MINUTES
Committee of the Whole
Monday, April 8, 2024 @ 5:00 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER
Council President Garza called the meeting to order at 5:00 p.m.

PRESENT
Councilmember Peter Spadafore-excused
Councilmember Adam Hussain
Councilmember Tamera Carter
Councilmember Trini Pehlivanoglu
Councilmember Jeffrey Brown- arrived at 5:20 p.m.
Councilmember Ryan Kost
Councilmember Jeremy Garza
Councilmember Brian T. Jackson-excused

OTHERS PRESENT
Sherrie Boak, Council Staff
Lisa Hagen-Lawrence, OCA
Greg Venker, OCA
Mark Lawrence, Mayor's Office
Jake Brower, Chief Strategy Officer and Acting Budget Director
Jackson Mills, Budget Analyst
Christopher Mumby, IT Director
Rawley VanFossen, EDP Director
Nick Montry, EDP Director
Barb Kimmel, EDP
Susan Stachowiak, EDP
Walter Allen, EDP
Hal King, Parking Manager/EDP
Chief Sturdivant, LFD
Crystal Thomas, Treasurer
Desiree Kirkland, Finance Director
Dennis Parker, Mayor's Labor Negotiator

Minutes
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM MARCH 18, 2024, AS PRESENTED. MOTION CARRIED 6-0.

Public Comment
No public comment at this time.

Presentation

Fiscal Year 2024/2025 Budget General Overview (Fees, Revenues, Fringe)

Mr. Brower stated he is speaking as Chief Strategy Officer and acting budget director and brought Mr. Mills, budget analyst to answer questions. The presentation began with an overview of the process, their budget assumptions including fringe benefits, fees and revenue. Mr. Brower's presentation summarized general fund sources.

Council Member Hussain stepped away from the meeting at 5:09 p.m.

Mr. Brower expanded the general fund revenue on taxes, income taxes, state grants and return on equity.

Council Member Hussain returned to the meeting at 5:10 p.m.

Mr. Brower expanded details on property taxes, income taxes, State revenues including revenue sharing, fire reimbursement, PPT reimbursement, Recreational Marijuana, Capital City Allocation and liquor licenses, and then the effects on the State revenue sharing cuts and a revenue sharing projection.

Council Member Kost stepped away from the meeting at 5:21 p.m. and returned at 5:22 p.m.

Mr. Brower outlined the departments that reflect proposed fee changes, referencing page 184 in the budget book.

Council Member Brown stepped away from the meeting at 5:27 p.m.

Mr. Brower concluded with the operational investments slide.

Council Member Brown returned to the meeting at 5:29 p.m.

Council President Garza asked how is the city making sure all income taxes are coming back to the City. Mr. Brower stated that income taxes are due April 30th, and Treasury has taken steps for better education and enforcement. Regarding the debt analysis, the City has purchased State filing tapes so they can research those who have to pay City taxes, and they work collaboratively with those that have had issues in the past can work towards reconciliation.

Council President Garza asked about the pension benefits, and contract employees that are not contributing to the fringe benefits, and if the administration is eliminating contract employees. Mr. Brower stated he encourages departments that if they have contract employees filling a permanent position, to fill those with permanent positions. Council Member Garza asked if the arborist is a contract or FTE, and Mr. Brower stated they are an FTE. Council President Garza asked about the Advance Peace funding and what their work is going to bring back to the city.

Council Member Hussain asked about he BWL ROE negotiations, and why the estimate another $1 million. Mr. Brower stated the numbers for the proposed comes from the BWL disclosure documents, and the city has been discussing the BWL projections. Payments one and two this year were less than projected due to a decline in wholesale prices. They are continuing discussions on what the contract will look like over the next couple years.

Council Member Hussain asked if there is an ongoing deficit, and Mr. Brower stated this is the first budget in his term this has major initiative across the board, renegotiated with LEPFA on past financial performances, and the long path taken from COVID years, and this budget proposal is a balanced amount. Council Member Hussain asked if the City has received all the FEMA funds from the storm, and Mr. Brower stated they have received the funds, but are strongly seeking funds for reimbursement. Mr. Lawrence stated the City may be in line for funds from the State but currently nothing from the federal government.

Department Budget Presentations
Information Technology
Mr. Mumby went through the questions submitted to all departments.

- What is the difference with your budget from current fiscal year to the proposed budget?
  No substantial changes beside a camera technician outlined in the earlier presentation, and that position will only occur if they receive the additional revenues. This will be housed in LPD.
- Are there any changes in services that your department is responsible for and if so, why?
  No
- Are there any rate or fee increases and if so, why?
  NO
- Are there any major equipment purchases proposed in your budget?
  The computers are on a 4–5-year cycle replacement.
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
  No changes from the current year other than position mentioned earlier. Mr. Brower confirmed it is an FTE.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  No, with the exception of providing better service if they get cameras.
- Who are the top 2 largest vendors for your department and when were they last bid?
  Dewpoint; 2023 new agreement via sole source. Microsoft; 2022 with co-operative purchasing agreement with a 3-year agreement ending final year.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Eliminated fax lines and replace copiers and that cost breakdown was provided to the Internal Auditor, but he can forward to Council if they did not get it. (this was provide by Council staff after the meeting) Mr. Mumby also noted they had desktop phone changes that have a savings so far of $50,000. Lastly, he stated they have issued a RFP for new internet service provider, with a new contract that will start next year; calendar year 2025.

Council Member Kost asked about sole source with Dewpoint and what their role is. Mr. Mumby explained they are infrastructure services under contracting employees. Has been there for a decade; there are 4.5 funded positions that deal with networking and firewalls, that FTE do not have qualifications to manage.

Council Member Hussain asked is there a reflected savings to the new copier. Mr. Mumby stated it was completed in December 2023, and is a wash. Anticipated some savings, and he did send the auditor a report with comparison to 3 months of old vs. new ones. There has been a noticed charge of $600 more per month compared to last one.

Council Member Kost asked about the employee parking cost listed in the budget. Mr. Mumby explained that parking used to be covered in HR, but the Finance decided to move to all departments. While in Finance it was covered under a large subsidy for all parking, so now in each department. Mr. Brower stated it was not all City parking, and they did get a spreadsheet from EDP and allocated that to each department. These are city parking spots.

Council Member Kost asked how many people in IT that the $21,000 parking cost coves, and Mr. Brower stated he did not know, but would get that to Council. (This was provided by Mr. Brower before the end of the meeting).

<u>Economic Development & Planning</u>
Mr. Van Fossen and Mr. Montry briefly introduced themselves and other department leadership team.

- What is the difference with your budget from current fiscal year to the proposed budget?
  No major changes, and any change is administrative fringe. Some of the budget is different because they do get HOME, EMS and CDBG funds.
- Are there any changes in services that your department is responsible for and if so, why?
  No
- Are there any rate or fee increases and if so, why?
  In parking there were changes in ramps permitted spots and increase costs in street parking machines. There are fees listed in the budget but there are other changes that came in after the budget was submitted, so they will work with the administration on getting those changes to the Council.
- Are there any major equipment purchases proposed in your budget?
  The are CIP for ongoing maintenance in ramps; preventative maintenance; street conversions from one way to two way.
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
  Not for FY 2024/2025. There is one current contract in building safety to assist with the current vacancies.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  With the parking study completion and determination on changes, they will bring those to Council. The same goes for the building, safety and code fee study, which they hope to submit to the administration. They have added a training line item, and that will be utilized in the future when they adopt what the State adopts for the International Building Code and the International Property Maintenance Code.
- Who are the top 2 largest vendors for your department and when were they last bid?
  Trumbell Trucking and Eric's Refuse will bid out this summer and fall.
  Parking – New Park and Flow bird – kiosks – will bid out this late summer and fall
  Maner Costerisan – fee study for code
  Walker Consultants – parking study
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?

Implemented “no parking signs” and kiosk graphs for larger events. They continue to work towards cloud based BSA for better technology in vehicles.

Council Member Brown acknowledged the department for their work.

Council Member Hussain spoke about spending in in the parking fund and if there is anything in the short term that addresses this. Mr. Van Fossen noted that something might be addressed with the parking study, which suggested lowering cost on streets, but if lower then there is a concern on the net impact. The department is hoping to maintain the fees currently in place to not have the impact.

Council Member Garza asked if they are fully staffed in code and building safety. Mr. Van Fossen said they are not; current vacancies include 3 in parking, 2 parking seasonal, 11 in building and 5 in code. They do have offer letters out and the 11 vacancies are part of the late 2023 reorganization in the department. All but 3 are active and being posted.

Council President Garza asked if they will be updating the map with location, district and officers once the positions are filled, and Mr. Montry stated as staffing changes occur they will update.

Council Member Hussain asked what roles the 5 in code were and Mr. Montry clarified it is 4 in code and 1 lead housing inspector. The premise positions are filed and they are expecting a new code to start in the near future. Council Member Hussain asked at what point they will consider adding more positions. Mr. Van Fossen stated their first priority is to fill all vacancies to resume the service the budget is providing for.

Council Member Hussain asked if they have anything to impact the commercial corridor code officer. Mr. Van Fossen confirmed what is in the budget is what they have now.

Fire
Chief Sturdivant went through the list of questions.

- What is the difference with your budget from current fiscal year to the proposed budget?
  4.5% increase due to personnel increases, 2 additional FTE, cadet program and medical exam/cancer screen appropriations.
- Are there any changes in services that your department is responsible for and if so why?
  Primary services status quo; looking to mimic LPD cadet program; looking at heart safe community and partnered with Stryker for AED purchases.
- Are there any rate or fee increases and if so why?
  No
- Are there any major equipment purchases proposed in your budget?
  Most purchases will be the fleet; 12-person van for training, administrative staff electric cars; along with a new truck. More can be spoken during public service and the fleet.
- Are there any eliminating, combining or contracting of positions in your budget, and if so provide specifics.
  No
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?

Cadet program, heart safe community, fire fighter physical exam; ISO assessment but zero budget impact.

- Who are the top 2 largest vendors for your department and when were they last bid?
  Bio-care LLC – medical examinations with the last bid 2023/2024; Phoenix Safety – PPE protector vendor – purchased in a phase approach so not expire at same time. Last bid in 2019.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  They leverage technology the best they can, moved forward with asset management vendor; develop a business registration for prevention.

Council Member Brown asked about the service volume. The Chief stated it is a concern, and there has been a 40% increase in the call volume.

Council Member Pehlivanoglu stepped away from the meeting at 6:27 p.m. returned at 6:29 p.m.

Council Member Hussain spoke on staffing, calls, retention and asked Council and Administration to think more about more than 2 FTE this year and next year.

Council Member Hussain asked if anything in the budget on additional surveys of the warning signals. The Chief noted the testing is the 1st Saturday of the month and they continue to evaluate and analysis to see if there's a need for update and upgrade. There are some grant ideas they are talking about, and if they need to find funds internally to address. Have not asked for a budget increase, but with technology there is always a need.

Council President Garza acknowledged the progress on the cadet program and stated he appreciated that they disconnected their mutual aid from DeWitt. The Chief confirmed they did deep research and updated all mutual aid agreements.

Council Member Garza moved the City Council, Internal Auditor and City Attorney to the next meeting.

<u>Treasury Department</u>

Ms. Thomas introduced herself and noted she has only been in the role for 8 weeks.

- What is the difference with your budget from current fiscal year to the proposed budget?
  No operational changes.
- Are there any changes in services that your department is responsible for and if so why?
  No changes.
- Are there any rate or fee increases and if so why?

  Council Member Garza passed the gavel to Council Member Hussain and stepped away from the meeting at 6:38 p.m.

  No
- Are there any major equipment purchases proposed in your budget?
  No
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
  In current budget, did bring on contract employee for treasury investigator to support on the administrative side and that position will continue in that role. In addition, they

are exploring a business intelligence and data analytics from a compliance stand point. They are working with IT to help build out dash boards to have regularly data to plan with strategy to help taxpayers compliant.

- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  Focusing on data analytics.

  Council Member Garza returned to the meeting at 6:40 p.m. and Council Member Hussain passed the gavel.

- Who are the top 2 largest vendors for your department and when were they last bid?
  No large vendor contracts in Treasury, and they do have vendors are postage, mailings, which is small in comparison. That being stated, they use Kent Communications/KCI for 1099-G mailings, daily postage mailings, pre-sorts, etc.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Data analytics because the information is there so now they are going to bring all to a centralized location.

Lastly, Ms. Thomas concluded by acknowledging the staff for their work towards meeting with compliance.

Council had no questions.

<u>Finance Department</u>
Ms. Kirkland went through the list of questions.

- What is the difference with your budget from current fiscal year to the proposed budget?
  Only change was the elimination of the deputy finance position, and that will be replaced with two accountants. There has also been a decrease in the 311 allocation and decrease in fixed fringes.
- Are there any changes in services that your department is responsible for and if so why?
  No
- Are there any rate or fee increases and if so why?
  No
- Are there any major equipment purchases proposed in your budget?
  No
- Are there any eliminating, combining or contracting of positions in your budget, and if so provide specifics.
  Elimination of the deputy finance position, and that will be replaced with two accountants. There are some temp staff helping with staying current with accounting and bank reconciliation.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?

Migration from one solution to BSA. Adding a new credit card process – PAYIT

- Who are the top 2 largest vendors for your department and when were they last bid?
  Maner – CPA; BSA. The Maner contract coming up expire in end FY which will be a RFP.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Yes changing to BSA, helping other departments with their procedures.

Council Member Brown acknowledged Ms. Kirkland.

Council Member Brown stepped away from the meeting at 6:49 p.m.

Council President Garza referenced the memo from the former Internal Auditor which noted there budget report in expenditures FINANCE Total expenditures decreased to $2,324,926 from $2,110,560. He asked for clarification on the decrease. Ms. Kirkland and Mr. Brower did not have the report, but attempted to explain it could be from changes in fixed fringe benefits.

DISCUSSION/ACTION:

RESOLUTION- Set a Public Hearing; Fiscal Year Budget 2024/2025 City of Lansing Budget
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR MAY 6, 2024 FOR THE FISCAL YEAR 2024/2025 CITY OF LANSING BUDGET. MOTION 5-0.

RESOLUTION – Fair Chance Housing
Council Member Kost explained the proposed resolution that would explain the history with residents with criminals backgrounds and their attempts for housing and ask the State of Michigan State legislation to make a law, state wide, vs. city by city.

MOTION BY COUNCIL MEMBER KOST TO APPROVE THE RESOLUTION.

Council Member Brown returned to the meeting at 6:53 p.m.

MOTION CARRIED 6-0.

RESOLUTION – Appointing the Chief Labor Negotiator
Mayor Schor spoke in support of Mr. Parker.

Council President Garza confirmed that he and Council Member Hussain met with Mr. Parker and spoke in support of the appointment of Mr. Parker as Chief Labor Negotiator.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR DENNIS PARKER TO BE APPOINTED AS THE MAYOR’S CHIEF LABOR NEGOTIATOR. MOTION CARRIED 6-0.

RESOLUTION – APPOINTING THE CITY ATTORNEY
Mayor Schor stated that when he announced at the last meeting that Jim Smiertka was going to retire, he appointed Mr. Venker Interim City Attorney. He assured he reviewed all staff in the OCA and he believes that Mr. Venker is the best that knows the City and the law.

Council Member Kost voiced his concern with the process and expediated action with no time for Council to vet, and with past interim City Attorney appointments and City Attorney appointments there was a process in making determinations. He acknowledged he has heard concerns on the flow of the office, how in the past when Council has asked the OCA to something they seem to consistently tell Council they cannot do something, but it is evident other cities are doing something. Council Member Kost stated he wants to make sure someone is in the position that will advance and move the City forward and not happy with status quo.

Council Member Hussain concurred and supported tabling with sending back to the Administration for an Interim City Attorney and have the Administration look into the process that has been done in the past for filling the City Attorney position.

Council Member Carter also concurred with Council Member Kost, asking for more time and due diligence before a final.

Council Member Pehlivanoglu and Council President Garza spoke in support of moving on the action for appointing Mr. Venker as City Attorney.

MOTION BY COUNCIL MEMBER HUSSAIN TO TABLE ACTION ON THE RESOLUTION FOR GREG VENKER AS CITY ATTORNEY. MOTION CARRIED 6-0.

CLOSED SESSION

MOTION BY COUNCIL MEMBER HUSSAIN AT 7:06 P.M. Pursuant to MCL 15.268(c), that City Council we recess into closed session for strategy and negotiation sessions connected with the negotiation of collective bargaining Memorandum's of Understanding (MOU's) between the City of Lansing and Local No. 421 of the International Association of Fire Fighters, as requested by the City of Lansing.

ROLL CALL VOTE. MOTION CARRIED 6-0.

RECONVENE
Council President Garza reconvened the meeting at 7:21 p.m.

DISCUSSION/ACTION:
RESOLUTION – Ratification of the Memorandum of Understanding (MOU); Local 421 International Association of Fire Fighter; Medic Incentive
Council Member Hussain explained the MOU's proposed by the Administration and ratified with the Union.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE MOU WITH LOCAL 421 AND MEDIC INCENTIVE. MOTION CARRIED 6-0.

RESOLUTION – Ratification of the Memorandum of Understanding (MOU); Local 421 International Association of Fire Fighter; Compensatory Time
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE MOU WITH LOCAL 421 AND COMPENSATORY TIME. MOTION CARRIED 6-0.

RESOLUTION – Ratification of the Memorandum of Understanding (MOU); Local 421 International Association of Fire Fighter; Provisions for Battalion Chief and Captain Roles
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE MOU WITH LOCAL 421 AND PROVISIONS FOR BATALION CHIEF AND CAPTAIN ROLES. MOTION CARRIED 6-0.

RESOLUTION – Ratification of the Memorandum of Understanding (MOU); Local 421 International Association of Fire Fighter; Medic Requirements

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE MOU WITH LOCAL 421 AND MEDIC REQUIREMENTS. MOTION CARRIED 6-0.

Adjourn

The meeting adjourned at 7:25 pm
Respectfully Submitted by,
Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee April 15, 2024