

TUESDAY, AUGUST 19, 2014

Pursuant to law, the Board of Commissioners met on Tuesday, August 19, 2014 at 9:00 a.m. in the Board of Commissioner's Room and were called to order by the Chairperson.

Pledge of Allegiance.

Invocation

Roll Call was taken by the Chief Deputy Clerk Marquardt:

PRESENT: Mark Bergstrom, Jeff Dontz, Ken Hilliard, Jim Krolczyk, Alan Marshall,
Richard Schmidt, Brook Shafer.

ABSENT: None

APPROVE MEETING AGENDA

Moved by Schmidt, seconded by Bergstrom to approve the Meeting Agenda with the addition of Jim Smogoleski, Youth Services Coordinator concerning the County Child Care Fund Budget, the removal of Tim Ervin and Tamara Buswinka, Alliance for Economic Success (AES) regarding the County Strategic Plan and the addition of scheduling special meetings added to Miscellaneous Controller and Board Items with the Alliance for Economic Success (AES) and the Library.

Motion Carried

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CONSENT AGENDA

Moved by Shafer, seconded by Bergstrom to approve the Consent Agenda which includes the minutes of the July 15, 2014 Regular Board Meeting, the minutes of the July 29, 2014 Board Study Session, the minutes of the August 4, 2014 Board Study Session, and the August 2014 monthly appropriations and fund transfers.

YEAS: 7 Bergstrom, Dontz, Hilliard, Krolczyk, Marshall, Schmidt, Shafer

NAYS: 0 None

Motion Carried

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PUBLIC COMMENT

None.

RECOGNITION, ANNOUNCEMENTS & CORRESPONDENCE

Tom Kaminski, County Administrator/Controller explained the handouts that were on the desks which included a handout on the Kettle Hole Drain Project, updated budget reports and McGuineas/Cromer Drain photos.

CHILD CARE BUDGET SUMMARY

Jim Smogoleski, Youth Services Coordinator appeared before the Board to review the Child Care Budget for 2013/14 and the proposed Child Care Budget for 2014/15.

TREASURER'S REPORT

Mr. Pomeroy, Manistee County Treasurer appeared before the Board to present his monthly report. Mr. Pomeroy reviewed the 2014 Tax Reverted Property Sale list and explained the process of the sale. There were thirty (30) properties of which twelve (12) did not sell. The total amount of taxes due on the foreclosed properties (minimum bid) was \$74,000, the sale price amount was \$297,500, with a net gain of \$223,500 less the amount of the Foreclosure fund budget of \$92,500 for a budget surplus of \$131,000. This amount will be used to pay back the jail loan. A second sale for remaining properties will be held.

As an update on the Court of Appeals lawsuit for PRE denial, Mr. Pomeroy has hired an attorney and an appearance has been filed with the Court of Appeals.

FINANCE COMMITTEE REPORT

Board of Commissioners
Manistee County
Manistee, Michigan 49660

Board of Commissioners:

We do hereby submit our claims from July 9, 2014, through August 6, 2014:

General Fund:.....	\$224,749.42
Recycling Fund:.....	11,650.09
Maintenance of Effort Fund:.....	11,200.79
AIS Grant Fund:.....	29.12
Bear Lake Improvement Fund:.....	3,125.00
Township Improvement Revolving Fund:.....	1,775.00
Capital Improvement Fund:.....	2,890.00
Health Insurance Fund:.....	152,551.55
Law Enforcement Training Fund:.....	2,003.71
Law Library Fund:.....	1,071.38
Housing Fund:.....	11,596.00

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Community Corrections Fund:	160.03
Juvenile Intervention Fund:	1,071.95
Child Care Fund:.....	6,554.58
Soldiers & Sailors Relief Fund:	2,231.02
Veterans Trust Fund:.....	740.11
Airport Authority Fund:.....	33,264.80
Compensated Services Fund:.....	85,593.57
Unemployment Fund:	255.08
County Road Building Debt Fund:	255,312.50
Tax Revolving – State Sales:	1,027.80
Trust & Agency Fund:	4,014.50
Drain Fund:	4,198.80

Total Claimed and allowed August 19, 2014\$817,066.80

Total Payroll for the period of July 9, 2014, through August 6, 2014.....\$466,179.29
(Includes 2 payrolls)

Moved by Bergstrom, seconded by Schmidt to approve and the same to be paid in the amount of \$ 817,066.80.

YEAS: 7 Dontz, Hilliard, Krolczyk, Marshall, Schmidt, Shafer, Bergstrom

NAYS: 0 None

Motion Carried

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WAYS & MEANS COMMITTEE REPORT/AUGUST 6, 2014

Mark Bergstrom presented the Ways & Means Committee Report of August 6, 2014.

FY 2014/15 CHILD CARE BUDGET

Moved by Bergstrom, seconded by Dontz that Mr. Smogoleski be authorized to submit the proposed FY 2014/15 Child Care Budget to the State of Michigan, which totals \$503,484.00 and authorize the County Board Chairperson to sign the necessary documents.

YEAS: 7 Hilliard, Krolczyk, Marshall, Schmidt, Shafer, Bergstrom, Dontz

NAYS: 0 None

Motion Carried

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KETTLE HOLE DRAIN ASSESSMENT

Moved by Bergstrom, seconded by Shafer that Manistee County and Stronach Township tentatively agree to a commitment in which the County and Stronach Township commit to paying 50% of any outstanding Kettle Hole Drain District assessments an/or expenses, with the understanding that Stronach Township agrees to pay the Township's remaining outstanding assessment balance, and that a request be made to the County Prosecuting Attorney to draft a formal agreement between Stronach Township and Manistee County which will be formally acted upon at the September 2014 County Board of Commissioners meeting.

YEAS: 4 Shafer, Bergstrom, Dontz, Hilliard

NAYS: 3 Krolczyk, Marshall, Schmidt

Motion Carried

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Moved by Bergstrom, seconded by Schmidt to accept the Ways & Means Committee Report of August 6, 2014.

Motion Carried

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**JAIL FOOD SERVICES AGREEMENT WITH CANTEEN SERVICES OF
NORTHERN MICHIGAN, INC.**

Moved by Schmidt, seconded by Dontz to approve the renewal of the Jail Food Services Agreement with Canteen Services of Northern Michigan, Inc. for a three (3) year period commencing on October 1, 2014 through September 20, 2017.

YEAS: 7 Marshall, Schmidt, Shafer, Bergstrom, Dontz, Hilliard, Krolczyk

NAYS: 0 None

Motion Carried

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MCGUINEAS DRAIN PROJECT UPDATE

Thomas Smith appeared before the Board to provide an update on the proposed McGuineas Drain project. A proposed Resolution Pledging Full Faith and Credit to McGuineas Drain Drainage District 2014 Note was also presented to the Board. Greater boundaries of the drainage district and new aerial flight photos in grant partnership with the State of Michigan and FEMA were also discussed. Future work to be done is a walk about of the drainage district, advice and review of the proposed Resolution from the Prosecuting Attorney and the Ways & Means Committee, and review and research of bonds with the County Treasurer. Mr. Smith was asked to report on these issues at the September 2014 Board meeting.

NORTHWEST MICHIGAN WORKFORCE DEVELOPMENT BOARD

One (1) appointment to serve a term of office expiring December 31, 2016 as recommended by the Northwest Michigan Workforce Development Board.

Moved by Bergstrom seconded by Marshall to appoint Douglas Parkes to the Northwest Michigan Workforce Development Board for a term of office expiring December 31, 2016.

YEAS: 7 Schmidt, Shafer, Bergstrom, Dontz, Hilliard, Krolczyk, Marshall

NAYS: 0 None

Motion Carried

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**MOTION TO ENTER INTO A PUBLIC HEARING ON THE
FY 2014/15 COUNTY BUDGET**

Moved by Schmidt, seconded by Marshall to enter into a Public Hearing on the FY 2014/15 County Budget.

YEAS: 7 Shafer, Bergstrom, Dontz, Hilliard, Krolczyk, Marshall, Schmidt

NAYS: 0 None

Motion Carried

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PUBLIC HEARING ON THE FY 2014/15 COUNTY BUDGET

The purpose of this hearing is to receive public comment on the Manistee County FY 2014/15 budget and the proposed tax millage rate to be levied to support the budget and County entity budgets which are supported by special millages.

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On Tuesday, July 15, 2014, the Board of Commissioners adopted a FY 2014/15 tentative General Fund budget totaling \$10,567.501, and tentative Supplemental Fund budgets totaling \$7,260,119. Since that time, the tentative budget and maximum property tax millage rate of 8.7300 mills has been available for public inspection in the County Clerk's Office and on the County's website. The Ways & Means Committee and full Board has also been reviewing the financial statement of all County entities receiving special voted millage to determine whether millage reductions or increases should occur. As a result of these circumstances, the Ways & Means Committee in July 2014 recommended the following Manistee County millage levy for 2015 operations, in accordance with the General Property Tax Act. The County Board, during its budget study sessions, also reached consensus on these millage rates. (Note: On August 5, 2014, the Dial-A-Ride operational millage was renewed by the voters of Manistee County at .3300 mills, and the Manistee Conservation District received voter approval to levy a new special millage at .1000 mills.)

PUBLIC COMMENT

Glenn Lottie, Chairman of the Manistee County Conservation District, asked the Board to fund the Conservation District at least until January 2015. The budget starts October 1, 2014 and the fund balance is getting low. Mr. Lottie requests \$6,941.25 for three (3) months.

Keith Brown, Manistee Public Access TV asks the Board to continue with funding for the recording of the County Board meetings.

No more public comment.

Moved by Schmidt, seconded by Shafer to close the Public Hearing to receive Public Comment on the Manistee County FY 2014/15 Budget and the proposed tax millage rate to be levied to support the budget.

YEAS: 7 Bergstrom, Dontz, Hilliard, Krolczyk, Marshall, Schmidt, Shafer
NAYS: 0 None

Motion Carried

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RETURN TO REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Mr. Kaminski provided a brief overview of recommended changes to the tentative budget by reviewing the 2014/15 Budget Report #4 dated Tuesday, August 18, 2014 County Board Meeting.

Mr. Pomeroy addressed the FY 2014/15 Budget of Supplemental Funds Report. He explained increases and decreases to various funds and answered questions from the Board.

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PUBLIC ACCESS TV FUNDING

Moved by Marshall, seconded by Shafer to fund the request of the Manistee Public Access TV of \$5,400.00 be added to the budget.

YEAS: 3 Hilliard, Marshall, Shafer
NAYS: 4 Dontz, Krolczyk, Schmidt, Bergstrom,

Motion Failed

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CONSERVATION DISTRICT FUNDING

Moved by Marshall, seconded by Schmidt to fund the Conservation District from October 2014 through December 2014 in the amount of \$6,941.00.

YEAS: 0 None
NAYS: 7 Hilliard, Krolczyk, Marshall, Schmidt, Shafer, Bergstrom, Dontz

Motion Failed

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ADOPTION OF THE 2014 GENERAL FUND

APPROPRIATIONS ACT RESOLUTION

RESOLUTION #2014-15

MANISTEE COUNTY BOARD OF COMMISSIONERS

**COUNTY OF MANISTEE
GENERAL APPROPRIATIONS ACT – 2014**

A Resolution appropriating monies and adopting the FY 2014/15 Manistee County General Fund budget, and FY 2014/15 Supplemental Fund budgets.

It being the finding and opinion of the Manistee County Board of Commissioners:

The Ways & Means Committee and the County Board of Commissioners have had under consideration the taxes of local units of government and the budgetary needs of various County departments/budgetary units.

The Ways & Means Committee and the County Board of Commissioners, after considerable deliberations, has recommended adoption of the FY 2014/15 Budget.

In recognition of the above-listed findings and opinions:

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The Manistee County Board of Commissioners hereby resolves to levy, under the General Property Tax Act, the total millage of 8.7300 mills for FY 2014/15 operations. Included in this total millage are:

County Allocated Operating	5.5000
County Library Voted	1.0000
Medical Care Voted	.5000
9-1-1 Voted	1.000
Dial-A-Ride Voted	.3300
Council on Aging Voted	.3000
Conservation District	.1000

The Board further resolves to adopt the FY 2014/15 General Fund Operating Budget at a total of \$10,573,580 and FY 2014/15 Supplemental Fund budgets totaling \$7,460,517.

The Board further resolves to approve all wage increases for FY 2014/15 in accordance with the Union Labor Contracts and various other agreements reached between the Manistee County Board of Commissioners, and the Elected Officials, employees, and Chief Judges of the Circuit, District, and Probate Courts.

The Board further resolves that the FY 2014/15 Budget will follow the philosophy of a line item expenditure control budget for all County Departments and Courts with specific end results with a basic approach as follows:

In the event that a department finishes the fiscal year with non-personnel related funds continuing to be available, one-half of that amount would be set aside into an account specifically dedicated to departmental purchases. That amount could be used in future years by the department to cover cost overruns. That amount could accrue from year to year to the benefit of the departments. Expenditures from that account could only be made for departmental services, equipment or programs. The other one-half of any annual budget underrun would revert to the General Fund balance for use at the discretion of the County Board of Commissioners. The Board resolves to implement this program subject to modifications which may be required and subject to elimination of the program after some experience if the plan does not provide the anticipated benefits.

The Board further resolves that an appropriation is not a mandate to spend but shall limit the amount which may be spent for such purposes as are defined by the Board of Commissioners and which shall be limited to the time period of October 1, 2014 through September 30, 2015. The Board further resolves that any County department, Court, agency, board, commission or unit whatsoever, and any organization, public or private, which accepts a County appropriation, shall do so subject to an agreement which provides for an inspection and/or audit by the Manistee County Board or its designee. The Board or its designee shall have access for the purpose of audit and examination to any and all books, documents, papers and records of the recipient organization. Each funded agency shall also be required to provide the County with its annual budget each year.

The Board further resolves that in the event the State of Michigan fails to provide certain revenue transfer payments as required by State law and/or contractual agreements between the State of Michigan and Manistee County, the specific programs funded by such State revenue transfer payments shall bear the full impact of such revenue reduction. In the event the State of Michigan defaults or otherwise fails to provide general, unrestricted revenue transfer payments, the Board, upon the recommendation of the Ways & Means Committee shall allocate

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said revenue reduction in its legislative judgment. **The Manistee County Board of Commissioners can not and will not absorb the program costs created by revenue transfer payment default by the State of Michigan.**

The Board further resolves that the budget may be amended as conditions indicate, provided the budget remains in a balanced state.

The Board further resolves to authorize the Board Chairman and County Clerk to sign the amended form L-4029 which is attached to this resolution, and which lists the millage to be levied on December 1, 2014 and July 1, 2015 totaling 8.7300 mills.

Moved by Schmidt, supported by Marshall to adopt the above General Fund

Appropriations Act Resolution which adopts the General Fund Budget of \$10,573,580 and the Supplemental Fund Budget of \$7,460,517. Also, under the General Property Tax Act, levy a total millage of 8.7300 mills for 2015 operations, and set specific policies and procedures regarding the FY 2014/15 budget.

YEAS: 7 Krolczyk, Marshall, Schmidt, Shafer, Bergstrom, Dontz, Hilliard
NAYS: 0 None

Motion Carried

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AREA AGENCY ON AGING OF NORTHWEST MICHIGAN

FY 2013 ANNUAL REPORT

Robert Schlueter, Executive Director of the Area Agency on Aging of Northwest Michigan appeared before the Board to present the Agency's FY 2013 Annual Report.

HOUSING REVIEW COMMITTEE REPORT/JULY 28, 2014

Jeff Dontz presented the Housing Review Committee Report of July 28, 2014.

PROJECT # 12-6-13

Moved by Bergstrom, seconded by Schmidt to accept the bid submitted by Forbes Sanitation & Excavation, in the amount of \$3,100.00 on Project #12-6-13, which is located in the Charter Township of Filer.

YEAS: 7 Marshall, Schmidt, Shafer, Bergstrom, Dontz, Hilliard, Krolczyk
NAYS: 0 None

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Motion Carried

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PROJECT # 12-7-13

Moved by Bergstrom, seconded by Dontz to accept the bid submitted by Scott Adamczak Construction, in the amount of \$34,975.00 on Project #12-7-13, which is located in the City of Manistee.

YEAS: 7 Schmidt, Shafer, Bergstrom, Dontz, Hilliard, Krolczyk, Marshall
NAYS: 0 None

Motion Carried

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NEW HOME IMPROVEMENT PROGRAM GUIDELINES

Moved by Dontz, seconded by Bergstrom to adopt the new program guidelines for administration of the Home Improvement Program, pending MSHDA approval.

YEAS: 7 Shafer, Bergstrom Dontz,, Hilliard, Krolczyk, Marshall, Schmidt
NAYS: 0 None

Motion Carried

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Moved by Bergstrom, seconded by Schmidt to accept the Housing Review Committee Report of July 28, 2014.

Motion Carried

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PERSONNEL COMMITTEE REPORT/AUGUST 6, 2014

Ken Hilliard presented the Personnel Committee Report of August 6, 2014.

OPT OUT OF SECTION 8, PUBLIC ACT 152

Moved by Bergstrom, supported by Marshall pursuant to Section 8 of the Publicly Funded Health Insurance Contribution Act (Public Act 152), the County exercises its

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option to exempt itself from the requirements of this Act for FY 2014/15 and all Union employees, Non-Union Employees, Court staff, and Elected Officials pay 9% of the premium of the County's Basic Health Plan.

YEAS: 7 Dontz, Hilliard, Krolczyk, Marshall, Schmidt, Shafer, Bergstrom
NAYS: 0 None

Motion Carried

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RETIREE HEALTH PREMIUM OPTIONS

Moved by Bergstrom, seconded by Shafer to give another option for healthcare coverage available to retirees under the age of 65 at no additional cost to the County. Any retiree choosing to change their plan would have to wait until open enrollment and would not take effect until January 1, 2015.

YEAS: 6 Krolczyk, Marshall, Schmidt, Shafer, Bergstrom, Dontz
NAYS: 1 Hilliard

Motion Carried

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SOIL EROSION OFFICER DUTIES

Moved by Bergstrom, seconded by Schmidt to increase Mr. Robert Carson, Manistee County Planner, current salary to a Grade 11, Step 4, of \$58,774.95 annually while he is performing the duties of Soil Erosion Officer, retroactive to June 1, 2014. If the duties of Soil Erosion Officer continue for Mr. Carson, a new job description with added duties will be sent to Nottley to be evaluated. If Mr. Stall returns to work for Manistee County as the Soil Erosion Officer, Mr. Carson's salary will decrease to his original salary of \$51,117.30, Grade 10, Step 4.

YEAS: 7 Krolczyk, Marshall, Schmidt, Shafer, Bergstrom, Dontz, Hilliard
NAYS: 0 None

Motion Carried

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Items Not Requiring Board Action.

The Brownfield Redevelopment Authority (B.R.A.) currently has two (2) vacancies. However, grant funding is no longer available. It is being researched whether the B.R.A. can be under the Planning Commission or what the procedure for disbanding the Authority may be.

Discussion concerning the need for significant changes at the Road Commission as their financial state continues to deteriorate. A consensus was reached that Mr. Pomeroy speak with the Road Commission accountant for a report on the financial state of the Road Commission by the next Personnel Meeting. Also, that a meeting between the County Board and the Road Commission Board take place.

Moved by Schmidt, seconded by Bergstrom to accept the Personnel Committee Report of August 6, 2014.

Motion Carried

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JOINT MANISTEE-BENZIE COURT COMMITTEE MINUTES/AUGUST 8, 2014

Jeff Dontz presented the Joint Manistee-Benzie Court Committee Minutes of August 8, 2014.

No Action Items.

Items Not Requiring Board Action.

Discussion regarding People v Cunningham and court cost revenue and the effect it has had on the County's budgets.

Discussion regarding the combination of the position of the Director of Youth Services for Manistee and Benzie Counties.

Moved by Schmidt, seconded by Shafer to accept the minutes of the Joint Manistee-Benzie Court Committee Minutes of August 8, 2014.

Motion Carried

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GREEN TEAM/RECYCLING COMMITTEE REPORT/JULY 31, 2014

Brook Shafer presented the Green Team/Recycling Committee Report of July 31, 2014.

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RECIND PRIOR MOTION ON P.A. 69 RECYCLING FEE

Moved by Shafer, seconded by Marshall that the fee increase acted upon by the Board at the July 15, 2014 Board Meeting to raise the per parcel fee from \$13 annually to \$18 annually for the PA 69 Recycling Program be rescinded.

YEAS: 7 Marshall, Schmidt, Shafer, Bergstrom, Dontz, Hilliard, Krolczyk
NAYS: 0 None

Motion Carried

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P.A. 69 RECYCLING FEE

Moved by Shafer, seconded by Dontz to raise the per fee parcel fee from \$13 annually to \$16 annually for the PA 69 Recycling Program.

YEAS: 4 Shafer, Bergstrom, Dontz, Marshall
NAYS: 3 Schmidt, Hilliard, Krolczyk

Motion Carried

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RECYCLING ADMINISTRATOR CONTRACT

Moved by Marshall, seconded by Krolczyk to renew the Recycling Administrator's contract with Ms. Archer of Iris Waste Diversion Specialties, Inc. at \$550 per week beginning September 1, 2014 and ending August 31, 2015.

YEAS: 5 Shafer, Bergstrom, Dontz, Krolczyk, Marshall
NAYS: 2 Hilliard, Schmidt

Motion Carried

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Moved by Bergstrom, seconded by Dontz to accept the Green Team/Recycling Committee Report of July 31, 2014.

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Motion Carried

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REGIONAL SUMMIT COMMITTEE REPORT/AUGUST 8, 2014

Mark Bergstrom presented the Regional Summit Committee Report of August 8, 2014.

No Action Items.

Items Not Requiring Board Action.

Invitations for the 11th Annual Summit were reviewed and proofread. The invitations have been sent out.

The Agenda was reviewed and proofread.

Moved by Bergstrom, seconded by Dontz to accept the Regional Summit Committee Report of August 8, 2014.

Motion Carried

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MISCELLANEOUS CONTROLLER AND BOARD ITEMS

It was a consensus of the Board to schedule a Special Board Meeting with the Alliance for Economic Success (AES) on Tuesday, September 9, 2014 at 9:00 a.m. in the County Board of Commissioner's Room. The purpose of the meeting will be to review the final draft of the Manistee County Strategic Plan.

It was a consensus of the Board to schedule a Special Board Meeting Session with the Library Board on Tuesday, September 9, 2014 at 11:00 a.m. at the Library. The purpose of the meeting will be to discuss the results of the Library's Capital Campaign Feasibility Study conducted by the Breton Group, Inc.

Adjourn at the Call of the Chair.

_____ Clerk