

WEXFORD COUNTY BOARD OF COMMISSIONERS

Regular Meeting * Wednesday, March 19, 2014

Meeting called to order at 5:00 p.m. by Chairman Housler.

Roll call: Present – Comm Robert Colvin, Leslie Housler, Robert Hilty, Mark Howie, Alan Devereaux, Gideon Mitchell, Gary Taylor, John Fuscone, and Bill Goodwill.
Absent – None.

Pledge of Allegiance.

Additions/Deletions to the Agenda - None

Approval of the Agenda

MOTION by Comm Taylor, seconded by Comm Mitchell to approve the agenda, as presented.

All in favor.

Employee Recognition - None

Presentations and Reports

1. Cash Flow Analysis Report

Ken Talsma, Certified Public Accountant for Anderson, Tackman & Company, appeared before the board to explain the cash flow analysis he prepared. He worked with County audit reports from 2003 to 2013 and reviewed the Delinquent Tax Revolving and Land Reutilization Funds. He stressed the need to continue to be self funded for Delinquent Taxes. It could be costly to the county if County is forced to borrow money for settlement. Being conscious of that aspect, a 20% contingency was put in as a contingency buffer.

During the past few years dollars have been used from the Delinquent Tax Fund for General Fund matters. He computed that the Net Excess Cash would be \$2,200,000 in the year 2013 (unaudited). He again reminded Board members that the County needs to have excess funds on hand in the Delinquent Tax Fund.

Mr. Talsma suggested that the Administrator do some projections on Delinquent Tax to continue to be self funded.

Public Comments

Mike Riley, 306 Henderson, appeared before the Board as a member of the Fair Board for several years. He spoke about the rumor talk about Quit Claiming the Civic Center property back to the Fair Board which he believes would be irresponsible for this board to do.

Michael MacCready, 117 Roberts cited his opinion on on the Jail project and the RFP for the Civic Center.

Consent Agenda

1. Approval of the March 05, 2014, Regular Meeting Minutes
A commissioner requested a statement be added to the Administrator Comments from the last meeting: "The Administrator performs HR functions for the County."

MOTION by Comm Taylor, seconded by Comm Mitchell to approve the Consent Agenda, as amended.

All in favor.

Agenda Items

1. Slagle Township Assessors Service Contract

MOTION by Comm Taylor, seconded by Comm Fuscone to approve the Slagle Township Assessors Service Contract for the period of April 1, 2014 through March 31, 2015 at a rate of \$9.00 per parcel per year and authorize the Chairman of the Board to sign the contract on behalf of the County, as presented.

Roll call: Motion approved unanimously.

2. Remonumentation Grant

MOTION by Comm Taylor, seconded by Comm Devereaux to approve the Remonumentation Grant for the period of January 01, 2014 through December 31, 2014 in the amount of \$54,062, as presented.

Roll call: Motion approved unanimously.

3. Hazardous Material Emergency Preparedness Grant

MOTION by Comm Mitchell, seconded by Comm Taylor to approve the Hazardous Material Emergency Preparedness Grant for the State fiscal year 2013-2014 in the amount of \$1,090 with a match of \$273 and authorize the Chairman of the Board to sign on behalf of the County, as presented.

Roll call: Motion approved unanimously.

4. Request to Waive the Hiring Freeze – Corrections Officer

MOTION by Comm Goodwill, seconded by Comm Fuscone to approve the request to waive the hiring freeze for a full-time Corrections Officer and restore the full-time position to the roster to allow for the hiring of a replacement, as presented.

Roll call: Motion approved unanimously.

5. Wexford/Missaukee Community Corrections Fund Request

Mistine Stark, Director of Community Corrections, appeared before the Board to request her administration fee be put back into her budget. When the 2014 budget was put together, an administration fee of \$22,000 was taken from her budget and put into the County's General Fund. In the past, \$2,500 was the administration fee. She claims that this is too much and it may have an impact on her Fund Balance in the future. Currently, there is approximately \$200,000 in her fund balance which has taken several years to build up. During those years two T-Houses have been purchased which have been a benefit in helping reduce the overcrowding at the jail. She explained that her department is currently overseeing 92 offenders. If her services were not available those offenders may be in our jail. Wexford County is now sending prisoners to 9 different Counties due to overcrowding.

Administrator Hinton explained how and where the allocations figures were arrived at and the criteria used. The report that he worked from was put together for Friend of the Court allocation with the State of Michigan.

Board members decided to leave it as is and it shall be addressed during the 2015 budget process.

6. Discuss/Consider Issuing RFP for Janitorial Services

Building and Recreation Committee discussed the current janitorial services that were being performed and felt they did a good job; however, they felt it was a good idea to put out a new RFP to bid it out again.

MOTION by Comm Devereaux, seconded by Comm Howie to prepare a new RFP for Janitorial Services for a 5 year period.

Roll call: Motion passed six to three with Comm Colvin, Housler, and Hilty voting against the motion.

7. Discuss/Consider RFP for Management of the Civic Center

The County received two proposals: Boon Sports Management and Rink Management. Commissioners ask to hear from each bidder. They began with Boon Sports Management.

Michael Figliomeni appeared before the Board representing Boon Sports Management. He began by stating the closing of the Civic Center is an annual topic for the County. The facility would see better use if the threat to close year after year was not out there. Mr. Figliomeni stressed the talent and community support that comes with his proposal. They would actively work to use or rent out both sides of the facility. He would see to it

that more attention is paid to advertising. Mr. Figliomeni's group is committed to keep the arena open; however, he cautioned the board that they would have a difficult time taking care of things that may go wrong with the building.

They provided the board with a proposal they believe will work. If there is a weakness in the proposal, they are willing to address it. They are requesting a minute amount of the County's current budget to keep. The proposal includes two alternatives. They are not a for profit public sector company with a past or future. One proposal made to the Board from Boon Sports Management was to run the rink and pay all expenses except: a. insurance related to the premises and capital improvements of The Civic Center; b. major building and equipment repairs and maintenance; c. snow removal. The alternative they offer that if something catastrophic happens at the arena they promise to do their best to make it work without coming back for more money. If the County pays \$50,000 and allows them to keep all their revenues, they believe they can cover all the expenses.

Boon Sports Management group would like to receive startup money in the amount of \$25,000 along with a yearly stipend of \$50,000.

Louis Lombardo and Tom Hillgrove of Rink Management appeared before the Board to present their proposal. Mr. Hillgrove began by stating they would provide the Board with a detailed budget for a 24 month period. Financial statement would be provided to Administration on the 15th of each month. He also welcomed the competitor's passion and commitment to the facility. He provided a little background on himself and his business operations.

Board members were reminded that the building is aging and Rink Management has an active maintenance program to stay on top of problems. He believes his program for the Civic Center is stable and has depth. When questioned about entering into a lease of the arena, Mr. Hillgrove stated he may be interested in a 5 year lease with a 5 year option.

Adm. Hinton pointed out that the profit and loss statement for 2013 disclosed that the County had provided them with \$121,000 which includes their management fee. Mr. Hillgrove outlined where those expenses were including increase in utilities, open more days, and plowing services. It was also pointed out that the flooring, bathrooms, kitchen and locker rooms all need attention.

Michael Figliomeni pointed out that the County would see some cost savings by using volunteers; however, they may hire someone to manager at the facility. If revenue is generated over expenditures, money would be put back into the facility. He expressed how valuable this facility was to the community. Commissioners felt that it may difficult to rely on volunteers to run the facility. Mr. Figliomeni also pointed out that they will

have an eight person management committee that the manager of the arena will answer to.

Three proposals drafted by a commissioner were read to the public to give the Board another way to look at keeping the facility operational.

Joe Porterfield, Equalization Director, came forward to explain that if the County leases the building it becomes taxable. If the County levies a millage then decides to close the WEX, the County has to come up with a way to pay those tax dollars back to the citizens. They were also reminded that the last millage was passed by the City and the four surrounding Townships.

MOTION by Comm Devereaux, seconded by Comm Colvin to enter into a contract to negotiate with Boon Sports Management.

Roll call: Motion failed four to five with Commissioners Taylor, Fuscone, Housler, Howie, and Mitchell voting against the motion.

MOTION by Comm Mitchell, seconded by Comm Howie to negotiate with both Rink Management and Boon Sports Management.

Roll call: Motion failed two to seven with Commissioners Fuscone, Goodwill, Colvin, Housler, Hilty, Devereaux and Taylor voting against the motion.

MOTION by Comm Goodwill, seconded by Comm Devereaux to enter into an agreement with the Boon Sports Management on proposal two.

The motion was amended: MOTION by Comm Goodwill, seconded by Comm Devereaux to amend the motion for a four year duration to the contract.

Roll call on the amendment: Motion passed seven to two with Commissioners Housler and Taylor voting against the motion.

The initial motion was then voted on:

Roll call: Motion passed seven to two with Commissioners Housler and Taylor voting against the motion.

It was pointed out that at some point in time the Board should make a resolution that they support the idea of the Civic Arena and provide that it will be available to the members of

the community for a period of time. The Board Chair directed this matter to the Building and Recreation Committee for further study on how to improve the Wex.

8. Discuss Jail Project Direction

Adm. Hinton came forward to provide some background information on the jail. Board members were provided with a document which included a summary of some facts from the Jail study which was presented last year. A 16 member committee was formed by citizens around the community. As a result of their hard work, our consultants, RQAW and Byce, presented this Board with a 247 page report in September 2013. Some of the information they used to study this project was to collect historical data. Project THERE needs through 2033; develop conceptual options that meet the needs of the County; survey and analyze the existing site to objectively select optimal expansion potential; and develop estimates of probable cost of expansion and constructing a new facility as well as operational costs association with each option. Five options were studied which were narrowed down to three options: Option 5 – New Jail, Existing Site, Single Phase - utilizes the existing site and constructs a new cell pod and administrative space - \$15,773,614; Option 5 phases A/B – build the new cell pod and kitchen/laundry area - \$12,498,344 as phase one; second phase would include renovation of the existing structure - \$3,475,000; Option 3 - construct on a new site / \$16,666,616. Adm. Hinton also reported on the financing end. Annual debt service on 40 year term: Option 5 - pod /administrative offices - \$619,171; Option 5A/B – two phases - \$799,203; Option 3 on a new site - \$844,449. Board members were also provided with a forecast of funds from Delinquent Taxes.

Adm. Hinton pointed out that architectural fee will be paid out at 75% by the time you get to construction. This fee is billed out each month for services rendered. Construction may then commence in 8 months. The entire project may take about 20 months from start to completion.

The Jail Needs Committee made a recommendation that the County go with 5A. Although there was some interest in Option 3 the financing may fall short. Adm. Hinton would like A Board motion to put out an RFP for the architect and begin the project with the idea that the Board will follow the recommendation of the Jail Study Committee. He would also like a motion for the County to enter into an agreement with a Financial Advisor, Tom Traciak. This agreement would come back to the County for approval.

Board members raised many questions regarding the options and the difference in square foot dimensions. Adm. Hinton explained the differences. Board members then discussed the differences between the three options before the Board. Also, the City space was not included in the construction project.

Sheriff Finstrom came forward and explained he will take whatever the Board decides. The Sheriff reminded the Board that they are good neighbors. If you place the jail in a different site it may cause concern among the community.

Board members were reminded that they must look at what the County can afford. The Committee selected Option 5 A/B with no millage request for phase one and possibly a small millage for phase two.

MOTION by Comm Goodwill, seconded by Comm Devereaux to put an RFP out for an Architect going with Option 5A.

Roll call: Motion passed five to four with Commissioners Howie, Mitchell, Taylor, and Fuscone voting against the motion.

MOTION by Comm Goodwill, seconded by Comm Devereaux to enter into an agreement with Tom Traciak as the Financial Advisor on the jail project.

Roll call: Motion passed eight to one with Comm Fuscone voting against the motion.

Administrator's Report

Adm. Hinton advised the Board of the following:

- He will be on vacation March 31 to April 4.
- Working on negotiations with the RFP
- Weather related matters: roof leaking at District Court due to drainage issues; modifications have been made; Civic Center drains have frozen; Animal Control has had their water lines frozen
- Attended Benzie County Courthouse on three motions filed on a County lawsuit and the County prevailed on all three; sanctions were assessed to counsel
- County Counsel recently filed an answer on another lawsuit filed against the Sheriff
- A new lawsuit has been filed in Federal Court against the County; Counsel has not yet been assigned by MMRMA
- FOIA request is still taking a great deal of time and money; however, cost cannot be passed along to the applicant. Some of the costs include County Counsel review of the FOIA documents to make certain all improper information has been redacted
- MAC meeting will begin in Lansing on Monday, March 24 and conclude around noon on Wednesday, March 26

A Commissioner questioned the Administrator's roll as the HR Officer for the County. Adm. Hinton explained that elected officials are responsible for their own policies and

issues. The Board's relationship to them is financial issues and fringe benefits. The Administrator cannot hire or fire employees for Elected Officials. He does not believe that the County has an HR department and it is not the administrator.

Correspondence - None

Public Comments

Michael MacCready, 117 Roberts, discussed leasing the Wex to Rink Management. He would like the County to use prisoners to paint the new jail facility.

Eleanor Sosenko, Manton, enjoyed the discussion at tonight's meeting. She would like to see a new kitchen at the Civic Center. She would also like to see the County put some money into the facility to help it succeed.

Liaison Reports

Comm Housler attended a Council of Government meeting in Traverse City.

Comm Mitchell informed the Board that the Planning Commission has come up with a 46 page revised Zoning Ordinance that will be coming to the Board for approval.

Comm Colvin attended a COA meeting. They have seen higher cost in plowing for January. The water pipes broke at the daybreak facility, which have been repaired.

Board Comment

Comm Howie is glad the jail project is moving forward but would have liked it on a new site. He will support the Board's decision.

Comm Mitchell is glad the Board went with Boon Sport's Management group for the Civic Center.

Comm Fuscone is disappointed the Board did not go with the new sight for the Jail.

Comm Goodwill would like the County Board to make a public statement to give confidence to the users of the WEX.

Chairman's Comments

Comm Housler appreciated the open discussion the Board had tonight. He would like to see the inmate housing dollars that the County is giving to other counties stay in Wexford County. The new facility will do that. He too would have preferred a new facility if financing was available. He voted no to the Boon Sports Management motion due to a 4 year commitment when they had only proposed a 2 year.

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Adjourn

**MOTION by Comm Devereaux, seconded by Comm Mitchell to
adjourn at 8:30 p.m.
All in favor.**

Leslie D. Housler, Chairperson

Elaine L. Richardson, County Clerk