

**NORWOOD TOWNSHIP BOARD OF TRUSTEES SPECIAL MEETING  
MEETING MINUTES**

April 16, 2021  
Zoom Meeting

**Call to Order** – 4:00 pm

**Roll Call** –Smolenyak, Freds, Spilis, Warner – All Present

**Approval of Agenda**

**MM by Warner to approve Agenda with addition of EMS Contract Draft under New Business; 2<sup>nd</sup> Spilis; All ayes - MC**

**Old Business**

Lynn Smolenyak discussed notes taken from the March 19, 2021 meeting she attended with Ron Vanzee and Roy Griffiths Hayes Township, and Bill Gnodtke.

Notes from the meeting are attached below:

Notes from meeting March 19, 2021 – 2 hours

Meeting with Ron Vanzee and Roy Griffiths Hayes Township

Bill Gnotke and Lynn Smolenyak

**Background:**

Ron Vanzee is the Hayes Township Supervisor who had taken the lead in the formation of the Charlevoix EMS Authority. Roy Griffiths is the Deputy Supervisor of Hayes Township and the one who has been working behind the scenes to investigate and start the set up parameters of the new Authority. The meeting started with Roy explaining his role and laying out just what has been happening. Roy is retired from a large hospital system in Texas where he was responsible for the establishment of a new satellite system for the Hospital; a process that closely mirrors that of setting up the new authority. He has been working with Dan Thorp (Fire Chief Charlevoix Township) and meeting with City personnel to assess and plan for the new system. They have been assessing the status of all aspects of the current operation and planning for the new as much as possible considering the Authority does not yet exist. According to them, they initiated the idea that an Authority should be formed to get the service out of the City management and physical location. Roy's plan is to have the framework all laid out for the new EMS Authority Board so they can act quickly.

**Topics discussed:**

**Budget:** Without actual quotes and contracts it's hard to say. Current city EMS budget is 1.3 million, Current Taxable values net about \$825,000 for 1 mill. Note that with Eveline not participating, the shortfall is an additional \$80,000, They acknowledge the need for cost control, employee re-evaluation/negotiation , more successful and productive billing procedures and cost control. There was talk about an operation millage verses a Capitol millage as a possible approach. Their feeling is that the initial millage should be the "go for the max" approach and then once the operations settle out, reduce the levy. The conversation was about 2 mills. They hope that would finance operations and the needed infrastructure. We emphasized that at 2 mills there had better not be any billing of extra costs – the board should resolve to "live within the budget"- i.e. the amount collected from

millage. The difference here is that the other townships – except Eveline, have been paying EMS costs out of their general funds. Therefore, a millage is all new money to them and extra costs won't have nearly the same impact for them as us.

**Status & negotiation points with staff:** Teamsters have been voted in. Current structure of pay, benefits, policies and actual staff are being re-evaluated. We agreed that the current levels are unsustainable. There will be renegotiation by the Authority when it exists. **Michigan** is an "employment-at-will" state. This means that an employer or employee may generally terminate an employment relationship at **any** time and for **any reason**, unless a law or agreement provides otherwise. Any "contract" negotiated with the City will not transfer. They (those working on the new setup) have approached the city to try and encourage them NOT to agree to anything more than what they currently have. All staff have to be re-trained, re-licensed and re-certified under the Authority.

**When will there be a projected budget?** Not until after the entity is legal can there be official proposals and contracts. No official budget yet.

**Are all 6 present participants joining?** Eveline has voted to join the East Jordan Authority. 3.23.21

**Where will the rigs be stationed?**

**Until entity is up and running?** At the city until they are housed in Authority buildings. The authority will pay the current \$45,000. Rent/yr.

**After entity is up and running?** Plan is for 2 at Hayes Township, 2 at the Charlevoix Township "pie" But, there needs to be new infrastructure and a new rig.

**Note:** The city currently has 4 rigs; one is not road worthy to be an ambulance and cannot be used. Plan is for that rig to be converted to a transport van and a new ambulance purchased.

**Status of the current equipment** The rigs are currently owned by the entities (we've been paying for them all along) ownership would be transferred to the Authority

**Equipment; short term – long term;** The rigs are currently owned by the entities. But, They have to be re-certified and re-licensed under the new authority – they would be turned over as certified. Short term 3 rigs are ALS the 4<sup>th</sup> is not ambulance road worthy. Long term- a new rig to make 4, current old rig would be refitted as a transport van for runs not requiring medical support.

**After new entity is formed, how will it be financed?** Millage and equivalent revenue from contracting entities.

**Entity wide millage, each participant levies equal millage** Incorporating Entities participate in the Entity wide millage. Contracting entities provide their own financing in the same amount as the entity wide millage.

**In case millage is insufficient, how is debt financed**

Extraneous costs – or all costs if the millage fails, are collected from the entities by the formula as is the case now. We stressed: Cost control – a resolution, policy or ? to say the Authority lives within its budget – the collected millage amount. We also talked about using an average "cost per run" number

as a cost control guide stressing the possible \$1200/run for us being out of line compared with the \$450 we were offered. Apparently the \$450 is more inline with what the allowed Medicaid reimbursement is.

**What is difference between founding member and contracting member?** None as relates to services or financial obligation. An Approved Contracting Entity provides own funding to the authority versus participating in the entity wide millage. As an Approved Contracting Entity, we have a seat on the board and will enter into a specific contract when the Authority is legal. In our contract we stipulate "service area". The contract will also include the "hold harmless clause.

**What happens to determine township costs in the interim?** The current City Contract/arrangements prevail until the Authority is formed and everything is transferred.

**What happens on formula determination for Boulder Park/Hospital runs**

We suggested that the "formula for billing the Boulder Park and Hospital transfers needs to be revised – better yet we proposed that perhaps they should pay for the services by contract - they pay their share. That way the costs are born directly by the patients and entities involved. Continuing with the current formula for assessing these costs to the townships now with Eveline absent only increases our percentage of total runs while decreasing the city's.

Not a question asked, but we talked up the idea that the Authority ought to help disseminate factual news and promotion surrounding the necessity and use of the money associated with passing the millage.

Lynn also gave a report regarding the status and timeline for the authority.

March 23, 2021 Evaline Township opted out of the Authority.

1<sup>st</sup> week of April – Called by Authority to resign signature page resigned so that all signatures could be on one page.

April 9, 2021 – Documents were sent via FedEx to the State of Michigan.

April 11, 2021 – Hayes Township voted not to release Evaline Township from the EMS contract. Evaline Township is still under contract for 6 months unless the actual transfer to the Authority takes place sooner.

April 13, 2021 – Per Ron Vanzee and Roy Griffiths, the State of Michigan has approved the Authority. A stamped document has not been received yet.

April 15, 2021 – Lynn Smolenyak and Bill Gnodtke attended a Meeting of the Lake Charlevoix EMS Authority. Also in attendance were Kate Stewart, Charlevoix Township; John Martin; Roy Griffiths; Jesse Silva; M. Heydaulf, and Dan Thorpe, Fire Chief Charlevoix Township.

Scott Beatty was appointed as the Attorney to the Authority.

At the meeting held April 15, 2021 costs were discussed. A millage of 1 will raise approximately \$818,000 per year. The millage rate of 1.5 to 2 was discussed and will be determined at a meeting scheduled for Saturday, April 17 at 9:00 AM. John Martin commented about living within the budget/millage of 1.5 or less. During the current year, 909,000 was collected from insurance billings.

Initial start up costs will be shared among all.

Another meeting will be held April 17, 2021 at 9:00AM.

Bill Gnodtke reported that no contracting has been done with employees.

Doug Warner questioned how they are going to form a budget without completed pay negotiations.

Lynn Smolenyak responded that the employees are already at the top pay range for their positions and there would unlikely be any increases in the costs associated with staff.

### **New Business**

#### **Appointment of Lake Charlevoix Emergency Medical Authority Board Member**

Lynn Smolenyak stated that Bill Gnodtke has served on the Mackinac Bridge Authority for 22 years/Chaired for 18 years. In addition, he served on the Tri-County Regional Planning Commission Ingham, Eaton, Clinton – as Chair of Transportation, as County Commissioner for Clinton County and on the Executive House Republican Caucus for 4 years. He is qualified to serve as Norwood Township's Contract Board Member to the LCEMSA.

#### **MM by Warner to Appoint Bill Gnodtke as the Norwood Township Contract Board Member to the LCEMSA ; 2<sup>nd</sup> Spilis; All ayes – MC**

Mike Spilis commented that Bill Gnodtke is highly qualified to serve as Contract Board Member and that his wealth of experience will be an asset.

#### **EMS Contract Draft**

Lynn Smolenyak stated that the Board needs to look through the Contract so we can execute action on the Draft at the regular monthly Board of Trustees Meeting scheduled for April 19, 2021. Some points of importance are the Service area and Time/Term period.

#### **Public Comment - None**

#### **Adjournment – 4:40 PM**

Respectfully Submitted by:  
Brenda Freds, Clerk