

CALHOUN COUNTY
PROCEEDINGS OF THE
BOARD OF COMMISSIONERS

May 16, 2013

1. CALL TO ORDER/ROLL CALL

The Regular Session of the Calhoun County Board of Commissioners convened at 7:00 p.m., Thursday, May 16, 2013 in the Commissioners' Meeting Room, County Building, Marshall, MI.

Chair Kale called the meeting to order and requested the Deputy Clerk call the roll.

Present: Comrs. Dunn, Todd, Haadsma, Frisbie, King, VanSickle and Kale

Staff Present: County Administrator/Controller Kelli Scott, Corporation Counsel Richard Lindsey , Assistant County Administrator Brad Wilcox, Human Resources Director Kim Archambault and Deputy Clerk Lora Stevens

2 and 3. INVOCATION AND PLEDGE OF ALLEGIANCE

The Board held a moment of silence followed by Comr. Van Sickle leading the Pledge of Allegiance.

4. APPROVAL OF AGENDA

"Moved Comr. Todd, supported by Comr. Frisbie to approve the agenda of the May 16, 2013 Regular Session of the Calhoun County Board of Commissioners as presented."

On a voice vote, Motion **CARRIED**.

5. APPROVAL OF MINUTES

A. Minutes of the May 2, 2013 Regular Session

"Moved Comr. VanSickle, supported by Comr. Frisbie to approve the minutes of the May 2, 2013 Regular Session of the Calhoun County Board of Commissioners as presented."

On a voice vote, Motion **CARRIED**.

6. CITIZENS' TIME

There was none.

7. ELECTED/APPOINTED COUNTY OFFICIALS' COMMENTS

There was none.

8. SPECIAL ORDER OF BUSINESS

A. Older Americans Month Proclamation

Comr. Haadsma read the proclamation into the record.

WHEREAS, Region 3B Area Agency on Aging serves Calhoun County citizens aged 60 and older; and

WHEREAS, Region 3B Area Agency on Aging is committed to helping all individuals maintain their health and independence in later life; and

WHEREAS, the older adults in Calhoun County have an important role in sharing knowledge, wisdom, and understanding of the history of our community through interactions with children, youth and adults from other generations; and

WHEREAS, the fruits of knowledge and experience can be effectively transferred from generation to generation through meaningful social interactions; and

WHEREAS, their interactions with family, friends, neighbors across generations enrich the lives of everyone involved; and

WHEREAS, our community can provide opportunities to enrich citizens young and old by:

- Emphasizing the value of including elders in public and family life
- Creating opportunities for older Americans to interact with people of different generations
- Providing services, technologies, and support systems that allow older adults to participate in social activities in the community

NOW, THEREFORE, the Calhoun County Board of Commissioners do hereby proclaim the *month of May 2013*, as Older Americans Month. We urge every citizen to take time this month to engage our older citizens through enjoyable social interactions such as sports, games, contests and other forms of play.

Res. 78-2013

“Moved Comr. Dunn, Supported by Comr. Haadsma to approve the Older Americans Month proclamation as presented.”

On a voice vote, Motion **CARRIED**.

B. Armed Forces Day Resolution

Comr. Dunn read the resolution into the record.

WHEREAS, The Armed Forces of the United States of America embody the highest ideals of our Nation. Serving at home and in posts around the world, our service members represent America as ambassadors of our principles. They display the honor, duty, and discipline of the finest fighting force the world has ever known. These brave men and women are willing to sacrifice their lives for the security of our Nation and the freedoms of their fellow citizens. We are humbled by their continued resolve to respond to the call of duty and defend America and its people; and

WHEREAS, our men and women in uniform put their lives at risk, placing their country’s safety and security above their own, seeking to secure freedom and liberty for oppressed people around the world; and

WHEREAS, the words of President Dwight D. Eisenhower written in 1953 remain true today: “It is fitting and proper that we devote one day each year to paying special tribute to those whose constancy and courage constitute one of the bulwarks guarding the freedom of this nation and the peace of the free world.” On Armed Forces Day, our grateful Nation salutes the brave men and women who protect our country, defend freedom, and help make our world a better place.

NOW, THEREFORE, WE, the Calhoun County Board of Commissioners, do hereby thank and honor our men and women in uniform on **Saturday, May 18, 2013 - Armed Forces Day 2013** and call upon all citizens of the County of Calhoun to take a moment this day to join us and others in honoring them and remembering those that have given their lives to protect our freedoms in this great country, and encourage everyone to attend our local events in their honor.

Res. 79-2013

“Moved Comr. VanSickle, Supported by Comr. Dunn to approve the Armed Forces Day resolution as presented.”

Comr. Kale stated he had the opportunity to attend the Armed Forces Day luncheon at the Federal Center and read the proclamation. He stated Kara Beer and the Chamber of Commerce do a great job putting it together.

On a voice vote, Motion **CARRIED**.

9. CONSENT AGENDA

A. Petitions, Communications, Reports

1. April 2013 Human Resources Personnel Report.
2. City of Battle Creek Public Hearing Notice Regarding Granting Systex Products Corporation, 300 Buckner Drive, an Industrial Facilities Exemption Certificate.
3. City of Battle Creek Public Hearing Notice Regarding Granting Systex Products Corporation, 70 Buckner Drive, an Industrial Facilities Exemption Certificate.
4. City of Battle Creek Public Hearing Notice Regarding the Proposal to Establish an Industrial Development District.

B. Resolutions

There were none.

Res. 80-2013

“Moved Comr. Frisbie, supported by Comr. Dunn to approve the following: Resolved the Calhoun County Board of Commissioners do hereby approve the consent agenda of the May 16, 2013 meeting.”

On a voice vote, Motion **CARRIED**.

10. SPECIAL COMMITTEE/ WORKSHOP/BOARD REPORTS

Comr. Todd stated he attended a Land Bank Meeting with Treasurer Christine Schauer and Assistant Treasurer Jon Bartlett.

Comr. Dunn stated the Michigan Area Regions met regarding the SouthCentral Michigan Planning Council (SMPC), how the regions would be changed by the Governor and what would be expected of them. She stated they would lose Barry County and will be encouraged to bring other counties into the SMPC so they have 10 or 11 members.

Comr. Frisbie stated the 911 activation plan that includes factorization was now in place, meaning that warning systems would not be issued through the National Weather Service and would follow the path of storms. He stated it still had the safety of citizens at the forefront but used more common sense.

Comr. King reminded everyone the Parks and Recreation Commission still had a vacancy and people could fill out an application on the County website.

Comr. King stated the logging should start in Kimball Pines Park within the next two weeks.

Comr. King stated the Trailway through the Ott Preserve was coming to fruition and would probably start in August.

11. UNFINISHED AND OLD BUSINESS

There was none.

12. NEW BUSINESS AND COUNTY ADMINISTRATOR'S REPORT

A. County Administrator/Controller's Report

Administrator/Controller Scott presented information on the B drive N Federal road project, with the northwest corner being widened for a turn lane.

Scott stated she and Corporation Counsel Lindsey met with the Medical Care Facility and noted it was National Nursing Home Week. She stated the reason for the meeting was that financial counsel encouraged the refinance of the Medical Care Facility's outstanding bonds that had been issued by the County for their facility expansion a few years ago. She stated they were looking at about \$6.5 million in bonds that could be refinanced at about half the interest rate currently charged. She stated the refinance would be brought to the Board on June 6 and was expected to save over half a million dollars over the life of the bonds, which was through 2026.

B. New Business

1. Amendment to the Authorized Staffing Allocation Report for the Office of the Sheriff

Administrator/Controller Scott stated the amendment was brought by the Human Resources Department on behalf of the Office of the Sheriff as any changes in the staffing allocation were required to be brought before the Board.

Human Resources Director Archambault stated the requested change was to eliminate a Sargent position and add a Lieutenant because of the change to twelve hour shifts and the need for more management staff.

Sheriff Saxton stated the allocation currently was two Sargent positions, one would be eliminated, the other would be changed to a Lieutenant. He stated they needed to do this because with the twelve hour shifts they have four teams instead of the three they had with eight hour shifts and they have a Lieutenant in command on each shift. They had recently switched to twelve hour shifts to reduce overtime in the jail.

Res. 81-2013

"Moved Comr. Frisbie, Supported by Comr. Dunn to approve the following: Resolved, the Calhoun County Board of Commissioners does hereby approve the amendment to the Authorized Staffing Allocation Report for the Office of the Sheriff."

On a roll call vote – Yes – 7. Motion **CARRIED**.

Administrator/Controller Scott stated the Sheriff has created a good working relationship with Human Resources and that was appreciated.

2. Resolution Authorizing the Calhoun County Board of Commissioners Chair to Sign the Previously Approved DHS Rental Agreement

Administrator/Controller Scott stated the twelve month lease for the additional DHS space in the Toeller Building was approved February 7 but the State required the resolution to be changed to specifically stated the Board Chair was to sign the rental agreement.

Res. 82-2013

“Moved Comr. Haadsma, Supported by Comr. Dunn to approve the following: Resolved, the Calhoun County Board of Commissioners does hereby authorize the Board Chair to sign the Department of Human Services Rental Agreement that was approved on February 7, 2013.”

On a roll call vote – Yes -7. Motion **CARRIED**.

3. Resolution to Designate a Main Depository for Calhoun County

Treasurer Christine Schauer stated the Land Bank Authority meets quarterly and discussed recent foreclosures of over 300 properties with 2010 or prior taxes not paid. She explained that the Land Bank becomes involved if the properties are refused by the state and the local governmental refuse the property and they also have a right to refusal then the property goes to auction. She stated an auction would be held in September with a minimum bid and then another about a month later with no minimum bid. Schauer explained that the NSP2 grant ended in February and they would be applying for more grant dollars for demolition of blighted properties.

Comr. Todd stated many of the homes that have been refurbished by the Land Bank were being sold, even in the tougher areas.

Schauer stated many of the lots where homes were demolished were being to neighbors to increase yard area and reduced county maintenance costs. She stated foreclosures were down 10% from last year, with Albion being the largest reduction at 25% to 30%. She noted that compared to other counties we were a little high, for example Kalamazoo County had only 100 foreclosures and we had granted 500 hardship extensions on taxes while Kalamazoo had hundreds less. Schauer stated she was collaborating with the Kalamazoo County Treasurer to come up with ideas, discuss what was working for them and what might work for us to improve our numbers.

Schauer stated the Treasurer’s Department was requesting to designate a new Depository Bank for the county because Bank of America was pulling all of their branches out of the county by July 2013. She stated bids were sent out to local banks and they looked at four banks at the end of April. She stated they were recommending Chemical Bank for our new bank. She noted they offered physical presence in the county, courier service, better fees and length of pricing agreement. She stated Jon Bartlett, Tammy Giannunzio, Jeryl Scheopke and herself reviewed all bids, Chemical was a unanimous choice and the county would realize approximately \$27,000 per yearly in savings with them. Schauer stated Chemical had eight branches in the county, with courier services available in Marshall and Battle Creek (they were the only bank that offered this service), their fees were guaranteed for five years and the internet portal was easy to use.

Res. 83-2013

“Moved Comr. Haadsma, Supported by Comr. Todd to approve the following:
Resolved, the Calhoun County Board of Commissioners do hereby approve the Resolution to Designate Main Depository for Calhoun County and designate Chemical Bank as the main banking depository for Calhoun County.”

WHEREAS, Calhoun County currently has designated Bank of America (successor of Michigan National Bank) as Calhoun County’s main depository for banking services; and

WHEREAS, Bank of America closed the Marshall Branch in 2012 and has announced the closure of Battle Creek City branches in July of 2013, leaving the County Treasurer and other departments without an in-person banking location; and

WHEREAS, These closures have caused the County Treasurer and other county departments no option but to use courier services which have increased banking costs drastically along with increased bank fees; and

WHEREAS, The Calhoun County Treasurer, Christine Schauer, determined that it was essential and in the best interest of Calhoun County to solicit proposals from local banks to determine if there would be a cost savings by designating a different bank as the County’s main depository; and

WHEREAS, Various local banks were contacted and asked whether or not they would like to make a proposal to the County Treasurer and other departments based on the current banking needs of the County (number of accounts and how each account relates to each other); and

WHEREAS, Four banks responded, Fifth Third, PNC Bank, Hastings City Bank, and Chemical Bank and each were given a date in which to make their presentation. The dates for the presentations were April 24, 2013 and April 25, 2013; and

WHEREAS, At the conclusion of the final presentation, representatives from the County Treasurers Office (Treasurer Christine Schauer, Deputy Treasurer Jon Bartlett, Fiscal Officer Tammy Giannunzio) and a representative from the County Administrator/Controllers Office (Jeryl Schoepke) met to discuss the proposals. It was unanimously agreed that Chemical Bank should be recommended to the Board of Commissioners as the County’s main depository for the following reasons:

1. **PRICING** – By utilizing Chemical Bank’s “Muni Now” account the initial estimated monthly cost would be totally offset by the interest earned on the accounts and based on 2012 average account balances, the County would have earned an estimated \$21,000 net of fees. In 2012 the County paid Bank of America \$7,500.00 in bank fees after all earnings credit was applied. Therefore when comparing Bank of America actual costs to Chemical Bank estimates (based on 2012 actual account balances), the net annual benefit with Chemical Bank would have been \$28,500. All other proposals used a higher earnings credit rate but charged much higher monthly fees that resulted in a dramatically lower projected net savings.
2. **ARMORED CAR/COURIER SERVICES** – Currently the County Treasurer and Friend of the Court utilize armored car services (Treasurer due to no local branch) at a cost of \$270/month for the Treasurer and \$300/month for FOC which equates to an annual cost of \$6,840.00. By using

Chemical Bank's courier service the cost would be \$25/month for the Treasurer and 50/month for FOC for an annual savings of \$5,940.

3. PHYSICAL PRESENCE – Chemical Bank has five branches in the City of Battle Creek and two locations in Marshall.
4. ELECTRONIC BANKING PROGRAM – Chemical Bank's online banking program was easily the most intuitive and user-friendly of all the proposals while still providing the desired on-line banking services, which should save staff time and eliminate employee frustration as compared to the current banking interface.

WHEREAS, Based on initial estimates, Calhoun County will save significantly on banking services.

NOW, THEREFORE, BE IT RESOLVED by the Calhoun County Board of Commissioners that Chemical Bank is hereby designated as the main banking depository for Calhoun County.

On a roll call vote, Yes – 7. Motion **CARRIED**.

Treasurer Schauer introduced Catherine Yates, Chemical Bank Marshall branch representative. She stated Chemical Bank was also the lowest and winning bid for the delinquent tax bonds.

4. 2013 Calhoun County Investment Policy

Treasurer Schauer was asking the Board to adopt an updated investment policy, as the current one had not been changed since 1998. She stated it was not changed materially but the Treasurer's Office was required to do quarterly reporting to the Board of Commissioners and the current policy only stated annually. She stated the investment listing she was proposing would mirror the state statute and would not limit the type of investment they could make.

Res. 84-2013

"Moved Comr. VanSickle, Supported by Comr. Dunn to approve the following: Resolved, the Calhoun County Board of Commissioners does hereby approve the following resolution as presented:

WHEREAS, The Calhoun County Board of Commissioners adopted an Investment Policy in 1998 pursuant to MCL 129.95; and

WHEREAS, Calhoun County Treasurer, Christine Schauer, as Investment Officer of Calhoun County would like to amend the previous policy to incorporate changes in Michigan State Law, specifically the quarterly reporting requirements under MCL 129.96; and

WHEREAS, The 1998 policy only included investment options that were appropriate in 1998 due to the investment climate at the time; and

WHEREAS, Calhoun County Treasurer, Christine Schauer, as Investment Officer, does not feel that limiting the investment options is a prudent way of investing surplus funds and is proposing in the 2013 Investment Policy that all legal investments pursuant to MCL 129.91 more commonly known as PA 20 of 1943, as amended are included in the policy.

NOW, THEREFORE, BE IT RESOLVED, by the Calhoun County Board of Commissioners hereby adopts the 2013 Calhoun County Investment Policy as presented by the County Treasurer, Christine Schauer.

On a roll call vote, Yes – 7. Motion **CARRIED**.

5. PA 2 Budget Amendment

Administrator/Controller Scott stated this was the time of year when staff brings forward a resolution to amend the budget to reflect the carryover from the previous fiscal year for the PA2 dollars. She stated this year there was an additional distribution of \$103,000 from the state to be used between now and September. She noted the Kalamazoo Coordinating Agency cautioned that the funds can be spent at our discretion but the majority of the funding, which comes from the State block grant, is looking like we may overspend in the area of substance abuse treatment and suggested we hold on to the funds. She stated she had discussions with the Kalamazoo Coordinating Agency and the Substance Abuse Council and they had agreed the best plan was to go ahead with this amendment and increase the Fiscal Year 2013 PA2 budget by \$101,000 to be used between now and September. She stated they would also begin looking at next year's PA2 budget earlier in conjunction with the block grant and monitor the remaining PA2 payments that came from alcohol tax in quarterly distributions. She stated they were cautiously moving forward and this would provide \$64,000 to the 10th District Court for Sobriety Court and the start-up of the Veterans Court, would provide an additional \$5,000 to the Substance Abuse Prevention Services in Albion, the Substance Abuse Council had requested \$20,000, and Gracious Homes would receive an additional \$12,000. She stated they were still estimating a carryover of \$85,000 to be a backstop for any possible over spending with the block grant.

Res. 85-2013

"Moved Comr. Dunn, Supported by Comr. Frisbie to approve the following: Resolved, the Calhoun County Board of Commissioners does hereby approve the Amended FY 2012/13 PA2 Budget in the amount of \$658,466 in Revenues and \$572,974 in Expenses as presented."

On a roll call vote, Yes – 7. Motion **CARRIED**.

6. Amendatory Contract between the Michigan Department of Transportation (MDOT) and the Calhoun County Board of Commissioners relative to MDOT Contract No. 2012-0423/A1

Administrator/Controller Scott stated the two contracts being presented for 12B6 and 12B7 were between the former Road Commission and MDOT. She stated a change of name was required to be noted in the agreement and there were no changes being made except the name.

Res. 86-2013

“Moved Comr. Dunn, Supported by Comr. VanSickle to approve the following: Resolved, the Calhoun County Board of Commissioners does hereby approve the Amendatory Contract between the Michigan Department of Transportation (MDOT) and the Calhoun County Board of Commissioners (Board) relative to Contract No. 2012-0423/A1 is approved as presented and Board Chair Art Kale is authorized to sign the Amendatory Contract on behalf of the Board.”

On a roll call vote, Yes – 7. Motion **CARRIED**.

7. Amendatory Contract between the Michigan Department of Transportation (MDOT) and the Calhoun County Board of Commissioners relative to MDOT Contract No. 2012-0499/A1

Res. 87-2013

“Moved Comr. VanSickle, Supported by Comr. Frisbie to approve the following: Resolved, the Calhoun County Board of Commissioners does hereby approve the Amendatory Contract (Contract) between the Michigan Department of Transportation (MDOT) and the Calhoun County Board of Commissioners (Board) relative to MDOT Contract No. 2012-0499/A1 is approved as presented and that Board Chair Art Kale is authorized to sign the Contract on behalf of the Board.”

On a roll call vote, Yes – 7. Motion **CARRIED**.

8. Award Terry Asphalt and Asphalt Materials a Contract to Provide Asphalt Emulsion Materials

Administrator/Controller Scott stated this was a purchasing recommendation to award a bid for asphalt emulsion materials in accordance with the Purchasing Policy and the newly established Purchasing Teams that include a cross section of employees from the Road Department.

Assistant Administrator Wilcox explained the Purchasing Department took bids for cold patch and spray patching, as the Road Department used approximately 500,000 gallons each year. He explained the award was a split bid, giving 90% of the purchase to Asphalt Materials in Oregon, Ohio and 10% to Terry Asphalt in Alma, Michigan. He stated Terry Asphalt had a significantly different product and they wanted to test it. He stated they were estimating a savings of about \$.10 per gallon for an approximate \$30,000-50,000 per year savings. He stated they would be monitoring the usage and would provide a report in the future.

Res. 88-2013

“Moved Comr. VanSickle, Supported by Comr. Frisbie to approve the following: Resolved the Calhoun County Board of Commissioners does hereby award Terry Asphalt and Asphalt Materials a contract to provide asphalt emulsion materials to the Road Department for road maintenance in an annual amount estimated at \$600,000 for a two year period.”

On a roll call vote, Yes – 7. Motion **CARRIED**.

9. April 2013 Financial Statements

Administrator/Controller Scott stated things are on track and there were no significant items to note.

Res. 89-2013

“Moved Comr. Haadsma, Supported by Comr. Dunn to approve the following:
Resolved the Calhoun County Board of Commissioners does hereby approve accept
the April 2013 Financial Statements for informational purposes.”

On a voice vote, Motion **CARRIED**.

10. Contract to Provide the Application of Paving Materials on County Roads and Hot Mix Asphalt Materials

Administrator/Controller Scott stated this was to award the contract for paving and hot mix asphalt materials.

Assistant Administrator Wilcox stated the hot mix was picked up at the plant and laid in the hole to fill and also in the event we do paving. He stated there were four bidders and they were recommending Lakeland Asphalt in Springfield, Michigan to serve the west side of the County and the Battle Creek area, which was about 75% of the bid and 25% of the bid going to Michigan Paving in Jackson, Michigan to serve the east side of the County. He stated the materials were based on MDOT specifications and the Road Department would be doing random testing as well. He stated there were two in-county bidders for the east side of the county but their prices were significantly higher and they did not bid on pick up material, which would be a significant portion of our business.

Res. 90-2013

“Moved Comr. Dunn, Supported by Comr. VanSickle to approve the following: Resolved,
the Calhoun County Board of Commissioners do hereby approve the award of a two year
contract with Lakeland Asphalt and Michigan Paving & Materials to provide the
application of paving materials on County roads and hot mix asphalt materials to the Road
Department in an annual amount estimated at \$200,000.”

On a roll call vote – Yes – 7. Motion **CARRIED**.

13. CITIZEN’S TIME

There was none.

14. COMMISSIONERS TIME

Comr. King reminded everyone that on May 23 there would be a Township Supervisors meeting with the Road Department. He stated Water Resources Commissioner Chris Kosmowski would also be there to discuss culvert projects.

Comr. King stated the FuddDusters, a group of student who sport shoot clay pigeons, took first place in a competition of 41 teams from 6 states and gave kudos to them.

Comr. Todd announced that on May 24 at 6 p.m. at Burnham Brook, the youth council of the NAACP will be holding a performance to highlight the history of the NAACP. He stated this was a fundraiser for the youth council, the cost is \$10 per person and includes a spaghetti dinner catered by Fazolis.

15. CLAIMS PAYABLE

- A. Calhoun County Claims Payable for April 26 - May 9, 2013 in the Amount of \$4,764,135.31 and Road Department Payables in the Amount of \$50.

Res. 91-2013

“Moved Comr. Dunn, Supported Comr. Frisbie to approve the following: Resolved the Calhoun County Board of Commissioners does hereby approve the Calhoun County Claims Payable for April 26 - May 9, 2013 in the Amount of \$4,764,135.31 and Road Department Payables in the Amount of \$50.”

On a roll call vote, Yes – 7. Motion **CARRIED**.

16. ANNOUNCEMENTS

Comr. Frisbie announced that on Sunday, May 26 at 2 p.m. at Fort Custer will host their annual Memorial Day Remembrance Program. He encouraged everyone to attend.

Comr. Haadsma announced the Calhoun County Safe School Alliance would be holding a special program on June 14 between 8 to 5 W.K. Kellogg Auditorium. He stated people could look at BCCfoundation.org more information.

Comr. King announced the FuddDuster Shooting Club was having a shooting competition against the Sheriff’s Department on at noon on Saturday, May 18 at Centerline Gun Club in Bellevue.

17. CLOSED SESSION

Res. 92-2013

“Moved Comr. Haadsma, Supported by Comr. Frisbie to retire to closed session to discuss pending litigation.”

On a roll call vote, Yes – 7. Motion **CARRIED**.

The Board retired to closed session at 8:18 p.m. The Board returned to open session at 9:16 p.m.

18. Resolution to Grant Settlement Authority to County Administrator/Controller Relative to Case #1:13-cv-291

Res. 93-2013

“Moved Comr. Todd, Supported by Comr. VanSickle to approve the following: Resolved the Calhoun County Board of Commissioners does hereby grant settlement authority to the County Administrator/Controller relative to Case #1:13-cv-291.”

On a roll call vote, Yes – 7. Motion **CARRIED**.

19. ADJOURNMENT

The meeting was adjourned at 9:18 p.m. at the call of the Chair.

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Chairman
Calhoun County Board of Commissioners

Clerk
Calhoun County