

PUBLIC LIGHTING AUTHORITY DETROIT

Regular Board Meeting

August 28, 2013

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

MINUTES

Board Members in Attendance:

Marvin Beatty
Cedric Dargin
John Davis
Michael Einheuser
Maureen Stapleton (via telephone)

Others in Attendance:

Odis Jones (PLA)	Andre Brooks
Floyd Allen (Allen Law Group)	P Lakshana
Mohamed Hassan (Gregory Terrell & Co.)	Patricia Oliver
Eric Janness (DTE Energy)	James Williams
Ron Lipscomb (Allen Law Group)	Beau Taylor
Gregory Terrell (Gregory Terrell & Co.)	
Peter Van Dyke (Berg Muirhead)	
Karen Whitman (DTE Energy)	

CALL TO ORDER

The Regularly scheduled Board meeting of the Public Lighting Authority of Detroit was held on August 28, 2013 in the Chamber Council of the Committee of the Whole of the Coleman A Young Municipal Center. Michael Einheuser, board secretary welcomed everyone and called the meeting to order at 5:08 pm.

ROLL CALL

Roll call was taken and members in attendance included: Maureen Stapleton (via telephone), Cedric Dargin, John Davis, and Michael Einheuser. Marvin Beatty arrived later.

AGENDA

The agenda was reviewed by the Public Lighting Authority Board of Directors. John Davis moved to accept the agenda as presented, Cedric Dargin seconded and the agenda was unanimously accepted.

MINUTES

Michael Einheuser, announced that the format of the minutes was currently under review to consider moving from the transcript format to more traditional minutes design. Odis Jones, stated to the Board that there were several outstanding of minutes from previous meeting that still needed to be approved and accepted by the Board. More time was requested and granted for summarization of minutes and as a result, the following minutes were laid on the table:

- July 17, 2013
- July 22, 2013
- July 31, 2013

EXECUTIVE DIRECTOR'S REPORT

First draft of the proposed term sheet with an indicated amount of \$180,000,000.00 from Citibank was distributed and discussed.

Floyd Allen shared with the Board that given the climate in Detroit with the current bankruptcy looming, just getting the term in itself was a phenomenal feat. He went on to explain that he current term sheet

will need the blessing of the Bankruptcy Judge to move forward, implies the need for bridge financing and will need to be approved by the PLA Board.

Floyd Allen further indicated that approval of a final budget as well as a signed Operating Agreement with the City to begin work in the pilot areas would also be necessary to actually secure the financing.

Discussion around a communications plan ensued and it was assessed that this was necessary, but beyond the scope of the current contract with Berg Muirhead.

Mike Einhauser moved to authorize an additional \$22,000.00 (above the monthly retainer) to Berg Muirhead to continue with the communication plan in the pilot areas. John Davis seconded. The motion carried.

FINANCIAL REPORT

Gregory Terrell of Gregory Terrell and Company thanked the Board for selecting Terrell & Company to perform Accounting Services for The Authority and presented financial statements FY July 31, 2013. Mohamed Hassan indicated to the Board the following:

- to date, the Public Lighting Authority of Detroit is operating with a favorable budget
- the accounting system: up-and-running, and
- the Policy and Procedures Manual is In the final stages of completion

PROJECT MANAGER DISCUSSION

Karen Whitman of behalf of the program manager reviewed the selection process and the weighting scale of for 2.5% for Detroit based businesses, 3% for Michigan based business. Marvin Beatty was neither impressed, nor pleased with the notion of the 3% criterion and challenged its basis and origin. She had no appropriate response, said it would be removed and concurred with Marvin Beatty that there was neither reason, nor authorization for the 3% criterion. Marvin Beatty implicitly expressed that the 3% criterion was unacceptable and that while he was not a part of the discussion that led to a 3% criterion being feasible, further discussions would ensue prior to subsequent bids being issued in which he would be.

The program manager recommendations for the Public Lighting Survey project were ABE Associates, Inc. and Corby Energy.

John Davis moved to accept the program manager's recommendation to hire ABE Associates and Corby Energy with the provision that if there is a significant difference in the pilot areas and scope of work that the largest area be awarded to ABE & Associates.

Mike Einhauser seconded.

The motion carried.

Mike Einhauser revised the above motion to accept the program manager's recommendation, subject to the final negotiation and execution of an agreement, with assistance of legal counsel, by the Executive Director. John Davis seconded the motion. A voice vote was held. The motion was passed.

BY-LAWS

Mike Einhauser recommended the adoption of the By-Laws and Jon Davis indicated he had previously read the By-Laws and had questions as well as suggestions had been previously submitted. John Davis recirculated his questions and suggestions to all board members present. More time was

requested and granted for review and as a result, Maureen Stapleton indicated that she would go over them again over the weekend, asked each board member to do the same and the By-Laws of the Public Lighting Authority of Detroit were laid on the table.

POLICY MANUAL

Odis Jones indicated that the Policy Manual has been submitted to the Board for review and comment and Maureen Stapleton suggested that a sub-committee be formed to review the policy over the next week.

BOARD ACTIONS

ALLEN LAW GROUP

Maureen Stapleton moved to approve the Allen Law Group Contract Amendment.
John Davis seconded.
The motion carried.

DEPUTY DIRECTOR

With regards to the Deputy Director position, it was decided that too much emphasis was placed on education (specifically the position requiring a Juris Doctor degree).

Mike Einhauser moved for adoption of the Job Description for the Deputy Director that will not be hired immediately with an amendment to de-emphasize the qualifications and increase emphasis on "Engineering" and "Administration" and approved the Executive Director to recruit candidates for the Deputy Director position with the understanding that no more than two (2) candidates will be submitted to the Board for the final decision.

Cedric Dargin seconded.
The motion carried.

ORGANIZATIONAL CHART

Mike Einhauser moved to have the Organization Chart amended to add the box with the PLA of Detroit Board of Directors.
John Davis seconded.
The motion carried.

HIRING PROCESS

The Hiring Process draft document submitted was not approved by the Board and recommendations to revise the process to ensure that the process did/would not include administrative staff were suggested as a result, the hiring process was tabled until next meeting.

Mike Einhauser recommended that the Executive Director begin recruitment and advertising to identify potential candidates for the Deputy Director position.

OFFICE FURNITURE

Mike Einhauser moved to approve the requested amount of \$2,400.00 for the purchase of office furniture.
John Davis seconded.
The motion carried.

NEW BUSINESS

Marvin Beatty proposed that the Board establish a subcommittee of professionals that will lend their combined expertise in researching and providing answers to such questions as:

- How to bring the City of Detroit lighting into the 21st Century?
- How to strategically find ways to generate revenue out of the lighting process to help offset costs of lighting this City?
- How do to maximize this whole effort?

Marvin Beatty continued that building an economic strategy in the lighting project deliverable was paramount.

He suggested the aggressive assembly of a REAL committee to put together some revenue generating potential for this project over the next 90-120 days to help offset to cost of this project.

Beau Thomas of the City of Detroit suggested Federal Grants, ways to save costs in addition to generating revenue, marketing technology.

Board Member Einheuser suggested that Vice-Chair Beatty and Executive Director Jones meet, put together a formal proposal and submit it to the Board to adopt.

PUBLIC COMMENT

PROFESSOR LAKSHNANAN, of the University of Michigan, offered a Business Plan he drafted for the for the City's street lights 3 years ago. He also shared that the business community within the City also presents another opportunity to partner with and that if perhaps Blue Cross and Blue Shield would be willing to adopt a certain neighborhood or a certain Boulevard in exchange for maybe advertising on posts.

PATRICIA OLIVER, inquired about the following:

- an Adopt a Public Street Light opportunity and offered her email address for follow-up patoliver340@AOL.com.
- the DTE presentation not being on the PLA of Detroit website on the website and requested a copy.
- terms of office of the current PLA of Detroit Board of Directors

ANDRE BROOKS, on behalf of the Sherwood Forest Homeowners Association inquired about the lights in that community.

But also as owner of ADE Associates, thanked the Board for considering his firm.

JAMES WILLIAMSON, on behalf of the 9100 block of Prevost on Detroit's Westside indicated that there were problems with those street lights not being on which included:

- illegal dumping - big heavy trucks with dirt from the construction sites, as well as people just dumping
- excessive John traffic on that street as well

ADJOURNMENT

There being no further business to discuss,

Mike Einhauser moved to adjourn the meeting.

Cedric Dargin seconded.

The motion carried and the meeting was adjourned at 7:35pm.