

KENT COUNTY BOARD OF COMMISSIONERS

Thursday, July 13, 2006

WORK SESSION

Administration Building - Room 310

Meeting called to order at 8:30 a.m. by Chair Roger C. Morgan.

Present: Commissioners Agee, Boelema, Bulkowski, Hiddema, Horton, Klein, Koorndyk, Mast, Mayhue, Postmus, Rolls, Tanis, Vander Molen, Vaughn, Voorhees, Wahlfield, Chair Morgan - 17.

Absent: Morren, Vonk – 2 (Excused).

2005 Audit Report – BDO Seidman

Larry Oberst and associates reviewed the Comprehensive Annual Financial Report (year ended 12/31/05), Memorandum of Recommendations and SAS 61 letter (copies on file in the Office of the County Clerk).

Q & A:

Commissioner Agee - Does BDO offer a consulting service on ensuring privacy of data?

Mr. Oberst – They could recommend vendors who provide that service.

Commissioner Mayhue – What was the net amount to come off the refunded bonds?

Bob White – Last year, the building authority bonds were refinanced (for construction of courthouse). Refinancing saved approximately \$3 million dollars.

Legislative Update – Public Affairs Associates

Becky Bechler stated that although the Legislature is in recess, the budget is still in process, and should be completed today. The Legislature returns on 7/26 to vote on the '06-'07 budget and, if time permits, can vote on other matters.

Education was the winner in this proposed budget. The K-12 budget received a \$200 per pupil increase which brings it to approximately \$7,000 per pupil. The higher education and community college budgets each received a 3% increase.

The Departments of Community Health and Corrections took the biggest hits. However, there will be no cuts in Medicaid eligibility or welfare case loads. All state agencies were cut.

Other issues in front of the legislature:

- Eminent Domain
- Minimum wage hike and overtime exemptions
- SBT (Single Business Tax) repeal – Legislature will do so between now and September.
- November ballot proposals (deadline for petition signatures was July 10th) - Kent should watch these due to the financial impact on state revenue sharing:
 - 1) S-0-S - Stop overspending initiative
 - 2) K-16 Coalition / funding mandate

Significant to Kent County (watching):

- Technical amendment to hotel tax (passed house)
- Option to let counties go to July 1 fiscal year

Q & A:

Commissioner Horton – Would the SOS initiative prohibit counties from raising user fees without the vote of the people?

Ms. Bechler – Will check and report back.

Commissioner Mayhue – Status of the social work licensure legislation?

Ms. Bechler – Because of cuts within the Community Health budget, the proposed language was not included due to funding concerns. She will check and report back.

Commissioner Vaughn - Is the Michigan Civil Rights initiative going back to court?

Ms. Bechler – The Mayor of Detroit has initiated another court battle. She will check in which court the suit is and report back.

Commissioner Agee – The SOS initiative user fee issue could impact the airport. It has user fees on everything and is totally self funded.

Commissioner Boelema – Was the increase of \$200 per pupil for education the desired amount?

Ms. Bechler - The senate and the house had proposed \$20 and \$15 more, respectively.

Chair Morgan – What is the status on the Road Commission Board issue?

Ms. Bechler - Is still in conference. At this point, they cannot break the stalemate. However, they will continue to keep pressure on.

Kent County Dispatch Update

Darwin Baas stated that, at the June 22 Work Session, Curtis Holt provided an overview of the recommendations of the Dispatch Authority. He briefly discussed the next steps (see chart below), if the Board were to move that recommendation forward.

Action Step	By When
Kent County BOC work session – overview of move forward action steps and timeline	July 13
KC FPR Committee approval extending current KCCDA Agreement to November 14 and approval of amended and restated KCDA agreement.	July 18
KC Board of Commissioners decision to approve extending current KCCDA Agreement and approval of the amended and restated KCDA Agreement	July 27
Municipal approval extending current and amended and restated Agreement by cities of: <ul style="list-style-type: none"> • Grandville • Walker • Wyoming 	August 22 August 22 August 15
City of Grand Rapids receives KCDA Agreement	August 25
<i>Interim period expires. Original KCCDA Agreement becomes null and void according to terms of the agreement without participating municipality action.</i>	<i>August 31, 2006</i>
City of Grand Rapids joins KCDA and executes intergovernmental agreement	By November 14
<i>Extended interim period expires. Original KCCDA and amended and restated Agreement becomes null and void if City of Grand Rapids doesn't approve KCDA Agreement.</i>	<i>November 14, 2006</i>
KC LHR Committee recommendation of the County representatives to serve on KCDA board	November 28
KC Board of Commissioners approval of County representative appointments to the KCDA Board	December 14
Grandville, Grand Rapids, Walker & Wyoming make appointments to KCDA Board	December
KCDA administrative policy board formalized	January 2007
KC FPR Committee recommendation to assess telephone wire line operational surcharge	January 2007
KC Board of Commissioners approves the assessment of up to a 4% telephone wire line operational surcharge and adopts tentative 911 Plan amendment; final hearing date set with a 90 day public notice; State 911 Coordinator notified of intent to assess surcharge.	January 2007
KC Board of Commissioners holds public hearing with 90 public notice and adopts 911 Plan amendment; Plan amendment filed with State	April 2007
Telephone companies notified to begin collecting telephone surcharge	April 2007
Telephone companies start collecting telephone surcharge	May 2007
Surcharge received by Kent County and forwarded to KCDA	June 2007
KCDA moves forward with technology initiatives	June 2007

Q & A:

Commissioner Hiddema – The January 2007 deadline refers to the assessment of up to a 4% telephone wire line operational surcharge not cell phones?

Mr. Baas – That is something the state legislature has to address.

Commissioner Tanis - Has the City Commission seen the agreement yet?

Mr. Baas – His understanding is that staff at the City of Grand Rapids cannot formally take this to the Commission until the County and participating cities (Grandville, Walker, Wyoming) open up the Authority to allow the City of Grand Rapids to participate. This action goes to Finance Committee next week.

Commissioner Bulkowski – Does the amended agreement take into consideration Grand Rapids’ concern of representation?

Mr. Baas – The Board representation for Grand Rapids was increased from 1 to 2.

Commissioner Boelema - Does the 4% surcharge include or exclude the cell phone funds?

Mr. Baas – There is a surcharge on cell phones but it is currently directed to the two dispatch centers that handle cell phone calls - the Michigan State Police and City of Grand Rapids. It is not a substantial amount of money – roughly \$400,000 a year. The 4% would not apply to those telephones. The Authority wants not only cell phones, but voice override, internet, etc. available to be assessed.

Mr. Baas added that on July 18th, the Finance Committee will consider:

- 1) extending interim period beyond 8/31 and extending to 11/14
- 2) consider restated agreement (which focuses on integration and technology, not forming one dispatch center)

DHS Building (415 Franklin) Project Update

Assistant Administrator Mary Swanson reviewed the events leading up to the situation of 415 Franklin.

Mid July of 2004 - Rep. Kooiman met with County and City staffs to hear our desire to do something about 415 Franklin.

September 2004 – County agreed to contract for an architectural and project cost estimating proposal with Design Plus for approximately \$30,000.

GIS searches of DHS clients were utilized to look at the best location. Sheldon Complex became that site and making it a co-located facility for the present County health clinic and upgrade the ACSET services.

November 2005 – County issued a letter to the State saying the discussion is going in a good direction, but we need to get out of 415 Franklin. Would like something by June 30, 2006, that says we are on a definitive “move out” path.

February 2006 – A concept proposal was agreed by all partners at a staff level on March 20, 2006.

Present

- Agreed to the square footage, parking spaces, meet with neighborhood leadership, who are supportive.
- Had to show that we control the land in order to get lease approved by the state.
- Action item will appear at the July 18th Finance Committee regarding options on the property at Sheldon with the City.
- Showed the Attorney General's Office the master lease. This will be a building authority project. The building authority will lease the project to the County; the County will sub-lease it to its partners.
- Now negotiating the sub-lease with the State. We received the first copy of a lease on May 12th from the State. Next draft came back middle of June, still have some issues. Went back and forth the week of June 13. We want legislative approval on this, this year while Rep. Kooiman is still in office.
- The State had to slow down due to internal issues.
- Chair Morgan wrote the State saying that we will keep working on the Sheldon Proposal. We think it's best for all taxpayers, but we also have to look at our goal of getting out of 415 Franklin and encouraging them to move quickly to remedy that.
- We are preparing a Request for Proposals (RFP) to sell 415 Franklin. That doesn't take away from the process at Sheldon, but it says that if the Sheldon Project can't come to fruition, we have taken the steps we need to disassociate ourselves from Franklin.
- Will seek authorization on the RFP at the next Finance Committee meeting.

Q & A:

Commissioner Vaughn – If the “Sheldon” deal goes through, what happens to 415 Franklin?

Ms. Swanson – No plans yet since we wouldn't vacate 415 Franklin until mid-2009.

Commissioner Mayhue – Is there any opposition to the Sheldon proposal?

Mr. Britt – One of the key players in that community is the ICCF (Jonathan Radford, Director). Mr. Radford wanted to make sure that the City included the elements of the Wealthy Street Development Plan. He will be included as we move forward, and, we don't feel that it will be a stumbling block.

Commissioner Bulkowski – What is the RFP for?

Ms. Swanson – To sell the building, subject to the lease with the DHS.

2007 Budget Process Update

Bob White reviewed the time line for the 2007 budget (copy on file in the Office of the County Clerk). Gave a brief estimate of revenues and expenditures for 2006 & 2007.

Operating budget is in midstream. Departments submitted their operating budget requests for 2007, which have gone through committee review.

Miscellaneous

Chair Morgan announced the formation of a Sports Subcommittee comprising Commissioners Koorndyk (Chair), Morren, Vander Molen, and local Attorney Bill McDonald.

Commissioner Mayhue:

- 1) Asked the Board to help fund the gun amnesty program, which has raised \$5,000.
- 2) Wants Board to give money to a faith based church program to increase jobs in the City of Grand Rapids.

ADJOURNMENT

At 9:40 a.m., the Work Session was adjourned.

Roger C. Morgan, Chair

Mary Hollinrake, County Clerk