Public Lighting Authority of Detroit

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PUBLIC LIGHTING AUTHORITY DETROIT
Regular Board Meeting
November 6, 2013

Coleman A. Young Municipal Center Council
Chamber, Committee of the Whole 5:00 pm

MINUTES

Board Members in Attendance: Others in Attendance:
Maureen Stapleton Odis Jones (PLA) David Massaron(Miller Marvin Beatty Ron Lipscomb (Allen Law Group)
Canfield) John Davis Mohamed Hassan (Gregory Terrell & Co.) Rachel Eubanks Cedric Dargin Bob Berg (Berg
Muirhead & Associates) (RWBaird) Michael Einheuser (excused absence) Debbie Roberts (Michigan Finance

Authority)

CALL TO ORDER
The Regularly scheduled Board meeting of the Public Lighting Authority of Detroit was held on Wednesday, November 6, 2013 in the Committee of the Whole of the Coleman A. Young Municipal Center and called to order by Maureen Stapleton, Chair at 5:06 pm.

ROLL CALL
Roll call was taken by Odis Jones and members in attendance were: Maureen Stapleton, Marvin Beatty, Cedric Dargin, and John Davis.

AGENDA
Marvin Beatty moved to accept the agenda as presented, Cedric Dargin seconded the motion and the agenda was unanimously accepted.

MINUTES
Marvin Beatty moved to accept the minutes of October 23, 2013 as presented, Cedric Dargin seconded the motion and the minutes of October 23, 2013 were unanimously accepted.

OLD BUSINESS
Maureen Stapleton stated that with regards to the lighting project, the following criteria should be considered when determining where to move ahead with the emergency intersection lighting repairs zipcode and requested information from Future Cities to be considered:

1 High Crime areas
2 Schools (DPS closings and location of Charter Schools)
3 Population Density

NEW BUSINESS
John Davis stated that an Audit RFP would be going out the next day for an external auditor. John Davis also shared with the Board that there is a lot of misinformation and untruths out in the media and community about the Public Lighting Authority relative to a broadcast he saw. For instance, it stated that:

1 The Public Lighting Authority of Detroit has been provided with $14 million already to begin the project;
2 The Public Lighting Authority of Detroit has been in existence since December of 2012

John Davis asserted for the record, that:

- neither of the above are true and specifically, PLA has only received $8.6 million with an anticipated two (2) payments of $1.73 million each which would make the balance of all payments closer to $12 million and no where near $14 million as mis-stated; and
- The PLA did not come into existence until March; The Articles of Incorporation was not approved by the State until April, and Funding was not received until late May of 2013

Maureen Stapleton:
1 shared her belief that there is alot of angst in our community relative to the darkness and that there is a concerted effort by the City side to keep up confusion and misinformation about the PLA while pushing the body (PLA) to act irresponsibly;
2 formally requested that representatives from the City of Detroit, the Mayor's Offfice and the Emergency Manager be invited to attend the Public Lighting Authority of Detroit Board meetings;
3 stated that the City of Detroit (PLD) had not lamped anything in the year before the Public Lighting came into existence, and
4 asserted that the Public Lighting Authority has managed to stay focused, obtain bond financing in the midst the City filing for Bankruptcy and move forward since March

Odis Jones shared with the Board of Directors:
1 that his office received a request from the City of Detroit to allow the City's Auditor to perform an audit of the Public Lighting Authority for fiscal year 2013;
2 that he had coordinated with Bob Berg to create a media event at the groundbreaking on Friday, November 8, at Brock and Collingham on the City's east side near 8Mile and Gratiot at 10:00am.
3 a Chronology of Public Lighting Authority Events since mid July:

Public Lighting Authority of Detroit

November 4, 2013

Chronology of events in the launch of the Public Lighting Authority of Detroit

July 15	Odis Jones begins work as Executive Director of Public Lighting Authority of Detroit
July 23	Public Lighting Authority designates two pilot areas, one on the east side and one on the west, to begin work on the renovation of Detroit's street lights. The design of a specific plan to relight both of these areas will serve as a prelude to moving out into the rest of the city to completely restore street lighting over the next three years.
August 2	Public Lighting Authority issues RFP for firms to bid to conduct the initial engineering survey of street lights in the pilot areas. The survey is needed because the existing light-by-light engineering map of street lights in the city is 15 years old.
August 28	Public Lighting Authority selects Corby Energy Services, Inc to conduct engineering survey of street lights in the two pilot areas.
September 19	Engineering survey begins of each street light in the two pilot areas. The survey records 23 specific pieces of information on each light, including location, type of light, type of pole, type of arm, whether it is working, etc. The information gathered will be used to draw up specific engineering plans for relighting the two areas.
September 23	Public Lighting Authority issues RFP for engineering firm to become firm of record for relighting project.
September 23	Public Lighting Authority issues RFP for construction firms to carry out the work on relighting project in two pilot areas
October 10	Public Lighting Authority holds vendor fair to outline opportunities for qualified Detroit based businesses to become involved in the PLA's initiative to update Detroit's street lighting system. A total of 38 firms participate
October 21	Public Lighting Authority agrees to terms with Citibank for $60 million initial sale of bonds to fund lighting improvements for city. The sale of the bonds will enable the authority to continue work into the new year and eventually to repair and refurbish the entire street lighting network in the city.
October 22	Public Lighting Authority announces the block-by-block review of street lights in the two Detroit neighborhoods revealed that nearly half the lights in the two pilot areas are not working, underscoring the need to move forward with renovation of the system. This information is being used to draw up specific engineering plans for relighting these two neighborhoods.
October 22	Survey work begins in areas adjacent to the pilot areas to prepare for continuing the renovation of street lights once the pilot areas are completed.
October 23	Public Lighting Authority Board approves sales of $60 million in bonds to Citibank as first traunch of funding for the relighting of Detroit.
October 23	Public Lighting Authority Board authorizes Executive Director to begin negotiating contracts with up to four firms to begin renovating street lights in the two pilot areas.
November 1	Public Lighting Authority signs contract with Corby Energy Services to begin renovating street lights in the two pilot areas.
November 1	City Council approves initial sale of bonds to finance the beginning of the relighting of Detroit.
November 8	Work scheduled to begin in renovating street lights in the two pilot areas.

Bob Berg explained that Mara McDonald, Charlie LeDuff, anyone and everyone who had attended the seven (7) community meetings, block clubs and the Mayor and City Council were invited to be in attendance.

Marvin Beatty raised an issue with an email that was forwarded to people other than the Board of Directors by the Executive Director and stated that he was really offended by the action. The email accused a Board member of an attempt to force the Executive Director to choose a contractor over another with use of a "Friends and Family" relationship.

Marvin Beatty declared before everyone present for the record, *"That at no time did that ever happen and that it was a lie."*

Marvin Beatty explained that his conversation with the Executive Director was specific and spoke to the two (2) candidates who had made application for engineer, had been selected by the program manager, DTE Energy with the inclusion of the executive director, or so he thought:

Marvin Beatty stated the following, *"When I found out from one of the candidates that the Executive Director had not participated in that discussion, I made a phone call to the Executive Director and asked him: 'Did he participate in that conversation? 'Did he participate in the interview? 'I never got a direct response. But the response I did get was an email to the Emergency Manager, to Gary Brown, I believe, to the Board and to the Police Chief that implied that there was some attempt to force a bidder on this project.*

'Madame Chair and fellow Board members, it was an absolute lie. And I just want to be clear on the record that at no point throughout my career, have I ever attempted to find an unqualified, incapable candidate to do work on any project that I was involved in and I have been involved in a whole lot of them. So the implication, the notification, is improper, its disrespectful and it was a lie."

Maureen Stapleton added that there have been a number emails back and forth regarding this issue and the implication was unsettling and wanted to publicly state that the processes are bidded, they are scored, and that everyone gets the same treatment by law.

Odis Jones stated in response, that his email:
1 made it very clear that he would not be involved in project steering, or involved in aptitude with regards to construction bidding, etc., and
2 did not at any point state specifically or otherwise that any Board member was involved in any inappropriate activity. Odis Jones further asserted that the facts are what they are and the email is what it is, and stated for the record, *"If I see questionable activity, I as the Executive Director have an ethical and moral responsibility to ask questions. I had questions there and will continue to ask questions."*

Maureen Stapleton stated for the record that the implication was there and she never dreamed that such an email would have been sent so inappropriately to so many people outside of the PLA. She then asked Odis Jones to add in the chronology of events that he is working on:

- When things were put out for bid
- How responses there were when the bid came in

Odis Jones requested a copy of the email be added to the minutes. *(See page 5 of this document to view the email)*

WORK SESSION

David Massaron of Miller Canfield, explained the role of the Michigan Finance Authority as pass-through and that the bond documents attempt to make Term Sheet previously approved by the Board a legal reality;

DOCUMENT PROVIDED	WHAT IT ESSENTIALLY DOES
Trust Indenture Between Public Lighting Authority and Wilmington Trust Company National Association as Trustee	*Sets forth the economic terms of the debt*
Bond Purchase and Supplemental Agreement between Michigan Finance Authority and Public Lighting Authority and Citibank, N.A.	*Sets forth the agreement between the PLA who pledges their resources, the MFA who is the pass-through and Citibank who is the lender*
Resolution of The Board of Directors Authority Authorizing The Issuance and Delivery of Public Lighting Authority Bonds	*Approves the two financing documents; the chair, the Vice Chair and Treasurer as signor*

PUBLIC COMMENT
America's Greenline presented and indicated that they would be available to meet or present at the Board's convenience.

Sridah Lakshar asked about standards for LED and HPS and wanted to state for the record that both the City as well as the DEGC has a standard already that they are installing in LED lighting.

Maureen Stapleton asked the Executive Director and the project manager to provide some recommendations.

Sridah Lakshar requested that the RFP for the lighting should not be limited to just one type of technology.

ADJOURNMENT
There being no further business to discuss, Marvin Beatty moved to adjourn the meeting. John Davis seconded the motion and the meeting was adjourned at 6:45pm.

From: Odis Jones
To: Marvin Beatty (mbeatty@greektowncasino.com); Maureen Stapleton ; John Davis (davisjohnl@sbcglobal.net); meinheuser@gmail.com; Cedric Dardin
Cc: Kevyn Orr; Craigj@detroitmi.gov; fallen@alglawpc.com; Ron Liscombe; Ron May; Nick Khouri (khourin@dteenergy.com)
Subject: Construction of Pilot project
Date: Friday, October 25, 2013 10:20:40 AM

Attachments: image001.png

Board

In consideration of the email correspondences last night, are you available to meet Monday at 5pm. As stated if you want to change your mind on moving forward with the construction of the Pilot area you must re-vote in a public meeting to do so.

Additionally, I am concerned that I only received the emails from Board members to cancel the Pilot project only after a Board member contacted me complaining about why a contractor he knows (Ken Shapiro) wasn't personally interviewed by me when the resolution passed by the Board doesn't require me to do so.

As stated previously, I will not be involved in contract steering or rigging. Please advise

Odis Jones Executive Director
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No virus found in this message. Checked by AVG -www.avg.com Version: 2013.0.3426 / Virus Database: 3222/6774 - Release Date: 10/23/13