FINANCE COMMITTEE  
June 3, 2020  
Minutes

Members Present: Morgan, Grebner, Crenshaw, Polsdofer, Schafer, Tennis, and Maiville.

Members Absent: None.

Others Present: Michael Townsend, Becky Bennett, Patrick Lindemann, Paul Pratt, Roger Swets, Paul Stauder, Alan Fox, Wendy Longpre, Elizabeth Noel, Michael Tanis, and others.

The meeting was called to order by Chairperson Morgan at 6:30 p.m. virtually via Zoom in accordance with the Governor’s Executive Order 2020-75 regarding the Open Meetings Act.

Approval of May 20, 2020 Minutes

MOVED BY COMM. POLSDOFER, SUPPORTED BY COMM. MAIVILLE, TO APPROVE THE MINUTES OF THE MAY 20, 2020 FINANCE COMMITTEE MEETING.

THE MOTION CARRIED UNANIMOUSLY.

Additions to the Agenda

Substitute –
1. Drain Commissioner – Resolution Pledging Full Faith and Credit to Montgomery Drain Drainage District Bonds

9. Controller/Administrator’s Office – Resolution of Intent to Enter into Contract of Lease with Ingham County Building Authority; to Authorize Publication of Notice of Intent; and to Declare Intent to Reimburse

Limited Public Comment

Wendy Longpre, City of East Lansing Parks, Recreation & Arts Assistant Director, stated that she was available to answer questions for any of the Agenda Items relating to the City of East Lansing’s grant requests.

MOVED BY COMM. MAIVILLE, SUPPORTED BY COMM. GREBNER, TO APPROVE A CONSENT AGENDA CONSISTING OF THE FOLLOWING ACTION ITEMS:
2. **Facilities Department**  
a. Resolution to Authorize an Agreement with Tower Pinkster for the Architectural and Engineering Design Services at the Ingham County Probate Court Office  
b. Resolution to Authorize an Agreement with Du-All Cleaning Inc. for Janitorial Services at Several County Facilities  

3. **Fair Office** – Resolution to Authorize a Memorandum of Understanding with the Ingham County Fair Foundation to Provide Programming and Financial Assistance to the Ingham County Fair  

5. **Financial Services Department** – Resolution to Authorize a Business Associate Agreement with Plante and Moran, PLLC Relative to the Annual Audit  

6. **Ingham County Brownfield Redevelopment Authority** – Resolution to Expend Brownfield Fund 240 Bond Proceeds for Environmental Remediation & Redevelopment Purposes  

7. **Road Department** – Resolution of Support for the Local Bridge Program Funding Applications for Fiscal Year 2023  

8. **Health Department**  
a. Resolution to Accept U.S. Department of Health and Human Services Health Resources and Services Administration Health Center Program Funds  
b. Resolution to Accept Funding from the Michigan Primary Care Association (MPCA) for Participation in the Michigan Network for Oral Health Integration (MNOHJ) Project  
c. Resolution to Accept Funding Award from HRSA for Expanding Coronavirus Testing (ECT) Capacity  
d. Resolution to Convert the Clinical Data Analyst Position from ICEA 08 to ICEA 07  
e. Resolution to Authorize the Extended Cooperative Operational Agreement with the Ingham Community Health Center Board of Directors  

9. **Controller/Administrator’s Office** – Resolution of Intent to Enter into Contract of Lease with Ingham County Building Authority; to Authorize Publication of Notice of Intent; and to Declare Intent to Reimburse  

THE MOTION CARRIED UNANIMOUSLY.  

THE MOTION TO APPROVE THE ITEMS ON THE CONSENT AGENDA CARRIED UNANIMOUSLY.  

1. **Drain Commissioner** – Resolution Pledging Full Faith and Credit to Montgomery Drain Drainage District Bonds  

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. MAIVILLE, TO APPROVE THE RESOLUTION.
Commissioner Crenshaw stated that he knew the Commissioners received a late memo from the Drain Commissioner’s Office. He asked for an explanation as to the cost of the full project as there were mixed numbers, and if the County had agreements with the City of Lansing and the Michigan Department of Transportation (MDOT) on their portions of the project that they wanted to the County to bond for.

Patrick Lindemann, Drain Commissioner, stated that the Montgomery Drain project was estimated to cost around $34.9 million, which was the same number that they had used the whole time. He further stated that the other parts of the project, including the special assessment and so on, were supplemental construction projects that were in the same location or near where the project would be taking place.

Mr. Lindemann stated that the supplemental construction projects either had to do with the City of Lansing or MDOT. He further stated that those two projects were things that both entities would be doing eventually, and so it did not make sense to dig a hole in the street and put in a storm pipe for then in a year to dig it up and put in a sanitary sewer.

Mr. Lindemann stated that the City of Lansing’s sanitary sewer system in the Frandor Hills area had seen its life expectancy and needed to be replaced. He further stated that he had videos of some of those pipes, and if the sanitary sewer was similar to the storm pipes, they were all either cracked or collapsed.

Mr. Lindemann stated that the City of Lansing would be replacing them if they were not replaced with this project. He further stated that they could instead pave the streets once and save a lot of money for the taxpayer, and so it was a good cost-savings cooperation between the municipalities.

Mr. Lindemann stated that, in terms of the highway, it was his understanding that the Highway Department planned to do massive rebuilding of US-127 corridor between Kalamazoo Street and Lake Lansing Road in 2022. He further stated that the plan could be pushed back to 2023 or moved forward to an earlier date, but he was not sure of their schedule.

Mr. Lindemann stated that all the work the County was doing for them was preparatory work for that project. He further stated that while they were working there for the storm drain, it made a lot of sense to prepare the area around their worksite in conjunction with the Highway Department’s future construction activities, so in the end, the taxpayer saved a lot of money.

Commissioner Crenshaw asked if there was a reason why they were not seeking the funding themselves and then paying for it.

Mr. Lindemann stated that, in terms of the Highway Department, their funding came from Public Act 51, which was basically a gas tax. He further stated that it was an opportunity for them to add on to the bond issue for the project, and it saved them money in the long-term.

Mr. Lindemann stated that the State of Michigan had a problem issuing smaller bonds of this size as they issued hundreds of millions of dollars’ worth of bonds for the state when they borrowed money for roadwork. He further stated that the County ended up doing it in conjunction with them,
and the County’s payback time was 30 years, which gave them more opportunity to stretch their dollar.

Mr. Lindemann stated that he did not know how the City of Lansing planned to pay back their supplemental benefit, but he believed that it was part of their sanitary/sewer fund. He further stated that, if the County borrowed the money, it was cheaper on their borrowing abilities, and they could pay it off over 30 years if they so choose, so there was savings all the way around.

Commissioner Crenshaw thanked Mr. Lindemann for his comments.

Mr. Lindemann stated that, when the government cooperated with public infrastructure projects, everyone won. He further stated that there was a nationwide outcry for repairing infrastructure, and this was part of that process.

Commissioner Grebner stated that he almost thought of recusing himself, but he did not find himself doing that unless someone had a strong opinion about it. He further stated that he was not in any financial risk from this project because the City of East Lansing spreads their Chapter 20 assessments citywide, so he was not specially taxed.

Commissioner Grebner stated that he benefited because he lived next to Randy Park, and so he lived 40 feet from the project. He further stated that by being a person who benefited from a public project in a way that hundreds of other people benefited, he did not think he experienced a conflict of interest.

Commissioner Grebner stated that the Commissioners should think about what their formal decision was when pledging Full Faith and Credit. He further stated that the Commissioners were not deciding whether the project should go ahead, as close to $15 million of the $34.9 million had already been spent or committed to for the drain itself.

Commissioner Grebner stated that it did not make sense to stop the project, even those who had doubts about the wisdom of the design. He further stated that close to $20 million of the $34.9 million remained, and none of the work had been done yet.

Commissioner Grebner stated that the real choice was about pledging Full Faith and Credit, and for that, it seemed to him that the important question that the Finance Committee ought to think about was whether they were placing the County in a position of holding the bag here.

Commissioner Grebner stated that Chapter 20 drains were levied against the municipalities, not just the properties involved. He further stated that it was hard to imagine that most of that money was at risk.

Commissioner Grebner stated that, in the end, the Board of Commissioners pledging Full Faith and Credit would benefit the taxpayers, or whomever ended up paying for it. He further stated that he guessed it would be $300,000 a year over 30 years.
Commissioner Grebnér stated that the Commissioners had a discussion at the County Services Committee meeting last night about the impact of pledging the County’s Full Faith and Credit, and he thought that it was half a percentage point while the Bond Council thought it was a couple of percentage points. He further stated that the Commissioners were allowing the County facilities to issue bonds in the County’s name, and that held the price down.

Commissioner Grebnér stated that he supported pledging the County’s Full Faith and Credit.

THE MOTION TO APPROVE THE RESOLUTION CARRIED. Yeas: Tennis, Grebnér, Polsdofar, Schäfer, Maiville Nays: Morgan, Crenshaw Absent: None

4. Parks Department
   a. Resolution to Authorize an Amendment to the Contract with Signs by Crannie
   b. Resolution to Authorize an Amendment to the City of East Lansing Trails and Parks Millage Agreements
   c. Resolution to Authorize a Contract with Ratnık Industries
   d. Resolution to Approve the Application Form, Scoring Criteria for the Trails and Parks Millage, and Declaring that a Sixth Round of Applications for the Trails and Parks Millage Funds will be Taken Beginning June 10, 2020

MOVED BY COMM. TENNIS, SUPPORTED BY COMM. GREBNER, TO APPROVE THE RESOLUTIONS.

Commissioner Schäfer stated that while he respected the appointed Parks Commission members, the County was in the middle of a crisis. He further stated that he did not get a good answer after 2 years as to the reason for why the construction of the City of East Lansing trail failed.

Commissioner Schäfer stated that the drains were a wonderful thing, but at this time, the County needed to wait until they got a handle on their budget before allocating funds. He further stated that, as Commissioner Grebnér had previously stated, perhaps some of the Trails and Parks Millage funds could be used to pay for the Parks Department, which had been used before to hire a ranger.

Commissioner Schäfer stated that he was reluctant to vote for expanding and moving on at this point in time. He further stated that he would respectfully vote no on the four Agenda Items.

Commissioner Grebnér stated that there was still $8 million in the Trails and Parks Millage fund, and had spent more than $3 million than they had on hand, which made him pleased because it meant that one day, the County would not have eight-figure-funds in this account. He further stated that, in the case of the City of East Lansing, it was not that the funding got away from them, but rather these projects ran into problems and then quietly died off somewhere.

Commissioner Grebnér stated that the County had a money allocated to projects of which they did not know yet had been died off, but he did not worry about running out of money. He further stated that if the County decided to fund a substantial part of the Parks Department, they would be talking about a fraction of a million dollars, which paled in comparison to the balance of this account.
Commissioner Grebner stated that, a year ago, the County had $13 million in this account, and the fact that the County was down to $7 or $8 million was a big improvement. He further stated that he did not think that the County was on the brink of running out of money here.

Commissioner Grebner stated that, because it was based on property taxes, it was not unstable regardless of COVID-19. He further stated that his district had no health clinics or parks, but were pleased to support every tax millage that the County put on the ballot.

Commissioner Grebner stated that several of these projects happened to be useful and important to people who lived in his district. He further stated that a couple of these projects were meant to be bridges from a neighborhood to an adjacent trail 50 or 100 feet away, and so he happened to be pretty enthusiastic about this, even though it was unfortunate that they did not find funding from other sources.

Commissioner Schafer stated that his question was still unanswered about the failure in the trails system. He further stated that 1,500 feet was five football fields, and so he wondered where that occurred.

Commissioner Grebner stated that this would not be the first time that the City of East Lansing had shown that they were not familiar with the engineering of trails.

Discussion.

Ms. Longpre stated that she appreciated the opportunity to address that question because there was one thing that she needed to clarify. She further stated that this particular trail was not failing, and that was not the reason why the movement of the trail was being suggested.

Ms. Longpre stated that what happened in this particular section was the trail ran alongside the top of the Sanderson Drain. She further stated that it was approximately 4 years between the time the project proposal was developed and when it was implemented.

Ms. Longpre stated that the Drain Commissioner’s Office had cleared out this particular section of the Sanderson Drain, and in doing so, it moved the top of the bank of the drain so that it was closer to the trail. She further stated that, in order to meet A.D.A. standards, they needed to change the cross-slope of the trail.

Ms. Longpre stated that it was changed from a crown-crossed slope to a straight-crossed slope. She further stated that that resulted in the side of the trail that was nearest to the drain having some sections that were 6 to 9 inch wedges, which raised it above the existing elevation of the top of the drain.

Ms. Longpre stated that if they still had some set back between the trail and the top of the drain, they would be able to fill the trail edge and it would not be an issue, but that was not the case. She further stated that the issue here was not that the trail was failing, but it was that the drain had moved closer to the trail itself and so now the trail needed to be shifted.
Ms. Longpre stated that they had been working closely with the Drain Commissioner's Office to identify solutions that they were comfortable with as well as the City of East Lansing. She further stated that they had raised a number of different suggestions and, for various reasons, they were not going to work nearly as well as this would.

Ms. Longpre stated that this was correcting an issue that had developed because of the interaction between the location of trail and the drain itself.

Chairperson Morgan thanked Ms. Longpre for her comments.

THE MOTION TO APPROVE THE RESOLUTIONS CARRIED. Yeas: Morgan, Tennis, Grebner, Crenshaw, Polsdorfer, Schaefer, Maiville Nays: Schaefer Absent: None

Announcements

None.

Public Comment

None.

Adjournment

The meeting was adjourned at 6:55 p.m.

BARB BYRUM, CLERK OF THE BOARD