



AGENDA
Committee on Ways and Means
Wednesday, August 3, 2016 @ 8:15 a.m.
10th Floor Conference Room, City Hall

Councilmember Judi Brown Clarke, Chair
Councilmember Carol Wood, Vice Chair
Councilmember Tina Houghton, Member

- 1. Call to Order**
- 2. Roll Call**
- 3. Minutes**
 - June 1, 2016
 - June 15, 2016
 - July 20, 2016
- 4. Public Comment on Agenda Items**
- 5. Discussion/Action:**
 - A.) Authorization of Participation in the Capital Area Recycling Initiative
 - B.) Discussion - Lansing Housing Commission Financial Statements
Discussion - Lansing Housing Commission Recovery Agreement with HUD and the City of Lansing
 - C.) Vacancy Report (M. Riley)
 - D.) Threshold on Council Approval on Separation Agreements (J. Abood)
 - E.) Process to Securing an External Investigator (Council Member Wood)
- 6. Place on File**
- 7. Other**
- 8. Adjourn**

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MINUTES

**Committee on Ways and Means
Wednesday, June 1, 2016 @ 8:15 a.m.
10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 8:15 a.m.

ROLL CALL

Councilmember Judi Brown Clarke, Chair
Councilmember Carol Wood, Vice Chair
Councilmember Tina Houghton, Member-excused

OTHERS PRESENT

Sherrie Boak, Council Staff
Joe Abood, Deputy City Attorney- left at 9:18 a.m.
Jim DeLine, Interim City Council Internal Auditor
Denise Estee, Retiree
Elaine Womboldt
Kathy Miles
Eric Lacy
Mary Riley, HR Director
Lisa Thelen, HR
Teresa Derosé Frassetto, Retiree
Steve Maloney, Retiree
Mary Lou Andres, Retiree
Lynn Doerr, Retiree
Dr. Joan Jackson Johnson, HRCS Director

MINUTES

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM APRIL 6, 2016 AS PRESENTED. MOTION CARRIED 2-0.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM APRIL 20, 2016 AS PRESENTED. MOTION CARRIED 2-0.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM MAY 4, 2016 AS PRESENTED. MOTION CARRIED 2-0.

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MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM MAY 25, 2016 AS PRESENTED. MOTION CARRIED 2-0.

PUBLIC COMMENT

No comment.

Discussion/Action

Update on Tie Bar Memo

Mr. Abood acknowledged that he had received information from Ms. Graham from HR on May 31, 2016 at 4pm and so was going to begin the review of the factual background to make a determination if the item should be addressed in house or outside counsel. Council Member Brown Clarke asked Ms. Riley if she had any information, and she stated the only information she was aware of was already provided to Mr. Abood by Ms. Graham.

Council Member Wood pointed out that the deadline for open enrollment was May 31, 2016 so the Tie Bar memo decision will impact those retirees, will there be another open enrollment. Ms. Thelen confirmed if there is a significant change in health care in the amount, they can offer open enrollment for those affected retirees. They will look the option based on the legal opinion, and if things stay the same there will be no open enroll, if there is a significant change or change in health care, they will do a 30 day notice and give them 2-3 weeks to make a decision.

Council Member Wood referenced the May 25th minutes where Mr. Abood had stated it would take him just a week to make the determination on outside counsel, so since no decision was presented, how long will the Committee wait. Mr. Abood repeated that he had just gotten the information on May 31st, so not sure how long it will take. Council Member Brown Clarke also asked if the information provided to him included how the memo was crafted.

Ms. Estee spoke in opposition to information being provided by Ms. Graham because her belief that 100% of that source was the problem, and who made up the theory, and create the current issue which was forced upon the retirees. Ms. Estee referenced a letter of August 2010 from Ms. Graham, noting that Law should be researching the written contract.

Council Member Brown Clarke asked Mr. Abood to present his review of the topic at the next meeting in two weeks on June 15, 2016.

Discussion on Lansing Housing Commission Financial Statements

Discussion on Lansing Housing Commission Recovery Agreement (HUD/City of Lansing)

Mr. Abood informed the Committee that he had reached out to Ms. Baines Lake before the last Committee meeting and she was unable to attend the last meeting, and he had not spoken to her 5/31 about this meeting. Council Member Wood suggested the Committee and Mr. Abood go thru the documents and create a list of questions that can be compiled and sent to Ms. Baines Lake certified mail and request she attend to answer them. Mr. DeLine began the review of his May 4, 2016 memo on the documents.

Dr. Joan Jackson Johnson arrived at 8:32 a.m.

RESOLUTION – Grant Application; HRCS MSHDA- Veterans Initiative

Dr. Jackson Johnson informed the Committee that they had applied in the past and they were recently made aware of additional funding which is \$70,000 dedicated to veterans only. There is no match from the City, and all funds will go to the Advent House Ministries program. The City has signed as the agent for the homeless veterans. Council Member Brown Clarke asked

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when those funds would run out since the grant started in April 2016. Dr. Jackson Johnson confirmed it would be one year from that date, April 2016. Council Member Wood referenced the table with the breakdown, noting it was only \$66,733 for Emergency Shelter Operations, so where was the remaining \$3,000. Dr. Jackson Johnson stated it was \$3,512 was for administration for the Advent House. Advent House will send the City monthly financials, and the City will audit their books. Mr. DeLine asked if there would be an issue with sustainability after 2017. Dr. Jackson Johnson noted it was always a challenge.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION TO ACCEPT THE GRANT FOR MSHDA VETERANS INITIATIVE WITH HRCS. MOTION CARRIED 2-0.

Lansing Housing Commission Financial Statements-continued

Lansing Housing Commission Recovery Agreement (HUD/City of Lansing)-continued

Council Member Wood asked for an inquiry into if LHC hired an outside staff for an auditor, who it was. Council Member Brown Clarke acknowledged she had asked the same question of Ms. Baines Lake on May 25th and had not received a response. She then asked Mr. Abood and Ms. Bennett if during the Mayor's cabinet meeting the topic had been brought up. Mr. Abood state he had not heard anything, and Ms. Bennett confirmed she knew they were looking but was not able to answer any questions on the topic.

The Committee reviewed Mr. DeLine's memo dated May 4, 2016 and asked for additional questions to be asked.

- The letter dated March 6, 2016, under *Corrective Actions*, states that LHC has hired an in-house accountant and contracted with an external accountant to reconcile the financial activities.
 - Who is the in-house accountant? Is this a FTE or temporary position?
 - What was the selection process for contracting with the external accountant? And, who was selected and what are the terms of the contract (e.g., duration, cost, deliverables, and performance evaluation)?
 - Are both positions still filled by the above-stated accountants? If not, please explain.
- Council's Internal Auditor, Mr. DeLine was asked to review the LHC 2013 Independent Auditor's Report to see if there is a pattern to the issues and findings that were recently reported in the 2014 and 2015 Audit Report.
- In accordance with Chapter 260, Section 260.05, the City Attorney's Office was asked to research and provide a list of any contracts signed by LHC, along with summary information.
- In compliance with Chapter 260, Section 260.03, the LHC shall present an annual written report of its activities to Council, and shall promptly make such other reports as the Mayor or Council may from time to time require. This report is to be filed with the City Clerk's Office on or before September 30th of each year, and cover the fiscal period of July 1st through June 30th.
 - City Clerk's office researched back to 2006 and there is no LHC Annual Report on file in their office.

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- In compliance with Chapter 260, Section 260.07 (b), the LHC shall maintain adequate insurance, as determined by the City, on its buildings and property and shall maintain adequate liability insurance, as determined by the City. The City shall be named on the Commission's insurance policies as an additional insured, and the Commission shall furnish the insurance policies to the City Clerk's Office.
 - City Clerk's office researched and they do not have any insurance policy in their files for LHC.

- According to Chapter 260, Section 260.07 (d), Council shall be responsible for the selection of the independent certified public accountant.
 - Did this happen?
 - If so, when was the last time a RFP process occurred; if not, what was the exception and who approved it?
 - What is the evaluation process for performance?

Council Member Brown Clarke asked about the \$1,720,429 that the LHC as unrestricted cash and cash equivalents as of June 30, 2015 and if it represented committed unspent. Mr. DeLine referenced the audit report, page 9 which spoke to funds that are un-collateralized. Ms. Bennett stated the Administration is working with HUD on a corrective action plan to follow thru to get things the way they should be. Ms. Bennett stated that with the \$1.2 million they look at liabilities and also look at needs. If they intend to spend on their facilities, but they can't be booked as liabilities or encumbrances. Council Member Brown Clarke asked about a text plan, but Ms. Bennett stated that is not common in a financial statement. Ms. Bennett added that she could not speak on their planned needs.

Mr. DeLine pointed out to the Committee that since LHC receives so many grants there is a chance some may be disallowed and they need to pay back. Council Member Brown Clarke asked where that money will come from, and Ms. Bennett reiterated they are working with HUD, but did not want to speculate. If the scenario that Mr. DeLine mentioned did happen, the LHC will have to pay those amounts, however again she could not speak for them.

Vacancy Report

Ms. Riley did not have an updated vacancy report based on past meeting minutes where it was stated the Committee requests. Ms. Bennett outlined the timeline and history behind the reports the Committee and Council had gotten with the 3rd Quarter Fund Report, the May 4th report based on the budget hearings, and the December 2015 Vacancy Report. Council Member Brown Clarke pointed out that the reports are never consistent and columns of information are not carried between reports. One of the columns missing was "Hiring Status", and there needs to be information provided that states how long the position has been vacant. This information can be provided by each Department. Ms. Bennett stated the information they were requesting was perceived as a onetime request. The Committee confirmed it was not, and it needs to be provided in the future so Council can move forward. Ms. Bennett stated that to ask Departments for information would be burdensome, and Council Member Brown Clarke acknowledged that, however Council is looking for the best representation that can be reported as it relates to this position. Council Member Wood added that they also need to know if the position is contracted, then they need to know the time frame the position has been open and not filled by a FTE. Council Member Brown Clarke asked Ms. Riley to create a brief questionnaire to the Departments asking which FTE positions are vacant, which ones filled by contract and how long they have been filled by contract. Council Member Brown Clarke offered to create a spreadsheet.

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Setting a Threshold on Council Approved Separation Agreements

Mr. Abood stood by his first statement at the last meeting, that there is no path other than thru the Charter. He did acknowledge he was supposed to send the Committee a Charter check list, and will get to the Committee within the next two days. Currently he had asked Mr. Jack Roberts in his office for information which was provided to him May 31, 2016.

Process to Securing an External Investigator

Council Member Wood informed the Committee that what done in the past a recommendation from the City Attorney's Office was; Council held interviews and then chose. Council can ask the City Attorney office for recommendations, but it would take five (5) votes to move forward. Council Member Brown Clarke asked Mr. Abood, following the prior process, to check into the option. Council Member Wood did acknowledge that there was no RFP last time, but will research and if she is able to find something will forward that to law.

Ms. Womboldt spoke in support of an external investigator.

Mr. Abood left the meeting at 9:18 a.m.

Evaluating the Budget Review Process

The Committee discussed proposing a plan for the future budget processes, making a unified pattern, creating a template for their presentations, looking at fiscal and performance based budgets. Each Department will attend a Committee of the Whole meeting from January – March, than have 30 minutes during the budget process to address performance indicators, new initiatives, appropriations, CIP projects, fee and revenue proposals, and vacancies and staffing, and then end with discretionary materials and questions from Council. The Committee reviewed the template and made changes to "Sustainability" under New Initiatives Proposed, change "Line Items" to "Appropriations" for 2. b., adds "future maintenance cost" under CIP Projects, and then adds under 3. a. Proposed New Positions", i. Outsourcing; ii. What is outsourced and iii. Is there an intention to Outsource. Ms. Bennett noted that some of the items Committee is asking for is already in the budget book, however Council Member Brown Clarke noted they are aware of that, but want the departments to be consistent. Each department will have 30 minutes to accomplish the list and if they want more time they can request more time. The updated template will be reviewed at the next meeting.

Internal Auditor Structure and Policies Update

Mr. DeLine referenced the two recent draft sections, one being the Mission and Objectives, and the other being Proposed Procedures and Policies, and asked the Committee to review it for suggestions. Council Member Wood asked Mr. DeLine to work with the City Attorney office in obtaining the Charter Commission minutes on Internal Auditor position for reference in his documents.

ADJOURN

Adjourn at 9:41 a.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on _____

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MINUTES
Committee on Ways and Means
Wednesday, June 15, 2016 @ 8:15 a.m.
10th Floor Conference Room, City Hall

CALL TO ORDER

The meeting was called to order at 8:17 a.m.

ROLL CALL

Councilmember Judi Brown Clarke, Chair
Councilmember Carol Wood, Vice Chair
Councilmember Tina Houghton, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Joe Abood, Deputy City Attorney- arrived at 8:36 a.m.
Jim DeLine, Interim City Council Internal Auditor
Denise Estee, Retiree
Deb Parrish
Elaine Womboldt
Kathy Miles
Angie Bennett, Finance Director
Dr. Joan Jackson Johnson, HRCS
Michael Tobin, Lansing EOC

MINUTES

Action on the minutes was moved to the next meeting.

Public Comment on Agenda Items

No public comment.

Discussion/Action:

RESOLUTION – Grant Acceptance; 2014 Homeland Security Grant Supplement

Mr. Tobin acknowledge to the Committee that this request was an increase to the already \$106,000 adding \$22,788.36. These funds are used for a search and rescue camera and rescue equipment. These funds were remaining funds from the FY2014 HSGP that were not utilized by regional partners, and they will not require matching funds.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE GRANT for 2014 HOMELAND SECURITY GRANT SUPPLEMENT. MOTION CARRIED 3-0.

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RESOLUTION – Grant Acceptance; Financial Empowerment Center Donation from Consumers Energy

Ms. Bennett acknowledges the grant of \$10,000 that will be used to offer assistance to participants in the Consumers pilot program by offering counseling and incentives. Gift Cards will be provided in denominations of \$10.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE RESOLUTION FOR THE GRANT ACCEPTANCE FOR THE FINANCIAL EMPOWERMENT CENTER DONATION FROM CONSUMERS ENERGY. MOTION CARRIED 3-0.

RESOLUTION – Budget Transfer; Human Service Carryforward/Donation Appropriations

Dr. Jackson Johnson referenced the Committee to the resolution which outlined the amounts of donations that would be appropriated from FY2015 to FY2016. These included donations in the amount of \$67,118.67, Human Services Grant Match for \$15,000, \$3,500 from One Church One Family Housing, and \$3,930.12 in Subsidized Eviction Prevention which they work with the Ingham County Land Bank on. Council Member Wood asked how close they were on obtaining group for the Youth RFP, and Dr. Jackson Johnson stated they are targeting areas where we know there are gaps. Mr. DeLine asked why in June 2016 were they finally asking for FY2015 carry forwards. Dr. Jackson Johnson was not sure, and Ms. Bennett stated they wait to determine what programs will be utilized. They have been targeting the fall in the past. Mr. DeLine then asked about the status of the 501C3, and Dr. Jackson Johnson stated it is an independent account, and they already have one established for One Church One Family.

The Committee asked for the locations of the Feeding Box distributions to be sent to Council Staff so they can distribute to all of Council.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE RESOLUTION FOR THE BUDGET TRANSFER/CARRYFORWARDS/DONATION APPROPRIATIONS FOR FY2015 INTO FY2016 FOR THE HUMAN RELATIONS COMMUNITY SERVICES DEPARTMENT. MOTION CARRIED 3-0.

Dr. Jackson Johnson introduced her new Deputy Director Desiree Kellie-Kato.

RESOLUTION – WC 2062876-00735

Mr. Abood stated that this redemption would release all seniority and claims. The claimant is retired and will not return to work. Council Member Wood asked if the claimant was on duty disability or non-duty disability and if the retired out of that. Mr. Abood stated he did not have that information, therefore would provide that to the Committee.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR WC2062876-00735. MOTION CARRIED 3-0.

RESOLUTION – WC 2062876-00610

Mr. Abood stated that this redemption would release all seniority and claims. The claimant is retired and will not return to work. Council Member Wood asked if the claimant was on duty disability or non-duty disability and if the retired out of that. Mr. Abood stated he did not have that information, therefore would provide that to the Committee.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR WC2062876-00610. MOTION CARRIED 3-0.

RESOLUTION – WC 2062876-00077

Mr. Abood stated that this redemption would release all seniority and claims. The claimant is retired and will not return to work. Council Member Wood asked if the claimant was on duty

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disability or non-duty disability and if the retired out of that. Mr. Abood stated he did not have that information, therefore would provide that to the Committee.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR WC2062876-00077. MOTION CARRIED 3-0.

Update on Tie-Bar Memo Status (J. Abood)

Mr. Abood confirmed he was done gathering information, however with the new City Attorney coming on shortly, he wants to review with him and that new attorney can make the determination if outside counsel is needed. Council Member Brown Clarke asked if they have all the information, and Mr. Abood confirmed he does have it all except Ms. Graham has not provided him with the notes from the collective bargaining yet. Council Member Brown Clarke asked if the information contained the draft Tie Bar memo, and Mr. Abood stated no. Council Member Wood asked if they were any closer to finding the draft memo in the former City Attorney laptop, and Mr. Abood stated no.

Ms. Estee stated her concern with the lack of response and information. In addition to the information that is being provided by Sue Graham, and no inquiry from the union or the retirees. Ms. Settee then noted she gave a letter to Ms. Lisa Thelen at the April 20th meeting, and has not received a response from Mary Riley on that yet, in addition to two FOIA requests (4/22 and 4/28) with no response. A new claim was presented to Mr. Abood, and he acknowledged receipt of it. Mr. Abood did add that the earlier FOIA were claims and not perceived as FOIA, so since that time they were returned to Law and logged May 6th with FOIA. The Committee discussed the timelines on FOIA requests and extensions and its appearance that extensions are not being sent. Ms. Estee stated she has never received a letter noting an extension. Mr. Abood stated that if they do not respond, under the Law, within a time frame it is deemed "denied". Council Member Wood asked Mr. Abood to review the Council FOIA policy that was recently amended and adopted in 2015.

Council Member Brown Clarke stated the FOIA discussion will be at the next Committee of the Whole meeting and which point Law should plan to bring and provide copies of the FOIA log from their office.

Discussion - Lansing Housing Commission Financial Statements

Discussion - Lansing Housing Commission Recovery Agreement with HUD and the City of Lansing

Council Member Brown Clarke reminded Mr. Abood he was to have invited Ms. Baines Lake to the meeting and provide her with the list of questions the Committee sent him last week. Mr. Abood confirmed he had spoken to Ms. Baines Lake and provided her with the questions. She was reviewing the questions however was not able to attend today. Mr. Abood also acknowledged he is researching information on comparison of State Law and City Charter that Ms. Baines Lake pointed out to him. Council Member Wood reminded Mr. Abood and the Committee that until this incident with the Recovery Agreement and situations, Ms. Baines Lake has attended every meeting she was invited to, to review and answer questions on the Financial Statements. All previous directors have also participated.

Vacancy Report (M. Riley)

Ms. Parrish spoke in support of filling positions and hiring instead of temps and contracted employees in union jobs.

Ms. Bennett spoke on the template report that was provided last week to her and Ms. Riley. Ms. Bennett did not understand what was requested, and Council Member Brown Clarke went thru

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the request for filling in the blanks so that Council can find out the cost savings. Ms. Bennett was then asked how many vacancies she had, which she stated 5-6, then if those were filled by contract which she stated yes, then if they were full time or part time, and Ms. Bennett stated part time. Ms. Bennett then was asked if the department would be more efficient if those positions were full time employees, and Ms. Bennett confirmed they would be, and she would be at full capacity. Council Member Brown Clarke then asked her what she was doing to fill those positions, and Ms. Bennett stated she was working with HR, however currently out of the 6 vacancies they have not posted any yet. Council Member Wood added that the information the Committee is looking for goes toward the performance based budgeting. This information will allow Council to see how many contracts there are, how long they have been there, what the rationale for it is, and so they need information to dissect and understand. Council Member Brown Clarke stated she will reach out to Ms. Riley, HR Director and meet with her individually with the outline the Committee is looking for, then she can take that to Finance for their input. Ms. Bennett repeated from earlier meetings that the vacancy factor report is a finance item that is submitted with the quarterly report to outline the \$800,000 vacancy factor. In turn, Finance cannot submit the requested information. Her belief is that Council already has all the information they are looking for on the template report.

Threshold on Council Approval on Separation Agreements (J. Abood)

Mr. Abood stated his research so far appears to show that there is no way for Council to weigh in on these agreements without a Charter amendment. He will prepare the process and present to the Committee.

Process to Securing an External Investigator (Council Member Wood)

Ms. Miles spoke in support of securing an external investigator.

Council Member Wood stated that since there is now the potential of a new City Attorney, she will speak to him, Mr. Smiertka, about this topic since he assisted the Council in the past in securing an investigator.

Ms. Womboldt spoke on her frustration with the process and lack of answers.

Committee Report on the Budget Review process

The Committee reviewed the most recent version, and added "City Council" to 2.a.iii. They also added a note that the times allotted are all approximate based on the size of the Department and their divisions. Lastly they added "Current Staffing" as 3.a. The plan is to take this form to the Committee of the Whole for all of Council to weigh in on the process.

Ms. Parrish asked that all budget hearings and meetings be held in the Council Chambers.

Internal Auditor Structure and Policies Update

Mr. DeLine asked the Committee to review the documents in the packet and forward any comments to him and he will compile them for the next meeting.

ADJOURN

Adjourn at 9:32 a.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on _____

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MINUTES

**Committee on Ways and Means
Wednesday, July 20, 2016 @ 8:15 a.m.
10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 8:15 a.m.

ROLL CALL

Councilmember Judi Brown Clarke, Chair

Councilmember Carol Wood, Vice Chair

Councilmember Tina Houghton, Member- arrived at 9:13 a.m.

OTHERS PRESENT

Sherrie Boak, Council Staff

Jim DeLine, Interim City Council Internal Auditor

Jim Smiertka, City Attorney - arrived at 8:22 a.m.

Michael Hamel, LFD

Lori Welch, Public Service

Lynne Doerr, Retiree

Teresa Frassetto, Retiree

Barb Kimmel, PN & D

Tonya Olson, Granger

Phil Mikus, Granger

Breina Pugh, Granger

Victor Rose, Operations and Maintenance

Denise Estee, Retiree

John Lancour, Friedland

Lynne Meade, IBT 243

Kathy Miles

MINUTES

Action on the minutes moved to next meeting.

Public Comment on Agenda Items

No public comment.

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Discussion/Action:

RESOLUTION – Grant Acceptance; HUD Lead Hazard Reduction Demonstration Grant

Ms. Kimmel outlined the request which is a fund amount of \$2,318,509.50 to remediate lead hazards in homes in Lansing. There will be a match using CDBG and Inkind funds from the Ingham County Health Department. They will also be partnering with Ingham County. It was noted that this is the 3rd time they have received the funds. Council Member Brown Clarke asked for details on the process for the reduction. Ms. Kimmel stated the family must enroll and once qualified they will send out an environmental firm for testing, then based on the results and their report they will guide them on the repairs, controls and abatement. The environmental firm they have chosen based on a RFP is ECT Environmental. Council Member Wood asked how they were getting all this information out to the landlords. Ms. Kimmel confirmed that with working with Ingham County. Also this grant will pay for a part time community health worker who will spend 50% of their time in the field talking to families with elevated levels and who participate in the WIC program. Council Member Wood asked if they have considered fees for inspections and then offer a reduction if they have gone thru this program. Law was asked to check on the legality, and if that can be part of the process. Ms. Kimmel was asked if there was the ability to put together a list of properties that have been tested. Ms. Kimmel confirmed there was already a list on the State Wide lead database, and all those units produced as lead safe are listed on that base. This can be found through a link on the City website, but they can also put that site link in the new brochure they are working on.

Mr. DeLine asked for an explanation on the match portion of the grant. Ms. Kimmel noted the match will come from the CDB. \$322,000 in staff positions and it will stay in the personnel budget line item. All the CDBG work is grant work, and all this is eligible under CDBG. There will be a small amount from owner contributions, and the CDBG funds will be going to assist with owners. The cost for each unit for remediation has been estimated at \$10,000. In regards to relocation during the remediation, if the property is owner occupied they will relocate on their own funds, but if it is a rental, this group will relocate the tenants. If they are not able to keep them in the home and provide access to a bathroom, kitchen and sleeping area they have funds to relocate up to 5 days.

Council Member Wood asked about the contracted employee's role. Ms. Kimmel stated they will be a remediation specialist to manage the onsite, inspections, writing specifications for repairs, and bidding out the work under the supervision of the Development office.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE GRANT FOR HUD LEAD HAZARD REDUCTION DEMONSTRATION GRANT. MOTION CARRIED 2-0.

Sole Source Purchase; Stryker Sales Corporation Power Pro Ambulance Cots; LPD

Mr. Hamel outlined the request and new mandatory requirements on the cots the ambulances use. Stryker provides what is required and also provides a 48 hours replacement. This sole source will purchase five (5). Council Member Wood asked about the safety precautions with these types of cots. Mr. Hamel outlined the hydraulics and mechanics of them, but also acknowledged that Detroit has been using them for 3-4 years. The cots have a life span of five (5) years based on usage, but the sole source also includes an annual maintenance program.

MOTION BY COUNCIL MEMBER WOOD TO PLACE THE SOLE SOURCE ITEM ON FILE. MOTION CARRIED 2-0.

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Internal Auditor Structure and Policies Update

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE DOCUMENTS AND MOVE FORWARD TO THE FULL COMMITTEE. MOTION CARRIED 2-0.

Authorization of Participation in the Capital Area Recycling Initiative

Council Member Brown Clarke noted to all public present that this is an opportunity for questions and answers, with no planned decision today.

Ms. Welch informed the Committee that there is a Tri-County group that has been meeting to discuss participation in a regional recycling initiative. Studies have shown there is enough tonnage in the region for this to work cooperatively. The resolution now in front of the participating communities represents their support for the initiative. The group is not asking for financial commitment, just confirmation they will work together. Currently participation has been confirmed by the City of East Lansing, Eaton Rapids and Bellevue Township. Council Member Brown Clarke asked, based on the fact it is a formal resolution, is Council looking at a cost match, how is it envisioned, and are there signed agreements to expand recycling efforts. Ms. Welch confirmed they did not know what the end result will be, but they all desire to make it more efficient. It could be a cooperative plan, but at this point there is not a financial commitment. Mr. Rose added to the conversation that the goal is to get out of the transfer process. Mr. Rose noted the group had sent to the private sector to look at the resolution to see if they can live with it, but have not gotten any responses. Council Member Wood asked if the private sector has been invited to any of the meetings. Ms. Welch admitted they originally kept the private sector out but there was an interest by Granger so they had them, but they didn't open it up to the private sector. Council Member Wood then asked for the feasibility study that was done, and Ms. Welch stated she could provide that. Council Member Wood then asked Mr. Rose how they have been communicating with the private sector and if they have reached out to Friedland. Mr. Rose admitted they had not, but he does not sit on that steering committee. Council Member Wood stated to Mr. Rose and Ms. Welch that before Council considers the resolution, the representatives from the group should sit down with all stake holders, all groups in the greater Lansing area. Ms. Welch did acknowledge that when the feasibility study was done there was a component where they did reach out to the private sector as a direct communication from the consultant. There were 5-6 companies that provided input.

Council Member Brown Clarke asked if the communities listed on the resolution were targeted communities or the committed communities. Ms. Welch confirmed they were all targeted communities. Council Member Brown Clarke asked if the current hauling contract is up this month and if they would be signing an extension. Ms. Welch stated they had already signed an extension on 1 year renewals.

Mr. DeLine asked if the drop off site terminology was long term or a goal, and Ms. Welch answered it was a long term goal for the entire region.

Council Member Brown Clarke asked then is Lansing being as to be a part of it as a strong stake holder, and that was confirmed by Ms. Welch.

Ms. Olson gave a brief outline of what Granger offers, their 30 years in the Lansing region, and the 35 million pounds of recycling they do annually. Ms. Olson also noted that even though Mr. Rose stated no one from the private sector responded to their inquiry, she offered a copy of a letter that Granger did send in response. Granger's concerned because they believe they already have a system in place and does provide cost effective service. The intent that can be interpreted from the proposed resolution is it can be replaced. Currently capacity of Granger has not even been met. The initiative group's proposal goes beyond residential to multi-family

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and commercial, and includes trash, which Granger we already participates in. Ms. Olson concluded that Granger has been invited and attended 4 meetings, however the meeting where the group red-lined the proposal Granger was not invited to.

Council Member Brown Clarke asked for an environmental scan of what is already out there, along with data that states Lansing does not have the capacity regionally to meet our needs. Ms. Welch answered that the information was in the feasibility study. Mr. Rose stated that they put out bid for trucking haul, but Granger did not submit bid. If Granger has the capacity, they would like to go to Granger. Council Member Brown Clarke reminded Mr. Rose that if the City lists what they have needs for, it allows the bidder to build up to that. Council Member Wood asked if Granger does single stream, and Ms. Olson stated they do.

Mr. Lancour stated that when the City did a bid in 2009 for hauling and transferring Friedlnad did submit a bid, however Lansing then decided to build their own facility. Mr. Lancour noted his opinion that the contractor that does the feasibility study has been the same consultant every time, and is wrong in their findings every time, noting they over state their tonnage every time. The last time it stated 46,000 tons, and the private sector does not see that tonnage. The region does not support what the consultant is stating. Lastly Mr. Lancour noted that Friedlnad does also have a processing center that they also provide to the commercial areas. Friedland however has not gotten into the single stream yet.

Ms. Olson made the statement to the Committee that demand will create the plan to meet the vision. Adding that she is aware that Delta, Delhi and Clinton County have declined to be involved on the resolution.

Council Member Wood asked Ms. Welch for information on the pilots for multi dwellings, information on that speak to issues on trash, debris, and nuisance, and lastly consultant reports. Council Member Brown asked Mr. Rose and Ms. Welch the contract duration for the consultant who did the feasibility study and if that is complete or ongoing. Ms. Welch stated it was complete at this point. Council Member Brown Clarke then asked that with the other information requested they also update the list to note who has declined to participate.

Update on Tie-Bar Memo Status (J. Abood)

Council Member Wood provided a history on the request to Mr. Smiertka. The questions began in 2014 and the Committee was informed in December of 2015 that a memo was sent to the Mayor's office regarding the status and process. The Committee was informed they would not receive a copy of it until the Administration had approved its distribution. The discussion involved the topic of the 1% coverage and the "tie-bar" issue. The 1% was resolved to a certain extent, so now the Committee is waiting on information on the tie-bar. Mr. Smiertka confirmed he was able to locate a research memorandum that was sent to the Mayor that relates to collective bargaining, which this appears to address. He also confirmed it was written by Ms. Janene McIntyre, and does not come to any conclusion but only advises the Mayor. It appears the issue is to the interpretation of contract language. Mr. Smiertka stated that since Mr. Hannan from the Mayor's office is out this week, he will follow up the week of July 25th with him and HR. Council Member Wood added historical information for Mr. Smiertka that also included a letter from Mr. Hobe that stated certain retirees had to start paying for their benefits, yet other groups did not. This is the issue in front of the Committee to resolve who, when, and how much. Mr. Smiertka acknowledged that it appeared there were two issues, one being the interpretation of the language which can be part of the collective bargaining, which the memo he located speaks to, the other issue is if all those retirees have a claim against the City if the Kobe memo was wrong. He will meet with the Mayor's office, HR and Finance before he reports

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back. Ms. Estee and Ms. Meade provided their assistance to Mr. Smiertka on the history research and timelines of how things occurred.

Council Member Houghton asked what the next steps would be if the retirees did not like the interpretation from the City Attorney office. Mr. Smiertka confirmed it would be a law suit.

Council Member Brown Clarke noted this item would appear again on the August 17th meeting agenda.

Discussion - Lansing Housing Commission Financial Statements **Discussion - Lansing Housing Commission Recovery Agreement with HUD and the City of Lansing**

Council Member Wood informed Mr. Smiertka of the history on the request for LHC representation to be present and their attendance in the past. Mr. Smiertka acknowledged he was not aware of the request, and that he would reach out to Patricia Baines-Lake to attend the future meeting.

Vacancy Report (M. Riley)

Council Member Brown Clarke noted that she has been making attempts to meet with Ms. Riley the HR Director since the June meeting, however has been unsuccessful. Once a meeting has been confirmed she will review with the HR Director and Mr. Hannan the plans for the grid spreadsheet the Committee wants to determine vacancies. It was also noted she was just made aware of the hiring of a HR Consultant and a new hiring computer program.

Threshold on Council Approval on Separation Agreements (J. Abood) **Process to Securing an External Investigator (Council Member Wood)**

Council Member Wood informed Mr. Smiertka of the history of both requests and the information the Committee is searching for. This was to research the ordinance to allow Council the stipulation to review any separation agreements before they are signed by the administration and the employee. Mr. Abood had informed the Committee at earlier meetings it would have to be a Charter amendment, but they were still waiting on confirmation of that statement and the process. Mr. Smiertka noted his understanding that the Charter speaks to no severance payments on one year contract. It was clarified that the document in question was not a severance payment but a separation agreement payment. Mr. Smiertka noted that if that was the case the Mayor could do that, however Council Member Wood clarified that the Council was not asking if the Mayor has the authority, but if Council can review. Therefore the request is, moving forward, how does Council make these actions transparent. This item will continue to appear on the agenda for an update from Law.

Place on File

Communication from Suzanne Elms-Barclay regarding use of tax dollars and public disclosure.
MOTION BY COUNCIL MEMBER WOOD TO PLACE ON FILE. MOTION CARRIED 3-0.

Ms. Miles spoke in support of hiring an external auditor to investigate the separation agreement of Ms. McIntyre.

ADJOURN

Adjourn at 9:48 a.m.

Submitted by,

Sherrie Boak, Recording Secretary Lansing City Council

Approved by the Committee on _____



City of Lansing
Inter-Departmental
Memorandum



Memorandum For: Regional Recycling Resolution

From: Chad Gamble, Director of Public Service

To: Virg Bernero, Mayor

Date: June 8, 2016

Please find attached the resolution to be considered at the next City Council meeting to support the Capital Area Recycling Initiative.

The City of Lansing has been an active participant in discussions regarding a regional recycling initiative. Other communities, such as East Lansing, Eaton County and Bellevue have already passed this resolution.

The attached supporting documents summarize the initiative, which is seeking support from tri-county communities to lower the cost and increase the availability of recycling services in the region. Through regional collaboration, cooperative contracting, and by encouraging all recyclable materials to flow through a designated facility; an increasing volume of materials are available to attract a private partner to invest in a tri-county recycling facility. This effort will:

- Increase recycling services for more tri-county residents, businesses, and institutions.
- Reduce the economic and environmental impact of transporting materials out of the region.
- Bring jobs and potentially new business to the region.

Please let me know if there are questions.

Resolution #

BY THE COMMITTEE ON WAYS AND MEANS

RESOLVED BY _____

WHEREAS, the recycling rate in Michigan is 15%, one of the lowest in the nation;

WHEREAS, it is estimated that approximately \$435 million worth of recyclable materials are placed in Michigan landfills each year;

WHEREAS, Governor Snyder launched an initiative to double the rate of recycling in Michigan;

WHEREAS, in the tri-county area there are a number of urban and rural residents, businesses, and institutions whom lack access to any recycling services;

WHEREAS, there are existing recycling programs residents are not utilizing fully or correctly;

WHEREAS, there is little regional cooperation between tri-county communities on contracting for recycling services;

WHEREAS, recyclable materials collected in the tri-county area are currently transported to recycling centers in other parts of the state because there are no local facilities in the region;

WHEREAS, materials diverted from disposal contribute to the health and welfare of local communities and businesses; and

WHEREAS, _____ acknowledges that it is committed to:

- Working toward consistent ordinances that encourage haulers to use the designated regional transfer or processing facility;
- Working toward hauling of recyclable materials to a cooperative processing facility or transfer station;
- Seeking a private sector partner to build, own, and/or operate a transfer station or material recovery facility and/or develop a phased into approach working toward regional infrastructure;
- Accepting a common set of materials so everyone in the region, regardless of hauler/service provider, can recycle the same items;
- Providing consistent recycling education and outreach to citizens;
- Establishing an adequate number of drop off sites in the region; and
- Working cooperatively with other communities in the region by 2018.

BE IT NOW, THEREFORE, BE IT RESOLVED THAT _____ hereby authorizes participation in the Regional Recycling Initiative.

Date _____

[28409:2:20160608:141545]

[28409:2:20160608:141545]

Capital Region Recycling Initiative

This document will be used to get support from tri-county communities to lower the cost and increase the availability of recycling services in the region. Through regional collaboration, cooperative contracting, and by requiring all recyclable materials to flow through a designated facility; an increasing volume of materials are available to attract a private partner to invest in a tri-county recycling facility. This effort will:

- Increase recycling services for more tri-county residents, businesses, and institutions.
- Reduce the economic and environmental impact of transporting materials out of the region.
- Bring jobs and potentially new business to the region.

Vision Statement draft:

Tri-County communities will collaborate and together develop a sustainable, consistent, and efficient regional recycling system.

Communities are committed to the following actions and goals:

- Providing consistent recycling education and outreach to citizens
 - A regional approach will reduce confusion, increase consistency, and ultimately increase both the quality of materials and overall recycling volumes
- Accepting a common, standard set of materials so everyone in the region, regardless of hauler/service provider, can recycle the same items
 - This would include, but not be limited to: common household paper and packaging, such as office paper, junk mail, cardboard, boxboard, magazines, etc.; plastic bottles and jugs, bulk rigid plastics; steel, aluminum, household scrap metal; glass bottles and containers.
- Establishing an adequate number of drop off sites
 - Serving communities where curbside services are not available
 - Serving multi-family and commercial needs
 - Providing options to recycle “hard to recycle at the curb items”, such as electronics
- Explore more efficient hauling of recyclables that could result in monetary savings for the region
- Work toward consistency with ordinances, encouraging haulers to transport recyclables to the designed regional recycling processing facility
- Seek a private partner to build/own/operate a transfer station or material recovery facility and/or develop a phased into approach working toward regional infrastructure

- Honor existing contracts through 2018, and then work toward cooperative contracts
- Require service providers to provide data to local communities on an annual basis.
- Commit to working together to accomplish the above goals by _____ (date)

The following participating communities commit to the above goals:

Clinton County

Bath Charter Township
 Bengal Township
 Bingham Township
 City of DeWitt
 City of St. Johns
 Dallas Township
 DeWitt Charter Township
 Duplain Township
 Eagle Township
 Essex Township
 Greenbush Township
 Lebanon Township
 Olive Township
 Ovid Township
 Riley Township
 Victor Township
 Village of Eagle
 Village of Elsie
 Village of Fowler
 Village of Hubbardston
 Village of Maple Rapids
 Village of Ovid
 Village of Westphalia
 Watertown Charter Township
 Westphalia Township

Eaton County

Bellevue Township
 Benton Township
 Brookfield Township
 Carmel Township
 Chester Township
 City of Charlotte
 City of Eaton Rapids
 City of Grand Ledge
 City of Olivet
 City of Potterville
 Delta Charter Township
 Eaton Rapids Township
 Eaton Township
 Hamlin Township
 Kalamo Township
 Oneida Charter Township
 Roxand Township
 Sunfield Township
 Vermontville Township
 Village of Bellevue
 Village of Dimondale
 Village of Mulliken
 Village of Sunfield
 Village of Vermontville
 Walton Township
 Windsor Charter Township

Ingham County

Alaiedon Township
 Aurelius Township
 Bunker Hill Township
 City of East Lansing
 City of Lansing
 City of Leslie
 City of Mason
 City of Williamston
 Delhi Charter Township
 Ingham Township
 Lansing Charter Township
 Leroy Township
 Leslie Township
 Locke Township
 Meridian Charter Township
 Onondaga Township
 Stockbridge Township
 Vevay Township
 Village of Dansville
 Village of Stockbridge
 Village of Webberville
 Wheatfield Township
 White Oak Township
 Williamstown Township

CAPITAL REGION RECYCLING INITIATIVE – DOUBLING OUR RECYCLING RATE

Recycling has become a valued public service that provides many economic, environmental and public health benefits to communities and their residents. Many tri-county communities provide this valued service and more would like to provide similar services. If more governmental entities in the tri-county region made a commitment to provide recycling opportunities to residents, materials volumes captured will grow and private investment in a local recycling center is likely. This would keep recyclable materials in the region, rather than paying to transport them to other parts of the state.

What do we hope to accomplish?

Join the region's local governments who are working toward a coordinated recycling effort that will increase the volume of material collected and contain the costs associated with recycling. Join communities whom are already talking about the potential of adding recycling infrastructure in the region by mutually agreeing to step up to recycling best practices and use the region's recycled material volume to drive the developments needed to make recycling a regional and community asset. Goals of the initiative include:

- ✓ Attract investing partner(s) to work with regional stakeholders to build/own/operate a transfer station or, Material Recovery Facility
 - work toward cooperative contracts by 2018
 - potentially develop a phased into approach growing regional infrastructure
- ✓ Commit volume of recyclable material collected within all tri-county communities to the designated facility
- ✓ Provide an optimal number of drop-off sites to provide opportunities for rural, sub-rural, multi-family, and commercial populations
- ✓ Recycle a common set of materials so every household in the region, regardless of service provider, can recycle the same items
- ✓ Provide consistent recycling education to properly inform citizens

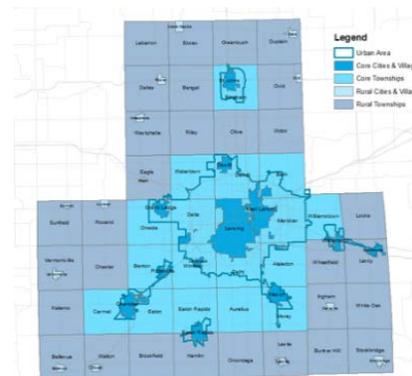
How will my community benefit?

Communities with established recycling services will benefit from keeping materials in the region and avoiding the cost of hauling recyclables to other parts of the state. Communities without established recycling services will benefit from the development of a comprehensive recycling system that provides services at a low cost with the potential for revenue sharing. Building infrastructure and creating jobs in the tri-county region will benefit everyone. Additionally, improving the system that is already in place through more supportive and collaborative programs, services, and education will have benefits for all area residents.

Who would be involved?

All governmental units in Ingham, Eaton, and Clinton counties are encouraged to engage in the process, agree to the conditions, and ultimately sign on to the Capital Region Recycling Initiative. The initiative intends to serve all those who work, live, and play in this region.

Where will these services be provided?



The Initiative will encourage curbside recycling in core cities, villages, and townships as identified in map provided

and will encourage the provision of drop-off recycling opportunities in rural cities, villages, and townships as identified.

When can we expect progress?

Work has already begun to align Initiative goals within the region and will have to continue through completion. As contract terms end by 2018, communities will step up to their commitment.



Tri-County Regional Project

Regional Recycling Coordinating Committee

R2C2 Meeting

April 28, 2015

Nick Lange, RRS/Consultant

Jim Frey, RRS/CEO

Kelly Domino, RRS/Consultant (Phone)



Presentation Outline

1. Project Overview
2. Expanding Curbside Access
3. Processing – MRF vs. TS
4. Collaboration Options
5. Discussion

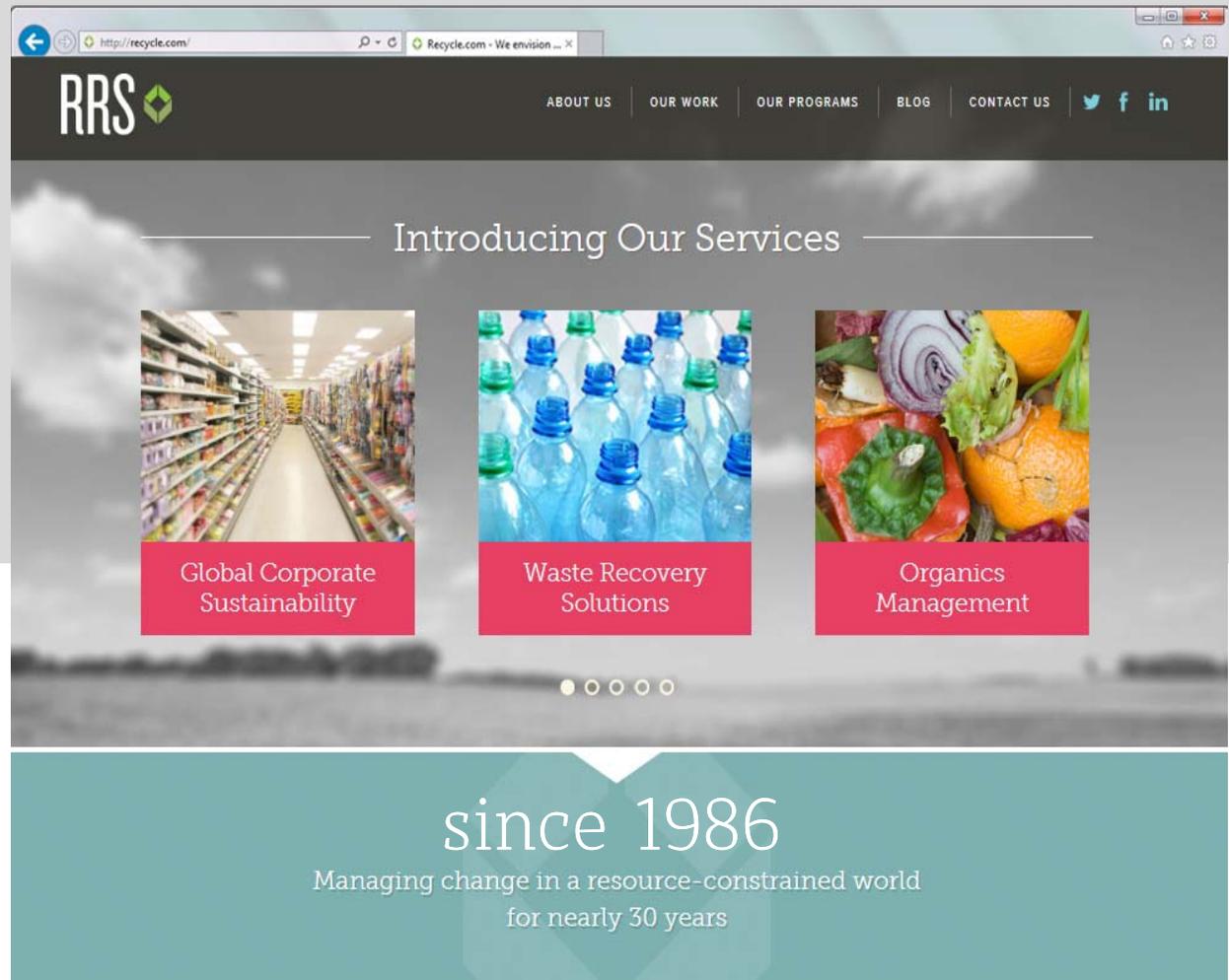
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Regional Recycling
Coordinating Committee

Providing solutions to meet sustainability, resource management and waste recovery goals of clients and their supply chains

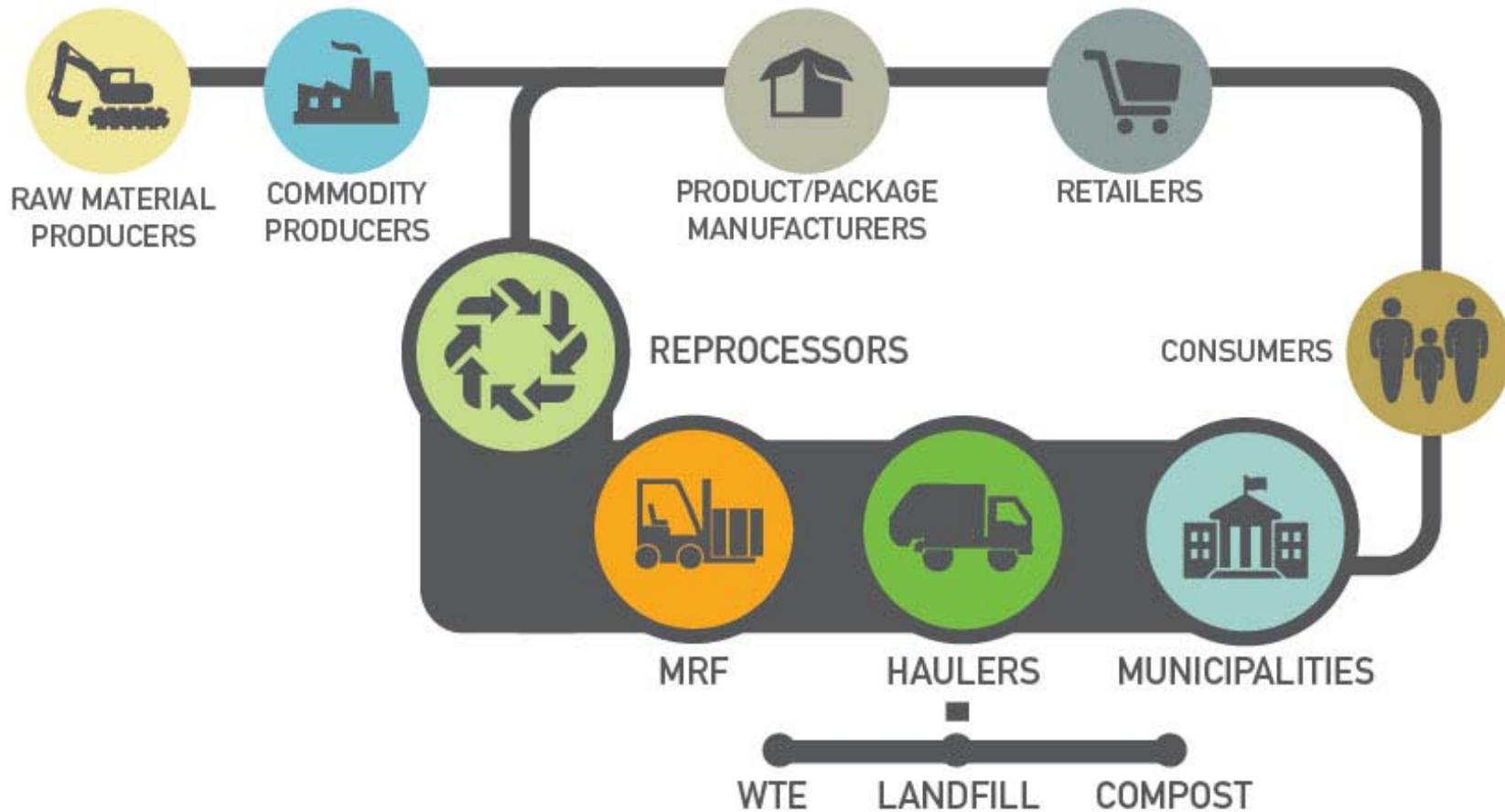


managing change in a resource-constrained world.

Project Overview

- What are the potential cost savings gained by working together to increase recycling?
- Does a regional MRF make sense for the Lansing area?
- What changes in current recycling programs are needed to reach a critical mass of tonnage?
- Can CGAP funding help cover capital investment for a new facility?

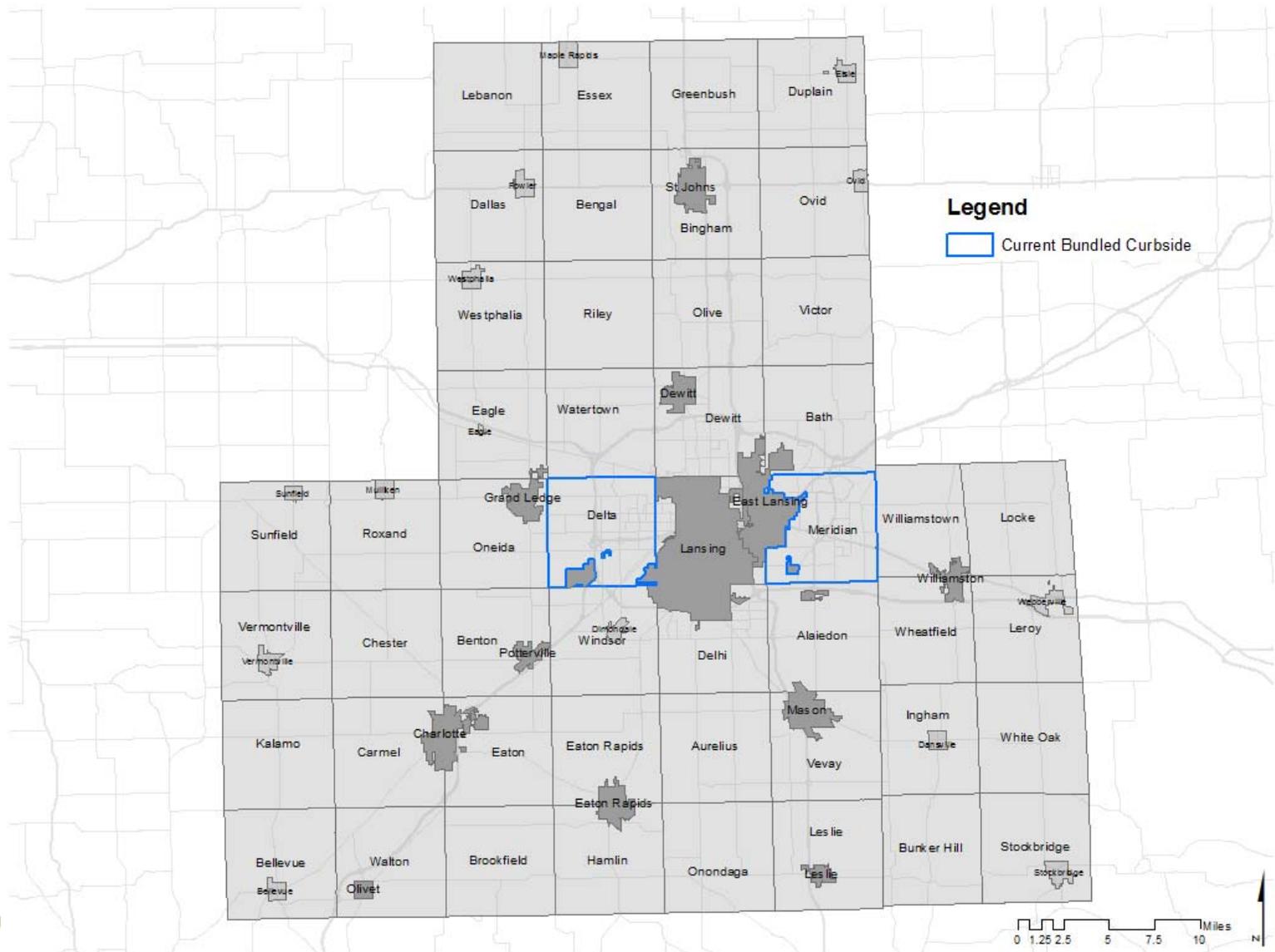
Recycling System Overview



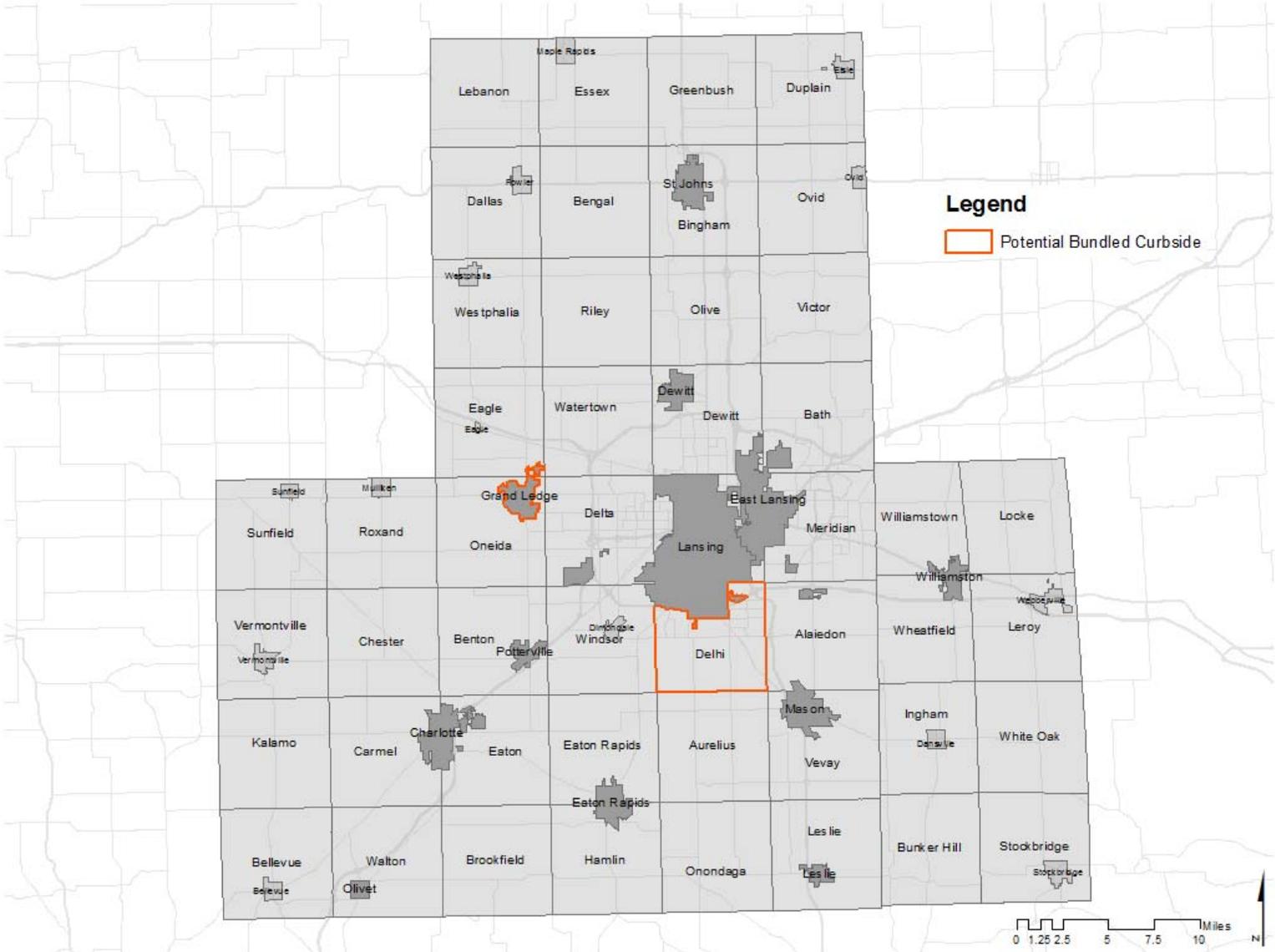
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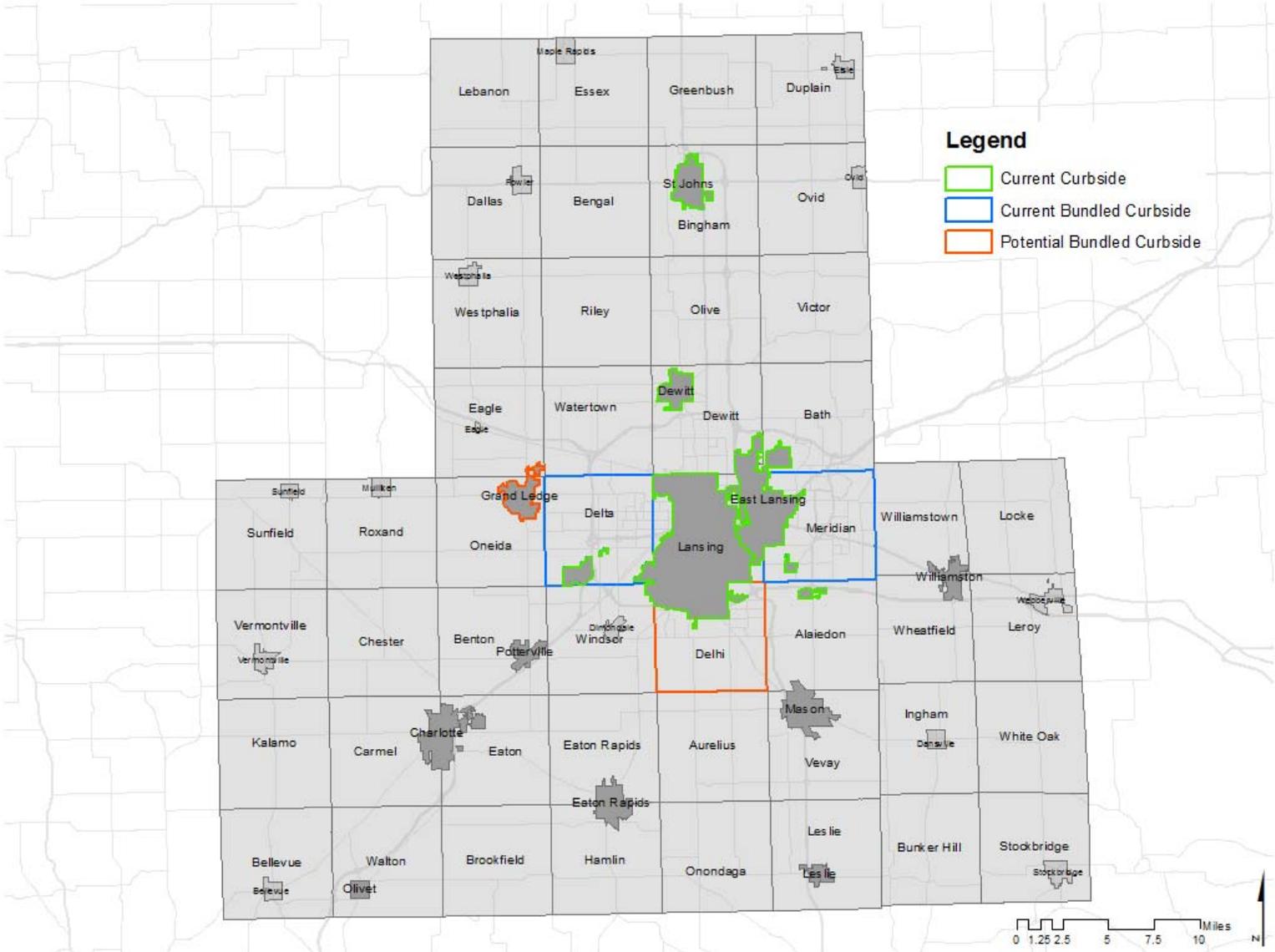
Haulers have offered bundled recycling with subscription waste collection



A few more *might* have bundled access soon.



We think we can do better.



The current system is not cheap either

Baseline		
Recycling Tons		16,215
County - Recycling	\$	224,618
Municipal - Recycling	\$	3,177,115
Residential - Recycling	\$	1,329,342
Municipal - Trash	\$	700,189
Residential - Trash	\$	29,868,274
Total - Recycling	\$	4,731,075
Total - Trash	\$	30,568,463
Total	\$	35,299,538

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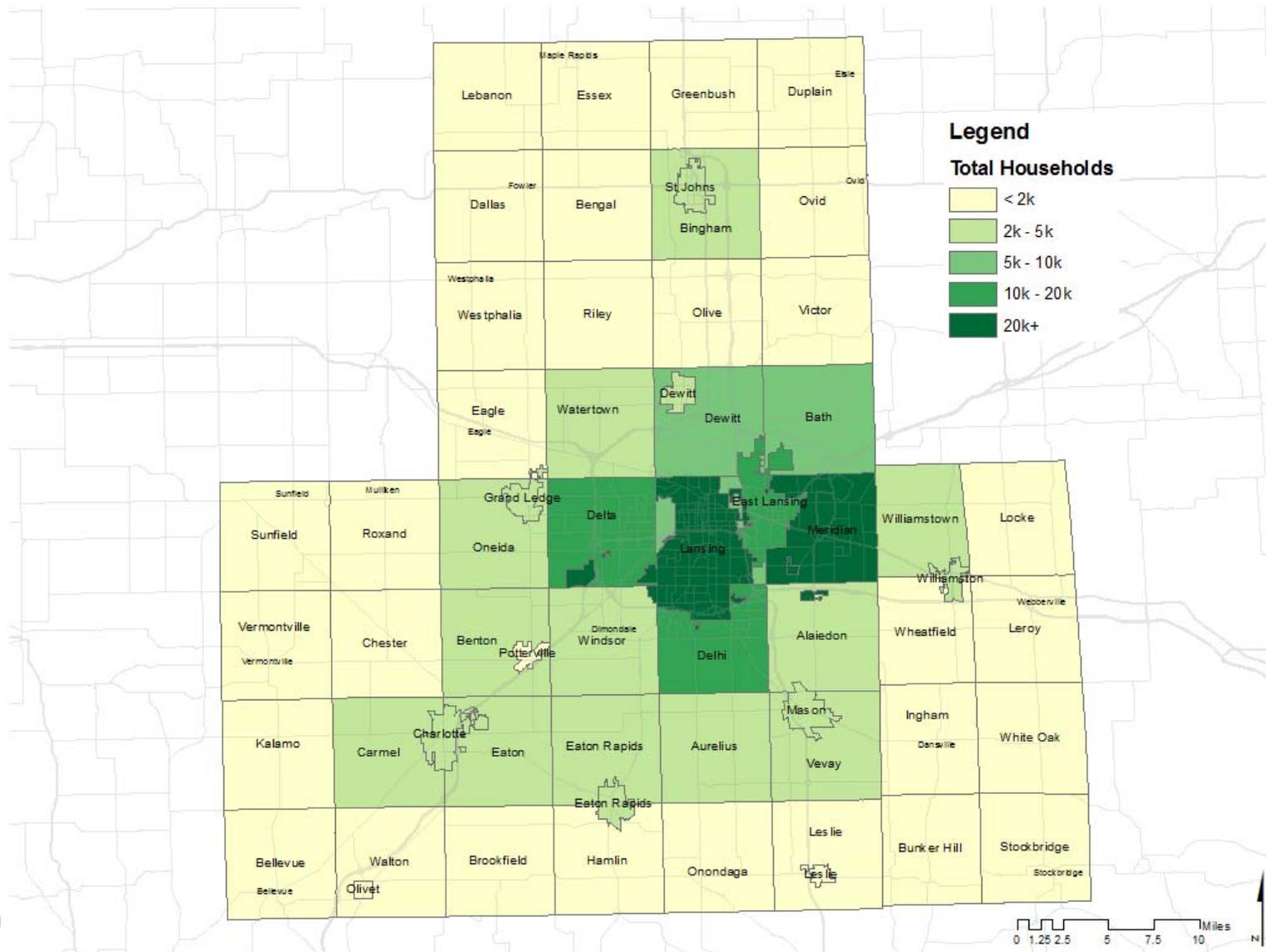
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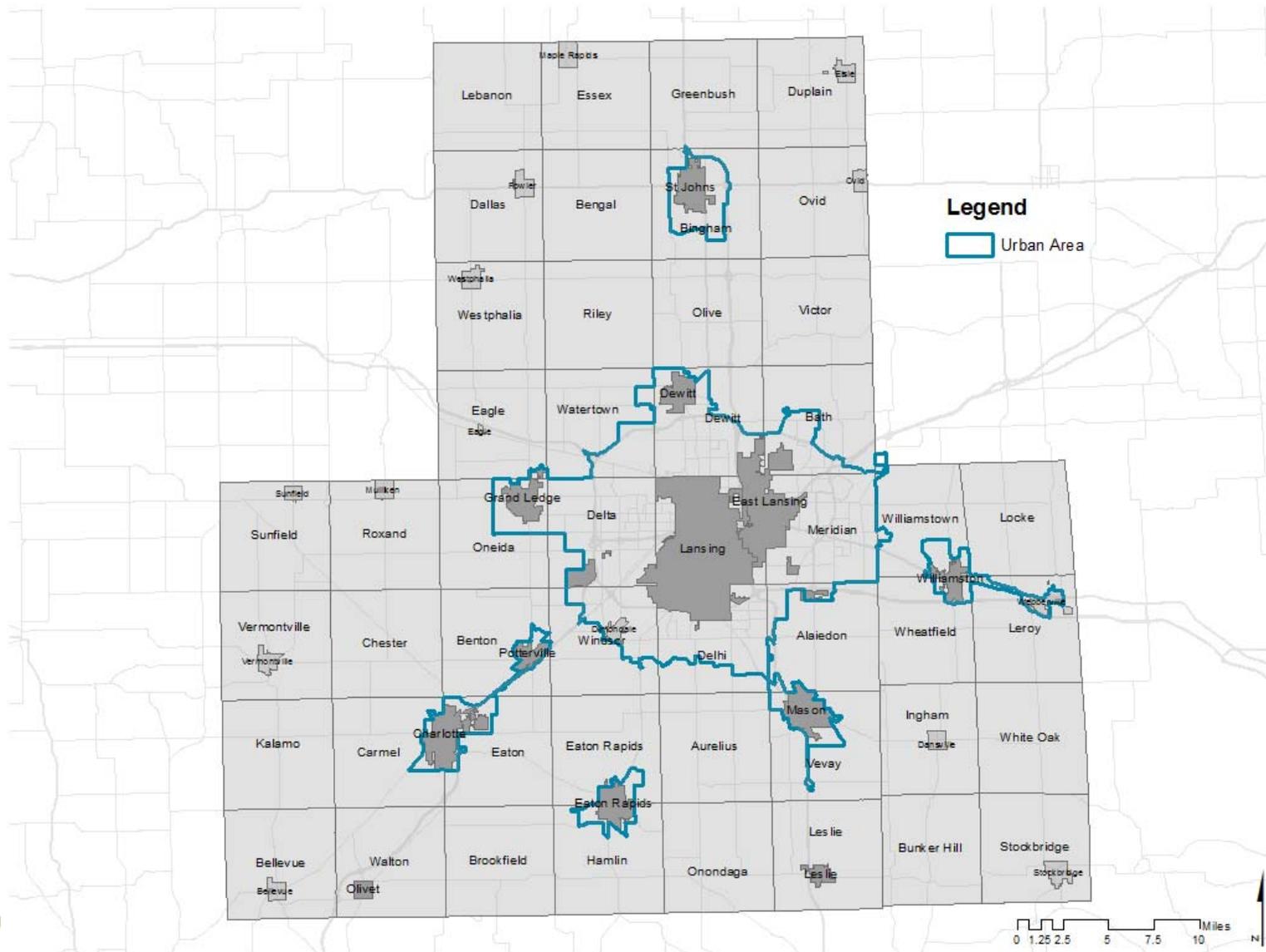
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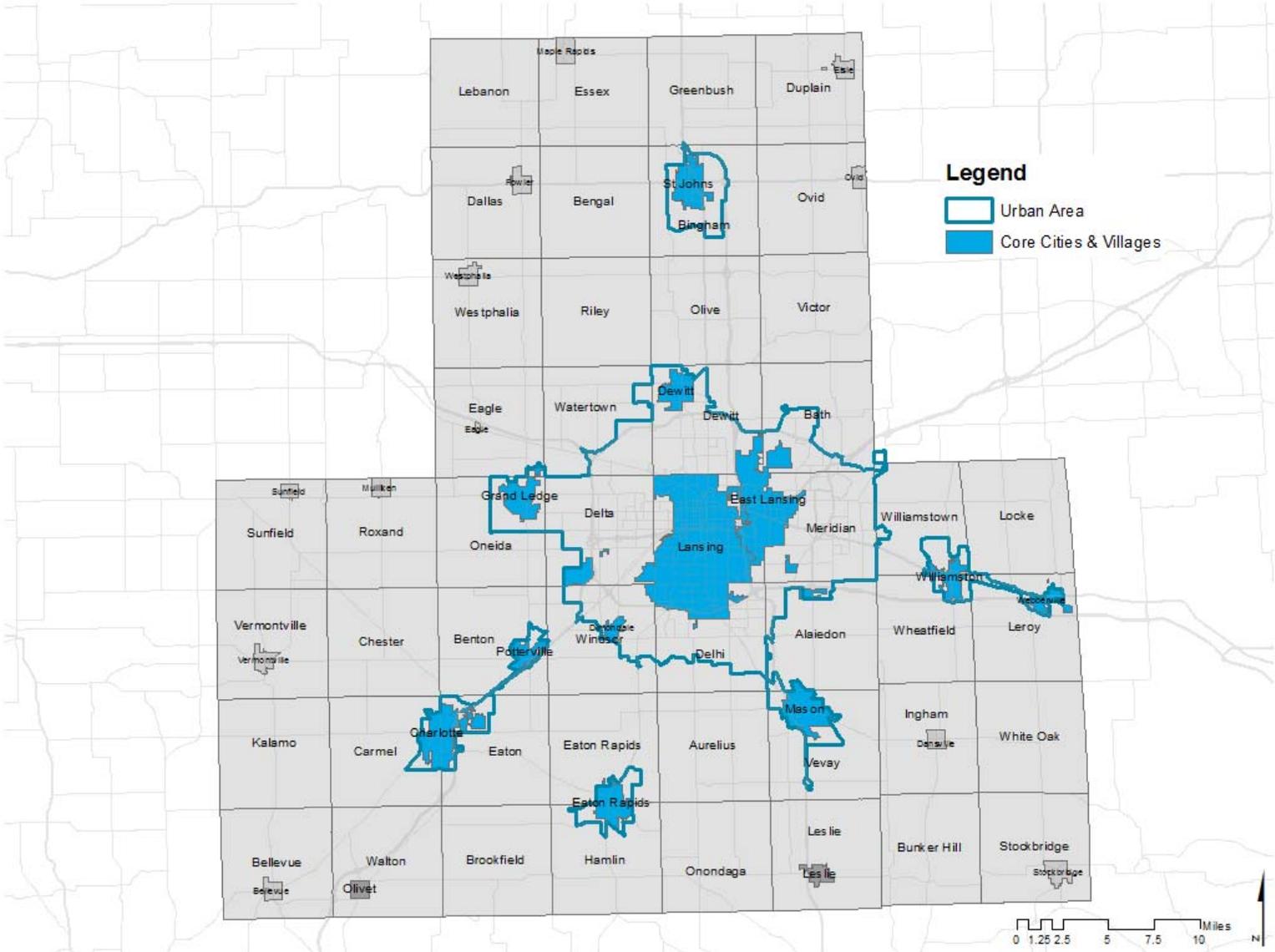
RRS looked at the household counts...



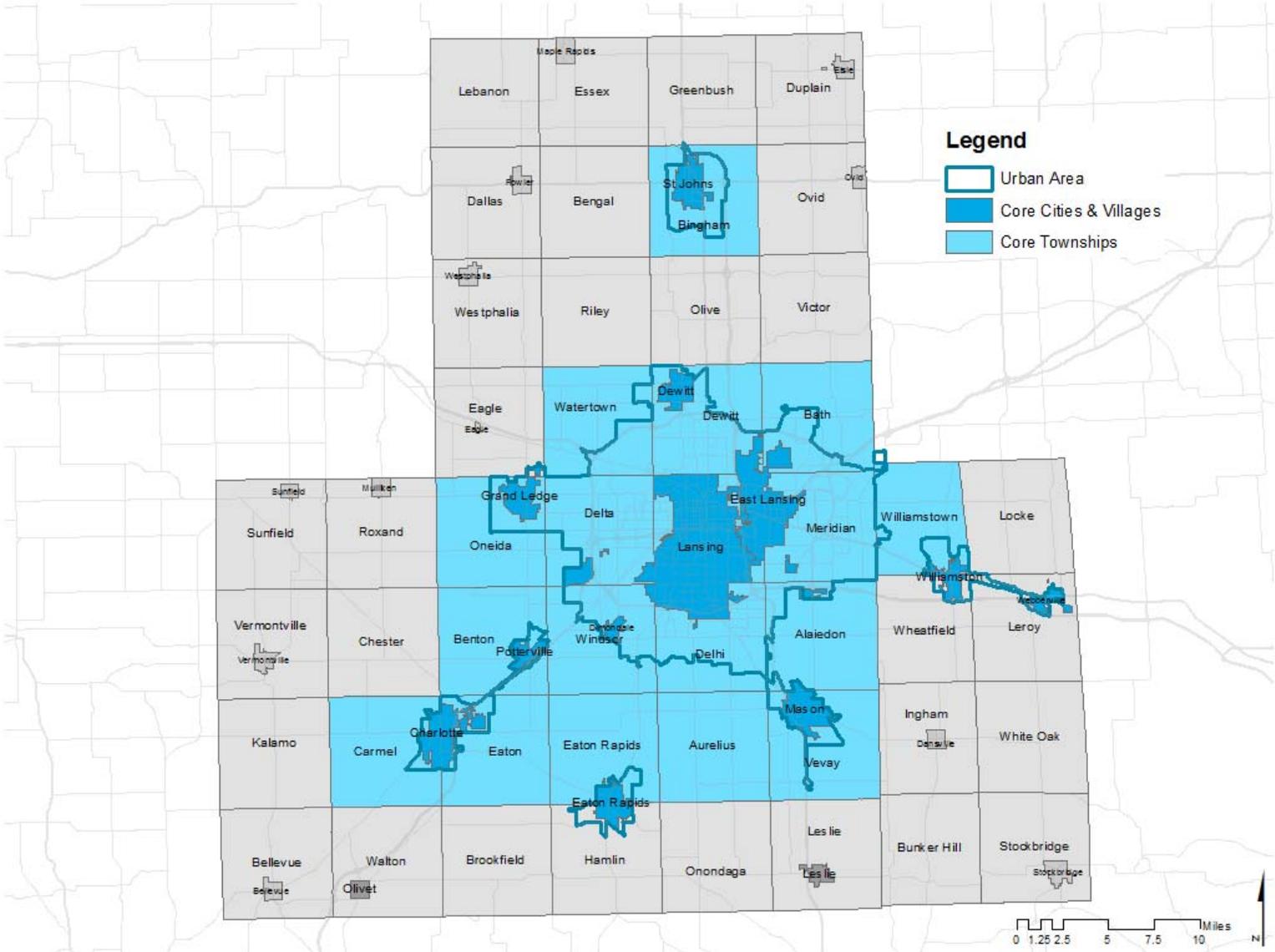
... and at the urban boundaries.



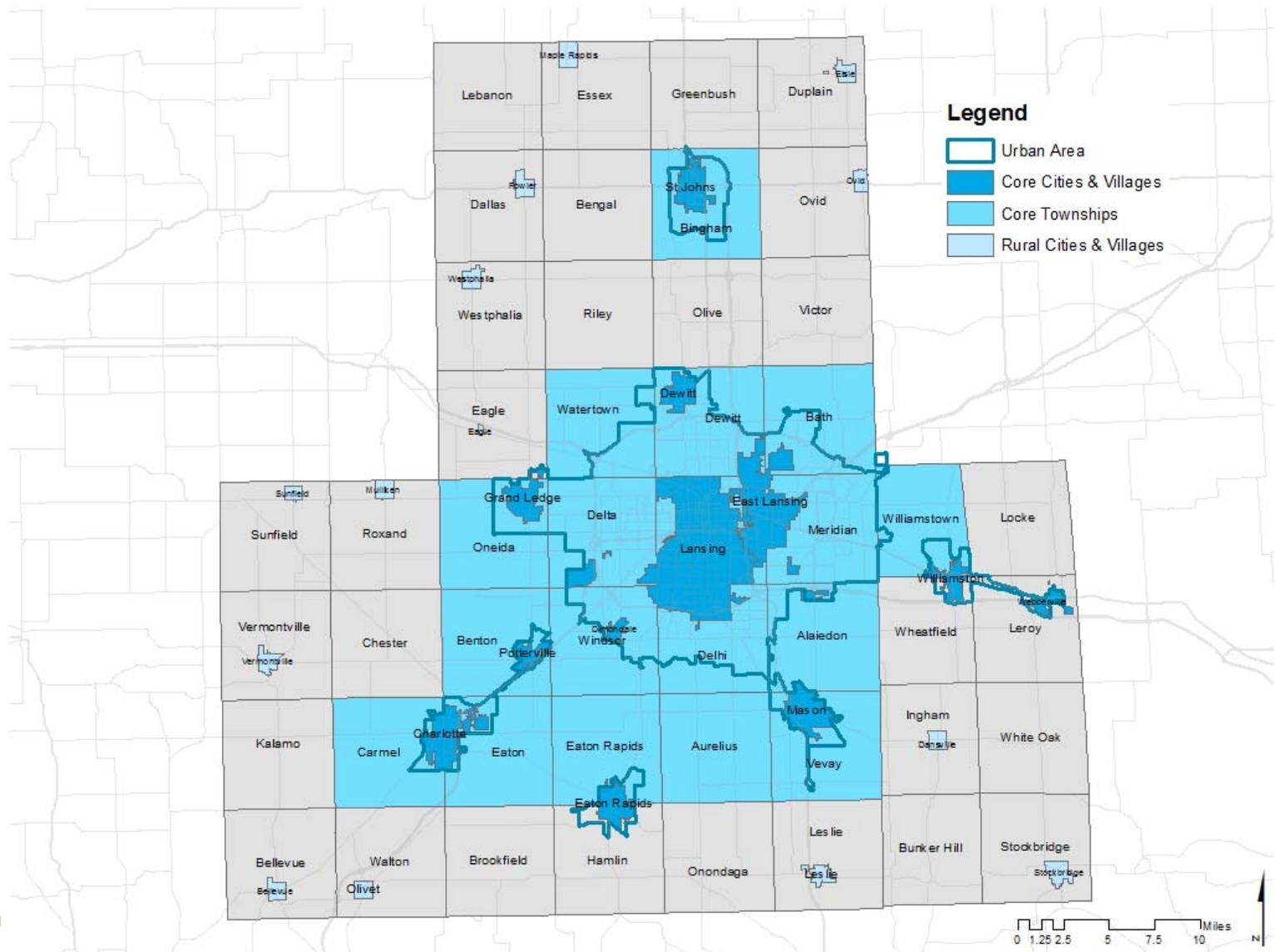
Core cities should have curbside access.



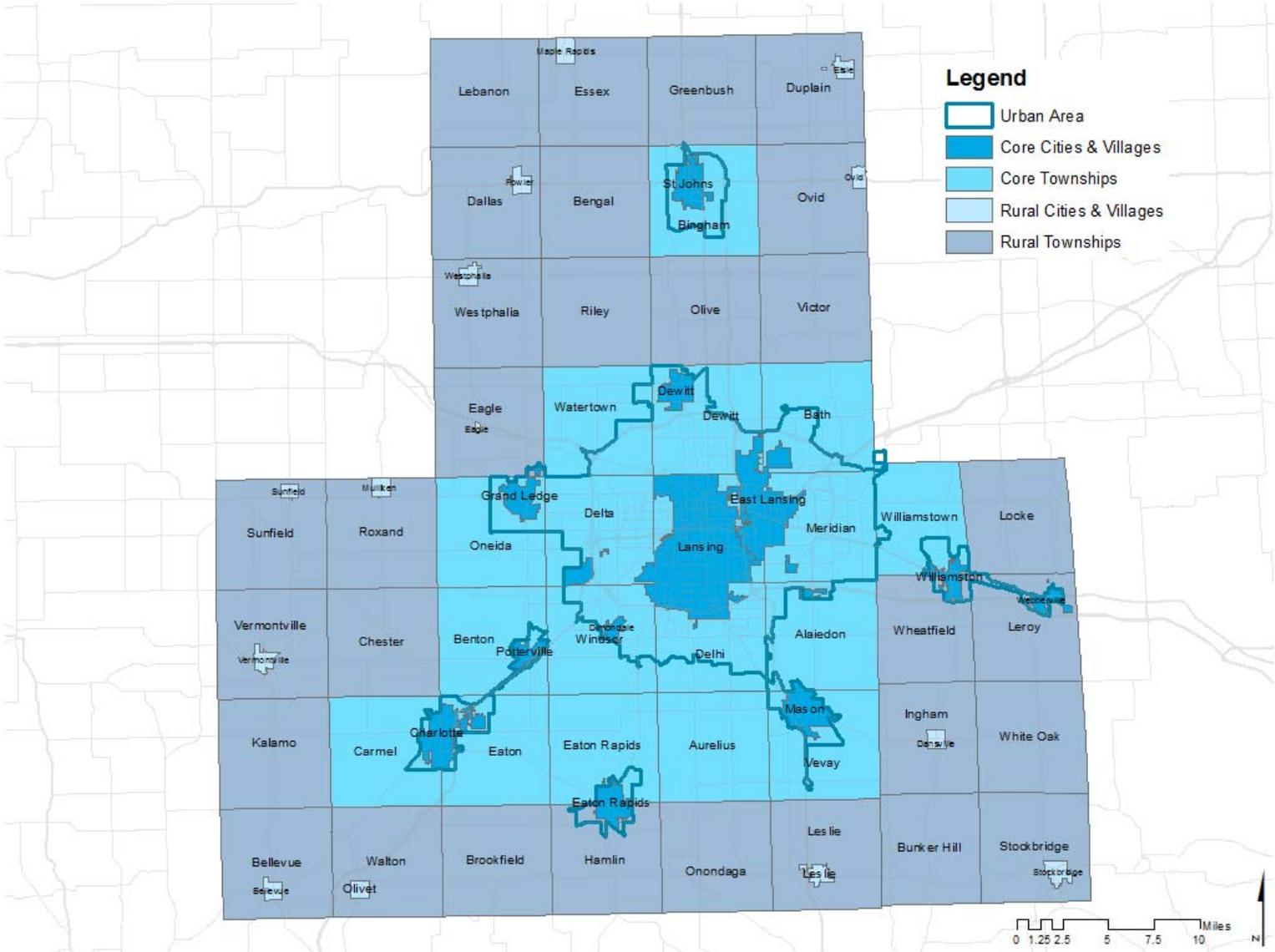
As well as the surrounding core townships.



The area isn't overly expansive, so rural cities and villages should be eligible as well.



The rural townships keep drop-off access.



So what would all this cost?

Combining the purchasing power of all of the residents in an area can significantly reduce costs for the Community as a whole

Program Types	Cost	Example Community
Trash, Recycling Carts and Yard Waste Collection, paid by resident directly to single hauler (including RecycleBank)	\$16.70/HH/Month	Rochester Hills
Trash, Recycling Carts and Yard Waste Collection, paid by municipality directly to haulers	\$11.80/HH/Month \$9.20/HH/Month	RRRASOC Dearborn
Comparison to current Granger Program in Meridian Twp	\$17.33/HH/Month for bin \$18.33/HH/Month for cart	Resident must sign up for service (currently 64% have recycling bins or carts)

Applying these costs to the Tri-County area

Scenario	Cost	Notes
#1 - Trash, Recycling Carts and Yard Waste Collection, paid by resident directly to single hauler	Core City & Twps: \$16.70/HH/Month Rural Cities & Villages: \$17.70/HH/Month	Keep all current cart recycling and organized trash collection in place
#2 - Trash, Recycling Carts and Yard Waste Collection, paid by municipality directly to haulers	Core City & Twps: \$11.00/HH/Month Rural Cities & Villages: \$12.00/HH/Month	Keep all current cart recycling and organized trash collection in place

Applying these costs to the Tri-County area

Baseline	Baseline	Scenario #1	Scenario #2
Recycling Tons	16,215	29,733	29,733
County - Recycling	\$ 224,618	\$ 224,618	\$ 224,618
Municipal - Recycling	\$ 3,177,115	\$ -	\$ 4,496,652
Residential - Recycling	\$ 1,329,342	\$ 7,095,958	\$ 356,536
Municipal - Trash	\$ 700,189	\$ -	\$ 13,489,957
Residential - Trash	\$ 29,868,274	\$ 25,986,232	\$ 5,767,966
Total - Recycling	\$ 4,731,075	\$ 7,320,577	\$ 5,077,807
Total - Trash	\$ 30,568,463	\$ 25,986,232	\$ 19,257,924
Total	\$ 35,299,538	\$ 33,306,809	\$ 24,335,731

Scenario #1 – 6% savings

Scenario #2 – 31% savings

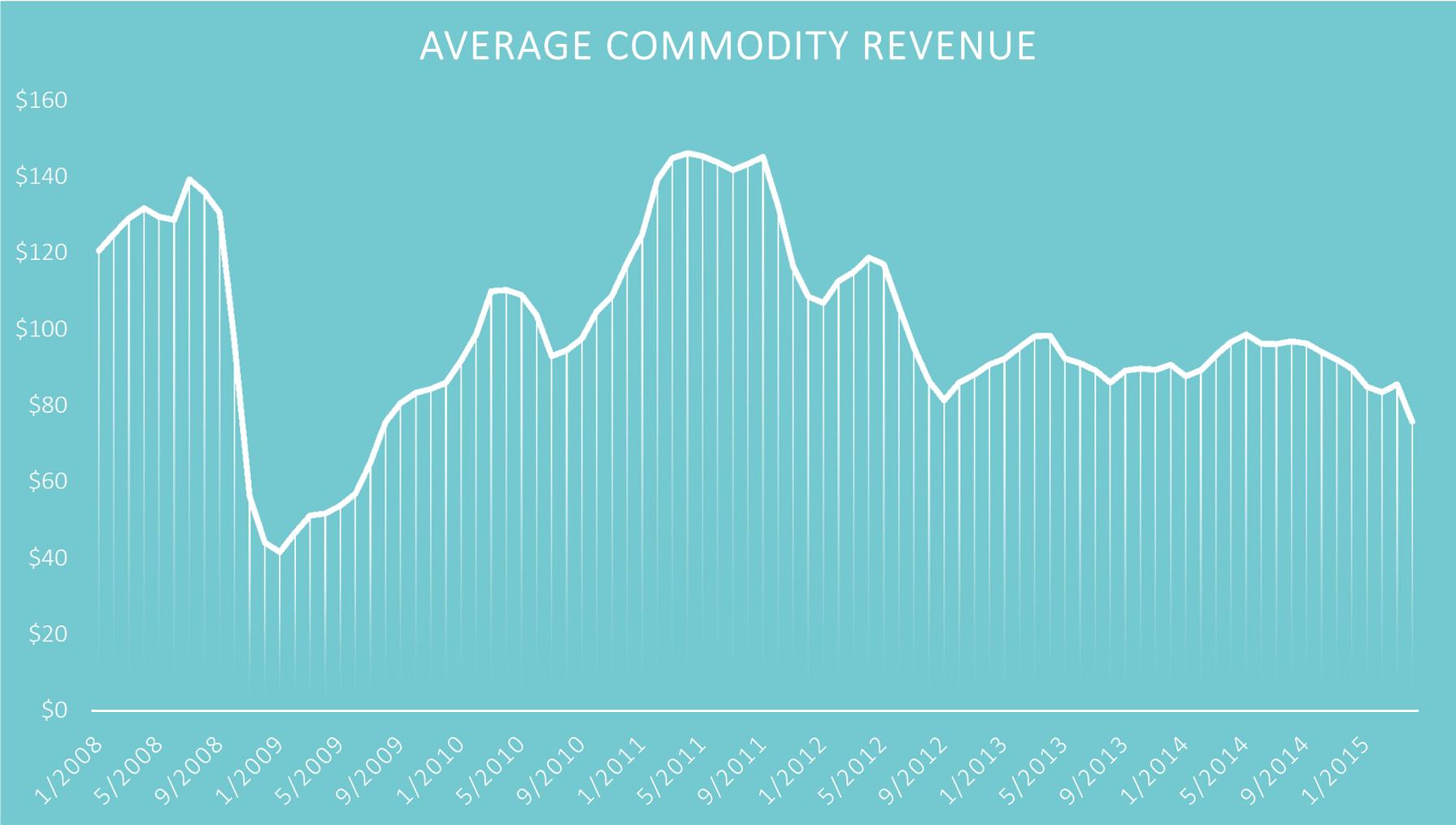
Both add 1,618 HH for trash service and 57,564 HH for recycling service



What if collection was expanded to multifamily and commercial too?

	Total	Clinton	Eaton	Ingham
Potential Residential Tonnage	28,228	2,838	6,329	17,080
Potential Curbside MF Tonnage	6,315	173	735	4,931
SF + MF Total	34,543	3,011	7,064	22,012
Potential Commercial Tonnage	11,291	1,135	2,532	6,832
SF + MF + Comm Total	45,834	4,146	9,595	28,844

What is the material worth?



Presentation Outline

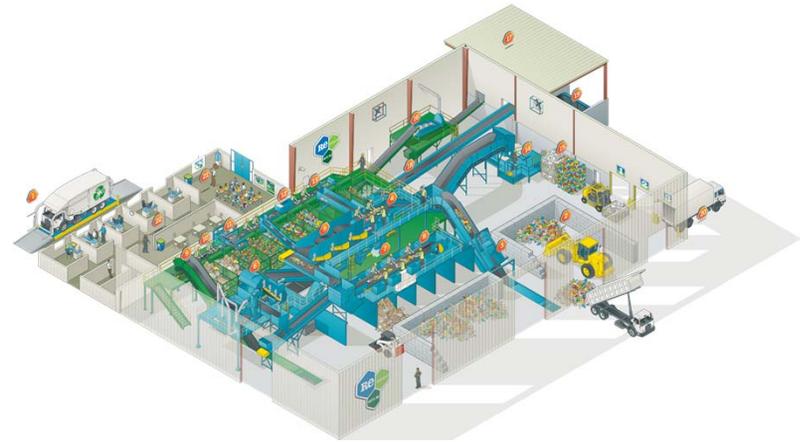
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Regional Processing Collaboration



Regional Transfer Station (TS)

- Lower capital cost
- Revenue sharing in high market conditions



Regional Material Recovery Facility (MRF)

- Ability to revenue share to municipalities and haulers
- Creates more local jobs
- Keeps revenue local
- Incentivizes local recycling
- Very small single stream facility

Regional Processing Collaboration - MRF

	Baseline	Scenario #1 & 2	Multifamily	Commercial
Tons	16,000	29,218	35,126	46,220
Capacity	38,600	38,600	38,600	57,900
Capital	\$ 6,520,000	\$ 6,520,000	\$ 6,520,000	\$ 7,220,000
Annual Operating	\$ 1,460,460	\$ 1,914,529	\$ 2,260,120	\$ 2,719,170
Annual Revenue (Current ACR)	\$ 1,200,000	\$ 2,191,350	\$ 2,634,450	\$ 3,466,500
Annual Net Profit	\$ (260,460)	\$ 276,821	\$ 374,330	\$ 747,330

- Facility is a 10 ton per hour (tph) facility in Scenarios 1-3 and 15 tph for Scenario 4
- Ann Arbor is a 25 tph facility
- Processes just under 20,000 tpy on one shift

Regional Processing Collaboration - TS

	Baseline	Scenario #1 & 2	Multifamily	Commercial
Tons	16,000	29,218	35,126	46,220
Capital	\$ 790,000	\$ 1,040,000	\$ 1,040,000	\$ 1,290,000
Annual Operating	\$ 221,124	\$ 307,040	\$ 344,794	\$ 425,401
Annual Haul	\$ 280,140	\$ 511,560	\$ 614,880	\$ 808,920
Annual Revenue (Current ACR)	\$ 48,000	\$ 87,654	\$ 105,378	\$ 138,660
Net Profit	\$ (453,264)	\$ (730,946)	\$ (854,296)	\$ (1,095,661)

- Material is loaded into 120-cy transfer trailers and hauled to Southeast MI
- No economies of scale

Regional Processing Collaboration

Baseline	Baseline	Scenario #1	Scenario #2
Recycling Tons	16,215	29,733	29,733
Total - Recycling	\$ 4,731,075	\$ 7,320,577	\$ 5,077,807
Total - Trash	\$ 30,568,463	\$ 25,986,232	\$ 19,257,924
Total	\$ 35,299,538	\$ 33,306,809	\$ 24,335,731
Processing with MRF	\$ 263,980	\$ 281,571	\$ 281,571
Total Cost	\$ 35,563,518	\$ 33,025,238	\$ 24,054,160
Processing with TS	\$ 459,371	\$ 743,919	\$ 743,919
Total Cost	\$ 35,758,909	\$ 34,050,728	\$ 25,079,650

Other Impacts

Job Creation:

- Estimated 65-80 construction jobs for building MRF. 18 full-time operations jobs.
- Estimated 50+ jobs created in plastics reprocessors, paper mills, and other recycling-based manufacturers.

Pollution Impact:

- 27,480 Metric Tons CO₂eq displaced.
- Equivalent to ~5,000 cars taken off the road.

Presentation Outline

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How could this be accomplished?

- Key Components

- Organize/coordinate public sector initiative
- Secure tonnage to achieve economies of scale
- Leverage other public sector assets
- Work with private sector
- Use power of contracting
- Focus on public/private partnership approach

How could this be accomplished? - P3 Procurement Approach

- Come to the procurement with site and tonnage
- Include financing arrangements from state
- Offer long term commitments
- Require vendor to bring financing, design, construction and operation
- Require vendor to bring their tons (merchant tons)
- Share risk on recycling markets
- Ask for transition of ownership to public over time
- Leverage procurement for other best practice requirements as well (carts, incentives, etc.)

How could this be accomplished? - Building Tonnage is Key to Scale

- To justify regional MRF, all single stream recyclables tonnage in the area must be directed there
- To reach sufficient tonnage, all communities need best practice collection programs w/universal access
 - Mandatory recycling rolling cart
 - Education and incentives
 - Standardized list of recyclables
- Costs for collection of recycling can be offset by savings from avoided landfill tip fees, fewer tons of waste needing collection and consolidated waste collection contracting
- Long term upside – carbon credits via climate action plans

How could this be accomplished?

- Organizing Public Sector Role

- Governance for Coordinated Effort - Options
 - Common Third Party “Convenor”, or
 - Intergovernmental Agreement, or
 - Recycling Authority
- Commitments of Tonnage by Local Unit
 - Commit to project, or to county, or to authority
- Tools for controlling tons and leveraging cost savings
 - Non-exclusive hauler licensing structure
 - Preferred contracted hauler (who bills residents)
 - Single hauler contract (who bills residents)
 - Municipal crews

How could this be accomplished?

- Finding a Third Party Convenor: Pros and Cons

A pro-active and agile third party convenor (for-profit or non-profit) can provide a common set of recycling services that each public entity contracts with – achieving the required economies of scale to provide best practice single stream recycling

Advantages	Disadvantages
<ul style="list-style-type: none">• Can take action independently to bring best practice single stream recycling services to the region• Can bring financing, facility design and operation, customer service and communication, market connection• Can make everyone “look good” with state of the art solutions• Informally organizes the public sector recycling efforts in the region	<ul style="list-style-type: none">• Very little public sector control of direction – can’t assume that their solution is best practice solution• Very little public sector “back stop” during tough financial times – needs other financial buffer (e.g. integrated hauler, integrated end-market, etc.)• Requires “public good” third party mind-set that doesn’t come easy in most cases – trust is fragile

How could this be accomplished?

- Intergovernmental Agreements: Pros and Cons

Intergovernmental agreements that share common terms can organize local units together either directly or through each county and between counties to achieve the required economies of scale to provide best practice single stream recycling

Advantages	Disadvantages
<ul style="list-style-type: none">• The simplest way to formally organize the public sector recycling efforts in the region• Each local unit takes one action – voting to approve the agreement – necessary to move forward• The intergovernmental agreement specifies the common elements of the best practice recycling system that will be implemented along with funding and governance mechanisms	<ul style="list-style-type: none">• Requires a designated implementation agent – typically a county public works agency• Getting all local units to agree to the same intergovernmental agreement structure is difficult/challenging• Changing the agreement later on is also difficult and challenging• Less flexible, less able to adapt to program needs as they develop• Doesn't tap into tools that authority structure provides (financing etc.)

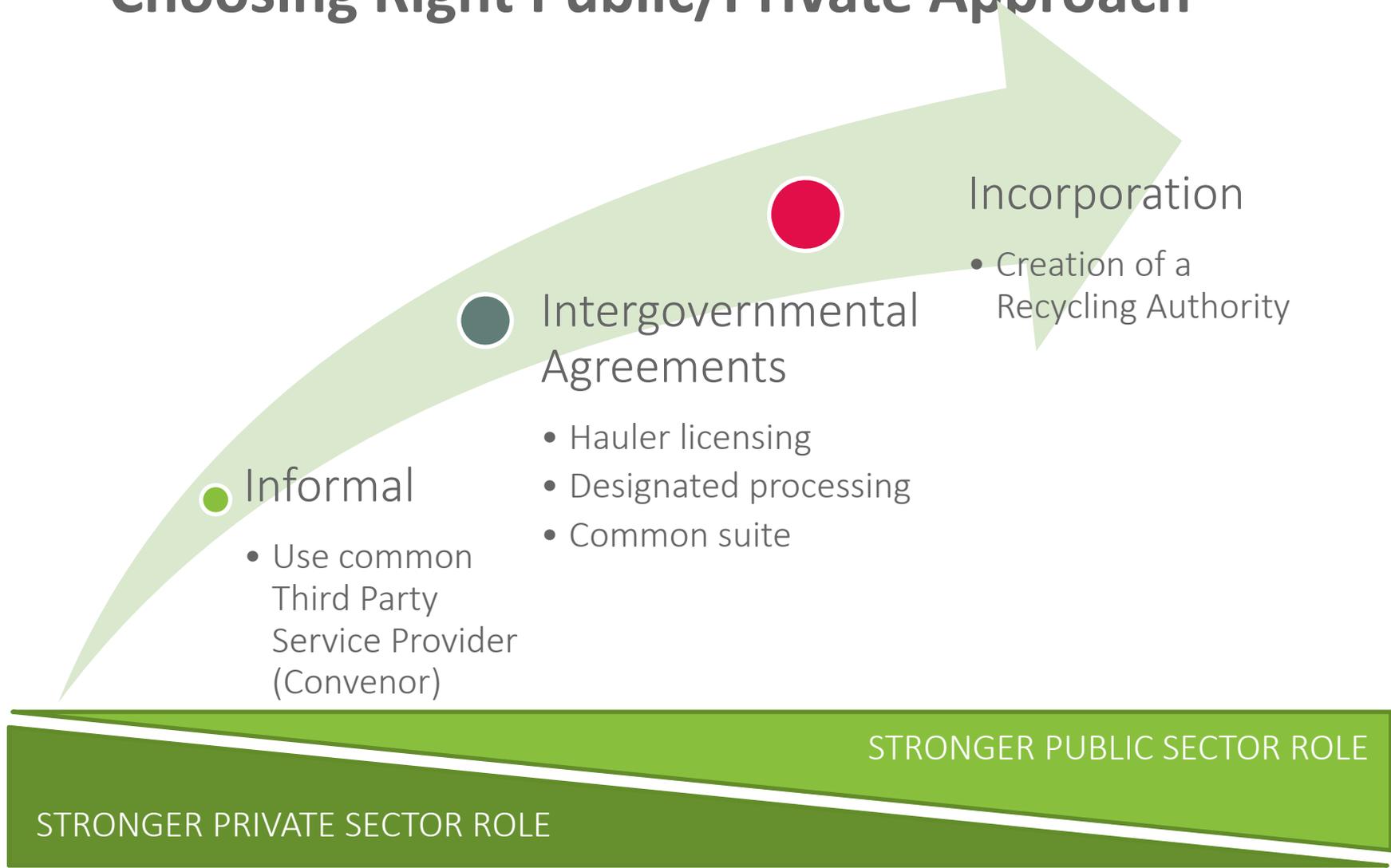
How could this be accomplished?

- Creating an Authority: Pros and Cons

An Authority can be an effective governance approach to establishing and funding projects that feature inter-local cooperation, economies of scale, and a combination of environmental responsibility and fiscal soundness.

Advantages	Disadvantages
<ul style="list-style-type: none">• Allocates power and responsibility to various participants;• Bylaws detail administrative procedures;• Long term stability;• Possibility of blending with any other organizational tool structures;• Mechanism for legal structure is flexible and streamlined.	<ul style="list-style-type: none">• Authorities tend to become more independent from local units;• Representation on authority board can be a significant issue in control and accountability;• The boards of many authorities are structured with staff or elected officials who may lack experience and expertise in recycling and waste management.

How could this be accomplished? - Choosing Right Public/Private Approach



How could this be accomplished? - Possible Next Steps

- Internal Vetting
 - Clarifying Questions
 - Convene Subgroup – Public Sector Leaders
 - Consider Next Steps in State Funding Process
 - Inventory Assets (e.g. sites, governance, etc.)
- External Vetting
 - Meet/Interview Private Service Providers
 - Inventory Private Sector Service Options

Presentation Outline

1. Project Overview
2. Expanding Curbside Access
3. Processing – MRF vs. TS
4. Collaboration Options
5. Discussion

Discussion

Contact Information

Nick Lange

RRS/Consultant

nlange@recycle.com

773.255.7909

Appendix

Regional Processing Collaboration - MRF

	Baseline	Scenario #1 & 2	Multifamily	Commercial
Tons	16,000	29,218	35,126	46,220
Capacity	38,600	38,600	38,600	57,900
Capital	\$ 6,520,000	\$ 6,520,000	\$ 6,520,000	\$ 7,220,000
Annual Operating	\$ 1,460,460	\$ 1,914,529	\$ 2,260,120	\$ 2,719,170
Annual Revenue (Current ACR)	\$ 1,200,000	\$ 2,191,350	\$ 2,634,450	\$ 3,466,500
Annual Net Profit	\$ (260,460)	\$ 276,821	\$ 374,330	\$ 747,330
Per Ton Operating	\$ 91	\$ 66	\$ 64	\$ 59
Per Ton Revenue	\$ 75	\$ 75	\$ 75	\$ 75
Per Ton Net Profit	\$ (16)	\$ 9	\$ 11	\$ 16
Simple Payback (Yrs)	-	24	17	9

More risk at current tonnage
 East Lansing currently pays \$44/ton for Granger

Regional Processing Collaboration - MRF

	Baseline	Scenario #1 & 2	Multifamily	Commercial
Tons	16,000	29,218	35,126	46,220
Capacity	38,600	38,600	38,600	57,900
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Per Ton Revenue	\$ 75	\$ 75	\$ 75	\$ 75
Per Ton Net Profit	\$ (16)	\$ 9	\$ 11	\$ 16
Simple Payback (Yrs)	-	24	17	9
Annual Revenue (5-yr avg)	\$ 1,648,000	\$ 3,009,454	\$ 3,617,978	\$ 4,760,660
Annual Net Profit	\$ 187,540	\$ 1,094,925	\$ 1,357,858	\$ 2,041,490
Per Ton Revenue (5-yr avg)	\$ 103	\$ 103	\$ 103	\$ 103
Per Ton Net Profit	\$ 12	\$ 37	\$ 39	\$ 44
Simple Payback (Yrs)	35	6	5	4

Regional Processing Collaboration - TS

	Baseline	Scenario #1 & 2	Multifamily	Commercial
Tons	16,000	29,218	35,126	46,220
Capital	\$ 790,000	\$ 1,040,000	\$ 1,040,000	\$ 1,290,000
Annual Operating	\$ 221,124	\$ 307,040	\$ 344,794	\$ 425,401
Annual Haul	\$ 280,140	\$ 511,560	\$ 614,880	\$ 808,920
Annual Revenue (Current ACR)	\$ 48,000	\$ 87,654	\$ 105,378	\$ 138,660
Net Profit	\$ (453,264)	\$ (730,946)	\$ (854,296)	\$ (1,095,661)
Per Ton Operating	\$ 13.82	\$ 10.51	\$ 9.82	\$ 9.20
Per Ton Haul	\$ 17.51	\$ 17.51	\$ 17.50	\$ 17.50
Per Ton Revenue (Current ACR)	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Per Ton Profit	\$ (28.33)	\$ (25.02)	\$ (24.32)	\$ (23.71)

- Revenue is shared with processing facility and processing fee is paid first
- $(\$70 - \$65) * 60\% = \$3/\text{ton}$

Regional Processing Collaboration - TS

	Baseline	Scenario #1 & 2	Multifamily	Commercial
Tons	16,000	29,218	35,126	46,220
Capital	\$ 790,000	\$ 1,040,000	\$ 1,040,000	\$ 1,290,000
Annual Operating	\$ 221,124	\$ 307,040	\$ 344,794	\$ 425,401
Annual Haul	\$ 280,140	\$ 511,560	\$ 614,880	\$ 808,920
Annual Revenue (Current ACR)	\$ 48,000	\$ 87,654	\$ 105,378	\$ 138,660
Net Profit	\$ (453,264)	\$ (730,946)	\$ (854,296)	\$ (1,095,661)
Per Ton Operating	\$ 13.82	\$ 10.51	\$ 9.82	\$ 9.20
Per Ton Haul	\$ 17.51	\$ 17.51	\$ 17.50	\$ 17.50
Per Ton Revenue (Current ACR)	\$ 0.06	\$ 0.08	\$ 0.10	\$ 0.11
Per Ton Profit	\$ (28.33)	\$ (25.02)	\$ (24.32)	\$ (23.71)
Annual Revenue (5-yr avg)	\$ 364,800	\$ 666,170	\$ 800,873	\$ 1,053,816
Annual Net Profit	\$ (136,464)	\$ (152,430)	\$ (158,802)	\$ (180,505)
Per Ton Revenue (5-yr avg)	\$ 22.80	\$ 22.80	\$ 22.80	\$ 22.80
Per Ton Net Profit	\$ (8.53)	\$ (5.22)	\$ (4.52)	\$ (3.91)



**Resource
Recycling
Systems**

City of Lansing Waste Reduction Services Program Audit and Review

March 31, 2008

**Consulting Team:
C2AE**

**Resource Recycling Systems, Inc
The Rossman Group**

www.recycle.com

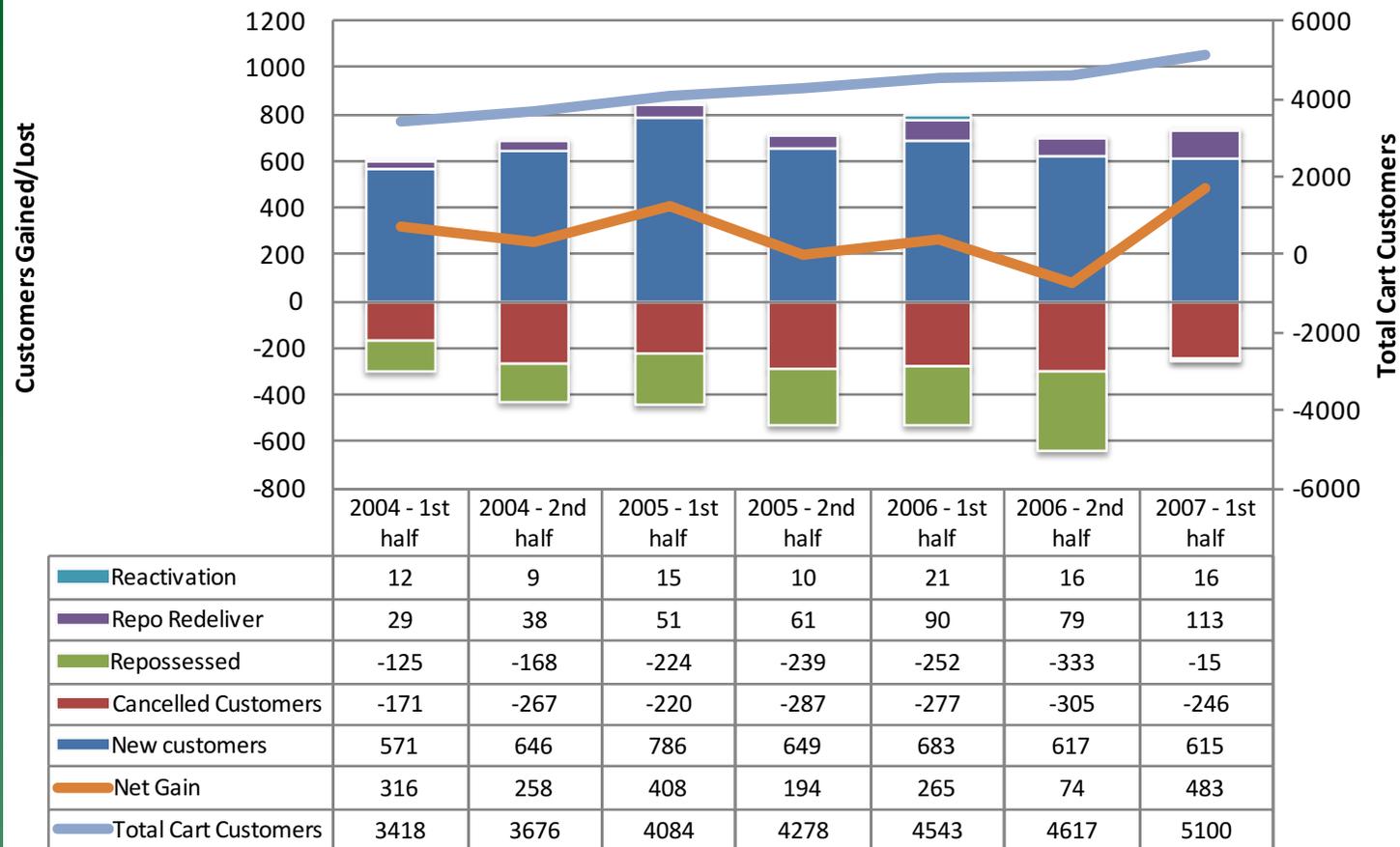


Why We are Here

- Prepare for Business Decisions on Recycling/Solid Waste
- Improve Service and Lower Costs
- Improve Recycling
 - Single Stream Recycling
 - Expand to Commercial/Multi-Family
 - Potential for Bi-Weekly
- Lower Costs
 - Looking at City-Wide Collection by 1 Provider
 - City or private)

Customer Trends

6-Month New Customer Totals & Total Carts





Marketing Review

- Short Term Initiatives
 - Survey of Residents through Green Sheet
 - Results Available 60 Days after Mailing
 - Target New Residents
 - Partnership with BWL
 - Neighborhood Groups & Block Captains
 - Incentives & Promotions
 - Possible Link with BWL Customer Service



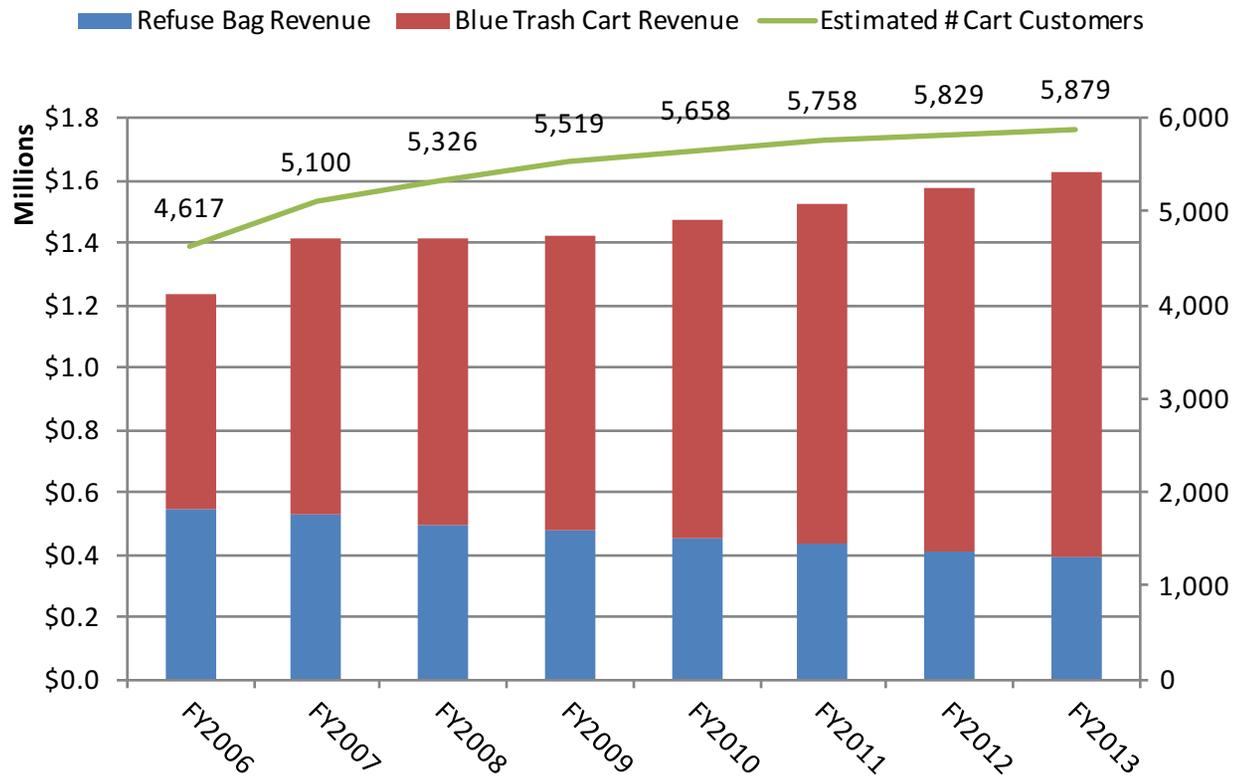
Marketing Review

- Long Term Initiatives
 - Branding
 - Create uniform and recognized look to WRS components (carts, trucks, logo)
 - Updated look to WRS materials
 - Targeted Direct mail campaigns
 - On-site Promotions with Bag Retailers
 - If any changes are made as a result of audit, a corresponding education and outreach campaign must be launched as well.

Baseline Refuse Forecast



Baseline Revenue Predictions and Estimated Cart Customers



Baseline Refuse Forecast



Average Quarterly Cost for Curbcart For Refuse Program to Break-even

■ Average Cost Quarterly Cost





Options for Solid Waste Collection

- Privatize Entire City
- Municipal takes Over Full City w/
 - Status Quo Collection (Bags & Carts)
 - Fully Automated Collection
- Split City into 2 Zones
 - Half Municipal/Half Private Contractor
 - Costs Listed are Total Costs for City and Contractor
- Municipal Crews Currently Serves Estimated 28% of City

Evaluation of Solid Waste Collection Options



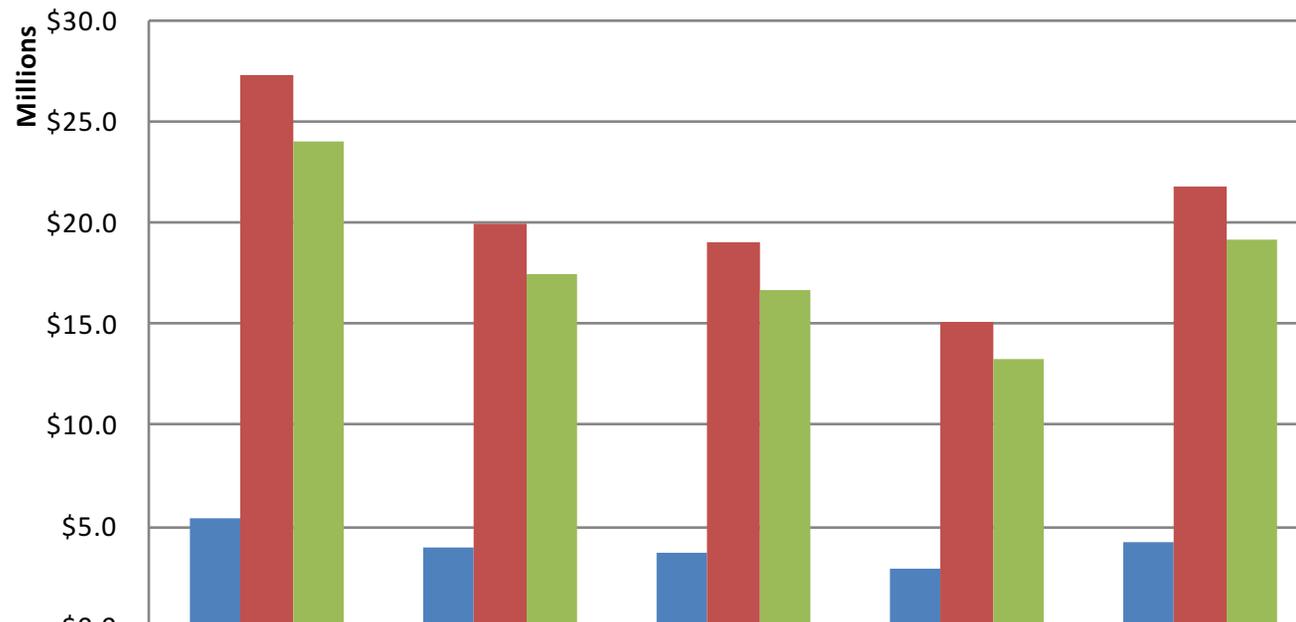
Resource
Recycling
Systems

- Current Program is Inefficient
 - Average of 330 stops/route
 - 25 Routes (for 28% of City)
- If Current Program was Mandated for Entire City (Public or Private)
 - Average of over 600 stops/route
 - 60 Routes
- If Fully Automated Collection was Implemented over Entire City
 - Average of over 900 stops/route
 - 40 Routes
 - Significantly reduce injuries & workman's comp

Cost Comparison for Solid Waste Collection Options



Options for Refuse Program

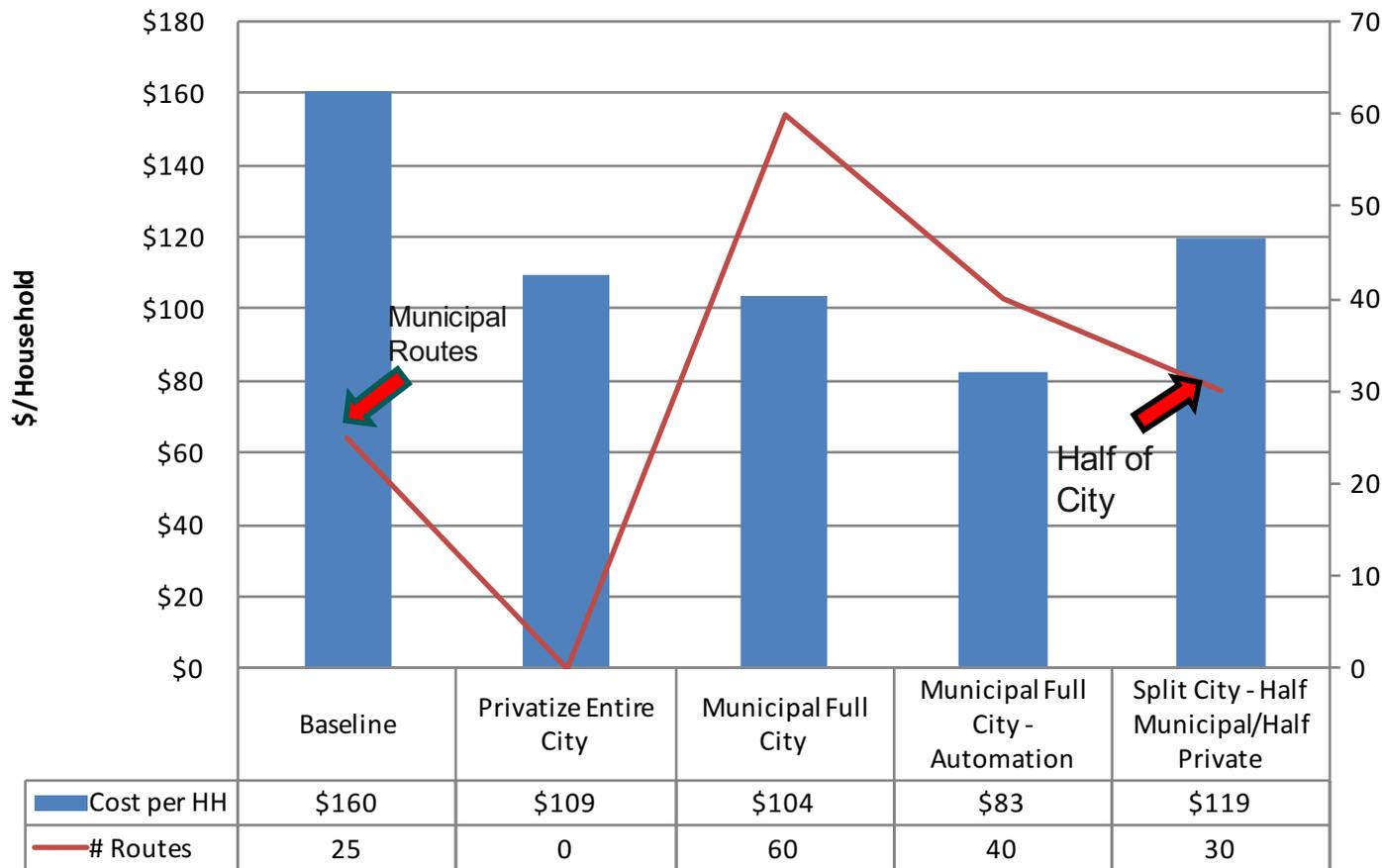


	Baseline	Privatize Entire City	Municipal Full City	Municipal Full City - Automation	Split City - Half Municipal/Half Private
FY2010	\$5,340,784	\$3,915,509	\$3,661,441	\$2,919,886	\$4,243,039
5 Yr Nominal	\$27,363,841	\$19,976,926	\$19,000,746	\$15,123,753	\$21,819,694
5 Yr NPV	\$23,974,976	\$17,509,111	\$16,630,120	\$13,238,911	\$19,111,689

Cost Comparison for Solid Waste Collection Options



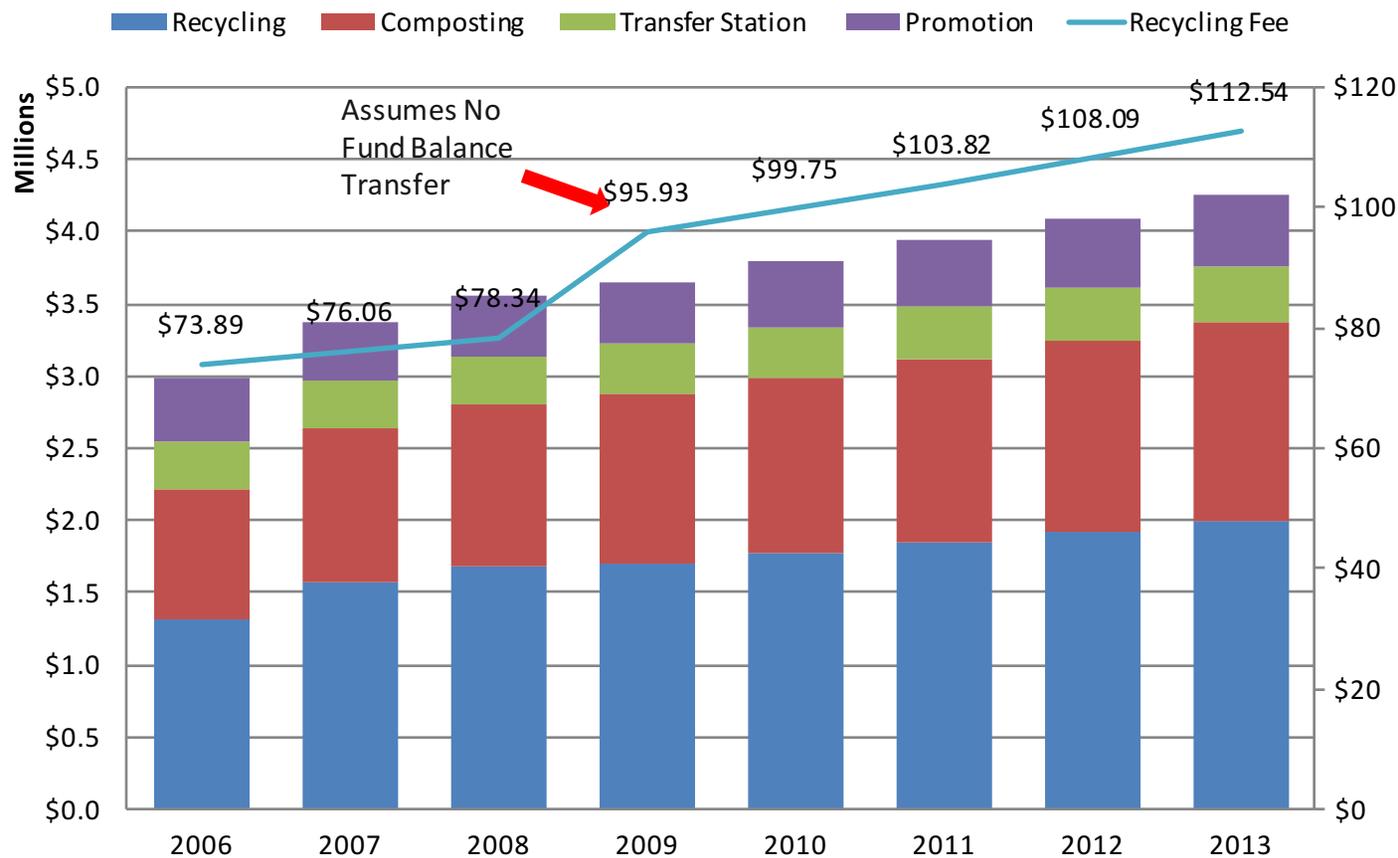
Cost per Household Served and Number of Routes



Baseline Recycling Forecast



Baseline Recycling Expenses





Options for Recycling

- Single Stream
 - Short-Term and Long-Term Solution
 - Transfer to Regional Processing Facility
 - Commercial & Multi-family Recycling
 - Dumpster & Curbside routes
 - Curbside makes Recycling Easy
 - Automate Recycling Pickup
 - Pilot FY2009 – Full Implementation FY2010
 - City Mandates Trash and Recycling to be on Same Day

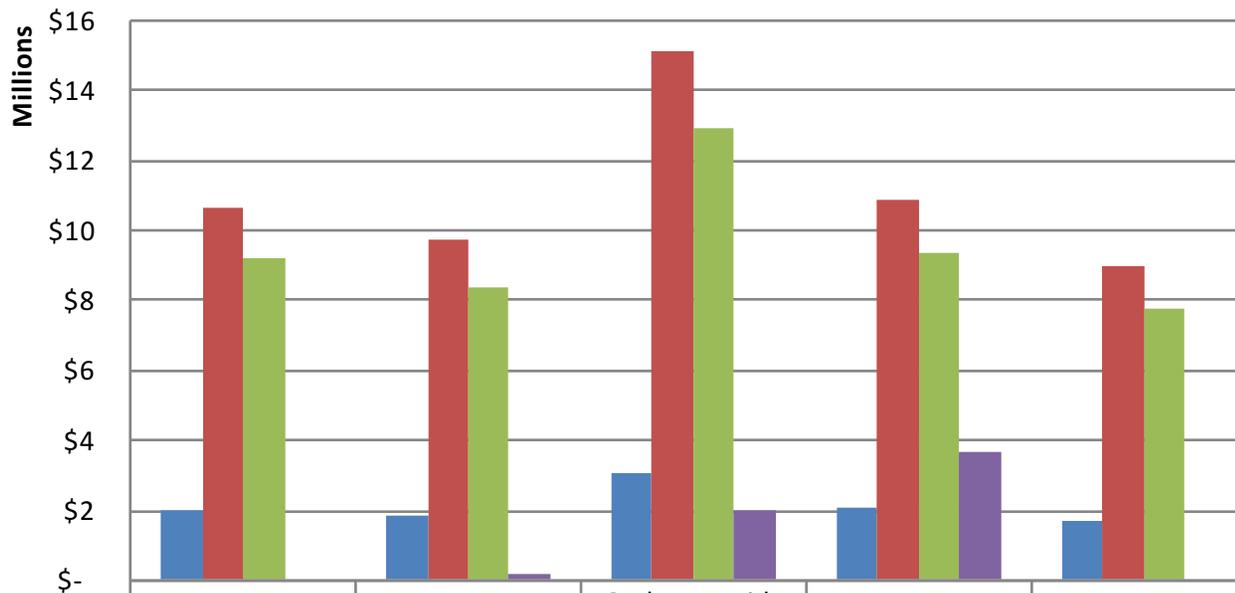


Options for Recycling

- Dual Stream - Why Not?
 - City Recycling Fleet is Nearing Replacement Time
 - Requires investment in New Truck Fleet
 - Truck Fleet will then Last 7 to 9 Years
 - Region will Shift to Single Stream Sooner Than That
 - Dual Stream Benefits (Higher Revenue) are Short Term

Options for Recycling

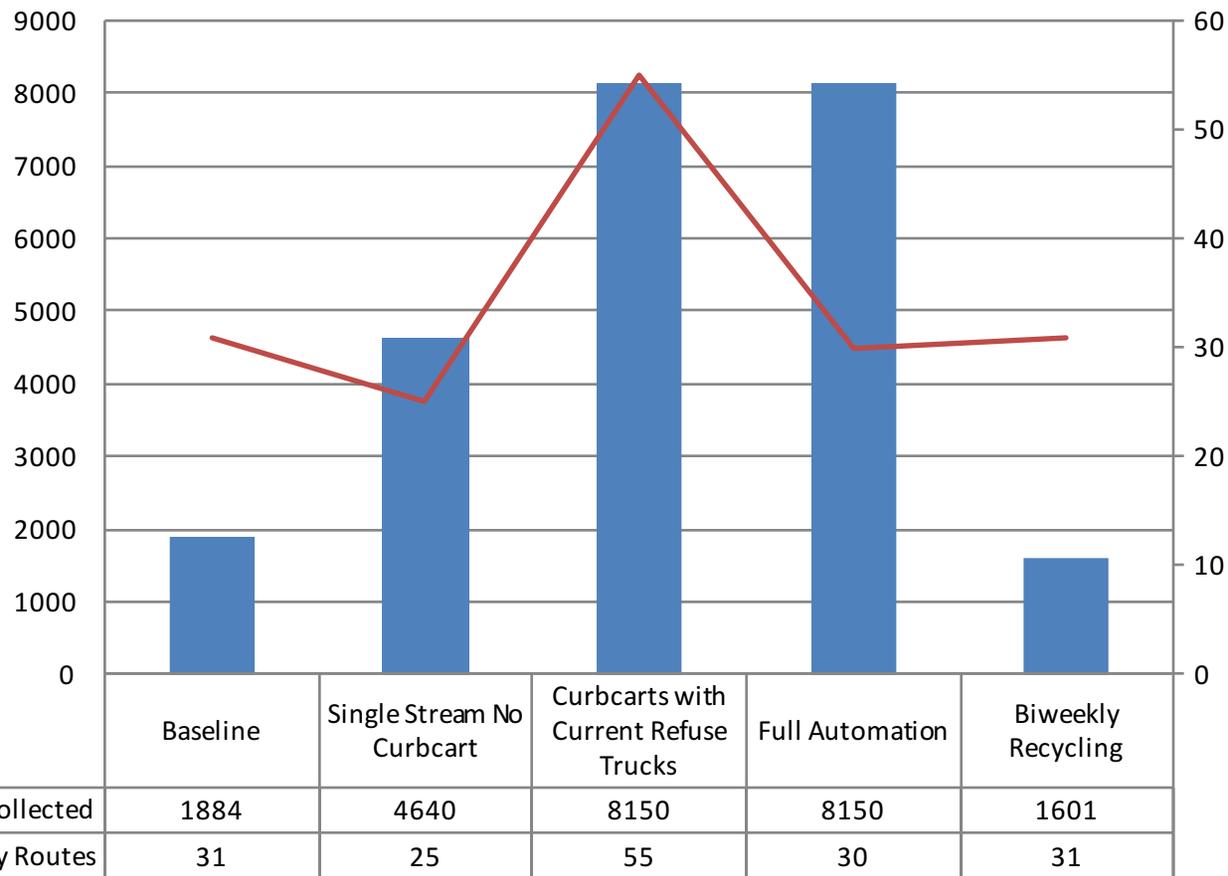
Recycling Collection Options



	Baseline	Single Stream No Curbside	Curbside with Current Refuse Trucks	Full Automation	Biweekly Recycling
■ FY2010	\$2,036,129	\$1,847,419	\$3,039,825	\$2,057,812	\$1,719,934
■ 5 Yr Nominal	\$10,644,618	\$9,710,412	\$15,121,434	\$10,863,626	\$8,992,587
■ 5 Yr NPV	\$9,178,819	\$8,370,169	\$12,951,431	\$9,368,223	\$7,754,165
■ Capital Required	\$0	\$200,000	\$2,027,500	\$3,637,500	\$0

Options for Recycling

Annual Tonnage Collected and Weekly Routes





Refuse & Recycling Packages

- Option 1: Improvements on Status Quo
 - Refuse Collection
 - Marketing campaign to add curbside customers (target 5-6% increase each year)
 - Moderates Fee Increases
 - Auto-bill for Bulkies
 - Recycling Collection to Single Stream
 - No curbside provided
 - Ordinance for same-day trash & recycling
 - Route Reduction
 - Recycle More
 - Allows Business/Multi-family expansion

Refuse & Recycling Packages

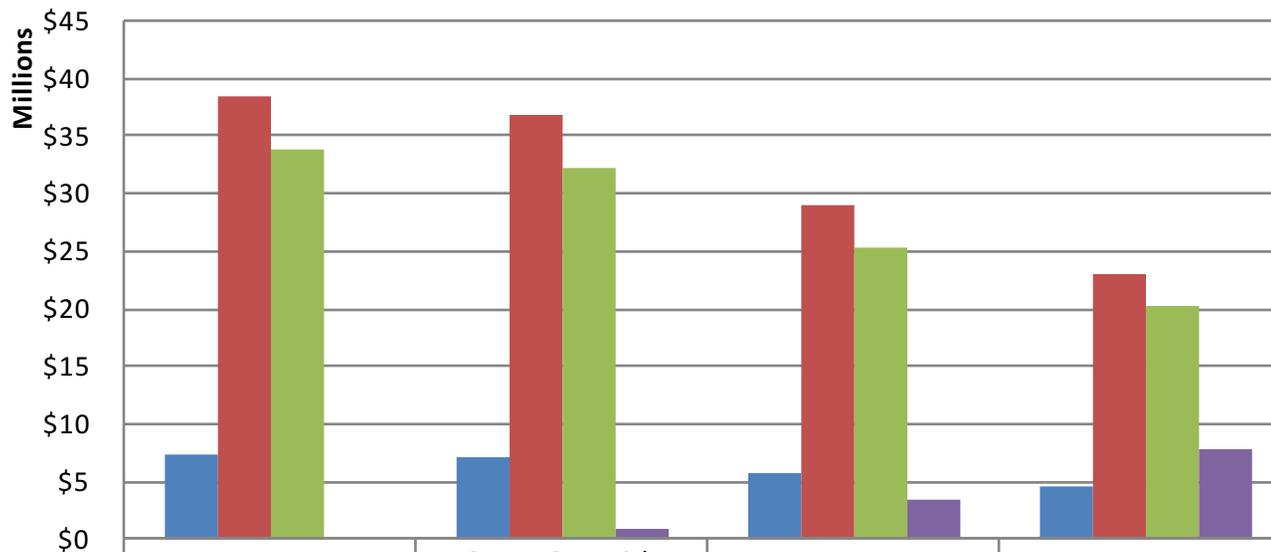


- Option 2: Privatize
 - Privatize Refuse Collection
 - Fully Automate Single Stream Recycling Collection
- Option 3: Municipal
 - Fully Automate Municipal Collection for Entire City
 - Fully Automate Single Stream Recycling Collection

Refuse & Recycling Packages



Refuse & Recycling Packages

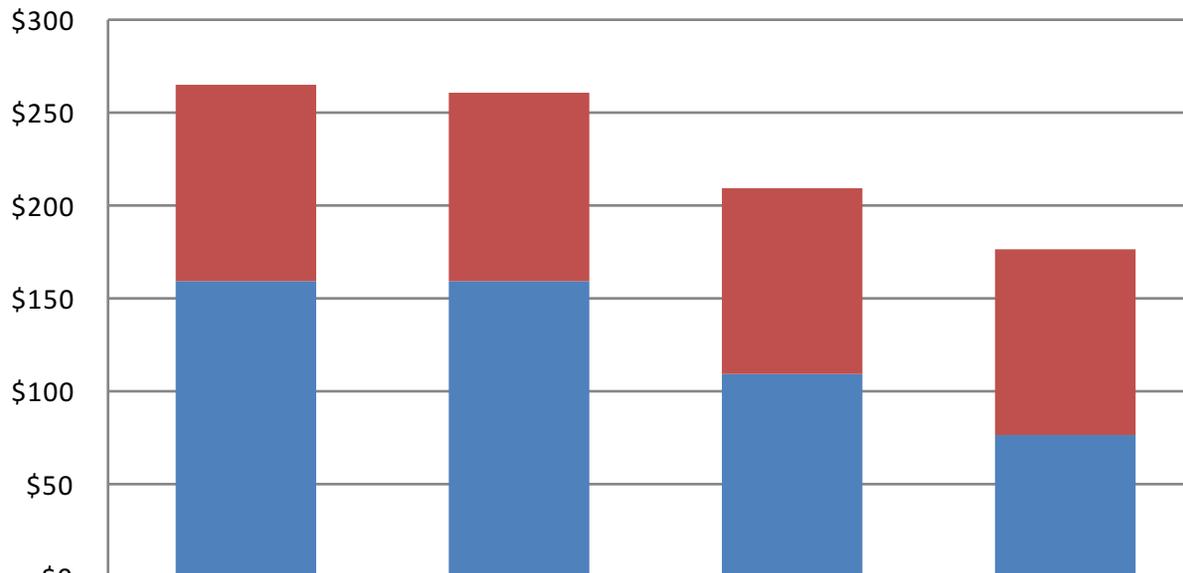


	Baseline	Status Quo with Marketing Campaign & Commercial Recycling	Privatize Trash & Automated Recycling	Fully Automated Trash & Recycling
■ FY2010	\$7,466,269	\$7,078,960	\$5,684,109	\$4,591,959
■ 5 Yr Nominal	\$38,537,328	\$36,838,163	\$28,891,361	\$23,031,232
■ 5 Yr NPV	\$33,736,942	\$32,258,905	\$25,361,504	\$20,246,875
■ Capital	\$0	\$840,000	\$3,437,500	\$7,717,750

Refuse & Recycling Packages



Average Cost per Household for Refuse & Recycling Packages



	Baseline	Status Quo with Marketing Campaign & Commercial Recycling	Privatize Trash & Automated Recycling	Fully Automated Trash & Recycling
Recycling Fee	\$105	\$101	\$100	\$100
Refuse Cost per HH	\$160	\$160	\$109	\$77



Customer Cost

- City Cart customers: \$152 - \$196
- Granger even higher
- Bag customers: \$91 - \$182
- Recycling fee: \$79
- Total household cost: \$170 - \$275 annually
- Fully automated recycling & refuse: \$177 per household

Program Improvement Goals



- General info – improve efficiency and cost effective etc.
- Lower costs to all customers
- Pick up more materials – both types and quantities
- Service apartment and commercial customers

Request for Expression of Interest



Resource
Recycling
Systems

- Single Stream recycling will reduce collection costs
- Need vendor to process material
- RFEI determines what vendors would be willing to provide Lansing
- First of several steps required to start a single stream processing program

Recommendations – Short Term



Resource
Recycling
Systems

- Begin the RFEI process at the earliest possible date
- Pilot alternate week composting during the summer months
- Begin pilot program for single stream recycling by January 1, 2009
- Expand Recycling to Commercial, Multifamily, Schools, etc
- Implement new marketing campaign for WRS
- Begin BWL new customer sign up partnership
- Require same day service for trash / recycling

Recommendations – Long Term



- Implement new branding for integrated service
- Determine direction for refuse program
 - Citywide collection (or 1/2 public & 1/2 private)
 - Switch bag program to tags & reroute program to improve collection efficiencies
- Explore full automation for both services
- Potentially expand services to regional customers

Standard Operating Procedure

Contaminated Recycling Carts Repossession

The objective of this Standard Operating Procedure (SOP) is to 1) outline the procedure for notifying customers when contamination occurs and 2) outline conditions under which a recycling cart for the City of Lansing may be removed from a residential property and under which it may be returned to the residence.

- The driver is to tag carts containing over six (6) percent contamination indicating how/why the cart is contaminated. The informational tag is left on the cart for the resident.
 - The driver does **NOT** empty the contaminated cart
 - The driver records the address on Driver's Sheet (this is done only when there is a significant violation) Driver should use their own discretion (see note below)
- The driver's sheet is given to – Senior office administrator
- The information will be entered into the BS&A UB program for tracking purposes and into a spreadsheet used to further track action taken Spreadsheet can be found here:
S:\Public_Service_O&M_Staff\Capital Area Recycling and Trash/driver sheet tracking Clerical staff will notate file in BS&A UB accordingly.
- A letter , found here: S:\Public_Service_O&M_Staff\Capital Area Recycling and Trash/contaminatedcartletter.FIRSTWARNING will be mailed to both resident and property owner. This will inform the violator that if contamination continues to be placed in the recycle cart, the cart will be removed and their service will be stopped. A copy of the recycling guidelines sheet will also be mailed. Clerical staff will notate file in BS&A UB accordingly.
- Repeat violations will be recorded on driver's sheet. On third severe violation, the cart will be placed on repo list. Clerical staff must be tracking to identify 3rd violation and place on collection/repo list. Clerical staff will notate and flag file in BS&A.
- The Operations Supervisor is to take photos or authorize the driver to take photos of cart contamination before cart is repo'd.

Last revised: July 27, 2016

- If the resident calls CART requesting their cart be returned they must speak with the Environmental Specialist (Lori??) and be informed of the proper recycling guidelines, how to get the cart back and to keep service from being interrupted. The Cart will then be returned. If problem persists, the driver writes it on driver sheet. Clerical staff must track so they know to put this back on repo list and make proper notes on account/address record. Clerical staff will notate file accordingly.
- Cart will remain in the possession of O&M until the resident/owner agrees to stop putting contaminants in the recycling cart or until a new resident moves into the residence. If the person requesting the cart be returned is the offending resident they must sign a “last chance agreement” before the cart is returned.

**Driver discretion should be used to determine if violations are flagrant intentional and obvious, as opposed to the customer needing simple educational information to correct the contamination. Consistent and continuous flagrant violations will provoke removal of the cart from the residence. Every effort should be made to educate the resident. Carts should not be prematurely removed from property when resident is trying to recycle correctly and may periodically place a contaminant in cart. Cart removal is intended to change the behavior of residents who continually use the recycling cart for trash and hazardous materials disposal and/or do not clean up contamination after notifications are left.*

Boak, Sherrie

From: Welch, Lori
Sent: Thursday, July 28, 2016 9:07 AM
To: Boak, Sherrie
Cc: Judi Brown Clarke. Ph.D (jbc@egr.msu.edu); Gamble, Chad; Hannan, Randy; Rose, Victor; Sleep, Mike
Subject: RE: Ways and Means Follow Up Items
Attachments: Community Presentation.pptx; COL Mayor Presentation 030708.pdf; contaminatedrecyclecartsV4.doc

Hi Sherrie,

Here is the follow up information:

-I've attached the presentation/feasibility study from 2015, this was prepared by consultant, RRS.

-Also attached is the RRS report that we had them do specifically for the growth of our curbside services, back in 2008. I'm not certain that its the one that was requested, but that is what we have on file.

Staff is requesting that the following issue be updated/reflected in the minutes if possible:

-Tonia Olson (Granger) mentioned that 3 communities have opposed the regional recycling resolution: Delta Township, Delhi Township and Clinton County. I have confirmed that Delta township passed the resolution through committee and its headed to their full board. Delhi has not yet presented it to their trustees. The only community that has considered the resolution and decided to decline is Clinton County.

Regarding the recycling contamination issue. I have attached the current SOP for handling this. We don't have a report that quantifies the contamination issue. While contamination occurs in the recycling stream, CART actively works to minimize it. CART drivers use tags that are placed on carts when contaminants are found. After a letter and information guidelines are mailed to both resident and owner and the problem persists, carts may be removed from property. We monitor loads in the transfer station very carefully and have never had a load rejected from our processor. The processor, does however, by contract, have the right to charge us an "unacceptable Material" fee of a min. \$200 for contamination in excess of 6%. We have been on the cusp of this level before.

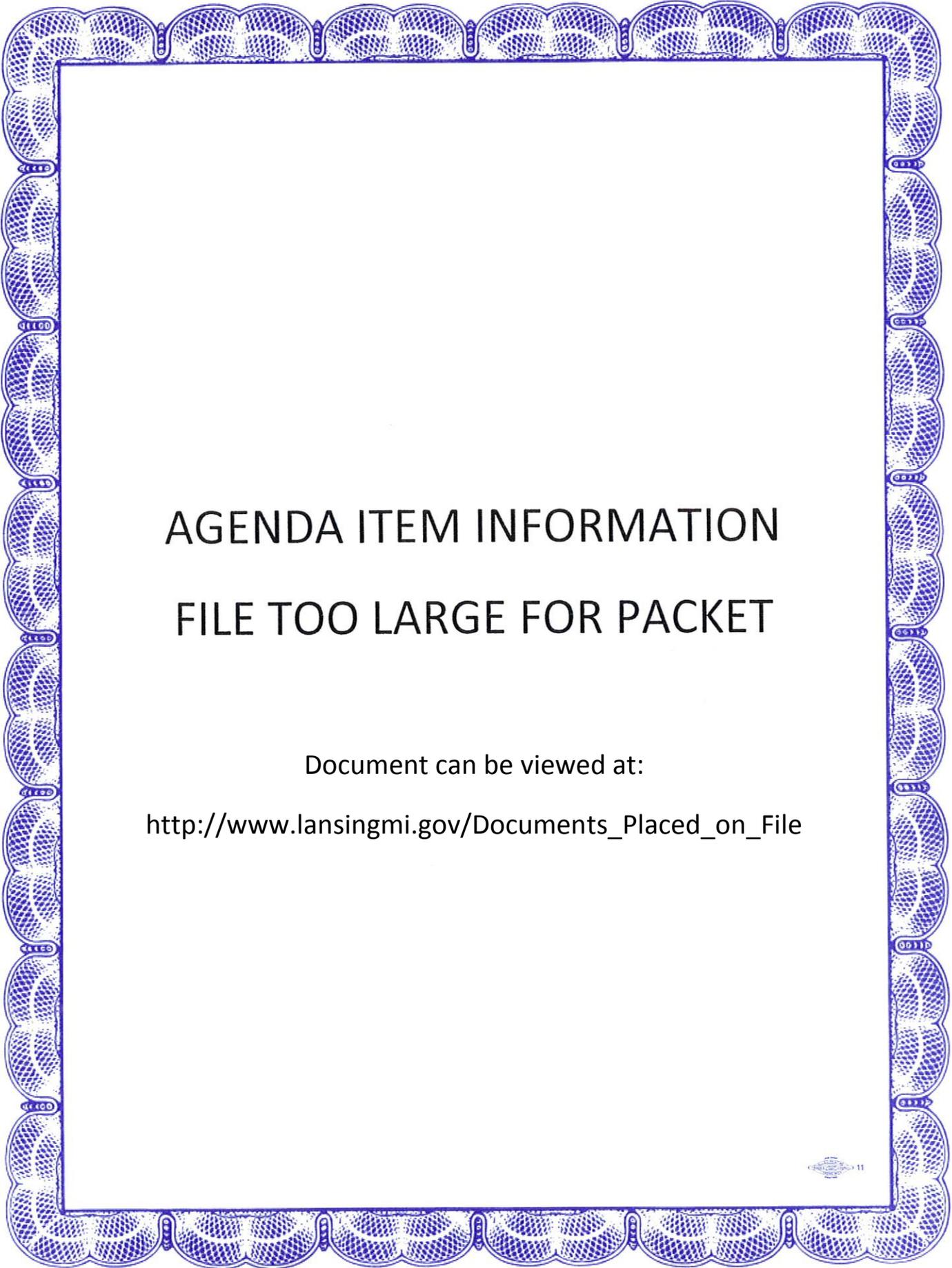
Finally, regarding the Multi-Family recycling program. The commercial recycling service is thriving with well over 100 customers. Multi-family properties are currently best served using CART's commercial recycling program. Carts are provided to properties where our vehicles can access, this can limit service to certain properties. We currently have one large townhome community using a 30 yard roll off. We are limited to the expansion of this type of service with the compliment of staff and vehicles currently being used to support this service of the city. CART continues to find ways to best service the commercial and multi-family properties in the City.

The need for a larger facility is demonstrated by the growth in the volume of materials we take in at the transfer station. This fits in with the goal of the tri county area, to bring a regional recycling solution to the area.

Thank you, please let me know if you have any questions.



Lori Welch



AGENDA ITEM INFORMATION
FILE TOO LARGE FOR PACKET

Document can be viewed at:

http://www.lansingmi.gov/Documents_Placed_on_File

Questions: Committee on Ways and Means
June 1, 2016

Lansing Housing Commission Financial Statements

- The letter dated March 6, 2016, under *Corrective Actions*, states that LHC has hired an in-house accountant and contracted with an external accountant to reconcile the financial activities.
 - Who is the in-house accountant? Is this a FTE or temporary position?
 - What was the selection process for contracting with the external accountant? And, who was selected and what are the terms of the contract (e.g., duration, cost, deliverables, performance evaluation)?
 - Are both positions still filled by the above-stated accountants? If not, please explain.
- Council's Internal Auditor, Mr. DeLine was asked to review the LHC 2013 Independent Auditor's Report to see if there is a pattern to the issues and findings that were recently reported in the 2014 and 2015 Audit Report.
- In accordance with Chapter 260, Section 260.05, the City Attorney's Office was asked to research and provide a list of any contracts signed by LHC, along with summary information.
- In compliance with Chapter 260, Section 260.03, *The Housing Commission* shall make an annual written report of its activities to Council and shall promptly make such other reports as the Mayor or Council may from time to time require. Such annual report shall cover the period from July 1 through June 30, shall be filed with the City Clerk on or before September 30 of each year.
 - City Clerk's office researched back to 2006 and there is no LHC Annual Report on file in their office.
- In compliance with Chapter 260, Section 260.07 (b), the LHC shall maintain adequate insurance, as determined by the City, on its buildings and property and shall maintain adequate liability insurance, as determined by the City. The City shall be named on the Commission's insurance policies as an additional insured, and the Commission shall furnish the insurance policies to the City Clerk's Office.
 - City Clerk's office researched and they do not have any insurance policy in their files for LHC.
- According to Chapter 260, Section 260.07 (d), Council shall be responsible for the selection of the independent certified public accountant.
 - Did this happen?
 - If so, when was the last time a RFP process occurred; if not, what was the exception and who approved it?
 - What is the evaluation process for performance?



L A N S I N G
CITY COUNCIL

July 28, 2016

Ms. Patricia Baines-Lake
Lansing Housing Commission, Executive Director
419 Cherry Street
Lansing, MI 48933

RE: City Council Committee on Ways and Means Invite

Ms. Baines-Lake;

At a Council Meeting on April 25, 2016 the Lansing Housing Commission Auditors Reports and Schedule of Expenditures for 2014 and 2015 were referred by the Mayor.

At that point our office placed a communication to you to attend a future Committee on Ways and Means meeting to offer a brief presentation and answer any questions. We have not been able to secure a date, and we have been informed the City Attorney office was also working on our behalf to coordinate a Committee meeting you could attend.

We are contacting you via this letter to see if you would be able to attend a future meeting of the Committee on Ways and Means. There are two meetings in August; August 3, 2016 and August 17th, 2016. These meetings are held at City Hall 10th Floor at 8:15 a.m. If you could take a moment to check your calendar and see if either of these dates are available we would appreciate it if you can attend.

Please contact me at sherrie.boak@lansingmi.gov with a date you are able to attend. I look forward to hearing from you and updating the Committee.

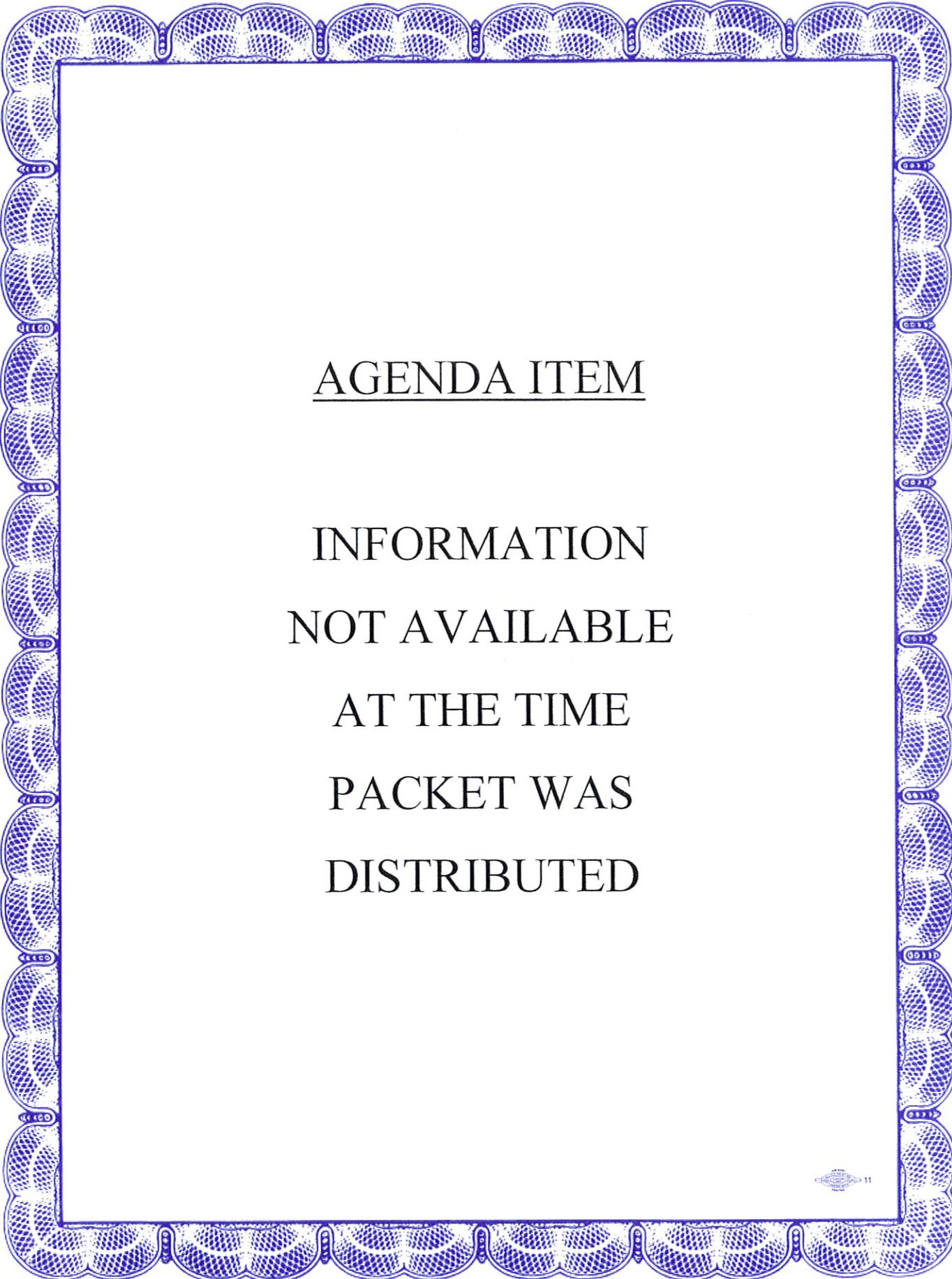
Sincerely,

A handwritten signature in cursive script that reads "Sherrie Boak".

Sherrie Boak
City Council Office Manager

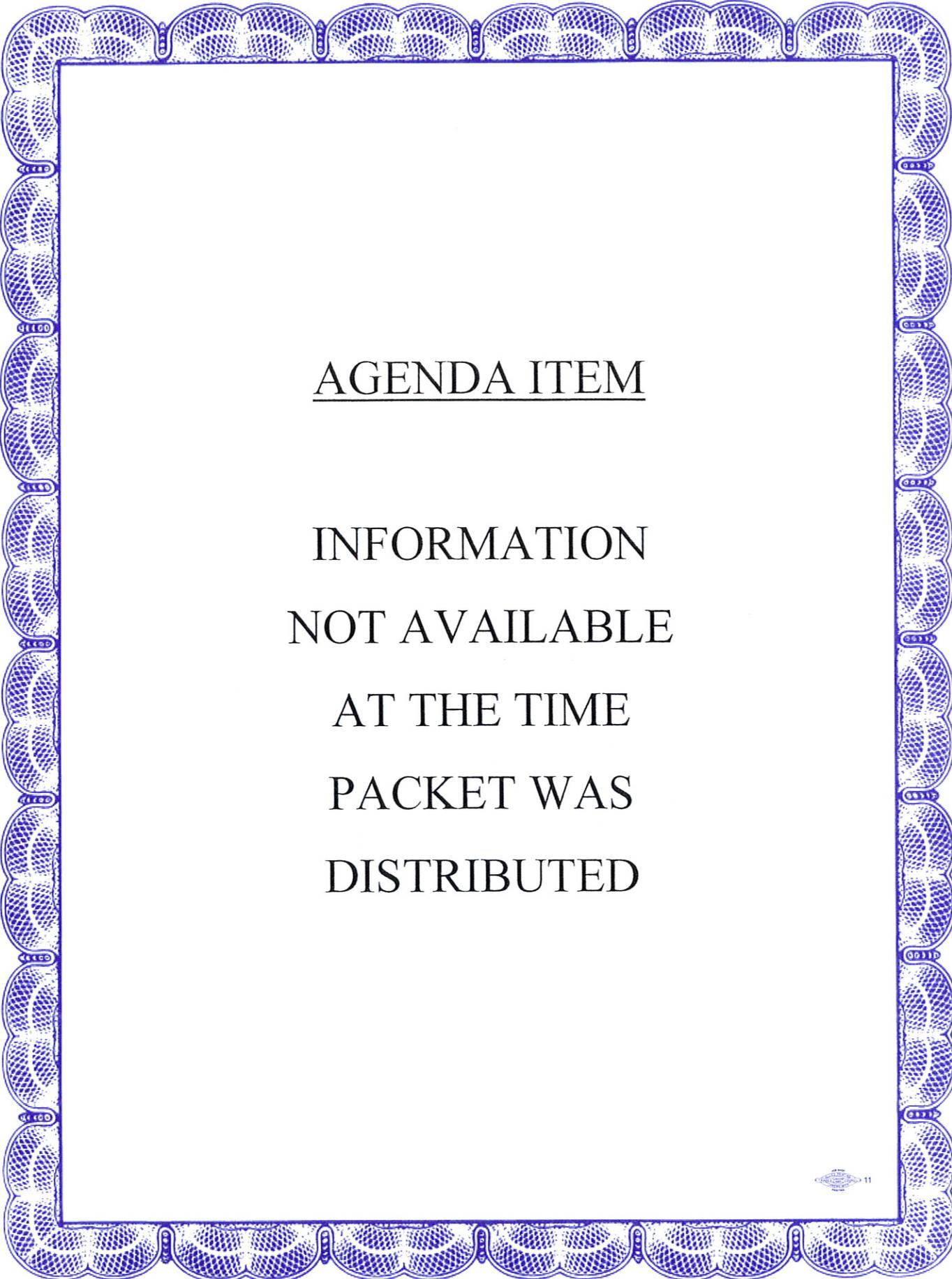
cc: Council President, Judi Brown Clarke
Jim Smiertka, City Attorney

Tenth Floor City Hall
124 W. Michigan Ave.
Lansing, MI 48933
517-483-4177
Fax: 517-483-7630



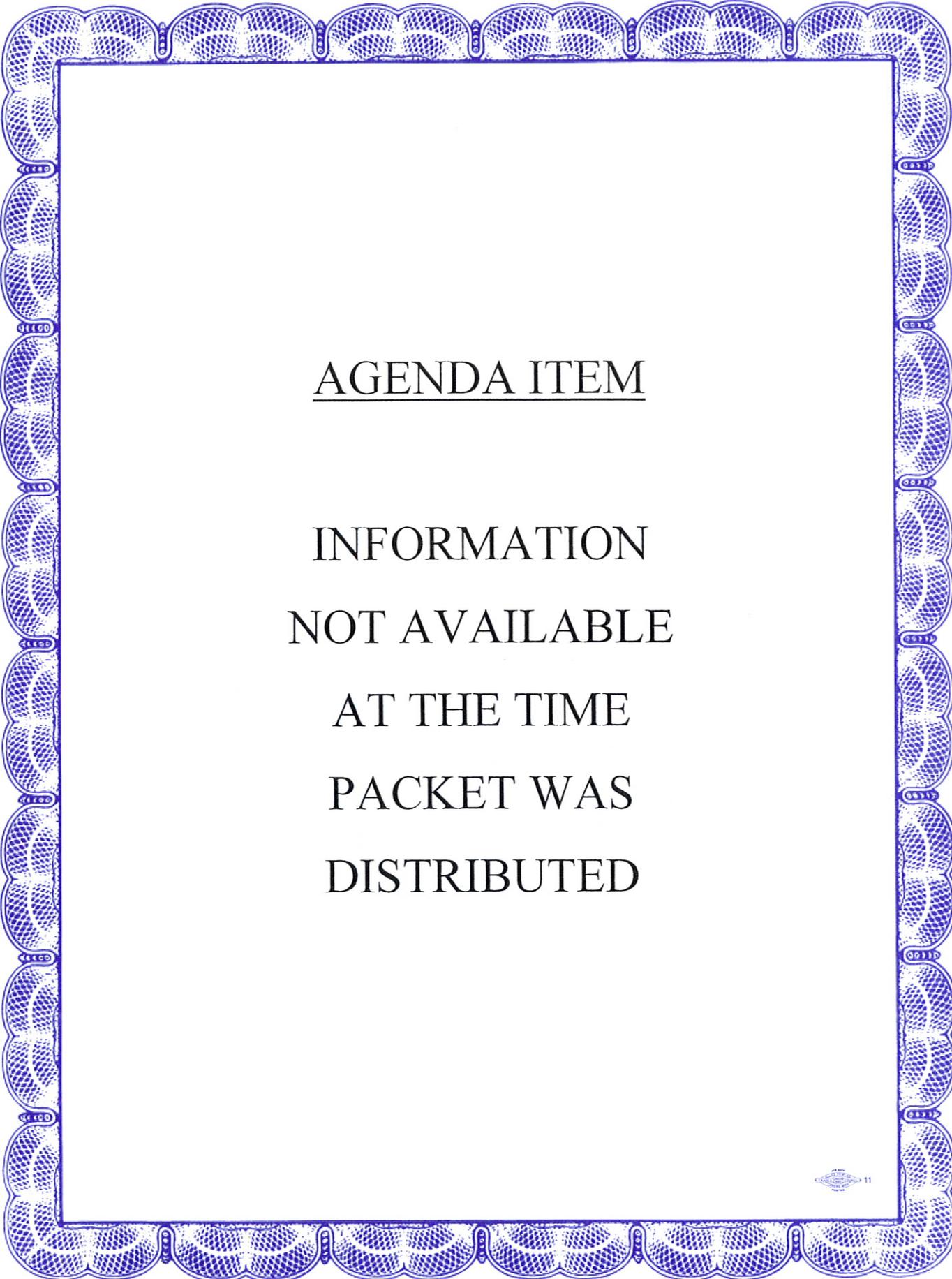
AGENDA ITEM

INFORMATION
NOT AVAILABLE
AT THE TIME
PACKET WAS
DISTRIBUTED



AGENDA ITEM

INFORMATION
NOT AVAILABLE
AT THE TIME
PACKET WAS
DISTRIBUTED



AGENDA ITEM

INFORMATION
NOT AVAILABLE
AT THE TIME
PACKET WAS
DISTRIBUTED