



Public Lighting Authority

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**OUR MISSION** is to improve,  
modernize and maintain the  
street lighting system in Detroit.

**PUBLIC LIGHTING AUTHORITY**  
**Board of Directors Meeting**  
May 16, 2018

**Board Members in Attendance:**

Dr. Lorna Thomas, Chair  
Patrick Padgett, Secretary  
Rod Parker, Treasurer  
David W. Jones, At Large  
Beau Taylor, Executive Director

**Resolution:**

**Motions Carried/Failed:**

**Board Member in Attendance via Conference Call**

Donnell White, Vice Chair

**Legal Representative(s)**

George Pitchford

**CALL TO ORDER**

The Board Meeting of the Public Lighting Authority (PLA) was held May 16, 2018 at the PLA, 65 Cadillac Square, Suite 3100, Detroit, MI 48226. Dr. Lorna Thomas, Chair of the Board, called the meeting to order at 5:03 p.m.

**ROLL CALL**

Roll call was taken by Patrick Padgett, Secretary and members in attendance included: Dr. Lorna Thomas, Chair; Donnell White (via conference call), Rod Parker, Treasurer; David W. Jones, At Large, Beau Taylor, Executive Director and George Pitchford (Legal Counsel). Meeting began at 5:03 p.m.

**APPROVE AGENDA**

Motion made to approve the Agenda by: Rod Parker  
Motion seconded by: David Jones  
Motion Carried

## **APPROVE MINUTES**

Motion made to approve the February 21, 2018 and April 23, 2017 Special Board Meeting minutes by: Donnell White

Motion seconded by: Patrick Padgett

Motion carried

Dr. Thomas asks for a motion to be made to go to Closed Session at 5:05 p.m., to discuss a written legal opinion that is subject to attorney client privilege. However, before closed session takes place, Dr. Thomas notes that a request has been made from the representatives of Stateline Construction to address the Board after closed session.

Stateline Construction is being allowed to address the Board before closed session. Dr. Thomas mentions that normally Public Comment is reserved until the end of the meeting, but the Board is accommodating their request.

Dr. Thomas reminded Stateline that all comments must be very respectful and concise. In addition, she made them aware that there will be no actual response from the Board at this point.

Ernest Coger, CEO and Founder of Stateline Construction reads the following statement:

Good afternoon Madam Chair and Honorable Board Members:

Thank you for taking the opportunity to review this. We value our relationship with PLA and the opportunity to serve the people of Detroit. At Stateline, we remain committed to providing world-class service to our customers and take every concern by a customer very seriously. And while the nature of our work is often dangerous and performing challenging circumstances, we are proud of our safety record, where we have had zero injuries to employees or the public we serve on behalf of the PLA.

Having worked in the power industry for several decades now, I can say that as an owner of Stateline, I take the safety of our employees and public very seriously. Whether that means being cautious about having our employees not work in weather conditions that can increase their chance of their being hurt on the job and at the same time being prepared to quickly respond to emergencies caused by storm damage that may endanger the public, our employees, respond quickly and professionally 365 days of the year. I am grateful for their service and professionalism.

This is why the issue that brings us here today is so perplexing. With thousands of work orders completed that represent tens of thousands of hours at sites all across the city that were completed safely and timely, we find ourselves being penalized over questions about less than one tenth of one percent of our work. Again, with no injuries or property damage to PLA, the citizens of Detroit, or our employees and equipment, I stand behind and reiterate Stateline's incident reports submitted to the PLA on May 7, 2018.

In fact, as our success in the field has grown it appears that has been met with increasing resistance from competitors and PLA itself. We expect competitors to do everything they can to undermine our accomplishments because of the competitive nature of the marketplace. We have been disappointed in the apparent strained relationship with current PLA administration. We sincerely hope that our deliberations today allow the PLA's stop work order to be lifted so that we can resume our operations that would avoid the need to detail our growing list of concerns

related to specific actions of your staff. Suffice it to say that we are in compliance with our contractual agreement with PLA and we have not received any notice of default under the agreement. Clearly, the PLA recognizes that these safety concerns were not that significant because they released us less than 2 weeks ago to work with DTE with storm restoration even during the term of our current shut down.

We understand that there can be hiccups in operations whenever management changes within a customer, and we believe we can work through the issues before us today because we share a common ground – a dedication to providing first class service to the people of Detroit.

In conclusion, let me say that the task before us is not impossible—we have the opportunity for continued success between the PLA in service of the public. I believe that working together, we can correct any problems and overcome any challenge. The employees here today have come because they share in this common vision too. At the appropriate time, I would invite Board members to hear from our employees directly because they are the ones doing the work day in and day out. This is a rare opportunity to hear about their experiences first hand and understand how important this work is to them and why we need to lift the work stoppage so they can continue to do their jobs and provide for their families.

Thank you.

Melanie Steel reads the following:

Good afternoon Madam Chair and Honorable Board Members:

As you know my name is Melanie Steel, I'm the Chief Operating Officer for Stateline. Let me just say this from the beginning the employees and our families are very grateful for this emergency meeting that you're holding, I know that your time is valuable, so we thank you from the bottom of our heart.

Stateline is a Detroit Based Headquartered, minority firm located on the east side of Detroit. We have twenty-six (26) full time employees and many of those employees are Detroit based residents. Those are good men and women who have an average experience of twenty-five (25) years working in this industry. Many of them are here today and would like an opportunity to speak with you later this afternoon. These men and women have dedicated their lives to making this city safe, and providing you with reliable service.

They have been with us, many of them from day one, and because of their efforts, thank you to PLA, our company has grown.. Since we have been working as a Tier 1 supplier for PLA our employees have conducted more than 2100 repairs to the city's public lighting system. In that time, we have had zero recordable injuries, zero OSHA violations, and our EMR Rating is at .65. The industry standard is 1.0. We are well below that industry standard for safety. Also, since the time we became a Tier 1 supplier, our work performance on repairs and maintenance had just been as good as the 2100 work orders that we have completed. We have received 2 reports of alleged potential safety violations. That's about .01 rate for our work being questioned. Less than one percent of all the work we have done for the PLA has been called into question, and yet based on this PLA has stopped all of our work for the past few weeks. As you can imagine, the shutdown is having a dramatic impact not only on our business, but our employee's families.

Stateline has been a contractor for the PLA since the beginning. Dr. Thomas, I remember when we first got awarded the contract you told me that failure is not an option. We took that to heart,

during the vast majority of our service, including the entire length of service under PLA's former directors; there have not been any incidents or concerns with our operations. Under current administrative leadership at the Authority, however, our stellar reputation has come under attack. We really don't understand why. I would hope this is not tied to the retaliation of the safety complaint I lodged against the PLA staff in December 2017, this was never addressed or answered.

There were two alleged safety incidents that PLA looked into related to Stateline. The first involved a situation in which our crew was on its way to a location and found the described situation at a site within one block of the address provided by PLA. While it not uncommon for us to be given an incorrect address, this is a situation in which Stateline should have responded and observed and failed to confirm however, the PLA provided address was safe. We have since updated our procedure and our policies to address this issue so that this issue will never, ever occur within our organization.

The second issue involved a call to a residence where the homeowner requested a line be disconnected so that they could perform a tree trimming. When we arrived, the line was tested and confirmed to be de-energized. The line was coiled in a nearby tree approximately 12 feet above ground. For comparison purposes, the wire that was hung was is as high as what DTE's residential service height would be, if not higher. This was done because the work order called for a temporary removal so that it could be re-attached after the tree trimming was completed by the homeowner. The Stateline crew also informed the homeowner of that action. The homeowner later called PLA to inquire about the safety of the coiled line and Stateline responded again. While the line was still de-energized, it was completely removed to avoid any appearance of creating an unsafe situation. Immediately after this incident, our staff was informed of a new standard regarding wire removal. As a result, we will now execute a full wire removal at all times to avoid leaving any job site in an appearance so that a lay person might believe that the property was unsafe.

We value our relationship with the Public Lighting Authority. We are proud of the work that we have accomplished during the major capital campaign. And now that we are in the maintenance stage for PLA we want to remain a vital and valued member of the team. Two complaints should not be a reason for termination, or to end our relationship. We recognize that we are still a relatively young company and take all suggestions for improvement as opportunities to grow. We have learned from the experience and are willing to make the necessary actions to improve our methods of communication with PLA leadership so that we can continue to work together in a more productive and cooperative manner. We also appreciate the Board's time and willingness to hold today's special meeting to address this matter and hopefully bring a close to our temporary shutdown. The impact on our company and our employees has been dramatic. I've brought my team with me today so that we can answer any questions that you might have. We hope in doing that, you will lift the work stoppage and allow us to finish the work in our contract.

Thank you.

Dr. Thomas is now calls for a motion to go into closed session. David Jones interrupts to ask if he can ask questions of Stateline prior to going into closed session. Dr. Thomas defers to Legal Counsel. George Pitchford recommends questions be asked after they hear the legal opinion, so all Board members are on the same page from a legal perspective. David Jones says prefers to ask now and does not have to hear the legal opinion. He wants responses from their comments, not PLA's position.

David Jones: Ernest and Melanie indicated that two reports out of 2100 repairs that on its face may seem miniscule compared to industry standards, and you mentioned retaliation. If two repairs, are in fact miniscule, what's behind it? We're not employees of the PLA. Why do you suspect you are being treated unfairly?

Ernest Coger: The two incidents that happened....

David Jones: You don't even have to go into the two incidents. Two incidents, whatever they were or are, you're getting singled out in your opinion and treated unfairly. You have any speculation as to why that would be?

Ernest Coger: No, actually I don't.

David Jones: Ok.

Ernest Coger: It's been going on so...

David Jones: The other question was you mentioned you updated your policies to insure that you won't miss an address on a call.

Melanie Steel: Sure.

David Jones: How? What did you do to insure that won't happen again?

Melanie Steel: So we've done double confirmations. Typically what happens on a "make safe" the first one that was called into question 9558 Manor is that when we'll get a call, we'll get a text message from PLA to let us know that there's a make safe situation and to send someone. When we arrived to that location, a PLA Facilitator is normally present. That didn't happen. We were coming from....Just so happened this location actually had two of the exact same issue. And when we were driving down the street, the citizen started pointing to the wire that also had a tree limb on it. Which caused our guys to see the...

David Jones: I see the confusion but what changed in what you're doing, going forward?

Melanie Steel: So what we've done is to make sure that there's a PLA Facilitator present to confirm that the location is in fact correct, we will be asking for photos to show that this is the location, and we're also asking for landmarks if there's one available, a pole location, pole tag so that we can verify that we're at the right location, and physical address closest to the location. Those are the five key things that we are saying would help us to minimize and eradicate this issue.


David Jones: Alright. That's all I had, thanks.

Dr. Thomas makes a motion to go into closed session.

Motioned by: Rod Parker

Seconded by: David Jones.

Motion carried.



In order to go into closed session, a voice roll call must be performed. At 5:22 p.m. Mr. Padgett, Board Secretary performed a voice roll call. All Board members unanimously approved and the board went into closed session at 5:24 p.m.

Dr. Thomas asked for a motion to from closed session to return to regular session.

Motioned by: Donnell White

Seconded by: David Jones.

Motion carried

Board Secretary Patrick Padgett performed a voice roll call. All Board Members unanimously approved and the Board came back to regular session at 6:16 p.m.

### **Discussion Item(s)**

#### a. Operation and Maintenance between PLA and Stateline Construction

Dr. Thomas welcomes everyone back to regular session, and asks for Executive Director Beau Taylor for an overview of this matter and to present his recommendations to the Board and then questions will be entertained from the Board members.

Beau Taylor: This is incredibly difficult. I'm not looking at this as a two incident issue; I'm looking at this as a body of work culminating with the two incidents that took place as a final event. We've had significant issues – I mean I think our weekly meetings have illustrated the frustration potentially back and forth. There have been significant issues on repair times; there have been significant issues on the backlog. I'm not saying any of this was intentional, I'm saying that there are capacity issues, I believe there in place. But over the course of the last seven to eight months, we've had significant challenges –our contractual obligations with the city of Detroit under the Interlocal Agreement for repair times. We've had sign issues with getting our Service Level Agreement met under the Improve Detroit program. We're simply not where we need to be from a performance standpoint. But these issues were something that we could work; we could augment with other contractors where we were lacking capacity. What I'm illustrating –these two events are not the only ones going on. When it comes to inventory management we have significant assets in the Stateline yard, where we have received various written complaints from other vendors as well as other contractors that need access to that and they have expressed concern with the level of care in which the property of PLA is being kept. Certain types of materials should not be left outside, I believe that proper inventory tracking needs to take place, and I believe that that yard should look organized and should appear professionally managed, and it's not, and that's a concern. So on the safety side, there were issues prior to these two incidents. There were five written complaints that were issued from October through December. The majority of those were in fact were complaints that were written in response to make safe issues in the field. I will say that for a period I had not had anything that rose to a level of concern like we had this past fall, but the two events that took place on April 20<sup>th</sup> were significant, and I believe they posed a potential danger to the public, residents complained on both occasions that children were in the immediate vicinity and as an Executive of the Public Lighting Authority now, as well as the Public Lighting Department, in September of 2016, I can tell you I take a personal, *personal* responsibility to keep the citizens of the city safe.



Two people have lost their lives in the City of Detroit in the past 2 years because of electrocution in alleyways, downed wire and I'll be honest, I lost an employee when I was managing a company like Stateline. This is real, it's not water, and the culture in which the lights are being maintained in this city is not acceptable to me, as someone who takes the safety of the citizens seriously. This is real; I'm not making this up, I'm genuine in my approach; I truly believe that these issues rose to the level of concern that brought us here today. I don't want this to come down to whether a line was energized or whether it wasn't. I think it's beyond that. But, from the evidence that I've seen, all the component parts were in place for that line to be energized. Whether it was or not, I don't know. If there are any questions from the Board, I'd like to entertain them at this point.

David Jones: I have a couple. How did... I assume that you've addressed your previous concerns to the contractor, to Stateline and what was the response? Was there... I think I heard you mention there was some period of time where there were no complaints. How did you voice these concerns, and in general, what was there response?

Beau Taylor: The written warnings that were given last fall were responded to in writing and the responses were... basically they said they believed that the actions taken in the field were done to protect the citizens. There was a difference of opinion on whether the actions taken were appropriate or not, I believe they were and the contractor disagreed with my assertion. Well not mine, but the Public Lighting Authority's

David Jones: And you said it didn't come down to two incidents in April, it's a culmination of things that caused you concern?

Beau Taylor: Well, here's the thing, if everything else were running smoothly and we had 2 isolated events that when we investigated were acknowledged and dealt with and proper responses were in place, then that would be a different issue. But we conducted investigations over a long period of time, approximately 3-4 hours and at no point did I hear, Wow! We made a very big mistake, let's get to the bottom of it, and let's get the facts out there and put procedures in place to make sure it doesn't happen again. That should be the result of an investigation, and unfortunately, it wasn't the way it transpired.

Rod Parker: Have there been any plans implemented or recommended to address the inventory issues?

Beau Taylor: We've talked about it and we've sent people out. I need to do a better job of enforcing my expectations. I would like bar-coding done; I would like the material that needs to be protected from the weather, protected from the weather; it's been addressed, we've discussed it; I haven't put anything in writing saying on this date, I want this done, but the issue is not something that they're hearing for the first time today.

D. White: I did want to do a follow-up. If you could Beau, speak to your communications with the Board to bring to our attention, and if you believe you've exhausted all prior or all options available to you to bring Stateline up to the level of your standards that you're expecting.

Beau Taylor: Unfortunately, yes, I feel as though my staff has done everything I've asked. They've conducted themselves in a professional manner throughout this endeavor. We've met every week, we've reviewed metrics and we had an investigation, and the results of the investigation brought us here. So I really don't see any other effort that could have been made to remedy.

D. White: And lastly, there is communication that you can point to that detail this explicitly; your level of communication arising out of concern with Stateline, and their intentions to take corrective action?

Beau Taylor: I think if we review the communications back and forth it's apparent that there were issues that need to be addressed. Not to call on members of my staff, Ben is here. Ben can you speak to communication back and forth? You deal on a daily basis.

Ben Barker: Yes we have a daily roster that Melanie and or Tanya give us on a daily basis. That we distribute to the Facilitators so that way we're doing safety checks, we're constantly making sure that we are going over their yard, that we give them some notice that we're going to be over there.

Beau Taylor: Has the level of frustration been communicated back and forth?

Ben Barker: Yes. There have been some frustrations, throughout the times. Sometimes it isolated, sometimes it's not.

Dr. Thomas: Mr. Padgett, do you have another question?

P. Padgett: I was just going to ask—you mentioned weekly communication. That's between the leadership here at the PLA and the leadership at Stateline?

Beau Taylor: Yes.

P. Padgett: So, some of trends that you've discussed in the metrics as well as level of frustration, that's....

Beau Taylor: It's imbedded in those discussions, yes.

P. Padgett: Ok, over the last...

Beau Taylor: We have PLA metrics and then we also have Stateline metrics that are specific to their effort in the field so as we track our own metric, we also look at theirs specific; and the level of frustration has been apparent for a while. Actually, just from a performance standpoint, scheduled on April 30<sup>th</sup> to review all of the progress and or the other way that's taken place since I believe the end of January, around that time, I don't have the specific date, but we target April 30 as the date to review all of the metrics and determine whether we needed to change our approach to maintenance. It wasn't that we need to remove Stateline on April 30<sup>th</sup> it was how can we, if we need to bring in additional contractors to augment the current effort; how can we position Stateline to be doing work that maybe they're more positioned to do than other types of work orders. But yes,



these frustrations and these discussions have been ongoing for a long time; I mean we can go back to October when we issued the initial warnings.

P. Padgett: Is it usually face to face?

Beau Taylor: Yes. It's a scheduled meeting at least for one hour at least every week.

David Jones: So did that happen? The April 30<sup>th</sup> to see how we can better position Stateline to do work that's more suited or it didn't because of these latest incidents? So it did not happen?

Beau Taylor: No. But we have been reviewing the metrics up to that time, so we obviously know the trend is in place and formal review isn't going to change the actual data that is computed every week and....

David Jones: Can you refresh my recollection as to the time Stateline came on? When did they sign the initial contract?

Beau Taylor: They were awarded the contract...There was a slow ramp up....

Ben Barker: They started in August and officially signed the contract in October 18, 2017.

David Jones: So not a year?

Beau Taylor: When did they become full time? When did Motor City exit the property?

Ben Barker: September 30<sup>th</sup> was when we got all of our materials off Motor City's property.

Dr. Thomas: Donnell? Any other questions

D. White: No. Not at this time.

Dr. Thomas: I have one. Beau, are you absolutely sure that you have exhausted every possible means to identify and cure this problem? Are you absolutely 100 percent sure that you have done everything you could possibly do?

Beau Taylor: Yes. Unequivocally.

M. Steele: Dr. Thomas, may I speak?

Dr. Thomas: Melanie, I believe that's out of order. Alright. Do you have a recommendation?

Beau Taylor: Yeah. As much as it pains me to do so, I must recommend that we sever ties and move to a separate contractor, down the road.

David Jones: What was the last part you said?

Beau Taylor: I recommend that we sever ties and seek alternative options for maintenance.

David Jones: Is this a board function? I seem to recall in my years on the PLA that... We don't-- I don't work the PLA; we're a Board and we sit at the policy level. This seems like a staff function. Why is it that this type of issue is being brought to us? If litigation were pending and a lawsuit we chime in on settle don't settle, fight, don't fight, sue, don't sue; but why are we... are we being asked to make a decision as it relates to a vendor? That's not normal.

Beau Taylor: I'm not a lawyer, so I can't answer that.

David Jones: Historically speaking, I don't recall.

Beau Taylor: I believe that it should be brought to an authority higher than myself for transparency purposes; I wanted the Board to know exactly what the background is, the intent and quite frankly a decision this big with the implications that it has—I don't think it necessarily has to be voted on by the Board, I don't know if that's true from a legal perspective, but I at least wanted the board to know what was going on, so you're not put in a position to be blindsided. So this is a transparency issue that I think we talked about it—the legal team, Dr. Thomas thought it would be best to hold a meeting and put it out in the open and not do it behind closed doors.

David Jones: Okay, that's a fair answer. Let me tell you my concern. If we're being asked to make that kind of decision and in the interest of transparency—I appreciate that more than you know. Because I'm not here day to day and don't know all the intricacies involved, I have confidence in you and your job as the Executive Director, I would feel more comfortable with some options. You know, you said unequivocally, that's one resolute decision, you know—I didn't study all of this; I reviewed and prepared for the meeting, but being a lawyer, I like to weight options. Is there another option other than moving to another contractor that you could live with, and at least give me, David Jones the opportunity to pick one or the other? Have you considered that?

Beau Taylor: As I'm sitting here talking to you, If it's going to be a board decision that any number of options that are available to the Board as the decision making body. I can think of two options off the top of my head; 1) would be the Board empowering me to make this decision, in which I absolutely will, 2) would be a formal vote of the body itself to terminate or not, 3) an option that I don't like but, I do work at your pleasure would be for a stringent level of terms and conditions that I would not recommend, but if imposed upon me I would implement to address the concerns and put some probationary measures in place. But that would not be my recommendation but those would be the 3 options that I would see before the Board at this time.

D. White: Madam Chair, how do we get to the point where we know what is properly before us; is that an opinion from our legal staff there or is it truly informational, or is it incumbent upon the members here today to make a decision albeit, whether it be today or at a future date?

G. Pitchford: So, as a contracted body of the Public Lighting Authority, in the same way that the Public Lighting Authority approved the contract, the Board does at its pleasure have the ability to select any number of options on how to proceed with

this. The Board could make the decision to have no adverse action, the Board can make the decision to take adverse action, so typically that would come through a Board member motion of some sort, and perhaps discussion and vote on that motion.

Dr. Thomas: Did that answer your question Mr. White?

D. White: I'm sorry; I was trying to sift through that response. I don't know if I caught whether that was still an option or.....

G. Pitchford: So you ask is it on the Board to take some sort of action today? I would say yes, but again, a very real solution could be the Board could delegate its authority to the Administration, the Board could elect to take probationary action; I mean, they're basically, I just don't want the Board to think its limited to A or B or something like that. The Board has the authority to do what they want with regard to the contractor.

Dr. Thomas: I would like to comment that Mr. Jones makes a very good point. In all these years of doing this now going into the 5<sup>th</sup> year, those kinds of decisions have been done by the Executive Director we have not been asked to make that decision, we have been asked for our opinions from time to time but the decision making process and that authority resides in the person that we deem appropriate to be our leader after choosing with a lot of scrutiny and so forth; and I think in this case because of the dynamics of the case, there was an attempt to really bring it to the Board for transparency, and I think that was really the primary reason.

David Jones: And again, I do appreciate that. I'm just speaking for myself. I'm more comfortable with options; A or B, presented to me, because I'm not here every day and I'm cognizant this is a Detroit Based vendor we selected to partner with; and again I have confidence in you Mr. Taylor, but my concern is that we've done everything to try to partner with them and help them be successful, because you know as a Board we've talked about working with firms with local ties, local community, small businesses, I know that's a concern and interest of Mr. White—we've spoken about that before so I just want to make sure that we've exhausted those opportunities, and the vote will be what the vote is. But I'm more comfortable with options and satisfying that we've exhausted all our options.

Dr. Thomas: Would anyone like to weigh in on that?

D. White: Madam Chair. I was trying to speak to the point that it does not appear that this is properly before us at this time. It could be informational. It also sounds as if our Director has communicated to you Vis a vie being Chairwoman in holding the interest of the body over a sustained period of time. So unless this comes back to us whether it be in the form of a grievance; this may take up my colleague, Member Jones' concern as well, but if it comes back in the form of a grievance or there's something filed that we have the ability to take corrective action which could be a hybrid of some solution or a different pathway forward. I'm just struggling is this actually our decision at this point, or should we take action if something comes back based on fast action in managing the contractor as we've given them the ability to do.

Rod Parker: Are there grievance procedures within the contract?

G. Pitchford: I don't believe so.

Dr. Thomas: Well it sounds to me like the Board is not able to make a definitive decision today. Am I hearing what you're saying and interpreting correctly what you're saying?

David Jones: Donnell and I have spoken the most. I would be interested to hear what my colleagues...where they're at?

Rod Parker: Well just following what my always tells me; you've got 2 ears and 1 mouth...I've been listening and trying to take all this data in. You guys made some good points in terms of the role of the Executive Director and the role the Board should play in these day to day operations – the operating procedures, so, as with Mr. Jones, I would like more options.

Dr. Thomas: Patrick?

P. Padgett: I was just taking a moment to read back to the minutes that we just approved earlier in this meeting, and I wanted to see if there were some comments about trending issues like backlog growth and there was some discussion of that in the previous two meetings, backlog was going up. I didn't...I don't recall discussion about the yard, but a lot of what was... It was kind of framed in a... we're just coming out of winter, and you can expect a backlog would be a bit higher.

Dr. Thomas: Weather was a number one factor.

P. Padgett: Weather was a significant factor. So, on the one hand I'm hearing we expected the kind of run in seasonal cycles...but the overall backlog at some point is frankly overwhelming, right? You need kind of a re-set to be caught up and kind of get that clean slate. I'm not sure what the solution is; I just want to...I want to see success with the hand that we've been dealt. The way the work is currently being done—they're other contractors currently filling in?

Beau Taylor: On an emergency basis, yes.

P. Padgett: Is that backlog static, or is that thing whittled down?

Ben Barker: We're still moving work orders over to the new people, our Facilitators are going out to every single work order that the Stateline had in their cue as of the safety stand down, which was May 4<sup>th</sup>. At that time, there were about 180 Work Orders in the field, in their backlog cue, work orders that needed to...repairs and or light outs that needed to get repaired.

David Jones: You said new people; it's a new vendor completely to the PLA, or existing?

Ben Barker: Due to the windstorm, we are using MCE as our make safes. They used to do our make safes prior to Stateline, so they are familiar with our protocols and procedures—they were able to step in handily and very gracefully for at least during the windstorm period; at least that Friday and Saturday. Along with that, we're splitting the rest of the city in half between Energy Group and LeCom.

Beau Taylor: Both of those vendors are vendors that we've awarded contracts; they're both Detroit Based vendors, we've worked with them on some Capital projects that we've released as part of the GAP program. I believe those contracts were approved at our last Board meeting.

David Jones: I thought you mentioned earlier, one of the things whether or not we remove the suspension—was that different?

Beau Taylor: Yes. They're currently under a work stoppage, pending final decision on how we move forward with maintenance. So they're currently not authorized to work on PLA property.

P. Padgett: So holistically is the backlog going down?

Ben Barker: It's slowly going down over the next couple of weeks. The 3 companies are receiving materials from Stateline's yard to assist in getting those backlogs down.

P. Padgett: So they have access...That's all PLA material?

Ben Barker: Yes.

David Jones: Mr. Taylor, recognizing you're not an advocate of recommending any type of last change agreement or anything like that; stringent probationary terms. Can you give me an example of what something like that you would fashion that would be what term, days, months weeks and what would they have to do; would it be eliminate the backlog what would it consist of if you were given direction to fashion something like that?

Beau Taylor: it would look like the PLA to exercising under the contract it's right for refusal for certain individuals that were involved in certain incidences, either a third party safety program, there are companies that do safety, the other option would be the PLA would hire a safety person that was 100% responsible for a defined, quantifiable safety program, with safe worker observation processes in place with hand held devices to document job briefings, restrictions on certain types of work, there are certain things from a productivity standpoint that I don't think Stateline is positioned as well as some other companies, and it would involve us positioning them...I think it would actually work well for them because they would be able to focus on one type of thing as far as being spread too thin, I would move to time and expense as opposed to units because the time and expense is not pressuring workers to make money, it's pressuring workers to get the job done correctly and we're giving them extra time to complete the job and the expectation is to work safer.

David Jones: Is that allowable in our current contract?

Beau Taylor: Yes. (Continuing....) Up to date training before work resumes, that would include CPR Training, Bucket rescue, Pole Top Rescue, Driver records to make sure their CPL is updated; and I would like considering where we are, OSHA 10 hour training for all employees in place; all inventory bar-coded and reconciled each month with reports of what was used in the field, so we can track the purchases that we make with the inventory used, written notification that all debts incurred as a result of work performed with the PLA, that includes any settlement agreements are up to date.

David Jones: Let me interrupt you. It sounds like you've given that option some consideration; you reeled off that pretty quickly....

Beau Taylor: I come prepared, sir.

David Jones: Recognizing this will not make you a fan of me, I'm going make a motion that we move to give Stateline some type of probationary term with maybe a last chance agreement, implementing what you see is appropriate in whatever given time, 30, 60, 90 days. That's my motion as far as an action item.

Dr. Jones: There's a motion on the floor, is there support for the motion?

Rod Parker Support.

D. White: Madam Chair, just a point of information, I heard a number of dates, were we date specific on that motion?

David Jones: No. I left it to Beau's discretion; I don't know what's appropriate – 30, 60, 90 days, I don't know. Again, I don't work here.

Dr. Thomas: We have a motion on the floor. That has been duly supported. Are you ready for the question: All in favor? All Board members affirmed; none opposed.

**Motion carried**

Now let's restate the motion. Mr. Jones, please re-state the motion.

David Jones: That we authorize the Executive Director, Mr. Taylor to fashion some type of probationary—I called it a Last Chance Agreement with Stateline on the terms that he sees appropriate. I don't know what the time-frame would be; Mr. Taylor would have to speak to that. Obviously incorporating...I really like moving from units to time and expense; and that if they don't succeed, we take further action—move in a different direction.

Dr. Thomas: Using this framework?

David Jones: Yes, I would ask that you use the notes that Mr. Taylor had.

Dr. Thomas: This was quite comprehensive and really addresses the issues that have been placed before us that precipitated this meeting in the first place.

Dr. Thomas now opens up the floor for Public Comment.



## **Public Comment**

### **Steve Wynn**

I don't have a lot. My name is Steve Wynn, GF Stateline Construction. 37 years in the power line trade, 33 years in Detroit working in the city limits. As for these incidents we're referring to, I don't think they were unsafe...I deem myself qualified to judge that, my year of experience, there was no way anyone could reach these wires from the ground. No one was injured, no one was hurt. There was no property damage. I feel that these accusations against SL were unfounded. We were awarded this contract through our safety and experience that still stands as the best in Southeast Michigan.

### **Avery Duncan**

Good afternoon, my name is Avery Duncan. I've been the warehouse manager starting out this project, helping out the moving materials from MCE to SL and as far as all these materials there were a bunch of questions that came up – how we're going to set things, everything out of order, where we're gonna put these materials, you only have this much space in your facility. My father-in law owns 3 million square feet in the City of Detroit. I've worked in his facilities for the past 8 years. I know what I'm doing...I talked to Melanie, I talked to Ernest and I figured out what to do. I talked to my father in law... He told me "hey we've got racks for you; this is what we can do. We can get your materials racked up, in line in order by maker, color, design, anything". And that's what we did inside. Everything's aligned, in order, the way it's supposed to be. I know what I'm doing when I'm managing a warehouse. As far as everything else, it's not tagged that would be a great process if we could maybe tag stuff or you know if you guys want to keep some type of order that way. That works great. Throughout this whole process, there's been a lot of things that maybe need to be helped out not just in our aspect, but in PLA if we could also kind of make it easier, because down the line it's a little bit harder to figure what exactly what you guys want us to do sometimes, as far as the work comes down to. So if the pictures are actually accurate with the actual location – I don't know if there's some way we could figure that out where it's not just a pole, a picture of a pole up close on the ground, where it's the actual whole area and where the pole is supposed to be set. There's just a few things that, if possible, where we can go over, since we do since you're giving us this period back and we can work on things. I would really like questions to be asked so we can come up with some type of solution so that therefore we can help this company and we do have any of these problems anymore

### **Bill Spitz – Safety Officer**

Hello, my name's Bill Spitz, I'm a Journeyman Lineman, Safety Officer and Foreman. I started this trade in 1987; I'm going on 31 years in this trade with IBEW Local 17. Seventeen years of this was with PLD, which is Public Lighting Department. Stateline has an excellent safety and performance record. We have done nothing to endanger the public or ourselves. We have done exceptional work; we've done it by the book, by specifications, etc. I pride myself in perfection. That's how I started this trade, and that's how I continue. It's also how I train other. The majority of us are from PLD background. We met Beau Taylor at PLD, where he said he's the one that dismantled PLD. Now he wants to dismantle SL from what I can see. He worked alongside our competitor, which he now wants them to take over. One of which has the highest OSHA recordable rate of all the contractors that worked for DTE in 2017. And that's not a good thing.

George Pitchford then interrupts Mr. Spitz and reminds him that he is heading into an area of personal attacks, and talking about other companies who are not here to defend themselves. He asks if Mr. Spitz has something pertinent to the meeting we just had.

Mr. Spitz continues....

I was gonna try to say how it feels like we're like the ties that other people that PLA have with other companies are unfair to us, that's how I felt. Now we won this bid for this contract fair and square. When Beau Taylor took over, he said to me that he could not believe we won the contract, and that SL won't survive because we had bid so low. And that the other two companies, can I mention their names? [George: I'd prefer you not] One company's 4 times us and the other was a little bit more. We proved him wrong, we did survive. And then he gave us a new production deadline. This time he said we have an insurmountable task ahead of us that we would be unable to meet. And we proved him wrong again. We did meet that deadline. As far as the wire coiled up in a tree, this is a common practice for DTE; often it's coiled up out of reach similar to the wiring downstairs in your lobby. It is also connected temporarily house to house, gutter to gutter.....

George Pitchford interrupts again and states we must have decorum and everyone cannot speak as long as they like and please hit your main points. Mr. Spitz continues...

The years that we've hung wires up house to house temporarily for an expedient restoration time. We've been given a lot of wrong locations from PLA and we have found these problems and located them. It's my opinion, with Beau Taylor and his safety has become a little unhinged since he lost his lineman, and it's understandable....and it hurts...

George and Dr. Thomas then end Mr. Spitz's comment.

### **Leon Moore**

Leon Moore, Journeyman Lineman, SL. Been in the trade...I don't think the years makes a difference to me, because sometimes you can have 40 -50 years and still be stuck on 1. I say this to say that, we talk about safety, we talk about changing things, but like I tell people, we have to work together. I can't read minds and the bottom line is if you're in charge, you need to talk to people and it goes ways. We must come to the table-- like I told you before, you can have A and B but we need to get at C. And that is the problem; I think with the situation, you can't have one person on this plane and another person on this plane. We've gotta meet at the center. And I say even though you, Brother Jones, you made a good suggestion; I appreciate that suggestion because that's the way I am. I think whenever you're on board or whenever you have you have to weigh out all your options to look at the situation and say hey am I wrong? Because sometimes people nit-pick be it whatever, small, large, whatever it may be. But you have to be sensible to come to the middle and say hey, we can get there. If we all put our apples in the same pot, we can make that apple. So I'm saying to the Board, and to you, Mr. Beau, the bottom line is we need to be fair. The man upstairs knows who's fair so all I say is let's be fair.

### **Eric Boone**

[Shows picture of himself on Annual Report] This is me right here. I worked in this trade for 40 years. I've been at SL since it got started. It's a great company. It's like a family situation. Everybody does 110%. Now what I've noticed since I've been here since we got the contract from the Public Lighting. I'm gonna say this, I'm gonna be short about it. The inspectors that came out to inspect our jobs that were hired by Mr. Taylor, or work for Mr. Taylor, came out on our job and followed us around – all day long. I've been in this trade for 40 years, I've worked for power companies, contractors, everybody. This has never happened to me before. I expressed it to these guys in a professional manner that this is not the way it goes. You don't follow someone around on the job. You come out, see what we're doing, sign out safety sheet, watch us for a couple of minutes, and leave. These guys stayed with us on the jobs all day, until I made a real big complaint about it. They're walking around, under my job, while I'm setting

poles, pulling up wire... Now you're talking about something unsafe-- that is unsafe. What I've heard about what SL's supposed to be accused of for doing something safe—that's nothing that compares to the position these guys put me in while I'm doing my job. I'm retired. I don't even understand why SL's contract got taken away from them. I've never seen nothing but professionalism from these people. I'm retired. So I'm here on my own time. Ain't nobody paying me for this. This is a great company. These guys are very professional, absolutely.

**William Mitchell**

I work for SL. I did 32 years with GM and then met the owner of this company and started working for him. They had to teach me different safety that I've learned from GM and they have taught me very well. I think...to me, it's been an honor to work with these gentlemen that come out PLA, Public Lighting in the City of Detroit. They watch over me like a hawk and have taught me, and I've been at it for 5 year now, I believe, and I've learned really well under them. What bothered me most though was Ernest received the contract—I got kind of friendly with Corby people, because I always helped them get their trucks out. Our trucks move real good, we made sure of it. I'd help their mechanics get their trucks out, get their lights working, whatever needed to be done. When he got the contract, the venom that came out of the supervisors and these other companies, because they figured I was an outsider. I couldn't believe the venom, how upset they were that this gentleman was getting the contract. Just struck me as very strange. It actually worried me at first. Other than that, thank you for letting me be here, and it's been an honor to work with these gentlemen.

**Adjournment**

A motion was made by David Jones to adjourn the meeting at 7:05 pm. Motion was seconded by Patrick Padgett.

Motion to adjourn carried

