



PUBLIC LIGHTING AUTHORITY DETROIT

Regular Board Meeting

December 4, 2013

5:00 pm

MINUTES

Board Members in Attendance:

Maureen Stapleton
John Davis
Cedric Dargin
Mike Einheuser

Others in Attendance:

Ron Lipscomb (Allen Law Group)
Michael Macklin (Applied Power Controls)
Mohamed Hasan (Gregory Terrell & Co.)
Jim Hull (DTE)
Eric Janness (DTE)

Beau Taylor (City of Detroit-PLD)
John Green (Miller Canfield)
Rachel Eubanks (RW Baird)

CALL TO ORDER

The Regular Meeting of the Public Lighting Authority was held on December 4, 2013 in the Committee of the Whole room of the Coleman A. Young Municipal Center. Maureen Stapleton, board chair welcomed everyone and called the meeting to order at 5:00 pm.

ROLL CALL

Roll call was taken by Michael Einheuser and members in attendance included: Maureen Stapleton, John Davis, Cedric Dargin and Michael Einheuser.

AGENDA

The Agenda was reviewed, accepted by the Board of Directors
John Davis moved to accept the agenda as presented
Cedric Dargin seconded.

Motion carried to accept the Agenda.

MINUTES

John Davis moved to accept the Minutes with the following additional comments by Maureen and John Stapleton regarding funding for the Public Lighting Authority:

Maureen Stapleton: *"We were within days of solidifying a \$160 million dollar deal which would've gotten us all of the bond money in in order to make some decisions to fast track things, when the bankruptcy was filed and the review held us up. That deal dissipated, but the same bank is back and we are attempting to work with them to get \$60 million, not \$160 million dollars in."*

John Davis: *"Mr. Brown made a comment that I would like to follow-up on. Even if we do sell all the bonds that we intended to sell, we still would not meet everyone's expectations because the money is fixed. \$160 million is not got to let us do some of the things that some of the people want us to. Are you suggesting that there might be some additional funding available to get it done?"*

Gary Brown: *"Yes, I am suggesting that."*

Michael Einheuser seconded.

Motion carried to accept the November 20 Minutes with the addition of the comments made by John Davis and Maureen Stapleton with Gary Brown.

PROPOSED CRITERIA DISCUSSION

Odis Jones distributed a presentation outlining crime statistics, population density and schools with a revised Resolution Approving the Amendment to the Lighting Plan Criteria. Eric Janness went on to explain the zip code reconstruction plan or map based on the information attacking the areas with the highest population density with the most criminal activity to include homicide, sexual assault, robbery, car-jacking and aggravated assault via district.



Maureen Stapleton called Beau Taylor to the table to explain the plan for the \$1.9 million received by the Public Lighting Department from the Emergency Manager. Beau Taylor shared several initiatives that are currently underway which include prioritizing digitizing the current 40,000 work orders at the PLD along with two main objectives:

1. immediate relief for as many people possible, and
2. a pilot project, to hand over to the PLA – procuring approximately 500 (200 Watt output) LED lights on Jefferson Avenue between I-375 and Grand Blvd.

Odis Jones indicated that he and Beau Taylor of the Public Lighting Department meet on a regular basis and have been working in concert to coordinate and not duplicate efforts.

John Davis moved to accept the revised Resolution Approving the Amendment to the Lighting Plan Criteria with the amendments, additions and caveats discussed.

Cedric Dargin seconded.

John Davis aye

Cedric Dargin aye

Michael Einheuser aye

Maureen Stapleton abstained

Motion failed to accept the revised Resolution Approving the Amendment to the Lighting Plan Criteria as the law requires 4 affirmative votes.

DISCUSSION

- The minutes of the December 4, 2013 meeting were approved with the following corrections:
Ron Liscombe of the Allen Law Group outlined the brief filed by Allen Law Group clarifying that Miller Canfield did not negotiate on behalf of the PLA the documents that were before the bankruptcy court for approval, thus Miller Canfield did not represent both parties to that transaction. The brief further outlined that Miller Canfield's representation of the PLA as bond counsel did not create a conflict of interest because the interests of the City and the PLA were aligned. Jon Green of Miller Canfield elaborated on Judge Rhodes' concern regarding the possible conflict of interest because Miller Canfield represented the City of Detroit as local counsel to the bankruptcy case, and also represented the PLA as bond counsel. Miller Canfield filed its own brief further arguing that no conflict existed for additional reasons. The Allen Law Group was present at the bankruptcy hearing, but did not address the Court on behalf of the PLA because no appearance had been filed with the Court and no opportunity presented itself to interject in the argument.
- Rachel Eubanks of RWBaird indicated that the closing date of the PLA Bond Sale will occur within 5-7 days of Judge Rhodes' Court Order; which could be by December 20, 2013. She also shared that the ruling from the judge provided creditors a lot of comfort and the interest rates lowered to 7-7.5 percent will provide and extra upfront proceeds about \$7-8 million over the life of the loan. A traditional bond issue takes about 90-120 days, and we are on target to issue sometime in the summer of 2014.
- Odis Jones shared the Audit schedule by George Johnson and as a result, an additional meeting is proposed for December 27, 2013.

PUBLIC COMMENT

Sridar Lakshman suggested the Board be more diligent about the use of government subsidies and suggested the PLA consider earmarking a portion of the bond sale proceeds for qualified energy conservation. Rachel Baird indicated the difficulty in the investment climate and it is not as attractive to investors, skeptical that the federal government will come up with funds for such.

America's Greenlight was concerned about energy consumption suggested the PLA be mindful of the light levels required by the City as well as, heat spreaders, warranties and lumens per watt ratios.

Ari Isaak indicated that he was in town for the advance lighting workshop. His company works closely with Siemens and helps facilitate the contractor to collect data for municipalities while they are doing the work. He wanted to be written into the contract/RFP. He suggested a real time map would drive better decisions and cost savings. Odis Jones indicated that he should provide his contact information to the program manager.

ADJOURNMENT

With no one else wanting to make public comment, a motion was entertained and supported to adjourn.

Motion carried to adjourn.