

Jackson County Board of Commissioners Meetings Minutes
July 26, 2005 - Regular Meeting
Jackson County Commissioners Chambers: 7:00 p.m.

CALL TO ORDER:

Chairman Cliff Herl called the July 26, 2005 meeting of the Jackson County Board of Commissioners to order at 7:00 p.m.

INVOCATION:

Comr. Reynolds

PLEDGE OF ALLEGIANCE

ROLL CALL:

(9) Present: Comrs. Brittain, Day, Reynolds, Videto, Berkemeier, Smith, Wilson, Gumbert, & Herl. (3) Absent: Comrs. Lutchka, Mahoney, & Shotwell.

Lutchka arrived at 7:05

AWARDS & RECOGNITIONS:

A. Employee of the Month of July, Sonya Brown, Youth Specialist, Youth Center. Presented by Herl with remarks by Patrick Grubba, Youth Center Assistant Director.

B. Presentation of Jackson County Flags to the City of Jackson plus all Townships and Villages in the County of Jackson. Presentation by Herl.

C. Presentation on the National Incident Management System (NIMS) by Lt. Steven Rand. Lt. Rand opened the floor for questions. Wilson asked how the million dollars from federal grants pertaining to homeland security was spent. Lt. Rand answered that it had not yet been spent, but was earmarked for a radio project that will benefit the entire county. *Moved by Berkemeier supported by Gumbert to Approve Resolution (06-05.38) Adoption of the National Incident Management System (NIMS).* Roll call: (10) Yeas. Motion carried unanimously.

D. Presentation on Armory Arts Development, Ms. Neeta Delaney, Enterprise Group Armory Arts Property from the Michigan Department of Military Affairs and Recommending Sale of Said Property to the Enterprise Group of Jackson, Michigan. Wilson asked if there was a price on the property. Ms. Delaney said that they are waiting for an appraisal. Wilson asked how much public dollars would be used in developing this facility. Ms. Delaney answered that \$11.3 million dollars, and of that \$10 million has already been secured. Wilson then asked who would be responsible for the maintenance of all of the property; would public dollars be used for this? Ms. Delaney assured him that there would be ongoing negotiations with the developers. Reynolds expressed that she was concerned about the Fair and their rights to the property. Ms. Delaney explained that is two different properties; this resolution relates to the prison property, the parking is the ACME sight. Brittain asked how many artists would be living in the housing facilities. Ms. Delaney answered that there would be between 30 and 39 artists and their families, this was based on a survey that was distributed throughout the Lower Peninsula of Michigan. Brittain asked how much of the dollars are tax dollars, it turned out to be about 90%. Videto asked if the Enterprise Group would be holding title to the property. Ms. Delaney answered that they would, and they will always have controlling interest so this project never gets turned over to private developers. Videto also asked if the Enterprise Group was taking the liability of contaminants and clean up? Ms. Delaney stated that the Michigan Department of Military Affairs would be responsible as the occupants of the property. *Moved by Reynolds supported by Berkemeier to Adopt Resolution (06-05.39) Waving the Right of First Refusal for the Purchase of the Armory Arts Property from the Michigan Department of Military Affairs and Recommending Sale of Said Property to the Enterprise Group of Jackson, Michigan. Moved by Brittain supported by Smith to Table the Resolution until the parking issue is resolved and in writing.* Roll call: (6) Nays. Comrs. Lutchka, Reynolds, Videto, Berkemeier, Gumbert, & Herl. (4) Yeas. Comrs. Brittain, Day, Smith, & Wilson. Motion to table fails. Wilson expressed that he is going to be voting no on this resolution. He feels the Enterprise Group has lost sight of its core mission, which is to attract and develop business and industry here in Jackson County. Berkemeier will be voting yes on this resolution because he feels that this is absolutely visionary and holds promise for economic development and tourism. Berkemeier also thinks it is worth the money that is invested in the Enterprise Group each year and they are doing a wonderful job. Lutchka doesn't feel that the parking issue has anything to do with this resolution and it is short sighted to try and tie them together. Roll call main motion: (6) Yeas. Comrs. Lutchka, Reynolds, Videto, Berkemeier, Gumbert, & Herl. (4) Nays. Comrs. Brittain, Smith, Day, & Wilson. Motion must obtain 7 votes to pass a resolution. Motion failed.

COMMUNICATIONS & PETITIONS:

Moved by Gumbert supported by Wilson to Receive the Visual Graph of the Calgary Study 1984-1999. Motion carried.

SPECIAL ORDER/PUBLIC HEARINGS:

A. Comprehensive Annual Financial Report for the County of Jackson, Michigan for Fiscal Year Ending December 31, 2004 presented by Dave Fisher with Rehmann Robson. After the report, Mr. Fisher opened the floor for questions. Wilson asked if we choose not to fund mandated improvements on the Incinerator, what are our options? Mr. Fisher stated that to have adequate working capital in order to pay its vendors you must look at how to provide the money to do the mandated repairs to allow this fund to continue. Wilson asked if their company provided any training that would help the county be more vigilant about people that might be within the county taking advantage of the lack of financial oversight. Mr. Fisher said that they do, and they feel it is important for people to be aware of the few simple things you can do to avoid embezzlement. Smith asked if a recycling center could be opened to help offset the cost of the incinerator. Mr. Fisher said that might be one of the options, it's up to the Board to decide in what direction they want to go. Brittain asked about the county providing refreshments in some departments on a daily basis, that is not just for a meeting for public consumption. Mr. Fisher stated that there are legal opinions that if it's coffee for a public purpose, that's fine, but it's a fine line. Reynolds questions that under "Payroll Tracking" it indicates that a problem has been corrected; she wants to know how we know it's been corrected. Mr. Fisher responded that not having audited 2005 yet, we couldn't prove that it's been fixed, but we have been assured by IT that was an isolated incident and will not reoccur. Reynolds asked Mr. Elliott if he plans on implementing surprise audits, and some of the other suggestions in the very near future, not in several months. Mr. Elliott responds that it is their practice after an audit to respond to the Commissioners within several weeks in writing as to what action will be taken in regard to the audit recommendations. *Moved by Reynolds supported by Brittain to Accept the Financial Report 2004.* Roll call: (10) Yeas. Motion carried unanimously.

B. Annual Financial Report for the Jackson County Road Commission for Fiscal Year Ending December 31, 2004- Markowski & Company, represented by Doug Adkins. Lauri Fiero of the Road Commission was also present. Brittain asked what "Asset Disposal" was? Mr. Adkins explained that is mostly trade-ins or sales for road equipment that is no longer being used. Brittain also asked what "trunk line" non maintenance" was. Ms. Fiero explained that toward the end of the fiscal year the State identifies some dollars and asks to have specific projects done and they are referred to as "work authorizations". *Moved by Reynolds supported by Lutchka to Receive the Annual Financial Report for the Jackson County Road Commission for Fiscal Year Ending December 31, 2004.* Roll call: (10) Yeas. Motion carried unanimously.

PUBLIC COMMENT:

Public comment begins at 8:30 p.m. with Nancy Camden. Ms. Camden expressed disappointment that the Board didn't pass the resolution pertaining to the Armory Arts Project. Ms. Camden also expressed concern about the Animal Shelter continuing to sell animals for research.

Judy Dinnik, Executive Director for the Jackson County Volunteers Against Pound Seizure. Ms. Dinnik expressed continued anger over the vote last year that allowed the Animal Shelter to continue selling animals for research.

Lisa McCulley spoke next pertaining to the hand out that was received under Communications & Petitions, Visual Graph of the Calgary Study 1984-1999. This study was concerning the Animal Shelter selling animals for research.

Michelle Holmes, who is a volunteer at the Animal Shelter, shares her concerns over animals being sold for research. Her main concern is for pets that are somehow lost, and under the duress of being lost, should fail the temperament test and not make it to the main kennel where their owners could view them.

Jim Gallant thanked the Board for their continued support for the FOC Advisory Council.

Donald R. West would not like to see the office of Veteran's Affairs combined with the Department on Aging.

Cherry Mosher of Cherry's Café spoke regarding the restaurant fees, and asked the Commissioner's to vote each year separately according to the cost of living.

Michael O'Keefe quoted statute stating that a committee appoints the Veteran's Affairs Service Officer, which comes from one of the service organizations, meaning that person is also a veteran. The committee did not appoint anyone from Department on Aging to oversee Veteran's Affairs. Mr. O'Keefe strongly urged the Board not to put Veteran's Affairs under the Department on Aging.

Jim Hines, President of Highfields asked the Board not to cut the funding to the PROPS program. By cutting \$100,000, that will immediately result in the loss of \$50,000 from the state to the Child Care Fund reimbursement match. It will also result in the loss of revenue to public schools. Finally, the 20 young people involved, that have been kicked out of school and have nothing to do with their time will very likely end up in trouble with the law and placed in out-of-home placement. The average cost is \$60,000 per child. These are some of the fiscal ramifications that need to be considered. This Board made a commitment to this county to support early intervention services to prevent kids from getting further into the system.

Judy Reynolds spoke as a citizen of her disappointment at the defeat of the Armory Arts Project.

Public comment closed at 9:02 p.m.

SPECIAL MEETING OF STANDING COMMITTEES:

A. County Agencies: Resolution (07.05.40) Authorizing Sandra L. Crowley, County Clerk, and/or Suzanne Haas, Elections Director for Jackson County to Submit a Grant Application to the Secretary of State's Office to Purchase Election Management System (EMS) Software Along with One Tabulator to Comply with the Help America Vote Act (HAVA).

MINUTES:

A. *Moved by Gumbert supported by Brittain to Approve the Minutes of the June 21, 2005 meeting of the Jackson County Board of Commissioners as Published.* Motion carried.

B. *Moved by Wilson supported by Gumbert to Receive the Standing Committee Meeting Minutes.* Motion carried.

CONSENT AGENDA:

Moved by Reynolds supported by Lutchka to Approve Consent Agenda Items A through F as follows:

A. *Claims dated 06/30/05 as presented to and approved by the Standing Committees County Affairs:*

B. *Purchase Agreement for Vacant Land-Charles T. Kuntzleman and Beth A. Kuntzleman*
County Agencies: None

Human Services:

C. *Budget Adjustment for Grant Account Balancing in the Amount of \$101,504*

D. *Region 2 Area Agency on Aging 2006 Annual Implementation Plan*

Personnel & Finance:

E. *First Addendum to Purchase Agreement for Sale of Kresge Building, 133-135 W. Michigan Avenue-RPM Holdings LLC*

F. *Enrollment Agreement – Rebuild Michigan –Energy Services*

Motion carried.

STANDING COMMITTEE REPORTS:

A. **County Affairs-Commissioner John Day**

1. *Moved by Day supported by Gumbert to Appoint David Lady to the Friend of the Court Advisory Committee, Attorney Representative, Term to March 2008.* Moved by Gumbert supported by Lutchka to close nominations and cast unanimous ballot. Motion carried.

2. *Moved by Day supported by Lutchka to Appoint James Gallant to the Mid-South Substance Abuse Commission, Commissioner or Public Member, Term to December 2007.* Moved by Gumbert supported by Brittain to close nominations and cast unanimous ballot. Motion carried.

3. *Moved by Day supported by Reynolds to Approve the Landing Fee and Fuel Flowage Fee Increases for Jackson County Airport-Second Reading.* Roll call: (8) Yeas. Cmrs. Lutchka, Day, Reynolds, Videto, Berkemeier, Smith, Gumbert & Herl. (2) Nays. Cmrs. Brittain & Wilson. Motion carried.

4. *Moved by Day supported by Reynolds to Adopt Resolution (06-05.36) Annual Notice of Solid Waste Disposal Requirements.* Wilson asked if challenged in court, would this resolution hold up? Mr. Elliott answered that there are different local county solid waste planning, and at this point in time the MBEQ has embraced the flow control requirements as proper for this county. Roll call: (9) Yeas. Cmrs. Lutchka, Day, Reynolds, Videto, Berkemeier, Smith, Wilson, Gumbert, & Herl. (1) Nay. Cmr. Brittain. Motion carried.

5. *Moved by Day supported by Reynolds to Adopt Resolution (06-05.37) to Support the Creation of a Donor Designated Fund by the Jackson County Community Foundation, for the Purpose of Cascades Lagoon*

Restoration, Cascade Falls Improvements, and Cascades Park Beautification. Roll call: (10) Yeas. Motion carried unanimously.

B. County Agencies- Commissioner Judy Reynolds

1. *Moved by Reynolds supported by Berkemeier to Approve the Bid Award for X-Ray Scanner machine-Friend of the Court (Northlawn Building).* Wilson asked if that would require any additional labor? Mr. Elliott responded that it would not. Roll call: (9) Yeas. Cmr. Lutchka, Day, Reynolds, Videto, Berkemeier, Smith, Wilson, Gumbert, & Herl. (1) Nay. Cmr. Brittain. Motion carried.

2. *Moved by Reynolds supported by Wilson to Allow the Budget Adjustment for Purchase of X-Ray Scanner Machine.* Roll call: (9) Yeas. Cmr. Lutchka, Day, Reynolds, Videto, Berkemeier, Smith, Wilson, Gumbert, & Herl. (1) Nay. Cmr. Brittain. Motion carried.

3. *Moved by Reynolds supported by Wilson to Allow the Budget Adjustment for Election Expenses as a Net Increase in the Amount of \$25,526.85.* Roll call: (10) Yeas. Motion carried unanimously.

4. *Moved by Reynolds supported by Wilson to Adopt a Resolution Authorizing Sandra L. Crowley, County Clerk, and or/ Suzanne Haas, Elections Director for Jackson County to Submit a Grant Application to the Secretary of State's Office to Purchase Election Management System (EMS) Software along with one Tabulator to Comply with the Help America Vote Act (HAVA).* Roll call: (10) Yeas. Motion carried unanimously.

C. Human Services-Commissioner Phil Berkemeier

1. Fee Strategy Revisions for Health Department (First Reading-no action required). *Moved by Wilson supported by Brittain to Table the First Reading.* Wilson states that he was unable to attend the last 2 committee meetings to speak out on this issue. Wilson expresses his concern that the automatic 5% increases for 2006/2007 are out of line and very expensive. Wilson requests to return this issue back to the Human Services Committee for further discussion. Roll call: (6) Nays. Cmr. Lutchka, Reynolds, Videto, Berkemeier, Gumbert, & Herl. (4) Yeas. Cmr. Brittain, Day, Smith, & Wilson. Motion failed. Berkemeier interjects that this is only a strategy and is subject to review as to how the targeted formula is progressing based on the economic conditions of the County and State. Herl asked Ron Grimes, Director of the Health Department, to come forward and answer any questions. Herl asked if it was his understanding that this would be voted on annually. Ron explained that the availability of grant money, which is 60% of the Health Department budget, has become much diminishing. Right now, approximately 84% of their budget is grants and fees combined. The County only has a little over 15% coming out of the general fund. This plan is a strategy for the future, a four-year plan, and can be reviewed annually. Mr. Elliott said that the fee recommendations are for four-years; they are subject to review and they could be modified during that time, but the action of the Board is to establish the rates for four-years.

D. Personnel and Finance-Commissioner James Videto

1. *Moved by Videto supported by Wilson to Adopt Board Policy 4145-Norms and Procedures (2 nd reading).* Roll call: (10) Yeas. Motion carried unanimously.

2. *Moved by Videto supported by Reynolds to Approve a Request for Budget Transfer of \$50,000 of Fund Balance Of Friend of the Court.* Roll call: (10) Yeas. Motion carried unanimously.

3. *Moved by Videto supported by Gumbert to Support a Recommendation on Committee of the Whole Meetings to be Part of Commissioner's Full Board Committee Meeting Schedule and Not to be Paid Extra for this Meeting.* Berkemeier stated that he would be voting against this, as he sees this as a reduction in pay for the commissioners. Berkemeier has been on the Board for a year now, and he is generally impressed by the amount of time, reading, review, and study this job involves. Right now it's the policy that all committee meetings are compensated per diem, and it wouldn't be prudent to change this policy. Gumbert interjected that she brought forward this motion. In the past, the Board only met as a Committee of the Whole every three or four months; as needed. She feels that it's become quite normal to have one or two per month; therefore, the Commissioner's have increased their compensation. Wilson will be voting no on this issue also. He feels that we would be diluting the quality of the meetings by not being compensated for them and being faced with the decision whether it's worth the time to leave work in the middle of the day to attend. Lutchka feels that if we look at the budget initiative, we are asking many employees and retirees to take reductions in benefits and other things. By voting for this, it shows that we are concerned about what happens to the county. Roll call: (5) Yeas: Cmr. Lutchka, Brittain, Videto, Gumbert & Herl. (5) Nays: Cmr. Day, Reynolds, Smith, Berkemeier, & Wilson. Motion failed.

UNFINISHED BUSINESS:

None

NEW BUSINESS:

None

PUBLIC COMMENT:

Public comment began at 9:35 p.m. with Bob Zenz, Chairman of the Road Commission. Bob thanked the Board for approving the Road Commission Audit Report. Bob also said that MDOT is going to be at their meeting tomorrow to talk about closing the entrance and exit ramp on I-94 at Sergeant Rd. Bob invited all to attend this informational session tomorrow at 10:30 at the Road Commission.

Theresa Sharp was one of the employees affected by the FOC layoff; she thanked the Board for approving the financial transfer. Ms. Sharp also encouraged the Board to review how the money is distributed in their office. The salaries are the first things that should be planned for in the budget at the beginning of the year. It was very devastating to find that the wage that she had planned for was no longer there. Ms. Sharp encouraged the Board to visit the FOC and see how hard they work and how each position is valued.

James Gallant thanked the Board for his appointment to the Mid-South Substance Abuse Council. Mr. Gallant did ask for clarification on which edition of Roberts Rules of Order the Board uses, so that the FOC Advisory Council recommendations will be on the same page.

Public comment closed at 9:44 p.m.

COMMISSIONER COMMENT:

Wilson thinks the Armory Arts Project is a good project, but he is concerned by the extent of the involvement of the Enterprise Group. The Enterprise Group was formed to attract business and industry, not to get involved in this type of project. This project can stand on its own with grants and private donations.

Brittain suggested that the next meeting should be on the 6th floor, since that's the size of space that will be available if we eliminate the Commission Chambers.

Videto stated that he concurs with Wilson's support of the Armory Arts Project and his concerns about the Enterprise Group. His concerns go deeper; there have been reports in the newspaper about financial issues, and it's been a long time since the Board has had an update. Videto's other concern is that every year the fee structure always comes back to restaurant fees. This brings up the question, do we subsidize certain activities or services and let all the taxpayers pay for that or let the users pay for the fees? Smith was under the impression that 2005 and 2006 the fees were going to remain the same, and after that they would be open for discussion. Ron Grimes answered that the structure was put before you last year, and kept for this year; so next year license fee would begin to increase. There was a modification on the non-profit fee that was not touched last year.

Day stated that the reason he voted against the Armory Arts Project was not because he is against the project, but because for the last several years the Fair has tried to obtain that parcel for parking. We should have some guarantee when they tear down the ACME building we will be able to utilize it for parking.

Herl said that the Administrator is working on a contract with Economic Development that would include language pertaining to the parking. The vote tonight was on the Armory property, not the ACME property.

Berkemeier is also a strong proponent in the Armory Arts Project, but he doesn't see the vote tonight as a great tragedy. The economic development of this project is well founded and well supported. He feels that as far as the embezzlement at the Enterprise Group is concerned, our Administrator who sits on that board did keep us apprised, and we also heard from Steve Czarnecki a month or two ago. The case is still working its way through the legal system. The Enterprise Group does a great job, and are a key part of this community.

ADJOURN TO THE CALL OF THE CHAIR:

The July 26, 2005 meeting of the Jackson County Board of Commissioners was adjourned at 9:56 p.m.

Cliff Herl-Chair, Jackson County Board of Commissioners
Sandy Crowley, Jackson County Clerk
Respectfully submitted by Erin Foster, Chief Deputy County Clerk