

KENT COUNTY BOARD OF COMMISSIONERS

*Thursday, September 26, 2002
Administration Building - Room 310*

Meeting called to order at 8:30 a.m. by Chair Steven R. Heacock.

Present: Commissioners Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Kuipers, Mast, Mayhue, McGuire, Morgan, Morren, Postmus, Sak, Vaughn, Vonk, Chair Heacock – 18.

Absent: Wahlfield - 1 (Excused).

Invocation: Commissioner Mast gave the invocation.
The Pledge of Allegiance followed.

PUBLIC COMMENT

Merry Smith, International Representative for the UAW Local 2600 – In favor of Commissioner Sak’s proposal to postpone action on the Community Mental Health (“CMH”) issue so that the Legislative and Human Resources Committee can review. She’s concerned about the employees who work for CMH and hopes that the Board of Commissioners (“BOC”) would let this issue go back for further study.

Ginny Smith, 3282 56th Street, Wyoming (President of UAW Local 2600) – Here again expressing her concern and hoping that Commissioners will postpone the CMH decision and send it back to Committee where some of the issues can be worked out. She turned in petitions signed by residents of Kent county to stop the CMH from becoming an authority (petitions are on file in the office of the County Clerk.)

Kate Lynnes, 316 Bristol Avenue NW, Grand Rapids – She requested the BOC postpone voting on the CMH issue. Also would like an independent party audit of the cost projections that have been developed by CMH and the County. She desires more public hearings held in the evenings.

Sue Hood, 1540 Margaret SE, Grand Rapids – An employee of CMH and a Kent County employee for the past 15 years. Urges the Commission to vote today. This issue was first brought up in 1997 and she believes that the consumers, staff and the people of the county deserve a decision. As an authority CMH can get closer to the consumers. Still concerned about the pension and health benefits, however she believes in the job she is doing and the mission.

John Lichtenberg, 2451 Maplewood SE, East Grand Rapids – As Secretary of the CMH Board he reported to Commissioners on what the CMH Board has done relative to pension and health benefits. The board hired an outside consultant to help with the health care benefit analysis. They have concluded that they can replicate the existing benefit structure exactly. The law protects the vested benefits. They can continue with a pension program identical to the existing plan and the board in September designated MERS (Municipal Employee Retirement System) as

the provider should the authority status be approved. The cost of both of these benefit programs has been determined and fits in the budget for fiscal year 2003 should the authority status be approved. The CMH Board recognizes the importance of staff and the delivery of quality services to consumers. That is what CMH is all about and that is why the CMH Board unanimously recommended approval of the authority status. The CMH Board asks the BOC to approve authority status today.

John Walker, 7391 Shadowbrook Court SE, Grand Rapids – A Community Mental Health Board member for the past 12 years, he is also the parent of an adult with serious mental health illness who is served by the system. The CMH Board has studied this issue and its time for us to move forward.

SPECIAL ORDER OF BUSINESS

AZA Presidents Award – John Lewis

John Lewis, John Ball Zoo director, recently finished his term as President of the American Zoo and Aquarium Association. This professional association represents 208 of the best institutions in North America with 6,000 members. As president, he gets to hand out service awards at the end of his term. This year he gave out two personal awards one of which he presented to Chair Heacock for the support he has received in this endeavor from the County, BOC, as well as the administration. Chair Heacock thanked Mr. Lewis and lauded him for his service on this prestigious association, it speaks well not only of him but of Kent County.

CONSENT AGENDA

- a) Approval of the Minutes of September 12, 2002, Meeting
- b) September 17, 2002, Finance Committee Meeting Minutes
(Reports of Claims and Allowances)
- c) Appointment to Election Scheduling Committee – Lynn Buchanan.
- d) Resolutions:

9-26-02-129 – WONDERGEM CONSULTING, INC. AGREEMENT / ADMINISTRATOR'S OFFICE

WHEREAS, the County has contracted for communications consulting services with Wondergem Consulting, Inc. for the past year and a half; and

WHEREAS, the current Agreement For Professional Services terminates on September 30, 2002; and

WHEREAS, the County desires extension of the agreement for an additional year; and

WHEREAS, staff will be evaluating the cost-effectiveness of continuing to contract for this service versus hiring in-house staff. A recommendation will be included in the 2004 budget process.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby approves the extension of the Agreement For Professional Services with Wondergem Consulting, Inc. for an additional year beginning October 1, 2002 and terminating September 30, 2003, for a cost of \$50,000; and

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby authorizes the Board Chair to execute the Agreement.

9-26-02-130 – BUDGET AMENDMENT – PROBATION RESIDENTIAL SERVICES / COMMUNITY CORRECTIONS

WHEREAS, the County, through the Office of Community Corrections, receives funds from the Michigan Department of Corrections (MDOC) various programs for offenders including substance abuse treatment and probation residential services; and

WHEREAS, MDOC recently notified Kent County of an additional \$54,791 in funding for probation residential services for the current fiscal year. Kent County Office of Community Corrections currently contracts for these services with Alternative Directions and Pathfinder Resources. Alternative Directions has indicated that they have the capacity to use the additional funds; and

WHEREAS, MDOC has also notified Community Corrections of an additional \$6,000 for substance abuse programs for the current fiscal year. Pathfinder Resources has indicated that it has the capacity to use the additional funds for its OUIL III Treatment and Outpatient Substance Abuse Treatment programs.

NOW, THEREFORE, BE IT RESOLVED, that the Kent County Board of Commissioners hereby approves an amendment to the contract with the Michigan Department of Corrections for the additional funding and appropriates an additional \$60,791 in State funding to the Community Corrections budget for these programs.

9-26-02-131 – BUDGET AMENDMENT – SUBSTANCE ABUSE / HEALTH DEPARTMENT

WHEREAS, Kent Community Mental Health (CMH) serves as the Coordinating Agency for the MINK (Montcalm, Ionia, Newaygo, and Kent) Substance Abuse region, and contracts with the Kent County Health Department to provide prevention services for the agency. Funding for prevention programming comes from Liquor Tax funds allocated by each of the counties, and from State grant funds; and

WHEREAS, the Health Department prepares its budget using a prevention allocation provided by CMH. Throughout the year, this allocation may change due to additional State or individual county liquor tax allocations. When allocation adjustments occur, the Health Department amends its budget to recognize additional revenues and expenditures.

NOW, THEREFORE, BE IT RESOLVED, that the Kent County Board of Commissioners hereby accepts and appropriates an additional \$94,040 to the Health Department from the MINK Coordinating Agency for substance abuse prevention programming.

9-26-02-132 – PARKS ADMINISTRATION OFFICE LEASE / PARKS DEPARTMENT

WHEREAS, on March 22, 2002, the Board of Commissioners approved a resolution authorizing the submittal of a grant application to the Michigan Department of Natural Resources (DNR) for purchasing approximately 35 acres of land from Grand Rapids Gravel, including the former Domtar East Plant and Office. The grant was subsequently approved by the DNR; and

WHEREAS, on July 25, 2002, the Board of Commissioners approved a resolution authorizing funding for architectural, engineering, and construction management services and office space for the Parks Department at the former Domtar East Plant located in Millennium Park; and

WHEREAS, Parks Department staff is working with the DNR to complete the appraisal and purchase process. This process will not be completed by October 1, 2002, the planned date for the move of the Parks Department from the Kent County Earl G. Woodworth (Road Commission) Building to the former Domtar East Plant; and

WHEREAS, the one-year lease will allow the County to occupy the property for a cost of \$1.00. Temporary modular office facilities will be on site by October 1, 2002, and completion of the property purchase is anticipated by December 31, 2002; and

WHEREAS, Civil Counsel has approved the lease as to form.

NOW, THEREFORE, BE IT RESOLVED, that the Kent County Board of Commissioners approves the Parks Department request to execute a lease with Grand Rapids Gravel to provide space for the Parks Department Administration Office; and

BE IT FURTHER RESOLVED, that the Kent County Board of Commissioners authorizes the Board Chair to sign the agreement.

9-26-02-133 – APPROVE SUBMISSION OF A SECONDARY ROAD PATROL GRANT APPLICATION / SHERIFF" DEPARTMENT

WHEREAS, the County has received Secondary Road Patrol (SRP) funds for the past 24 years; and

WHEREAS, the SRP program provides supplemental funding for road patrol and accident prevention on secondary roads; and

WHEREAS, the grant funds, if approved, will continue to pay for six sworn officers including fringe benefits as well as the equipment and operating costs necessary for the officers to perform their duties; and

WHEREAS, the anticipated date of the grant award is October 1, 2002.

NOW, THEREFORE, BE IT RESOLVED, that the Kent County Board of Commissioners approval to submit an application for a Secondary Road Patrol and Traffic Accident Prevention Program Grant from the Michigan Office of Highway Safety Planning; and

BE IT FURTHER RESOLVED, that in the event grant funding is eliminated or decreased, the position(s) will be eliminated unless continuation funding is approved pursuant to the Fiscal Policy on Grants; and

BE IT FURTHER RESOLVED that the Kent County Board of Commissioners authorizes the Board Chair to sign all grant documents.

9-26-02-134 – AUTHORIZE FOUR NEW POSITIONS AND ACCEPT GRANT FROM COMMUNITY ORIENTED POLICING SERVICES (COPS) / SHERIFF’S DEPARTMENT

WHEREAS, at the request of the Forest Hills, Kent City and Northview public school districts, the Kent County Sheriff’s Department formed a partnership to provide community-policing practices and philosophy in a school setting; and

WHEREAS, the U.S. Department of Justice Office of Community Oriented Policing Services has grant funding available to partially defray the cost of adding uniformed officers to staff this program; and

WHEREAS, the School Resource Officers will be involved in investigating crimes within the school setting, safety and enforcement issues district-wide, and education issues using a community-policing approach; and

WHEREAS, the COPS in Schools program limits the federal contribution to a maximum of \$125,000 per entry-level officer over the three-year grant program and requires the grantee to retain all grant-funded officers for at least one full fiscal year following the expiration grant; and

WHEREAS, the involved school districts have agreed to enter into an agreement to provide all staff funding over the federal limit for the term of the grant and for the one year following; and

WHEREAS, the Sheriff’s Department’s budget will provide for uniforms and other appropriate supplies and equipment at an estimated cost of \$41,000; and

WHEREAS, the Sheriff’s Department will withhold four vehicles from auction and the involved school districts will pay \$4,200 per vehicle per year to defray operating costs on the four vehicles used for the program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes the addition of four County Patrol Officer Positions (KCLEA) contingent upon receipt of grant funding; and

BE IT FURTHER RESOLVED, that the Board of Commissioners accept a COPS in School grant from the U.S. Department of Justice Office of Community Oriented Policing Services; and

BE IT FURTHER RESOLVED, that the Board appropriates \$1,060,402 over four years in additional funding to the Sheriff’s Department to fund the positions; and

BE IT FURTHER RESOLVED, that implementation of this program is contingent upon a Memorandum of Understanding being executed between the County and the respective school districts; and

BE IT FURTHER RESOLVED, that in the event grant funding is eliminated or decreased, the position(s) will be eliminated unless continuation funding beyond the fourth year is approved pursuant to the Fiscal Policy on Grants.

9-26-02-135 – APPROPRIATE SECONDARY ROAD PATROL (PA 416) PROGRAM REVENUE / SHERIFF’S DEPARTMENT

WHEREAS, the County has auctioned a cruiser that was originally purchased using PA 416 funds resulting in program income of \$8,641; and

WHEREAS, the grant regulations require that any program income not spent by September 30, the grantor's fiscal year-end, be returned to the grantor; and

WHEREAS, to avoid returning program income, the Sheriff's Department has requested that these funds be appropriated to the Road Patrol Budget.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby appropriates PA 416 program revenues in the amount of \$8,641.

(Commissioner Sak requested that resolution 9-26-02-129 be removed from the consent agenda.)

Motion by Commissioner Mast, supported by Commissioner McGuire, to approve the remaining consent agenda items.

Motion carried:

Yeas: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Kuipers, Mast, Mayhue, McGuire, Morgan, Morren, Postmus, Sak, Vaughn, Vonk, Chair Heacock – 18.

Nays: 0.

9-26-02-129 – WONDERGEM CONSULTING, INC. AGREEMENT / ADMINISTRATOR'S OFFICE

WHEREAS, the County has contracted for communications consulting services with Wondergem Consulting, Inc. for the past year and a half; and

WHEREAS, the current Agreement For Professional Services terminates on September 30, 2002; and

WHEREAS, the County desires extension of the agreement for an additional year; and

WHEREAS, staff will be evaluating the cost-effectiveness of continuing to contract for this service versus hiring in-house staff. A recommendation will be included in the 2004 budget process.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby approves the extension of the Agreement For Professional Services with Wondergem Consulting, Inc. for an additional year beginning October 1, 2002 and terminating September 30, 2003, for a cost of \$50,000; and

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby authorizes the Board Chair to execute the Agreement.

Motion by Commissioner Mast, supported by Commissioner Hiddema, that the resolution be adopted.

Motion carried:

Yeas: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuipers, Mast, McGuire, Morgan, Morren, Postmus, Vaughn, Vonk, Chair Heacock – 15.

Nays: Kuhn, Mayhue, Sak – 3.

RESOLUTIONS

9-26-02-136 – 2003 CONVENTION & VISITORS BUREAU TOURISM PROMOTION PLAN, BUDGET AND AGREEMENT / BOARD OF COMMISSIONERS

WHEREAS, the Board of Commissioners, on September 11, 1997, adopted Resolution 9-11-97-118 identifying priorities for use of Hotel/Motel Tax revenues; and

WHEREAS, the Kent County Board of Commissioners, by resolution and contract, provides for a contribution of 20 percent of annual revenues from the Lodging Excise (Hotel/Motel) Tax to the Grand Rapids/Kent County Convention & Visitors Bureau, subject to annual review and approval by the County; and

WHEREAS, the Board of Commissioners has, pursuant to the agreement between the County and the Grand Rapids/Kent County Convention & Visitors Bureau, received the 2003 proposed budget and Tourism Promotion Plan, which includes a contribution of up to 20 percent, not to exceed \$900,000, of annual revenues from the Hotel/Motel Tax in 2003, excluding interest, late fees, and other charges, for the promotion of convention business throughout Kent County; and

WHEREAS, the contribution of annual revenues from the Hotel/Motel Tax to the Grand Rapids/Kent County Convention & Visitors Bureau is consistent with the priorities established in Resolution 11-20-01-171, adopted by the Board of Commissioners on November 20, 2001.

NOW, THEREFORE, BE IT RESOLVED, that the Kent County Board of Commissioners approves the proposed 2003 Budget and Tourism Promotion Plan of the Grand Rapids/Kent County Convention & Visitors Bureau; and

BE IT FURTHER RESOLVED, that the Kent County Board of Commissioners approves the 2003 contribution cap of up to 20 percent, not to exceed \$900,000, of the annual revenues from the Lodging Excise (Hotel/Motel) Tax, excluding interest, late fees, and other charges, to the Grand Rapids/ Kent County Convention & Visitors Bureau; and

BE IT FURTHER RESOLVED, that the Kent County Board of Commissioners hereby approves the contract with the Grand Rapids/Kent County Convention & Visitors Bureau (a copy of which is on file with the County Clerk and need not be made part of the minutes) for a five year period beginning January 1, 2003 and ending December 31, 2007, and that the Chair of the Board and the County Clerk are hereby authorized to sign the same on behalf of the County.

Motion by Commissioner Morgan, supported by Commissioner Sak, that the resolution be adopted.

Motion carried:

Yeas: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Kuipers, Mast, Mayhue, McGuire, Morgan, Morren, Postmus, Sak, Vaughn, Vonk, Chair Heacock – 18.

Nays: 0.

9-26-02-137 – 2003 PROPOSED BUDGET / BOARD OF COMMISSIONERS

WHEREAS, the County Administrator/Controller, with the assistance and cooperation of the Judiciary, Elected Officers, and Department Directors of the County, has developed a recommended budget for 2003; and

WHEREAS, the Kent County Finance and Physical Resources Committee has reviewed the proposed 2003 Budget in detail; and

WHEREAS, the Kent County Board of Commissioners held a hearing on September 12, 2002, to receive comments from the public on the proposed 2003 Budget.

NOW, THEREFORE, BE IT RESOLVED, that Kent County Board of Commissioners does hereby adopt the 2003 Kent County Budget attached hereto in the amount of \$402,239,508 (net of transfers) for the purposes shown in the budget, contingent on the requirement that, to the extent any individual department and/or fund in the 2003 Budget, as adopted, is dependent on federal and state revenues and those revenues are reduced or eliminated, the involved departments and/or funds shall amend their respective 2003 Budget revenues and expenditures to reflect the reduced federal and state revenues without an additional appropriation from the General Fund in accordance with Resolution 12-14-95-143; and

BE IT FURTHER RESOLVED, that *ad valorem* property tax in the amount of 4.2726 mills shall be levied for general operating purposes and, in addition, 0.7952 mills shall be levied for debt service and operation of the Kent County Correctional Facility and the Detention Facility and 0.2462 mills shall be levied for senior services, as more particularly described in the budget attached hereto (a copy of the budget need not be included in the published minutes but shall be on file in the Clerk's Office).

Motion by Commissioner Morren, supported by Commissioner Sak, that the resolution be adopted.

Motion carried:

Yeas: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Kuipers, Mast, Mayhue, McGuire, Morgan, Morren, Postmus, Sak, Vaughn, Vonk, Chair Heacock – 18.

Nays: 0.

9-26-02-138 – APPROVAL TO HIRE TWO CIRCUIT COURT CLERKS / CIRCUIT COURT

WHEREAS, in approving the 2003 budget, the Board of Commissioners approved a number of positions that will be used as staff for the two new Circuit Court Judgeships; and

WHEREAS, among those positions are two Circuit Court Clerk positions that will have as part of their responsibilities the operation of the video recording equipment that will be used in the courtrooms; and

WHEREAS, hiring the Clerks one-month prior to the Judges assuming their responsibilities will allow the employees to become trained in the use and operation of the video equipment.

NOW, THEREFORE, BE IT RESOLVED, that the Circuit Court is allowed to hire two Circuit Court Clerks approximately one month prior to the beginning of the 2003 Kent County Budget.

Motion by Commissioner Mast, supported by Commissioner Mayhue, that the resolution be adopted.

Motion carried by voice vote.

9-26-02-139 – CMH AUTHORITY / COMMUNITY MENTAL HEALTH

WHEREAS, the Kent County Board of Commissioners created a Community Mental Health Services Program Board in April 1966; and

WHEREAS, pursuant to Public Act 258 of 1974 the Board of Commissioners adopted procedures and regulations for the operation of the Community Mental Health Services Program (CMH) in October 1975; and

WHEREAS, Public Act 290 of 1995 enables a county Board of Commissioners to create a CMH authority; and

WHEREAS, Kent County CMH in June 1997 requested the Board of Commissioners to establish Kent County CMH as an authority; and

WHEREAS, after nine months of study by a subcommittee established by the Board of Commissioners to evaluate the request, it was determined that the inability of an authority to hold a mortgage or borrow money under the Mental Health Code did not make it advisable to create a Kent CMH Authority at that time; and

WHEREAS, following statutory amendments allowing CMH authorities to hold mortgages and borrow money, the CMH Board on December 17, 2001, again voted to recommend to the Board of Commissioners to establish a Kent County CMH as an authority; and

WHEREAS, the Legislative and Human Resources Committee, after two work sessions and a special public comment period, recommended to the Board of Commissioners to consider the request to establish the authority; and

WHEREAS, the Board of Commissioners has held three public hearings in accordance with Public Act 267 of 1976 (the Open Meetings Act) as required by the Mental Health Code, and has received extensive written and verbal comments on the issue; and

WHEREAS, operation as an authority provides the Kent County CMH program maximum flexibility in planning, designing, financing and providing mental health service programs to benefit its consumers; and

WHEREAS, consistent with the Michigan Mental Health Code, under the authority form of organization, CMH consumers continue to possess the same rights, privileges and benefits with respect to CMH operations and services as they enjoy under the current CMH agency form of organization, including membership on the CMH Board; and

WHEREAS, under the authority form of organization the Board of Commissioners continues to have a statutory duty to appoint CMH Board members, to receive program and financial information and to appropriate funds to support the CMH program, thereby continuing to remain knowledgeable of the provision of CMH services in Kent County; and

WHEREAS, the public's right to be informed of and participate in the affairs of the CMH program continues to be protected by the Open Meetings Act and Freedom of Information Act, both of which are binding on CMH Authorities; and

WHEREAS, the Kent County Board of Commissioners desires to continue a CMH services program for the County of Kent and to provide the citizens of the County with timely, appropriate, effective and cost-efficient mental health services.

NOW, THEREFORE, BE IT RESOLVED THAT

- I. **CREATION:** There is hereby created, effective April 1, 2003, a Kent County CMH Authority (hereinafter "Authority") pursuant to the Mental Health Code, Section 205, MCL 330.1205 to carry out the requirements under the Mental Health Code. The existing Kent County Community Mental Health Services Program (hereinafter "CMHSP") is dissolved upon the effective date of the creation of the Authority.

II. PURPOSE: The purpose of the Authority shall be to comply with and carry out the provisions of the Mental Health Code, associated Administrative Rules, and this Resolution.

III. POWERS: The Authority shall have all the powers provided to a mental health authority by the Mental Health Code, including but not limited to:

A. To fix and collect charges, rates, rents, fees and other charges and to collect interest.

B. To make purchases or contracts.

C. To transfer, divide, or distribute assets, liabilities or contingent liabilities.

D. To accept gifts, grants or bequests and determine the manner in which those gifts, grants or bequests may be used consistent with the donor's request.

E. To acquire, own, operate, maintain, lease or sell real or personal property. Before taking official action to sell residential property, however, the Authority shall do the following:

1. Implement a plan for alternate housing arrangements for recipients residing on the Authority's property.

2. Provide the recipients residing on the Authority's property, or their legal guardians, if any, an opportunity to offer their comments and concerns regarding the sale and planned alternates.

3. Respond to those comments and concerns in writing.

F. To do the following in its own name:

1. Enter into contracts and agreements.

2. Employ staff.

3. Acquire, construct, manage, maintain or operate buildings or improvements.

4. Acquire, own, operate, maintain, lease or dispose of real or personal property.

5. Incur debts, liabilities or obligations that do not constitute the debts, liabilities or obligations of the County of Kent.

6. Commence litigation and defend itself in litigation.

G. To invest funds in accordance with statutes regarding investments.

H. To set up reserve accounts, utilizing state funds in the same proportion that state funds relate to all revenue sources, to cover vested employee benefits including, but not limited to, accrued vacation, health benefits, the employee pay-out portion of accrued sick leave, if any, and workers' compensation. In addition, the Authority may set up reserve accounts for depreciation of capital assets and for expected future expenditures for an organizational retirement plan or for other matters identified by the Authority Board and as provided for by law.

I. To develop a charge schedule for services provided to the public and utilize the charge schedule for first and third party payers. The charge schedule may include charges that are higher than cost for some service units by spreading non-revenue service unit costs to revenue-producing unit costs with total charges not exceeding total cost. All revenue over cost generated in this manner shall be utilized to provide services to priority populations.

J. The Authority shall be responsible for all executive administration, personnel administration, finance, accounting, purchasing and management information system functions. The Authority may discharge this responsibility through direct staff or by contracting for services.

IV. GOVERNANCE: The Authority shall be governed by a community mental health services board ("Authority Board") which shall have such duties and responsibilities as are set forth in the Code, the Administrative Rules, and this Resolution.

A. The initial governing board of the Authority shall consist of all members appointed and serving on the Kent County CMHSP Board on the effective date of the transfer.

B. Future board appointments shall be made by the Kent County Board of Commissioners in accordance with the Mental Health Code, to include providers of mental health services; recipients or primary consumers of mental health services; agencies and occupations having a working involvement with mental health services; the general public; and at least one and up to four members of the Kent County Board of Commissioners.

C. The Authority Board shall have the power to adopt policies and procedures, including bylaws, which shall be applicable to the Authority provided that said policies and procedures shall be consistent with the Code, the Administrative Rules and this Resolution. If any policy or procedure conflicts with the Code, the Administrative Rules or this Resolution, then the Code, the Administrative Rules or this Resolution shall supersede the conflicting policy or procedure. The order of priority for resolving conflicts shall be the Code, the Administrative Rules, this Resolution and the Authority's Policies and Procedures.

D. The Authority Board shall have the following duties and responsibilities in regards to the Authority's assets:

1. Assure that all funds received by the Authority are deposited and disbursed properly.
2. Oversee the investment of all the Authority's funds.
3. Determine, through the Authority's auditors (Certified Public Accountants), the proper and specific controls for the authorization and expenditure of the Authority's funds and safeguard all assets with which to assure proper financial reporting. The Authority's auditors shall evaluate the design of internal control structure and such other procedures to determine the suitability of the design in the prevention or detection of material misstatements of the financial statements on a timely basis. The auditor's evaluation on these internal controls shall be directly submitted by the Authority's auditors to the County Board and the County Administrator.

V. DURATION: The duration of the Authority shall be perpetual unless dissolved or terminated as provided herein.

VI. DISSOLUTION OR TERMINATION:

- A. The Kent County Board of Commissioners may dissolve or terminate the existence of the Authority after adopting a resolution approved by a majority of the members elect and sending a copy of said resolution to the Chairperson of the Authority Board, the Executive Director of the Authority, the Secretary of State, and the County Clerk.
- B. The Authority Board shall not have the power to dissolve or terminate the Authority, however, the Authority Board upon vote of the majority of members, may request that the Kent County Board of Commissioners dissolve or terminate the Authority by sending a written request to the Kent County Board of Commissioners stating the reasons for such dissolution or termination.
- C. Review of Authority Status: The Kent County Board of Commissioners may review whether to continue the existence of the Authority at its discretion and including but not limited to the occurrence of any of the following events:
 1. Receipt of notice that the State has revoked or failed to renew certification of the Authority.
 2. Receipt of notice of a material or substantial departure from generally accepted accounting principles (GAAP) or a fraudulent or inappropriate use of public funds.
 3. Receipt of notice of state action that places either County public health programs or other programs or services provided by a County department or agency under the Kent County CMHSP.
 4. Receipt of notice of cancellation or non-renewal of any of the Authority's insurance policies.

5. Receipt of written notice to the County Administrator/Controller of the Authority's intent to dispose of or transfer all or substantially all of its real or personal property assets, to substantially modify its organizational role or responsibilities or to make other changes not part of or in the ordinary course of the Authority's operations.
6. Receipt of a request to dissolve or terminate the authority as recommended by the Authority Board upon vote of the majority of members.
7. Action by the Authority Board which, in the opinion of the Board of Commissioners, would result in the inability of the Authority to protect the rights and interests of consumers or to fulfill its purpose as prescribed by the Code and this resolution.

D. Return of Net Financial Assets: Any net financial assets originally made available to the Authority by the Kent County Board of Commissioners shall be returned to the Kent County Board of Commissioners if the Authority is dissolved or terminated. All other remaining assets net of liabilities shall be transferred to the CMHSP or programs that replace the Authority, if any.

VII. COUNTY PROPERTY: The Authority shall be liable for all costs, liabilities and expenses associated with real or personal property purchased or leased by the Kent County Board of Commissioners for use by the CMHSP, unless otherwise provided for differently in a negotiated lease agreement between the two parties.

VIII. EMPLOYEES OF THE COMMUNITY MENTAL HEALTH AUTHORITY: As prescribed by the Code, upon the creation of the Authority, the employees of the former CMHSP shall be transferred to the Authority and appointed as employees subject to all rights and benefits for one (1) year as required by State statute. Such employees of the Authority shall not be placed in a worse position by reason of the transfer for a period of one (1) year with respect to workers' compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance, or any other benefit that the employee enjoyed as an employee of the former CMHSP as required by State law. Employees who are transferred shall not by reason of the transfer have their accrued pension benefits or credits diminished as required by State law.

An employee of the Authority is not a Kent County employee. The Authority is the employer with regard to all laws pertaining to employee and employer rights, benefits and responsibilities. The Authority assumes and is bound by the collective bargaining agreement between the County of Kent and UAW Local 2600, through its effective date of December 31, 2003. The formation of the authority shall not adversely affect any existing rights and obligations contained in that agreement. As of the effective date of this resolution, the Authority shall be the employer for all collective bargaining purposes.

IX. REPORTING: The Authority shall annually provide to Kent County a year-end or cumulative, quarterly performance objective report, at the same time such reports are required to be submitted according to the Contract for services between the State of Michigan and the Authority. The Authority Board or its executive director shall respond in a timely manner to any requests for information on specific operating/program topics from the Kent County Board of Commissioners or the County Administrator/Controller.

X. INSURANCE: Prior to the effective date of the Authority, the Authority shall have arranged for insurance coverage to include, but not be limited to: commercial general liability insurance policy to include, but not be limited to, personal injury, bodily injury, property damage and contractual liability; property insurance covering all real and personal property on a replacement cost basis; a blanket dishonesty bond or blanket faithful performance bond covering employees, officers and board members; professional liability or malpractice coverage for doctors, nurses, social workers, or other licensed professionals; public officials' liability insurance coverage; workers' compensation coverage and unemployment compensation coverage as required by Michigan law.

Certificates of insurance providing the insurance coverages outlined shall be submitted to Kent County prior to April 1, 2003. If the Authority fails to provide the certificates of insurance, Kent County may, but it is not legally obligated to, purchase the insurance coverage required hereunder to the levels it deems appropriate, and the Authority shall reimburse Kent County promptly without objection upon presentation of an invoice.

XI. AUDIT: On or before April 1 of each year, the Authority shall provide the Kent County Administrator/Controller a copy of an annual independent audit performed by a certified public accountant in conformity with generally accepted accounting principles and in accordance with governmental auditing standards issued by the Comptroller of the United States and other state and federal laws. The Authority shall submit a copy of the auditor's management recommendations to the County Administrator/Controller within sixty (60) days of the Authority's receipt of the annual audit report. The Authority's auditor shall be freely accessible by Kent County personnel for questions and the auditor shall promptly report to the County Administrator/Controller any apparent improprieties, irregularities or material financial issues; material or substantial departure from generally accepted accounting principles; or a fraudulent or inappropriate use of public funds that are discovered in the course of the auditor's examination during the audit or any other time. The Authority must report to the Michigan Department of Treasury and the County Administrator/Controller any fraudulent or inappropriate uses of public funds upon learning of such.

XII. FISCAL RELATIONSHIPS BETWEEN THE COUNTY AND THE AUTHORITY

- A. County Annual Local Match: As long as the Mental Health Code requires an annual match of local funds to support a county CMHSP, the County Board of Commissioners shall include in its annual budget a single appropriation to the Authority. Pursuant to the Code, the annual appropriation required shall be the amount of funds provided by the County Board of Commissioners for fiscal year 2001, which was \$2,025,942. The annual appropriation will be distributed by the County Board of Commissioners to the Authority on a quarterly basis provided the Authority submits a funding request to the County Administrator/Controller or designee before the due date of the advance.
- B. Liquor Tax and Substance Abuse Coordinating Agency Funding: Currently, Kent CMH serves as the State-designated Coordinating Agency for Substance Abuse Services. Any appropriations to the Authority for substance abuse programming will be made separately and accounted for distinctly from the local match requirements of Section 302 of the Code.
- C. Cost Allocation Charges: As of April 1, 2003, the Authority will no longer incur County cost allocation charges, but will still be liable for all roll forward amounts calculated based on actual activity following the 2002 and 2003 audit. If in the event actual charges are less than the initial amount charged to CMH for FY02 or FY03, excess funds previously paid by Kent CMH for County cost allocation shall be returned to the Authority.
- D. Investment Pool Participation: Following execution of an investment pool agreement with the County Treasurer, the Authority may participate in the local government investment pool established by the Board of Commissioners and managed by the County Treasurer.
- E. Loss Fund Coverage: The Kent County Comprehensive Liability and Property Loss Fund will pay claims incurred by CMH before April 1, 2003 that are determined to be covered by the Loss Fund even if those claims are reported after April 1, 2003. The Authority will be responsible for all claims occurring on or after April 1, 2003. A per claim deductible will be charged for all claims covered by the Loss Fund according to the Loss Fund requirements. For the period of January 1, 2003, to March 31, 2003, CMH will be charged an insurance cost allocation for three months of earned premium only.
- F. Worker Compensation: The Kent County Self-Insured Worker Compensation program will pay claims incurred by CMH employees before April 1, 2003, that are determined to be covered by the Workers' Disability Compensation Act. Claims incurred but not reported (IBNR) or claims occurring prior to but reported after April 1, 2003, will be covered and paid to their conclusion. The Authority will be responsible for workers compensation claims occurring on or after April 1, 2003.

- XIII. ASSIGNMENT OF AGREEMENTS:** Effective April 1, 2003, the County assigns to the Authority all agreements, contracts or leases originally signed by the County Board for the County community mental health services program with the understanding that the Authority shall be responsible for any past, present or future obligations related to said agreements, contracts or leases; furthermore, effective April 1, 2003, the Authority shall hold the County Board harmless for any liabilities or obligations connected with said agreements, contracts or leases.
- XIV. ASSETS, DEBTS AND OBLIGATIONS:** All assets, debts and obligations of the former County community mental health services program or the Kent County Community Mental Health Department, including but not limited to equipment, furnishings, supplies, cash and other personal property are hereby transferred to the Authority.
- A. Retirement Account Transfer: The County shall have completed an actuarial analysis to determine the actuarial accrued liabilities of the Kent County Retirement System attributable to active Community Mental Health employees as of February 28, 2003. The County shall also complete a valuation of the assets in the Pension Fund as of close of business on March 14, 2003. The County shall apply the resultant liabilities percentage to the asset valuation and transfer this amount to the authority.
 - B. On July 13, 2000, the County approved a transfer of funds to CMH Fund to provide for the continuation of a cash advance to substance abuse provider agencies. All obligations of CMH, as the Coordinating Agency for substance abuse services contained in the Memorandums of Understanding between the individual agencies, the County and Kent CMH are transferred to the Authority.
 - C. Personal Property assets of the County community mental health services program are those items reflected in the CMH Audit as of September 30, 2001, as that inventory may be updated prior to April 1, 2003, to include other items purchased on behalf of or by CMH with State or federal funds.
- XV. LEASE OF SPACE AT THE KENT COUNTY FULLER COMPLEX:** The County currently owns space occupied and utilized by Community Mental Health at the Kent County Fuller Campus. The facility and the land upon which it is located are not considered assets of the County community mental health services program. Prior to the effective date of the Authority, Kent CMH and the County will enter into a lease providing for continued use of the facility and grounds. Consistent with the County's Facility Use Policy, the lease will be structured so as to provide for services to, and maintenance of, the property.

- XVI. PRIVILEGES AND IMMUNITIES:** As prescribed by the Code, all the privileges and immunities from liability and exemptions from laws, ordinances and rules that are applicable to the former County community mental health services program or the Kent County Community Mental Health Department and its board members, officers and administrators and County elected officials and employees of County government are retained by the Authority and the Authority Board members, officers, agents and employees of the Authority. The privileges, immunities and exemptions granted under this paragraph do not include the immunity granted to a county under Paragraph XIX of this Resolution or under subsection 205(6) of the Code, being subsection 330.1205(6) of the Michigan Compiled Laws.
- XVII. TAXES OR BONDS:** The Authority shall not levy any type of tax or issue any type of bond in its own name, except as provided for by law. The Authority shall not financially obligate any unit of government other than itself.
- XVIII. PUBLIC BODY:** The Authority shall be a public government body, subject to the Open Meetings Act, Act 267 of the Public Acts of 1976, as amended, being Sections 15.261 to 15.275 of the Michigan Compiled Laws, and the Freedom of Information Act, Act 442 of the Public Acts of 1976, as amended, being Sections 231 to 15.246 of the Michigan Compiled Laws, except for those documents produced as part of the peer review process required in Section 143a of the Code and made confidential by Section 748(9) of the Code.
- XIX. COUNTY LIABILITY:** As prescribed by the Code, the County shall not be liable for any unintentional, intentional, negligent or grossly negligent act or omission, for any financial affairs, or for any obligation of the Authority, its board, employees, representatives or agents.
- XX. INTENT TO MAINTAIN GOVERNMENT COMMUNITY MENTAL HEALTH SERVICES PROGRAM:** In creating the Authority, it is the specific intent of the County Board to continue a community mental health services program for the County by means of an independent governmental authority rather than a County department or agency or a private provider. It is recognized that in the era of managed care, the future may hold the potential for other managed care providers to service community mental health needs either through the State or unilaterally by county. Therefore, with the exception of direct services, any action contemplated by the Authority to dispose of or transfer all or substantially all of its real or personal property assets, to substantially modify its organizational role or responsibilities or to make other changes not part of or in the ordinary course of the Authority's operations shall require 90 days written notice to the County Administrator/Controller prior to such action; and

BE IT FURTHER RESOLVED, that County Administrative and Mental Health Staff are hereby authorized and directed to take the necessary steps to begin the transitioning of the County community mental health services program to authority status, including but not limited to, applying for liability insurance, health insurance, workers' compensation coverage, unemployment compensation coverage; obtaining a Federal employer identification; establishing bank accounts for payroll or other disbursements; executing any documents necessary to effect the transfer; and purchase of necessary equipment or software.

Motion by Commissioner Koorndyk, supported by Commissioner Postmus, that the resolution be adopted.

Motion by Commissioner Sak, supported by Commissioner Mayhue, to postpone action on this resolution until the October 24, 2002, meeting to allow further review by the Legislative & Human Resources Committee.

Motion by Commissioner McGuire, supported by Commissioner Agee, to call for the question.

Motion carried:

Yeas: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Mast, McGuire, Morgan, Morren, Postmus – 12.

Nays: Kuipers, Mayhue, Sak, Vaughn, Vonk, Chair Heacock – 6.

Motion to postpone action failed:

Yeas: Mayhue, Sak, Vaughn, Vonk - 4.

Nays: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Kuipers, Mast, McGuire, Morgan, Morren, Postmus, Chair Heacock – 14.

Motion by Commissioner Kuhn, supported by Commissioner Hiddema, to call for the question.

Motion carried:

Yeas: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Mast, McGuire, Morgan, Morren, Postmus – 12.

Nays: Koorndyk, Mast, Mayhue, Sak, Vaughn, Chair Heacock – 6.

Motion to adopt Resolution 9-26-02-139 carried:

Yeas: Agee, Boelema, Buege, Hiddema, Horton, Koorndyk, Kuhn, Kuipers, Mast, McGuire, Morgan, Morren, Postmus, Chair Heacock – 14.

Nays: Mayhue, Sak, Vaughn, Vonk - 4.

REPORTS

Urban Sprawl

Commissioner Postmus stated that PDR (purchase of development rights) meetings are ongoing and most recently a meeting was held last Thursday evening with township officials. Items discussed included funding issues, how agricultural areas could be preserved and how they can stay within a family. They hope to have a presentation to the BOC by Dr. David Skjaerlund, Executive Director of Rural Partners of Michigan and facilitator of the county PDR work group soon.

Commissioner Horton stated that a key item of discussion at the PDR meeting was the explanation of the selection criteria. Since there will most likely be more applicants than funds they need an objective process where by parcels are selected for “purchase”. It needs to be a very detailed selection process with rankings and set criteria and must be fair for the landowners and taxpayers.

MISCELLANEOUS

CMH Issue

Commissioner Sak expressed his disappointment in the brief discussion on the CMH Authority prior to the vote. He regrets that he did not get the opportunity to talk during the discussion. However, there are still some issues that he would like resolved so he will work with the appropriate individuals when the authority process moves forward.

He presented a letter from the Grand Rapids Police Officers Labor Council (copy of which is on file in the Office of the County Clerk), dated July 31, 2002, opposing the authority status of the CMH.

Health Department

Commissioner Sak stated he is very concerned about the recent resignations at the Health Department. He believes that there are serious structural and organizational problems especially when it comes to an M.D. reporting to an administrative health officer. He would like this reevaluated and have the medical director report to the BOC.

West Nile Virus

Commissioner Vonk asked for a report from the Health Department concerning the West Nile Virus issue.

Community Health Advisory Council

Commissioner Kuipers requested copies of the minutes of the Community Health Advisory Council. Copies will be provided to all Commissioners.

Board Applications

Chair Heacock announced that the deadline for submitting resumes and applications for appointed boards is September 30, 2002. The Resume Review Subcommittee consists of Commissioners Morren (Chair), Morgan, Koorndyk, Agee and Vaughn.

ADIJOURNMENT

At 9:37 a.m., Commissioner Mast moved to adjourn, subject to the call of the Chair, and to Thursday, October 10, 2002, Room 310, County Administration Building, at 8:30 a.m., for an Official Meeting. Seconded by Commissioner Sak. Motion carried.

Steven R. Heacock, Chair

Mary Hollinrake, County Clerk