by state statute. Specifically, to discuss written material from the City Attorney provided under attorney-client privilege and attorney work-product, and which is also exempt from disclosure under the Freedom of Information Act pursuant to MCL 15.243(1)(g).
ROLL CALL VOTE. MOTION CARRIED 7-0.

RECONVENE
Council President Garza reconvened the meeting at 6:58 p.m.

OTHER
No other topics at this time.

Adjourn
The meeting adjourned at: 6:58 pm
Respectfully Submitted by,
Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee April 8, 2024