

# **Detroit Water and Sewerage Department Meeting Minutes - Final**

735 Randolph Detroit, Michigan 48226 (313) 224-4704 Office dwsd.legistar.com

## **Board of Water Commissioners**

Wednesday, May 4, 2022

3:00 PM

To attend by phone call one of these numbers: +1 301 715 8592, +1 312 626 6799, +1 267 831 0333 Use Meeting ID: 815 7263 5118 Use Passcode: 482262021

To attend online: https://cityofdetroit.zoom.us/j/81572635118

Use Passcode: 482262021

## **BOWC Special Meeting No. 18**

## To attend In Person: 735 Randolph, 5th Floor, Boardroom, Detroit, MI 48226

#### **CALL TO ORDER** 1.

Chairperson Einheuser called the meeting to order at 3:01 p.m.

#### 2. **ROLL CALL**

Present: 7 - Chairperson Michael Einheuser, Vice Chairperson Mary Blackmon, Commissioner Lane Coleman, Commissioner John Henry Davis, Commissioner Linda Forte, Commissioner Jane Garcia and Commissioner Jonathan Kinloch

The Chair called for recess at 3:02 p.m.

The Chair returned from recess at 4:23 p.m.

#### 3. APPROVAL OF AGENDA

Chairperson Einheuser requested approval of the agenda.

A motion was made by Commissioner Linda Forte, seconded by Commissioner Lane Coleman that the agenda be approved. The motion carried by a unanimous vote.

#### 4. APPROVAL OF MINUTES

Chairperson Einheuser requested approval of the minutes of January 31, 2022, Special Meeting No. 17

A motion was made by Commissioner Jonathan Kinloch, seconded by Commissioner Linda Forte that the minutes be approved. The motion carried by a unanimous vote.

#### 5. PUBLIC COMMENTS (3 minutes per speaker)

- a. Kareem Ortiz came before the Board about his property purchased from the Wayne County land bank that has basement flooding and needs the stop box replaced.
- b. Jermaine Paynes has come before the Board on several occasions about his property purchased through the land bank that does not have a water service connection.
- c. Beulah Walker of Hydrate Detroit came before the Board to speak about the countless horror stories she has heard regarding the land bank. She said that there should be some means of communication to the customer that the property may not have a water line connection.

#### 6. ITEMS FROM THE COMMISSIONERS

There were none.

#### 7. UNFINISHED BUSINESS

There was none.

#### 8. NEW BUSINESS

A. <u>22-0803</u> Motion regarding Inner City Contracting protest regarding Detroit Water and Sewerage Department Contract Number DWS-723.

**Sponsors:** Pospiech

A motion was made by Commissioner Linda Forte, seconded by Commissioner Jonathan Kinloch that this Resolution, BOWC be denied. The motion carried by a unanimous vote.

B. 22-0796 The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve DWSD Contract 6004383 with Major Contracting Group, Inc. for Full Lead Service Line Replacements at Various Locations Throughout Detroit (Project WS-723), for a total contract amount not-to-exceed \$2,751,900 and a term of one year. This also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Sponsors: Welch

A motion was made by Commissioner Linda Forte, seconded by Vice Chairperson Mary Blackmon that this Contract be approved. The motion carried by a unanimous vote.

## C. Land Bank

Ms. Tammy Daniels, Land Bank Director stated that the Land bank sells properties and salvages as many properties as possible. It has sold over 15,000 structures, of

which, 6500 of those structures have completed restorations and are being occupied. About 7500 properties are currently under compliance. When properties are purchased from the Land Bank. There are compliance requirements that buyers must complete in order to receive a deed. It has streamlined requirements because most buyers are Detroiter's that do not have a large amount of cash, and many homes are in extreme cases of neglect. It takes time for the buyer to finance those rehabilitations, but the Land Bank works with them. Buyers are given six months to rehabilitate, but additional time is allotted, and as longs as the buyer provides updates. The issue with the water line connection is that the Land Bank believed that the water was connected when the properties were listed. There were a number of communications between the Land Bank and DWSD about how information was being communicated. Around late Spring 2020, every listing was noticed in red bold lettering that there was no known status of the water line and that it would be an expense that the buyer will incur to reconnect and that the costs would be anywhere between \$10,000 to \$15,000.

For any buyer who purchased a property between June 1 and July 15, 2020, and if they were told that the water line was intact, and it was not, the Land bank is taking responsibility to reconnect. Any properties sold after July 15, 2020, there is a full disclosure that says the Land Bank does not know the status of the water line and that the buyer may have to incur the costs.

Director Daniels said it's a buyers beware situation. The Land Bank continues to get these same complaints as DWSD, but the disclosure language is believed to be very sound. There have been buyers who had purchased properties, and have not closed, but are given an opportunity for a refund, because there is a possibility the water line may not be connected. She also stated that buyers are encouraged to seek a contractor when reviewing the home. Director Daniels also stated that the Land Bank does not sell every home in its inventory. Some properties are not salvageable or they are in areas where the cost of rehabilitation is so expensive, that no one will be able to rehabilitate them because they have become so neglected that they are demolished.

## 9. DIRECTOR'S COMMENTS

There were none.

#### 10. COMMENTS BY COMMISSIONERS

There were none.

## 11. COMMENTS BY THE CHAIR

There were none.

### 12. OTHER MATTERS

There were none.

#### 13. ADJOURNMENT

Chairperson Einheuser requested a motion to adjourn.

A motion was made by Vice Chairperson Mary Blackmon, seconded by Commissioner Lane Coleman that the meeting be adjourned. The motion

carried by a unanimous vote.

There being no further business, the meeting adjourned at 4:12 p.m.

**How to make a Request for Public Comment** 

You may provide your public comment via Zoom link: http://cityofdetroit.zoom.us/j/81572635118

During the public comment section for each committee meeting, raise your hand using the Zoom hand icon on your desktop or mobile device, or if calling into the meeting by phone, press \*9 to raise your hand (press \*6 to unmute when called upon)

We respectfully request that you maximize your three minutes by sharing all your comments/questions at one time. You will only be called upon once for public comment during the same committee meeting, full board meeting, or hearing.

Once the Chair closes public comment, there will be no other public comments accepted and all the attendees will remain muted for the duration of the meeting.