

KENT COUNTY BOARD OF COMMISSIONERS

*Thursday, August 28, 2003
Administration Building - Room 310*

Meeting called to order at 8:30 a.m. by Chair David J. Morren.

Present: Commissioners Agee, Boelema, Bulkowski, Hiddema, Horton, Koorndyk, Kuipers, Mast, Mayhue, Morgan, Postmus, Rolls, Tanis, VanderMolen, Vaughn, Voorhees, Wahlfield, Chair Morren – 18.

Absent: Vonk – 1 (Excused).

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

PUBLIC COMMENT

There was no public comment.

SPECIAL ORDER OF BUSINESS

Alliance for Health Update

Treasurer Win Irwin and President Lody Zwarensteyn, of the Alliance for Health, explained that the Alliance is a broad-based community coalition encouraging optimal health for all through high quality services at the lowest cost. They have approximately 300 volunteers who serve on committees, and they are funded by donations from public, private and non-profit organizations. They thanked the County for being a participant since 1968.

Friend of the Court Update

Friend of the Court John Cole updated Commissioners on the new state computer system being implemented due to changes in federal law. The complex, statewide system will go up after Labor Day. Although, there may be some disruptions in service at the beginning, overall, the system will streamline service to recipients.

CONSENT AGENDA

- a) Approval of the Minutes of August 14, 2003 Meeting
- b) August 21, 2003 Finance Committee Meeting Minutes
(Reports of Claims and Allowances)
- c) Establish Public Hearing Date and Time – September 11, 2003, at 7:00 p.m.
Re: Proposed 2004 millage rates and 2004 budget

d) Resolutions:

8-28-03-100 – ACCEPT GRANT FROM THE STATE FAMILY INDEPENDENCE AGENCY (FIA) / FRIEND OF THE COURT

WHEREAS, the Family Independence Agency (FIA) Office of Child Support provides grant funding to the Friend of the Court to conduct medical support enforcement activities to reduce the use of Medicaid by children whose non-custodial parents have access to health insurance for dependents; and

WHEREAS, the grant pays 100 percent of the salary and fringes for five FTEs; and

WHEREAS, the anticipated grant period is October 1, 2003, to September 30, 2004.

NOW, THEREFORE, BE IT RESOLVED that the Kent County Board of Commissioners approves the Friend of the Court's request to accept an FY 2004 Title IV-D Medical Support Grant from the State Family Independence Agency; 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.

8-28-03-101 – ACCEPT AN EMERGENCY MANAGEMENT PERFORMANCE GRANT / SHERIFF

WHEREAS, the Federal Emergency Management Agency (FEMA) provides federal funds for state and local emergency management programs; and

WHEREAS, the Michigan Department of State Police is the designated grantee for Emergency Management Performance Grant funding in Michigan and its Emergency Management Division enters into grant agreements with the local emergency management programs each year; and

WHEREAS, normally, this grant would have been awarded in September or October 2002; and

WHEREAS, given the uncertainty of the federal appropriation, the State chose not to award the grant until it received notification of the final grant award; and

WHEREAS, the grant will pay approximately 42 percent of the salary and fringe benefit costs for the County's existing Emergency Management Coordinator position; and

WHEREAS, the grant period is October 1, 2002, to September 30, 2003.

NOW, THEREFORE, BE IT RESOLVED, that the Kent County Board of Commissioners accepts an Emergency Management Performance Grant from the Michigan Department of State Police; and

BE IT FURTHER RESOLVED, that the Kent County Board of Commissioners authorizes the County Administrator/Controller to sign all grant documents.

8-28-03-102 – LEASE AGREEMENT WITH BOYSVILLE OF MICHIGAN, INC. FOR 1565 CEDAR NE / CIRCUIT COURT – FAMILY DIVISION

WHEREAS, the Circuit Court- Family Division has contracted with Boysville of Michigan to operate a staff-secure residential facility for juveniles at 1565 Cedar NE, Grand Rapids, since February 2001, and

WHEREAS, the Circuit Court – Family Division has recently renewed its contract with Boysville for the services; and

WHEREAS, lease payments (\$1,000/mo.), consistent with the Facilities Use Policy, are part of the operating costs of the facility which are included in the expenses billed to the Court and shared with the State. The term of the lease is consistent with Boysville’s service contract with the Court.

NOW, THEREFORE, BE IT RESOLVED that the Kent County Board of Commissioners hereby approves the lease with Boysville of Michigan, Inc., for the property located at 1565 Cedar NE, Grand Rapids.

8-28-03-103 – JUROR PER DIEM RATE / 17TH CIRCUIT COURT & 63RD DISTRICT COURT / JUDICIARY

WHEREAS, Public Act 739 of 2002 (MCL 600.1344(2)) requires that effective October 1, 2003, jurors shall be compensated at a rate, determined by the county board of commissioners, of not less than \$25/day and \$12.50 per half day for the first day and \$40/day and \$20/half day for each subsequent day. This is an increase over the current statutory minimum rate of \$15/day and \$7.50 for each half day; and

WHEREAS, since 1998, Kent County has paid jurors at a rate of \$35/day and \$17.50/half day; and

WHEREAS, the Chief Judge of the Circuit Court, in consultation with the other members of the bench, has recommended that the Board of Commissioners continue the rate of \$35/day and \$17.50/half day for the first day, and follow the statutory minimum of \$40/day and \$20/half day for all subsequent days; and

WHEREAS, according to State law, jurors for the district courts are compensated at the same rate as jurors for the Circuit Court; and

WHEREAS, based on 2002 jury attendance, the increased fee is expected to cost \$26,000 annually. The additional costs incurred by the County as a result of the change are eligible for reimbursement from the State according to a State formula.

NOW, THEREFORE, BE IT RESOLVED that the Kent County Board of Commissioners hereby establish the per diem rate for jurors as \$35/day and \$17.50 per half day for the first day, and \$40/day, \$20/half day for each subsequent day of jury duty.

Motion by Commissioner Mayhue, supported by Commissioner VanderMolen, to approve the consent agenda items.

Motion carried:

Yeas: Wahlfield, Morgan, Rolls, Horton, Tanis, Hiddema, Boelema, Voorhees, Agee, Mast, VanderMolen, Postmus, Bulkowski, Mayhue, Vaughn, Koorndyk, Kuipers, Chair Morren - 18.

Nays: 0.

RESOLUTIONS

8-28-03-104 – SENIOR MILLAGE ADMINISTRATION / ADMINISTRATOR’S OFFICE

WHEREAS, Kent County has contracted with Area Agency on Aging of Western Michigan (AAAWM) for administration of the senior millage since 1999. Last year, the Board authorized staff to solicit proposals for the administrative function beginning January 1, 2004, including a proposal to perform the administrative function internally; and

WHEREAS, proposals were submitted by the Health Department and AAWM. A committee consisting of County staff and representatives of agencies who administer contracts, including the State of Michigan Office of Services to the Aging, reviewed the proposals; and

WHEREAS, the review committee found that both agencies demonstrated sufficient capacity to provide the service, however, AAWM’s experience with senior services and senior service funding presented additional opportunities in terms of existing relationships with the provider network, coordination of services with the State Office of Services to the Aging, and the potential for leveraging cost efficiencies through state and federal service dollars. In addition, AAWM is highly visible in the community as a clearinghouse for senior services and is a natural contact point for seniors seeking services; and

WHEREAS, the review committee found that rate and staff requested by AAWM were significantly higher than that proposed by the Health Department, and cost reductions were possible through economies of scale, eliminating duplicative administrative activities and costs, and coordination with the State Office of Services to the Aging; and

WHEREAS, the review committee recommended that the County pursue negotiations with AAWM to develop a contract reflecting these reductions, and if not successful in those negotiations, to appropriate funds to the Health Department for performance of this function.

NOW, THEREFORE, BE IT RESOLVED that the Kent County Board of Commissioners directs staff to negotiate a three-year contract with the Area Agency on Aging of Western Michigan, Inc. (AAAWM) for administration of the senior millage contract at a rate that reflects additional economies of scale, segregation of administrative activities, and coordination with services of the State’s Office of Services to the Aging; and if an agreement cannot be reached, then to appropriate funds for the administrative function to the Health Department.

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

Motion carried:

Yeas: Wahlfield, Morgan, Rolls, Horton, Tanis, Hiddema, Boelema, Voorhees, Agee, Mast, VanderMolen, Postmus, Bulkowski, Mayhue, Vaughn, Koorndyk, Kuipers, Chair Morren - 18.

Nays: 0.

8-28-03-105 – AUTHORIZE ISSUANCE OF KENT HOSPITAL FINANCE AUTHORITY REVENUE BONDS, SERIES 2003A – METROPOLITAN HOSPITAL / FISCAL SERVICES

WHEREAS, the Kent Hospital Finance Authority (the "Authority") proposes to issue bonds (the "Bonds") for the benefit of Metropolitan Hospital (the "Borrower"). The proceeds of the Bonds will be loaned to the Borrower and used by the Borrower, together with

other available funds, for any one or more of the following purposes: (i) refund certain existing indebtedness of the Borrower in an amount not to exceed Fifteen Million Dollars (\$15,000,000), (ii) finance or refinance the costs, not expected to exceed One Hundred Seventy Five Million Dollars (\$175,000,000), of the acquisition and improvement of land and construction and equipping of hospital facilities of the Borrower generally consisting of the construction and equipping of a new full service hospital to be located on a portion of an approximately 150 acre tract of land bounded by Gezon Parkway on the north, the new South Beltline highway on the south and Byron Center Avenue on the west in the City of Wyoming, and (iii) finance or refinance the costs, not expected to exceed Twenty Million Dollars (\$20,000,000) of the renovation, improvement and further equipping of the Borrower's existing full service hospital located at 1919 Boston, S.E., in the City of Grand Rapids, or any combination thereof (collectively the "Project"), and to pay the costs related to the financing; and

WHEREAS, the Authority intends to issue Kent Hospital Finance Authority revenue bonds (the "Bonds") in the aggregate principal amount of not to exceed \$195,000,000 to provide funds with which to make the loans to the Borrower; and

WHEREAS, the Bonds will be limited obligations of the Authority and will not constitute general obligations or debt of the Authority, the City of Grand Rapids, the City of Wyoming, the County of Kent, the State of Michigan or any political subdivision thereof within the meaning of any constitutional, charter or statutory provisions or limitations; and

WHEREAS, on August 11, 2003, the Authority held a public hearing after notice, a written record of which has been filed with this Board of Commissioners; and

WHEREAS, the Authority has requested that this Board of Commissioners approve the issuance, sale and delivery of the Bonds by the Authority as set forth in the public notice; and

WHEREAS, this Board of Commissioners desires to express its approval of the issuance, sale and delivery of the Bonds by the Authority as described above.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Kent as follows:

1. Solely for the purpose of fulfilling the public approval requirements of the Internal Revenue Code of 1986, as amended, the Board of Commissioners of the County of Kent, Michigan, hereby approves the issuance, sale and delivery of the Bonds by the Authority.
2. The County Clerk is hereby directed to provide three (3) certified copies of this resolution to the Secretary of the Authority.

Motion by Commissioner Voorhees, supported by Commissioner Tanis, that the resolution be adopted.

Motion carried:

Yeas: Wahlfield, Morgan, Rolls, Horton, Tanis, Hiddema, Boelema, Voorhees, Agee, Mast, VanderMolen, Postmus, Bulkowski, Mayhue, Vaughn, Koorndyk, Kuipers, Chair Morren - 18.

Nays: 0.

8-28-03-106 – AGREEMENTS WITH CONVENTION ARENA/AUTHORITY, DOWNTOWN DEVELOPMENT AUTHORITY, AND CITY / COUNTY BUILDING AUTHORITY – FINANCING COMPONENT FOR CONVENTION FACILITY PROJECT / FISCAL SERVICES

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the "CAA") owns and operates a convention/performing arts/entertainment facility known as DeVos Place (the "Facility"); and

WHEREAS, the CAA has previously determined to undertake the extensive improvement, expansion and renovation of the Facility, including the demolition of existing structures; the construction of infrastructure improvements, including the relocation of utilities in Monroe Avenue, N.W., Michigan Street, N.W., Lyon Street, N.W., and Pearl Street, N.W.; the renovation and improvement of approximately 150,000 square feet of existing space; the addition of approximately 850,000 square feet of new space; the construction of an approximately 700 space below grade parking facility; the improvement of Riverfront Promenade and Lyon Square; the acquisition and installation of furniture, fixtures and equipment; and related and appurtenant improvements generally located and to be located south of Michigan Street, N.W., west of Monroe Avenue, N.W., north of Lyon Street, N.W., and east of the Grand River within the City (the "Project"); and

WHEREAS, the CAA previously requested both the County of Kent (the "County") and the City-County Building Authority (the "Building Authority") to assist in the financing of a portion of the cost of the Project through the issuance by the Building Authority of \$84,578,903.75 Building Authority Bonds, Series 2001 (DeVos Place Project) dated December 31, 2001 (the "Series 2001 Bonds") pursuant to Act 31 of the Public Acts of Michigan of 1948 (First Extra Session), as amended, MCL 123.951, et seq. ("Act 31") and a bond authorizing resolution as adopted by the Building Authority on November 21, 2001 (the "Series 2001 Bonds Resolution"); and

WHEREAS, in connection with the issuance of the Series 2001 Bonds and pursuant to Act 31 and the Series 2001 Bonds Resolution, the County entered into a Contract of Lease with the Building Authority dated as of December 1, 2001 (the "Lease Contract"), pursuant to which the County agreed to make rental payments equal to the principal of and interest on the Series 2001 Bonds when due from revenues the County receives from an excise tax from all persons engaged in the business of providing rooms for dwelling, lodging or sleeping purposes pursuant to Act 263 of the Public Acts of Michigan of 1974, as amended, MCL 141.861, et seq., and further secured by the County's full faith and credit, as limited by statutory and constitutional tax limitations; and

WHEREAS, while the Series 2001 Bonds are outstanding, the County has subleased the Facility, including the Project, pursuant to a Sublease Agreement dated as of December 1, 2001 (the "Sublease"), to the CAA who, pursuant to such Sublease, has undertaken the construction, renovation, remodeling, furnishing and equipping of the Project and will be responsible for the operation, maintenance and administration of the Facility, including the Project, and keeping the same in good condition and repair; and

WHEREAS, the Series 2001 Bonds Resolution anticipated that in addition to the proceeds of the Series 2001 Bonds and permissible investment earnings thereon the balance of the costs of the Project would be paid from various sources including funds contributed by the City of Grand Rapids Downtown Development Authority (the "DDA") and other sources; and

WHEREAS, the CAA has requested the County to provide an additional \$5,000,000 (the "County Contribution") and the DDA to provide an additional \$5,000,000 (the "DDA Contribution") to pay a portion of Phase 4 of the Project and the County has agreed to provide the County Contribution and the DDA has agreed to provide the DDA Contribution; and

WHEREAS, in order to finance the County Contribution, the County has requested the issuance of, and the Building Authority has agreed to issue bonds in the principal amount of \$5,000,000 entitled the "City of Grand Rapids and County of Kent Joint Building Authority, Building Authority Bonds, Series 2003A (DeVos Place Project)" (the "Series 2003A Bonds"); and

WHEREAS, in order to finance the DDA Contribution, the DDA has requested the issuance of, and the Building Authority has agreed to issue bonds in the principal amount of \$5,000,000 entitled the "City of Grand Rapids and County of Kent Joint Building Authority, Building Authority Bonds, Series 2003B (DeVos Place Project)" (the "Series 2003B Bonds" and together with the Series 2003A Bonds the "Series 2003 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2003 Bonds, it is necessary to enter into a supplement to Lease Contract (the "First Supplement") with the Building Authority agreeing to make rental payments sufficient to pay debt service on the Series 2003 Bonds when due; and

WHEREAS, such rental payments required to be made pursuant to the First Supplement to be used to pay debt service on the Series 2003 Bonds shall be secured by the limited full faith and credit pledge of the County (the "Pledge"); and

WHEREAS, the County's agreement to enter into the First Supplement and to make the Pledge with respect to the Series 2003B Bonds is subject to the County (a) entering into a Reimbursement Agreement (the "Reimbursement Agreement") with the DDA where the DDA agrees to promptly reimburse the County for rental payments made by the County related to debt service on the Series 2003B Bonds and (b) entering into a Guarantee Agreement (the "Guarantee Agreement") with the City guaranteeing the DDA's obligations to the County under the Reimbursement Agreement; and

WHEREAS, in connection with the issuance of the Series 2003 Bonds, it is necessary for the County to enter into an amendment to Sublease Agreement (the "First Amendment") with the CAA amending the Sublease.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Kent, Michigan:

1. That the First Supplement, Reimbursement Agreement, Guarantee Agreement and First Amendment in the forms presented at this meeting related to the Series 2003 Bonds are approved with such modifications or changes as may be necessary or desirable, not materially adverse to the County approved as to content by the County Administrator or his designee and as to form by County legal counsel.

2. That the Chairperson of the Board of Commissioners and the County Clerk are hereby authorized and directed to execute the First Supplement, Reimbursement Agreement, Guarantee Agreement and First Amendment for and on behalf of the County approved as to content and form.

3. That the County reconfirms its obligation set forth in resolution 6-14-01-76 of the Board of Commissioners that the rental payments made related to the Series 2003 Bonds are secured by the full faith and credit limited general obligation of the County, it being understood that any tax levy of the County to meet this obligation is subject to existing statutory and constitutional tax limitations.

4. That all resolutions or parts of resolutions in conflict are rescinded to the extent of such conflict.

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

Motion carried:

Yeas: Wahlfield, Morgan, Rolls, Horton, Tanis, Hiddema, Boelema, Voorhees, Agee, Mast, VanderMolen, Postmus, Bulkowski, Mayhue, Vaughn, Koorndyk, Kuipers, Chair Morren - 18.

Nays: 0.

REPORTS

There were no reports.

MISCELLANEOUS

Appointments

Commissioner Koorndyk announced that the Board is now seeking citizens interested in serving the community through appointment to a County board or committee. Deadline for submitting resumes is September 26, 2003.

Proclamation

Commissioner Mast read a proclamation recognizing and honoring Tina Hartley, President of Goodwill Industries, killed recently in an automobile accident, for her passion and dedication to her profession.

Childhood Lead Poisoning

Commissioner Bulkowski announced that a meeting will be held on September 11th with Chair Morren and the Get the Lead Out Initiative on childhood lead poisoning.

Appointments

Chair Morren congratulated Commissioner Kuipers on his recent appointment to NACO's Justice and Public Safety Commission as Corrections Subcommittee Chair.

Chair Morren congratulated Commissioner Mast for his election to the Michigan Association of Counties' ("MAC") Board of Directors.

ADJOURNMENT

At 9:30 a.m., Commissioner Mayhue moved to adjourn, subject to the call of the Chair, and to Thursday, September 11, 2003, Room 310, County Administration Building, at 7:00 p.m., for an Official Meeting. Seconded by Commissioner Vaughn. Motion carried.

David J. Morren, Chair

Mary Hollinrake, County Clerk