



MINUTES
Committee of the Whole
Monday, February 4, 2019 @ 5:30 p.m.
City Council Chambers

CALL TO ORDER

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

PRESENT

Councilmember Kathie Dunbar
Councilmember Jeremy A. Garza
Councilmember Adam Hussain
Council Member Brian T. Jackson
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Jody Washington- arrived at 5:33 p.m.
Councilmember Carol Wood

OTHERS PRESENT

Sherrie Boak, Council Staff
Samantha Harkins, Mayor Executive Assistant
Jim Smiertka, City Attorney
Lisa Hagen, Assistant City Attorney
Greg Venker, Assistant City Attorney
Eric Brewer, Council Internal Auditor
Angela Bennett, Finance Director
Paul R. Matz, CPA, CGFM, Assurance Principal, Rehmann Robson
Michael Tobin, Emergency Management/Interim LFD Chief
Marshaun Blake, Fire Marshall
Jeff McAlvey
Loretta Stanaway
Harold Leeman, Jr.
Mary Reynolds
Kathy Miles
Alex Malvetis, Department on Public Service

Approval of Minutes

MOTION BY COUNCILMEMBER SPADAFORE TO APPROVE THE MINUTES OF JANUARY 14, 2019 AS PRESENTED. MOTION CARRIED 7-0.

Public Comment on Agenda Items

Ms. Miles spoke in support of the proposed Chapter 39.

PRESENTATION

Proposed Adoption of Chapter 39 of the 2018 International Fire Code (Fire Marshall)

LFD Officer Blake informed the Committee that Chapter 39 would apply to the processing and extracting facilities as it relates to marijuana grow and processing facilities. This would give the LFD more specifics for that industry, in addition it outlines the “shall” and “shall nots”. Officer Blake also added that the Office of the City Attorney is currently reviewing the rest of the 2018 International Fire Code, but with pending inspections with the licensing of these facilities, they are asking for this chapter to be acted on now to enforce the code. Highlighted in this chapter are codes for the processing and extracting which is a combustible process. Council President Wood asked about inspections, and Officer Blake confirmed they have been doing inspections contingent on final approval after this was complete and re-inspected. Council Member Spitzley asked if there were other industries this Chapter would apply to. Officer Blake acknowledged there are other types of facilities this would cover, and Council Member Spitzley then asked if this chapter would cover alcohol distilleries. Officer Blake stated if they were extracting or processing, but with breweries and distilleries there are already existing codes to cover it.

RESOLUTION - Re-Setting of the Public Hearing for the Fire Code Amendments of the 2018 International Fire Code; Chapter 39

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION TO RE-SET THE PUBLIC HEARING FOR FEBRUARY 11, 2019 FOR THE FIRE CODE AMENDMENTS OF THE 2018 INTERNATIONAL FIRE CODE, CHAPTER 39. MOTION CARRIED 8-0.

External Auditor Annual Presentation

Ms. Bennett went through the CAFR document.

Council Member Spitzley inquired into the restricted funds. Ms. Bennett explained those could be contracts that have not been entered into yet, and are restricted for a specific purpose. Regarding the budget stabilization fund which is set up by ordinance with restrictions, is less flexible, and the majority goes to the general fund.

Council President Wood asked why the CDBD reflects \$0. Ms. Bennett stated that line item is a combination of HOME, CDBG and the block grant. It is spent first then reimbursed. Council President Wood then asked why the Fleet and IT were not in the enterprise fund. Ms. Bennett stated it is an internal service fund, and they do not hit those funds directly.

Council Member Jackson asked for an overall line for the pension liability. Ms. Bennett referred him to page 30-32 which reflects that along with the enterprise fund. And details can also be found on page 170 and page 44.

Council Member Dunbar referred to page 32; net position and asked if those were negatives of the government funds with pension and OPEB taken out, and Ms. Bennett confirmed. Council Member Dunbar suggested in the future it would be helpful to have it in the same format so Council is able to interpret that pension and OPEB is effecting individual depts.

Mr. Metz went through his presentation stating their goal is to make sure financial statements are accurately stated, they look at the system of internal controls and recommendations and

findings and convey those as part of the audit process. He then referred the Committee to page 11-13 of his recommendation, their letter on findings on material audit adjustments.

Council President Wood asked him if he saw any improvements on the repeated comments from multiple years. Ms. Bennett referred them to a handout that reflected the comments and the Administrations responses.

Mr. Brewer stated that in his reviewed he noticed the auditor had similar responses to earlier years, and then asked about the staffing levels in finance. Ms. Bennett confirmed they have filled positions and are getting fully trained, reallocated duties and are assessing the situation. Mr. Brewer then asked Mr. Matz if he saw any improvements on earlier comments, and Mr. Matz confirmed.

Council Member Spadafore asked Mr. Matz for a recommendation on the statements that evaluated the pension, and what he saw in other municipalities. Mr. Matz suggested that other municipalities are looking at the benefit terms and some have changed from defined benefit to defined contribution. Council Member Jackson then asked if any of those saw an extreme drop in the bottom line after they made those changes, and Mr. Matz admitted only those that closed the plan entirely. Council Member Spadafore asked Ms. Bennett what the average percentage goes back the salaries. Ms. Bennett stated there are two (2) components; outstanding obligations of retirees which has brought down the employee portion with hybrid plans, and she will discuss this more at the budget season. Council President Wood asked how long the City has used this specific audit firm, and Ms. Bennett answered it was multiple years but they hope to go out to bid again in 2020.

Council President Wood asked Council Member Spitzley to address at her future Committee on Ways and Means agenda the repeated comments in the external audit and how City is progressing for change on those comments along with a look at the staffing levels within the finance department to see if would help.

MOTION BY COUNCIL MEMBER SPADAFORE TO PLACE THE CAFR ON FILE. MOTION CARRIED 8-0.

RESOLUTION - Appointment; Jeff McAlvey; Member of Elected Officers Compensation Commission; Term to Expire June 30, 2022

Mr. McAlvey introduced himself, outlined his experience and understanding of the importance of serving on the Commission.

MOTION BY COUNCILMEMBER SPADAFORE TO APPROVE THE APPOINTMENT OF JEFF MCALVEY TO THE ELECTED OFFICERS COMPENSATION COMMISSION. MOTION CARRIED 8-0.

DISCUSSION/ACTION

RESOLUTION – Reappointment of Anita Turner; 3rd Ward; Medical Marihuana Commission; Term to expire November 27, 2021

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO REAPPOINT ANITA TURNER TO THE MEDICAL MARIHUANA COMMISSION. MOTION CARRIED 8-0.

RESOLUTION – Adoption of the 2018 Lansing Hazard Mitigation Plan

Council President Wood explained that the Plan was to be addressed on January 28, 2019 however that meeting was canceled, so the Mayor did an executive order approving it allowing Council 30 days to approve.

Interim LFD Chief Tobin briefly explained to the Committee that it was a five (5) year plan used to identify hazards and how to mitigate those to make a safer community. This allows the City to apply for grants. The plan itself is not set in stone but can be changed in the five (5) year cycle of the plan. Council President Wood asked if it had been reviewed by the Planning Board, when and why the urgency now. Interim Chief Tobin apologized and explained it went from FEMA and the MSP in October to the Planning Board, who did not review until their December meeting. After that, he acknowledged, the tracking of the process was dropped, and Council should have gotten it the first part of January. He took full responsibility for the delay and resulting urgency.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE ADOPTION OF THE 2018 LANSING HAZARD MITIGATION PLAN AND CONNECTED EXECUTIVE ORDER FROM THE MAYOR. MOTION CARRIED 8-0.

RESOLUTION – Re-Setting of the Public Hearing for Act 4-2019; Sale of City Property, Townsend Parking Ramp located at 221 Townsend Street to the Michigan Senate

Council President Wood informed the public that due to the January 28, 2019 meeting being canceled Council had to reschedule the public hearing that was supposed to take place at that meeting. The newest resolution is for the hearing on February 11, 2019 with a vote on the sale of the ramp at the February 25, 2019 Council meeting. All other items that deal with the sale of the ramp will be addressed at the February 11, 2019 Council meeting.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION TO RE-SET THE PUBLIC HEARING FOR FEBRUARY 11, 2019 FOR ACT 4-2019 FOR THE SALE OF THE TOWNSEND PARKING RAMP TO THE MICHIGAN SENATE. MOTION CARRIED 8-0.

RESOLUTION - TIFA Amendment 6; Sale of Townsend Parking Ramp

Staff distributed the newest version of the resolution, per law on the floor. Council President Wood asked Mr. Abood to explain, and he stated the resolution would be for the bonds associated with the TIFA, not the actual sale of the ramp.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE TIFA AMENDMENT 6 FOR THE SALE OF THE TOWNSEND STREET PARKING RAMP. MOTION CARRIED 8-0.

RESOLUTION – Defeating Bonds on the Townsend Parking Ramp

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE DEFEASING OF BONDS ON THE TOWNSEND PARKING RAMP. MOTION CARRIED 8-0.

RESOLUTION – Issuance and Sale of Wet Weather Control Program State Revolving Fund Project Obligation Bonds

Mr. Malvetis explained to the Committee that there were three (3) CSO separation projects with the Wet Weather Control program and this would be the 4th known as the Central Interceptor/Sycamore Lindbergh Interceptor Rehabilitation Project Phase II. This will be a sewer rehab project with not a lot of excavation, but work in the sewer with cured-in-place-pipe technologies and by-pass sewer around work area. He confirmed this was part of the overall plan approved in 2018 under Resolution 2018-171.

Council President Wood confirmed that this resolution would be on the February 11, 2019 Council agenda for action. And Mr. Malvetis added that the notice is ready to be published on February 13, 2019.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE ISSUANCE AND SALE OF WET WEATHER CONTROL PROGRAM STATE REVOLVING FUND PROJECT OBLIGATION BONDS. MOTION CARRIED

Other

{Closed Session}

MOTION BY COUNCIL MEMBER SPADAFORE TO GO INTO CLOSED SESSION AT 6:52 P.M. FOR THE FOLLOWING:

Pursuant to MCL 15.268(e), I hereby move that we recess into closed session to consult with the City Attorney in connection with the following specific pending litigation. An open meeting will have a detrimental financial effect on the litigating or settlement position of the Lansing City Council concerning these cases.

Addiss v. City of Lansing
Block 100 v. City of Lansing and Lansing Building Authority
Burwell v. Anderson, Liskiewicz, Kelley, Ouderkirk & Ridenour
City of Lansing Treasury v. Brown, Rachel
City of Lansing v. Mbelu, Keith
City of Lansing, et al. v. Purdue Pharma, et al. (Opioid Litigation)
Eplee v. BWL and City of Lansing
Fineout v. Kostanko
First Property Holdings, LLC v. City of Lansing Medical Marihuana Commission
Funk v. City of Lansing
Gamut Group
Gardner/Holsey/Hill
Greenwave Naturals, LLC v. Lansing City Clerk
Huron Wellness and Solutions, LLC v. City of Lansing
Lansing v York
Lynn, Michael v. City of Lansing
McEwen, Michael v. Lansing Police Department
Michigan Department of Transportation v. Safety National Casualty Corporation
Motorists Mutual Insurance Company v. City of Lansing, et al.
AND
La Fille Gallery, LLC, et al. v. City of Lansing, et al. (Consolidated)
Ormond Park
Ostaszewski v. City of Lansing (formerly v. O'Boyle)
Ray v City of Lansing
Spalding, Estate of v. Eaton County, et al.
Superior Wellness and Solutions, LLC v. City of Lansing
TRJ & E Properties v. City of Lansing

ROLL CALL VOTE; MOTION CARRIED 7-1.

Reconvened the regular meeting at 7:36 p.m.

ADJOURN

The meeting was adjourned at 7:37 p.m.

Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council

Approved by the Committee on February 11, 2019