

**ALGER COUNTY BOARD OF COMMISSIONERS
REGULAR BOARD MEETING**

June 18, 2012

Minutes are subject to corrections and approval

Pursuant to recess, the Alger County Board of Commissioners convened in the conference room of the county building at 4:00 p.m. on the above date.

The meeting was called to order by Chairman Doucette with the following Commissioners present: Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Absent ó none.

The board of commissioners said the Pledge of Allegiance.

Public comment session was open. Ron Pierce from City Insurance was present to discuss the change to immediately hire Employee Benefits Agency, Inc. as the agent of record for the health insurance. Employees in attendance were Janet Morrison, Alison Thomma, Patsy LaCombe, Paula Heyrman, Darlene Moreland, Leota Paquette, Kathleen Lindquist, Stephanie Pierson, Tina Waldron, Amy Richmond, and Steve Webber. Also in attendance was Dale Immel from Mazzali Insurance Agency. Ron said that he had wished he had a chance to come in and view their references and find out what they did as an agency that provoked the change of the agent. He said that the county went out for bids and that City Insurance came in and saved the county money in regards to the health, dental, and life insurance. He said that this past year they proposed a lot of different options and that the board opted to stay with the HSA. Ron said that he would have liked the opportunity to have come in and see what happened for them to change the agent of record immediately. He talked about the third party administrator and said that they can provide the county with that depending on what they are looking for. He said that with what the county has right now, the third party administrator could be done directly with Blue Cross, it would be seamless, and there would be no administration costs whatsoever. Ron said that they do not even have the rates for 2013. He said that last year the health committee talked about HRAs and looking at those possibilities. He said that this company could do the HRAs as a third party administrator seamlessly. He said that their agency does not do the third party administration, but normally a third party administrator handles the claims for the employees. He said that they will do that for the HSAs at no administration costs. He also talked about self-funding next year and then there could be a small administration cost for doing that, but they do have a company that will work as a third party administrator. He said that their agency handles any customer complaint issues and he believes that any employees that have dealt with their agency, they will find that City Insurance went above and beyond. He believes that they do 24/7 customer service. He would like to find out what they did as an agency for them to go to Employee Benefits. Commissioner Doucette told Ron that he was concerned about the HIPAA laws and would like to see a third party administrator. He discussed working with MAC (Michigan Association of Counties) and said that a lot of the counties work with Employee Benefits and that both of the unions representatives have come to him and recommended Employee Benefits and have said that they enjoy working with them. He said with that being said it seemed like a good fit. Commissioner Doucette said that he had two representatives wanting to work with Employee Benefits. Ron said that he does not know what Employee Benefits will be able to give the county with a third party administrator that they cannot. He said he does not understand why this has to be done immediately and why they are not going to be going out for bids in 2013, they are just going to allow Employee Benefits to be the agent of record without bidding it out. He said there are other things City Insurance also brings to the table. He said that in 2011 they were looking at a 35% increase. Ron said that if they didn't put it out for bids the county might not have saved the money that they did, but at least they had the bidding process to do it. He said that in 2013 they are giving the insurance provider and third party administrator to Employee Benefits and not putting it out for bids, because of the recommendation and that is the board's prerogative. He said they should look at multiple bids to see what is out there. Ron said that it would take 30 ó 45 days to get the third party administrator up for the HSAs. He said that the employees would have to do a little bit because they would have to close out their accounts and move the funds over to the third party administrator withheld equity, but it is seamless. Commissioner Doucette said that the employees are happy with City Insurance, but this was a business decision. It was said by the employees that this was not something they agreed with and that as an agent they cannot give rates to save money until October. The employees gave the board a letter to read regarding the insurance. Commissioner Doucette discussed that their representatives wanted them to do this. The employees said that the board did not contact any other insurance agencies to find out any of the information. They feel that as an insurance committee they have been very proactive and it looks like they are being complacent about their insurance policies, plans and carriers. They have tried to do something for the county and what has gone on here has gone on without their knowledge. Ron said that if they lose it on a bid, they lose it on a bid. He said to lose this on an agent of record because they have a third party administrator, without going through the bidding process, the board does not know

what Employee Benefits plan is going to be. He said that they have no idea where the health insurance industry is going to be in 2013 because of all of the changes that may come. He said that no insurance agent can tell you what is going to happen in 2013. Ron wants the board to keep them as the agent of record for 2012, to put it out for bids and have Employee Benefits bid on it just like they did in 2010. He said that if they come in with the lowest bid in 2013, then they win it fairly. Commissioner Doucette asked if was true that the insurance was going up 35% for next year. Ron said that there is no way that he could tell them that. He said that the Blue Cross rates that the groups that have renewed has been decreased between 2% and 10%. He said that the third and fourth quarter rates for Blue Cross are not even out yet and they could not tell them or predict what the rate is going to be for 2013. He said that the health committee has been very diligent in finding ways to save money for this county. Sheriff Hughes said that he didn't see why they would change the insurance agent in mid-year when a group of people on the insurance committee are willing to work with the county and save the county money. He said that they have everyone in one room working together as a common goal and doesn't know why they would change. There was no other public comment from the floor; thus, the public comment session was closed.

It was moved by Commissioner Mattson and seconded by Commissioner VanLandschoot to approve the agenda as presented. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

It was moved by Commissioner Pullen and seconded by Commissioner Rondeau to approve the Committee of the Whole minutes of May 14, 2012 and the Regular Board of Commissioners' minutes of May 21, 2012. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

Commissioner Pullen said that as she understood it Employee Benefits Agency would take over in January of 2013. Commissioner Pullen said that in previous negotiations Emil Kezerle recommended Employee Benefits Agency. Commissioner Pullen asked Darlene Moreland if she received an email from Emil Kezerle. She said that she did, but could not paraphrase or quote what he said. Darlene said that Emil approves of Employee Benefits Agency. Commissioner Pullen also said that it was her understanding that Todd Flack from AFSCME recommended going with Employee Benefits Agency. Ron Pierce said that what they need to do is an agent of inquiry letter, not to be an agent of record, to get all of the information to give a quote to work on the group. Ron said they couldn't even provide a quote for 2013 until October. He said that is what City Insurance and Mazzali's did to bid for the insurance. Commissioner Pullen said all of this started because we wanted a third party administrator and concerns with the HIPAA laws. Ron said that as a third party administrator, he could set it up within 35-40 days to Equity and it would be seamless. Commissioner Doucette said that the HIPAA issue did not have anything to do with City Insurance. Ron said that City Insurance does 24/7 customer service. Ron said that if they want the third party administrator they could set it up and that there is no administration cost to the county. He said to have Employee Benefits get an agent of inquiry letter and go out for bids along with everyone else. It was discussed that the two people from the sheriff's department and the treasurer were committed to the insurance committee. It was suggested to postpone the decision until the board gets more information. It was moved by Commissioner Pullen and seconded by Commissioner VanLandschoot to postpone immediately changing the agent of record for health insurance. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none. Ron Pierce from City Insurance will contact Commissioner Doucette regarding the third party administrator at a later date.

Vicki Ballas with MSU Extension was present to give a report on SNAP-ED (Supplemental Nutrition Assistance Program Education). She said that she works with Alger Parks and Recreation wherein kids are cooks and gardeners. They garden and grow everything, cook it and eat it from beginning to end. She said that there is a Facebook page if they are interested in looking at videos. The other program she works on is Life of Lake Superior Program. She said that there is also a Facebook page on that with videos and pictures. Vicki said that she has a class at the hoop house every Wednesday in June. She said that she also sits on other committees. She discussed the safe route to school through the tribe, wherein they improve safe walks to school. The newest thing coming up is this Thursday at the Tribal Health Department at 6:00 p.m. for making safe routes to school. Vicki said that they have a grant for \$400,000 to improve infrastructure in the community for safe routes to school. There was discussion on getting a crosswalk for the high school. She said that people on the north side of Varnum Street opposed the crosswalks. The grant was then stopped and the grant people offered an additional \$110,000 to help solve the problem. She said that the grant was originally \$300,000. Cherry Street was also discussed. Commissioner Mattson said a concern is that Varnum Street is an ambulance run and is a high traffic area. Vicki said that they have done many surveys and research on this project. It was discussed that narrowing the roadway is a concern on Varnum Street.

Joe Cilc was present to discuss a recommended annual maintenance service for the Ford Ranger in the amount of \$767.00. He said that there is 112,000 miles on the vehicle. It was moved by Commissioner Pullen and seconded by Commissioner Rondeau to authorize Joe Cilc to get the annual maintenance service. The monies are to come from the building department fund. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

It was moved by Commissioner Mattson and seconded by Commissioner Pullen to authorize Emergency Management to purchase as many VHF radios from Anderson Communications up to the grant awarded in the amount of \$15,000. The monies are to come from the emergency management grant funds #259. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none. Mark Pantti from Anderson Communications wanted to thank the board for their business.

It was moved by Commissioner Rondeau and seconded by Commissioner Mattson to authorize the Prosecutor's Office to purchase three computers and Microsoft Office in the amount of \$2,652. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

There was discussion on hiring Attorney Burkhart. Commissioner Rondeau said that he talked with John Basse from Pathways. He said that he looked in the phone book and that there were no other labor attorneys to work with unions in Marquette and Escanaba. It was moved by Commissioner Mattson and seconded by Commissioner VanLandschoot to authorize the chair to hire Attorney Terry Burkhart for union contract negotiations. See the following resolution:

RESOLUTION #2012-08

RESOLUTION TO HIRE ATTORNEY TERRY BURKHART

WHEREAS, Our current Attorney Steven Cannello has had additional workload as a result of a partner retiring, thus limiting Alger County's consulting needs; and

WHEREAS, The labor negotiations currently underway are unresolved; and

WHEREAS, The geographical distance between Escanaba and Munising is more affordable; and

WHEREAS, Attorney Burkhart has experience in labor law, contract negotiations, contract interpretation, arbitration hearings, Statutory Act 312 arbitrations, employment law, and insurance law; and

WHEREAS, Attorney Burkhart graduated from Thomas M. Cooley Law School, cum laude in 1979 and Northern Michigan University, magna cum laude in 1976.

THEREFORE BE IT RESOLVED that the Board Chair, Jerry Doucette, is authorized to retain Terry Burkhart of Butch, Quinn, Rosemurgy, Burkhart, Lewandowski & Miller, PC to consult with and represent Alger County regarding collective bargaining agreements being negotiated with the several Unions representing County Employees, on terms set forth in the Retention Agreement presented by the law firm.

Dated: June 18, 2012

Jerry Doucette, Chairman
Alger County Board of Commissioners

Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

It was moved by Commissioner Mattson and seconded by Commissioner Rondeau to authorize the sheriff to hire one full-time employee that was lost due to retirement. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

The clerk discussed wanting to purchase Candidate Management System from ElectionSource in the amount of \$2,599. She said that this would save time by allowing her the ability to keep track of all of the candidates, be able to have automatic document that fills in forms for the candidates for proof ballots, certificates of nomination, election and determination, delegate notice and listings, and integrated campaign finance tracking. This is now done by having to fill in every form to each person one at a time on the computer. She said that she has the funds in her election account. It was moved by Commissioner Pullen and seconded by Commissioner VanLandschoot to authorize the clerk to purchase the Candidate Management System from ElectionSource in time for the November election. The monies are to come from the elections budget. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

Old business was next. There was none.

There were no appropriations.

It was moved by Commissioner Rondeau and seconded by Commissioner VanLandschoot to approve payment of all of the board bills as recommended by the Committee of the Whole. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

There was discussion on transferring monies for the brownfield account for the assistance of a blighted structure and removal of the structure in Rock River Township. See the following letter:

Rock River Township
P.O. Box 195
Chatham, MI 49816

June 15, 2012

Pam Johnson
Alger County Brownfield Authority
101 Court Street
Munising, MI 49862

RE: Request for Assistance – Blighted Structure

Dear Pam,

Thank you for exploring the opportunity for the Brownfield Authority to assist the Rock River Township Board in removing a blighted structure within the township. It is wonderful news to hear that the Brownfield Authority is interested in helping us. Per your request, please consider this letter as a formal request for assistance from the Brownfield Authority. Specifically, we would like assistance in demolishing and removing an old bus garage located on township property on M-94. The township is interested in partnering with the Alger County Fair Board to develop a second entrance to the fair grounds and removing this structure will allow us to move forward with that project. As I stated in our conversation earlier this week, the garage has been identified by the township as a blighted structure.

Donald Verbrigghe of Verbrigghe Excavating inspected the property last month. He provided me with a verbal estimate of \$4,000 to tear down and remove the garage. I am sure that Don could provide us with a written estimate, but I do not believe that this would be possible by this coming Monday. Hopefully, the Brownfield Authority and County Board could accept this letter as temporary representation such that we can move forward. The Township Board and Fair Board would like to construct a new entrance in time for this year's fair.

Thank you for considering the township's needs. We appreciate any support the Brownfield Authority can offer us. Please let me know if there are next steps we need to take. Our board will meet this coming Tuesday and I can forward any follow-up items then.

Sincerely,

Ralph L. Olson, Supervisor

The township would like the building removed and a road put in before the Alger County Fair this year that would give them extra access. The Alger County Brownfield Authority would pay for the removal of the building and the township would pay for the road. There is to be an agreement between the county and the township for the project. It was moved by Commissioner Rondeau and seconded by Commissioner VanLandschoot to amend the revenues in the general fund foreclosure account (101-000-446.000) in the amount of \$5,000. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

It was moved by Commissioner Mattson and seconded by Commissioner Pullen to amend the expenditure in the general fund brownfield account (101-420-969.000) in the amount of \$5,000. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

It was moved by Commissioner VanLandschoot and seconded by Commissioner Rondeau to authorize the treasurer to transfer \$5,000 from the general fund brownfield account (101-420-969.000) into the Brownfield Authority Fund #795. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

It was moved by Commissioner Pullen and seconded by Commissioner Mattson to approve the financial reports for all funds. A full 30-page report is available upon request with the treasurer. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

There were no miscellaneous items.

It was moved by Commissioner VanLandschoot and seconded by Commissioner Mattson to approve the following Resolution #2012-09 as recommended by the resolutions committee:

RESOLUTION #2012-09

OPPOSING THE PROPOSED RATE INCREASE FOR PRIVATE FOSTER CARE AGENCIES

WHEREAS, the Michigan Probate Judges Association has passed a resolution that strongly opposes a rate increase for private agencies supervising foster care and those agencies are already being paid an administrative rate of \$37.50 per day per child to grant these agencies a 22% increase after just one year is unconscionable. Many courts and counties are paying for multiple children ó it is not uncommon for a family of 4-5 children to be placed in relative care, and the agency does not provide any special services. A caseworker sees them once per month and the agency is paid \$37.50 per day per child.

WHEREAS, the courts report that when special services to children are ordered, the response can vary from compliance to owe are not being paid for that and the state mandated preference for private agencies has changed the ideal of placing children in their home communities. We now see frequent instances where children must be placed with an agency that only has beds available in distant counties. Courts and counties are paying higher dollars for reduced services and case workers who are unfamiliar with the community in which the parent is supposed to be served, and;

WHEREAS, Courts and counties are at the breaking point with the current \$37.50 administrative fee and there is nothing to ensure the accountability, competition, and improved services which privatization is intended to provide. The State Department of Human Services is conducting a study to determine appropriate rates for private agency administrative fees, and that research is not concluded, which makes the rate increase premature and unwarranted. It makes more fiscal sense for courts to use that rate money to hire local social workers who are under the control of the court to supervise foster care arrangements. Under the current system there is no accountability, no competition, and no way to recognize credible agencies or sanction poor ones. Furthermore, it is not appropriate to single out private agencies for massive fee increases when, in every other area of social welfare, the state is cutting costs and reducing reimbursements to local governments.

NOW, THEREFORE BE IT RESOLVED, that the Alger County Board of Commissioners agrees with the resolution of the Michigan Probate Judges Association and opposes the proposed rate increase for private foster care agencies. Copies of the resolution will be sent to the Michigan Department of Human Services Director, Senator and State Representative.

Dated: June 18, 2012

Jerry Doucette, Chairman
Alger County Board of Commissioners

Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette.
Nays ó none. Absent ó none.

Committee reports were next. Commissioner Pullen discussed a fire marshal's meeting she attended for Commissioner Doucette. They talked about the fires and the need for generators, VHF radios, and some mutual agreements. Commissioner Rondeau said that he would like the minutes for the brownfield meetings. Commissioner VanLandschoot discussed the AMCAB Housing Board. He asked the sheriff about the speed limit and nails on H-58.

New correspondence was read and will be placed in the file.

Board comments were next. Commissioner Pullen discussed the insurance and about learning about the difference between agent of inquiry and agent of record. Commissioner Doucette said that both of the union representatives said that they liked the fact that Employee Benefits Agency works with them in negotiations. Commissioner Pullen said that she wanted to get the email from Darlene that Emil sent her regarding the insurance. Commissioner Pullen said that she is more comfortable with an agent of inquiry rather than agent of record. Commissioner Rondeau said that he was not very appreciative of the people by talking and not giving their name. Commissioner Rondeau said that their insurance with the carpentry union is going up 30% next year. He also agreed that they should go out on bids for the insurance. Commissioner Pullen said that she did not realize that City Insurance had a third party administrator. Commissioner Doucette said that his intention was to get everything rolling for the beginning of the next year. Commissioner Pullen said that she wanted to make sure that union work was done on the employee's time, not the county's time. There was a discussion on City Insurance not catching the Kinnunen's insurance change. Commissioner VanLandschoot believes that public comment is limited to two minutes per person per board policy and would like to add, "PLEASE STATE YOUR NAME AND STEP UP TO THE MICROPHONE" to the agenda. He said that this organizes what is done and the clerk can identify who is talking. Commissioner Doucette discussed attending a MAC (Michigan Association of Counties) meeting in Lansing and approving their platform for the year. There was discussion about what MAC is working on with mining, PILT, courts, and revenue sharing.

Staff comments were next. The sheriff said that the 911 room has really taken shape and invited the commissioners to see it. He said that the Next Generation 911 is working. The undersheriff said that the board handled the insurance very professionally and did an outstanding job.

Public comment session was open. There was no public comment; thus, the public comment session was closed.

On a motion by Commissioner Rondeau and seconded by Commissioner Pullen to adjourn the meeting at 6:24 p.m. Motion carried by the following vote: Ayes ó Commissioners Mattson, Pullen, Rondeau, VanLandschoot, and Doucette. Nays ó none. Absent ó none.

Jerry Doucette, Chairman
Alger County Board of Commissioners

Mary Ann Froberg
Alger County Clerk