

**MINUTES OF THE
FINANCE COMMITTEE
WEDNESDAY, JUNE 18, 2014**

At a meeting of the **Finance Committee**, held Wednesday, June 18, 2014, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Miller-Chair, Boyle, Brown, Carabelli, Flynn, Klinefelt, Mijac, Sabatini,
Sauger, Smith, Tocco and Vosburg.

Absent and excused was Mocerri-Vice-Chair.

There being a quorum of the committee present, Chair Miller called the meeting to order at 9:05 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

Chair Miller requested moving up #9d, e and f (resolutions) and the presentation by Mark Deldin to follow the contract extension with Nickel & Saph.

MOTION

A motion was made by Carabelli, supported by Flynn, to adopt the agenda, as amended (and to include #11, Executive Session to Discuss Pending Litigation, and #12, Recommendation from Corporation Counsel Re: Case of Samantha Sharrow vs. County of Macomb, et al). **The Motion Carried.**

CHAIRMAN'S COMMENTS

No comments were provided.

CONTRACT EXTENSION WITH NICKEL & SAPH, INC./PROPERTY & CASUALTY CONSULTING AND BROKERAGE SERVICES/FINANCE

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Mijac, supported by Sauger, to recommend that the Board of Commissioners approve the contract with Nickel & Saph, Inc., to provide property and casualty consulting and brokerage services for the term of one year starting July 1, 2014 through June 30, 2015, at a cost of \$60,000; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

**EXECUTIVE PRESENTATION AND COMMENTS/MARK DELDIN,
DEPUTY EXECUTIVE**

Deputy Executive Mark Deldin was present on behalf of Executive Hackel and spoke about the following areas: a proposal to fund the unfunded liability for retiree healthcare, a mechanism to address the major capital needs throughout the county and the downtown revitalization plan.

ADOPT RESOLUTIONS

**To Publish Notice of Intent to Issue Municipal Securities to Defray Costs
of Unfunded Accrued Health Care Liability (Offered by Board Chair)**

Chair Miller noted that a revised resolution was distributed.

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Flynn, supported by Tocco, to recommend that the Board of Commissioners adopt a resolution to publish notice of intent to issue municipal securities to defray costs of unfunded accrued health care liability.

The following commissioners spoke: Vosburg and Flynn.

Chair Miller asked Finance Director Pete Provenzano to comment about other options if this resolution were not adopted. Mr. Provenzano stated that one option would be to fully fund the annual contribution, which he stated was not realistic and would mean catastrophic cuts, and another option would be to break contracts with existing retirees and current employees, which he felt was not realistic.

The following commissioners spoke: Klinefelt, Flynn and Vosburg.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED WITH SABATINI VOTING “NO.”**

**To Purchase, Acquire and Construct Capital Improvements within the County
Using Budgeted Funds (Five-Year Capital Improvement Fund 2014-2018)
(Offered by Board Chair)**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Flynn, supported by Tocco, to recommend that the Board of Commissioners adopt a resolution to purchase, acquire and construct capital improvements within the County using budgeted funds (Five-Year Capital Improvement Fund 2014-2018).

The following commissioners spoke: Klinefelt and Flynn.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

**To Purchase, Acquire and Construct Capital Improvements within
Mt. Clemens and to Publish Notice of Intent to Issue Municipal Securities
(Offered by Board Chair)**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Flynn, supported by Sauger, to recommend that the Board of Commissioners adopt a resolution to purchase, acquire and construct capital improvements within Mt. Clemens and to publish notice of intent to issue municipal securities.

The following commissioners spoke: Klinefelt, Carabelli and Flynn.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED WITH BROWN, KLINEFELT AND VOSBURG VOTING “NO.”**

RECOMMENDATIONS FROM 6-17-14 INFRASTRUCTURE COMMITTEE MEETING

**Budget Amendment-MDOT State Maintenance Contract Winter Overruns
Reimbursement/Department of Roads**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Sauger, to recommend that the Board of Commissioners approve an amendment to the 2013-14 Department of Roads' budget to include the MDOT state maintenance contract winter overruns reimbursement of \$1,605,383; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

MDOT/Bruce Township Contract-34 Mile Paving Project/Department of Roads

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Brown, supported by Carabelli, to recommend that the Board of Commissioners approve the contracts between the Department of Roads and MDOT/Bruce Township for the financing of the 34 Mile paving project from Campground to Fisher; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

Cost Share Contract with Shelby Township-25 Mile from Mound to Van Dyke/Department of Roads

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Sabatini, to recommend that the Board of Commissioners approve the contract between the Department of Roads and Shelby Township outlining the cost sharing for 25 Mile Road reconstruction project from Mound Road to Van Dyke; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

Cost Share Contract with Washington Township-Mound Road from 28 to 29 Mile/Department of Roads

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Brown, supported by Sabatini, to recommend that the Board of Commissioners approve the contract between the Department of Roads and Washington Township outlining the cost sharing for Mound Road paving from 28 Mile to 29 Mile; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

Contract with Cadillac Asphalt, LLC, Resurfacing of 25 Mile from Van Dyke to Hayes Road/Department of Roads

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Vosburg, to recommend that the Board of Commissioners approve the contract between the Department of Roads and Cadillac Asphalt, LLC, for the resurfacing of 25 Mile Road from Van Dyke to Hayes Road; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

Contract with George Auch Construction/2014 Building Renovations-Jail Tower and Associated Areas/Facilities and Operations

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Sabatini, supported by Smith, to recommend that the Board of Commissioners approve execution of the Standard AIA Contract (Document 101) between the County of Macomb and George Auch Construction for the 2014 Building Renovations – Jail Tower and Associated Areas in the amount of \$7,811,000; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

The following commissioners spoke: Carabelli and Flynn.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

ITEMS WAIVED BY HEALTH & HUMAN SERVICES COMMITTEE CHAIR

Budget Amendment/Chore Services Grant/Community Services Agency

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Vosburg, supported by Mijac, to recommend that the Board of Commissioners approve a budget increase to Community Services Agency's Chore Services Grant in the amount of \$46,250 (\$31,000 federal revenue, \$7,500 in cost share and \$7,750 from contributions from other funds-Chore Cities); further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Katherine Benford, Division Director for the Office of Senior Services, gave an overview.

The following commissioner spoke: Miller.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

Budget Amendment/Home Delivered Meals Grant/Community Services Agency

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Smith, supported by Sauger, to recommend that the Board of Commissioners approve a budget increase to Community Services Agency's Home Delivered Meals Grant in the amount of \$149,557.20 (\$124,293 is from AAA 1-B with corresponding increases in USDA meals \$4,921.20, client cost share \$6,533 and in kind space \$13,810); further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Katherine Benford gave an explanation of the budget amendment.

The following commissioners spoke: Miller, Sauger and Vosburg.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

Amended Cooperative Agreement-Urban County/Community Services Agency

Joe Cooke, Division Director for Community Services, and Stephanie Burgess, Program Manager, gave an overview of the changes.

The following commissioner spoke: Miller.

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Tocco, supported by Mijac, to recommend that the Board of Commissioners approve the amended Cooperative Agreement between Macomb County and the 21 participating municipalities for the Community Development Block Grant (CDBG) Program; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

ADOPT RESOLUTIONS

Supporting 2014 Michigan HB 5316 to Amend the Michigan Election Law to Expand Absentee Voting in Michigan (Offered by Miller)

A revised resolution was provided.

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Tocco, supported by Sauger, to recommend that the Board of Commissioners adopt a resolution supporting 2014 Michigan HB 5316 to amend the Michigan Election Law to expand absentee voting in Michigan.

The following commissioner spoke: Carabelli.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

Approving a Proposal for Election of a Charter Commission to be Placed on the 2014 General Election Ballot as Required by the County Charter (Offered by Board Chair)

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Vosburg, supported by Carabelli, to recommend that the Board of Commissioners adopt a resolution approving a proposal for election of a Charter Commission to be placed on the 2014 General Election Ballot as required by the County Charter.

The following commissioner spoke: Flynn.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

Adopting a Sub-Recipient Monitoring Policy (offered by Board Chair)

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Flynn, supported by Tocco, to recommend that the Board of Commissioners adopt a resolution adopting a Sub-Recipient Monitoring Policy.

The following commissioners spoke: Flynn, Carabelli, Vosburg and Sabatini.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

ADOPT PROCLAMATIONS

Commending L’Anse Creuse Schools Pankow Center for Their Award Winning Future Farmers of America Program (offered by Mocerri and Miller)

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Vosburg, supported by Sabatini, to recommend that the Board of Commissioners adopt a proclamation commending L’Anse Creuse Schools Pankow Center for their award winning future Farmers of America Program.

Commissioners Sabatini and Vosburg asked that their names be included.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

EXECUTIVE SESSION TO DISCUSS PENDING LITIGATION

MOTION

A motion was made by Sabatini, supported by Carabelli, to enter into Executive Session for the purpose of discussing an attorney/client privileged correspondence from Corporation Counsel dated June 17, 2014.

A roll call vote was taken as follows:

Voting Yes were Boyle, Brown, Carabelli, Flynn, Klinefelt, Miller, Sabatini, Sauger, Smith, Tocco and Vosburg. There were 11 “Yes” votes.

The Motion Carried.

In accordance with the motion, committee entered Executive Session at 9:58 a.m., with it concluding at 10:26 a.m.

**RECOMMENDATION FROM CORPORATION COUNSEL RE: CASE OF
SAMANTHA SHARROW VS. COUNTY OF MACOMB, ET AL**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Sauger, to recommend that the Board of Commissioners concur in the recommendation of Corporation Counsel concerning the case of Samantha Sharrow vs. County of Macomb, et al; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED WITH BOYLE VOTING “NO.”**

CORRESPONDENCE

No correspondence was provided.

ADJOURNMENT

MOTION

A motion was made by Sabatini, supported by Flynn, to adjourn the meeting at 10:31 a.m. **The Motion Carried.**



**Corinne Bedard
Committee Reporter**