



## WASHTENAW COUNTY BOARD OF COMMISSIONERS

### WAYS & MEANS COMMITTEE

May 7, 2014

Comm. Felicia Brabec called the meeting to order at 6:30 p.m. in the Board Room, Administration Building, 220 North Main Street, Ann Arbor, Michigan.

**MEMBERS PRESENT:** Comms. Brabec, LaBarre, Martinez-Kratz, Peterson, Ping, Rabhi, Sizemore, Conan Smith, Dan Smith

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** County Administrator, Verna McDaniel; Curtis Hedger, Corporate Counsel; Greg Dill, Facilities; Kelly Belknap, Finance; Tina Gavalier, Finance; Mary Jo Callan, OCED; Andy Brush, ITS; Bob Tetens, Parks & Recreation; Ken Schrader, ITS; Lisa Moutinho, County Administration; Peter Simms, Clerk's Office; various citizens; and members of the press.

#### Roll Call

#### Citizen Participation

Lefiest Gallimore said that he was concerned about the coordinated funding process because he feels that it eliminates African-American organizations from funding consideration. He said that African-Americans represented 16% of the county's population and 50% of the county jail population. He said that the organizations receiving funding need to be accountable to the community that they serve.

Steve Powers, Ann Arbor City Administrator, said that the Ann Arbor City Council is fully committed to the coordinated funding process.

Nicole Adelman, Executive Director of Interfaith Hospitality Network, thanked the board for investing in coordinated funding. She said that in the shelter at Alpha House there were currently both parents and children. She said that the conversation that night should include all those who experience homelessness. She noted that fair-market rent for a two bedroom house in the county is close to a \$1,000 a month.

Debbie Jackson, United Way of Washtenaw County, thanked the board for their participation in coordinated funding.

Carole McCabe, Executive Director of Avalon Housing, said that they run more than 200 apartments in the Ann Arbor area. She said that they manage the properties as a non-profit. She said that their organization worked with the homeless and disabled.

A resident said that she thinks that affordable housing is the biggest issue affecting the homeless.

#### Commissioner Follow-Up to Citizens' Participation

None

#### New Business:

### A. Community & Economic Development

#### 1. Office of Community and Economic Development:

##### a. **2014-2016 Coordinated Funding Recommendations for Human Services & Children's Well-Being Funds:**

Comm. Ping seconded by Comm. Peterson moved that the Board of Commissioners approve the 2014-2016 Coordinated Funding Recommendations for Human Services & Children's Well-Being Funds. Discussion on this item is provided below.

Comm. Peterson asked if a board subcommittee had been set up to examine coordinated funding. He said that he thought that he and Comm. Conan Smith had been designated as part of that committee. Comm. Peterson said that he hoped someone would provide an answer about that subcommittee.

Comm. Peterson said that all of the entities funding collaborative services are outstanding agencies. He said that it was important to keep in mind that the demand for government services shifts constantly. He said that the demand is still great for government services. He said that there is an obligation to provide services to ensure that young mothers are equipped with the resources they need to thrive. He said that the state has made a decision to reduce the prison population because of the cost. He said that the state would not be providing any funds to ensure that these people are able to successfully reintegrate into society. He said that there are only a few places in this county where people who have been incarcerated can go for help. He stated that there needs to be a dialogue on this issue with the funding agencies. He added that government is the last resort for many people. He said that he appreciates the value of coordinated funding and the work done by the agencies. He added that one of the challenges that people face is finding the services that are already funded. He said that the county can work to be more accessible.

Comm. LaBarre thanked Comm. Peterson for his words and advocacy. He said that the approach that the county takes with its partners is unique in the state. He thanked everyone who worked on coordinated funding.

Comm. Rabhi thanked Comm. Peterson for his words. He thanked everyone who advocated for coordinated funding.

Comm. Brabec thanked the agencies for the work that they do. She thanked the staff for their work.

Roll call vote: YEAS: 9\* NAYS: 0 ABSENT: 0 Motion carried. \* Comm. Brabec citing a conflict of interest abstained from voting on the Food Gatherers line item.

#### **Report of the Administrator:**

Tina Gavalier presented to the Board the 2014 1<sup>st</sup> Quarter Budget Update. This report is on file at the Clerk's Office.

Comm. Conan Smith asked how this compared to other 1<sup>st</sup> Quarter Budget Updates. Tina Gavalier said that it was difficult to say because there had been no planned use of fund balance as in other years so the shortfall had not been planned. She added that the department does tend to be conservative in their projections. Tina Gavalier said that there had been no planned contribution to or use of fund balances in 2014. She mentioned that there was \$300,000 that was put into reserve.

Comm. Dan Smith asked about the decrease in mortgage processing and asked if there was a decrease in the fees associated with processing those documents. Tina Gavalier said that the roughly \$400,000 was a revenue figure and not a net number. Comm. Dan Smith said that if fewer documents are coming in then he would expect a decrease in the expense of processing documents.

Comm. Rabhi said it has become a theme that Veteran's Relief is facing a shortfall. He said that if more money is needed than it should be allocated. He asked why this continued to happen. Tina Gavalier said that the millage rate had been increased twice in recent years. She added that the Veteran's Board is meeting soon to discuss funding options.

#### **Report of the Chair of Ways & Means**

Comm. Brabec reported that in July the Administrator would be providing the board with options for handling 2013's budget surplus.

Comm. Conan Smith suggested creating a budget stabilization fund. He said that he was hoping to have a discussion on that.

Comm. Dan Smith said that he likes the idea of a budget stabilization fund. He added that it would be good to make a decision as a body about what the money was being allocated to.

Comm. Sizemore said that the money should be put towards some of the county's bills.

Comm. Ping said that she would support a designated fund reserve.

#### **Report of the Chair of the Board**

Comm. Rabhi reported that there would be a ten minute break after the adjournment of the Ways and Means meeting.

### **Items for Current/Future Discussion**

Comm. Sizemore said that he wanted to talk about the work that OCED was doing to find jobs for felons. He said that they were exploring the possibility of gravel-driver training with the coordination of WCCC and the Road Commission.

Comm. Rabhi said that he had discussed the Gelman Plume with the Michigan Department of Environmental Quality. He stated that he had met with some Scio Township residents who are concerned about the threat of oil extraction in their township. He added that they were fearful that the state would grant the permit without giving the community a chance to react.

Comm. Dan Smith said that he has heard for years about the terrible quality of the roads. He added that he has advised his constituents that road improvements would require raised taxes. He noted that his constituents had said they would support increased taxes if it meant better roads.

Comm. Dan Smith seconded by Comm. Conan Smith moved a resolution levying a special tax to repair 2013-14 winter damage to roads, streets and paths, providing for the allocation of such levies, directing Corporation Counsel to provide a legal opinion, and asking that an Attorney General opinion be requested.

Comm. Rabhi said that the Road Commission had provided a schedule of what could be accomplished if taxes were raised. He said that he has some concern that Act 283 may not be the best route to take to fund road projects this year. Comm. Rabhi asked about the soonest timeframe that the county could collect money if this resolution was passed that night.

Curt Hedger said that the Act was 283 of 1909 and it has a very specific process to follow. He said that this was initially determined to be an annual levy. He added that the Road Commission does the initial survey and provides it to the County Clerk who presents it to the Board at the annual meeting in October. He said that the board could use this act but would have to follow the process. He added that this could not be put on the summer tax levy.

Comm. Rabhi said that he supported Comm. Dan Smith's sentiment. He said that they were in a difficult situation which demands creative thought. He said that they could go to the voters for a ballot proposal or this route.

Comm. Dan Smith said that if the Board wants to proceed with this resolution then they could make the commitment and then start to use fund balance to get road work done. Comm. Rabhi asked Curt Hedger if general fund dollars could be used to take on road projects and then reimburse with the Act 283 dollars. Curt Hedger said that general fund dollars could be used for anything but it was a little bit trickier to reimburse the county with Act 283 dollars because of the way the law was written. Comm. Rabhi asked if the Road Commission would be comfortable putting up money on the promise of a millage but they would be the only ones who could answer that.

Comm. Peterson asked if this would be subject to a referendum. Curt Hedger said that he did not believe it was subject to referendum. Comm. Peterson asked what was wrong with putting the issue on the ballot. He asked what the possibility was of the county supporting a bond on behalf of the Road Commission. Curt Hedger answered that he was not as sure about a bond issue and would need to look into it. Comm. Peterson said that he would be in support of delaying the resolution for two weeks so that some questions could be answered.

Comm. Peterson moved that the resolution be postponed until May 21, 2014. This motion was withdrawn so that each commissioner could weigh in.

Comm. Conan Smith asked Roy Townsend about the fiscal year of the Road Commission. Roy Townsend said that it was January 1 – December 31. Comm. Conan Smith asked about the flexibility of the dollars received by the Road Commission. Roy Townsend said that the Road Commission did have some flexibility about the projects they take on. Comm. Conan Smith said that they would need to work with the Road Commission to identify projects in the 2015 plan that could be funded via Act 283 dollars. He added that the best reason to not put this on the ballot would be because of the time constraints. He said that he has other priorities which can only be funded through going to the ballot. He thanked Comm. Dan Smith for putting this item before the board. He noted that there was a clause in Comm. Dan Smith's resolution allocating 10% of the funds raised to non-motorized roadways. He said that he was comfortable voting this through Ways and Means that night.

Comm. LaBarre said that he had spoken to majority leader Randy Richardville who had expressed support of a comprehensive road fix. He said that it wouldn't hurt a few weeks to wait a few weeks and see what takes place at the State Legislature. He stated that they were the only body short of the federal government that could allocate enough money to provide a real fix.

Comm. Dan Smith said that he was comfortable with any of the options for moving the motion forward. He added that he is tired of waiting for Lansing to act on roads. He said that he supports putting this in front of the people for them to vote on. He added that he understands the concerns raised by Comm. Conan Smith about using the ballot.

Comm. Peterson seconded by Comm. Martinez-Kratz moved that the resolution be postponed until the Ways and Means Meeting on May 21, 2014.

Roll call vote: YEAS: 7 NAYS: 1 (Comm. Ping) ABSENT: 1 (Comm. Sizemore) Motion carried.

Comm. Rabhi thanked Roy Townsend for putting together a plan for road projects in such a short time-frame. He added that his line of questioning was meant to find a legal footing for moving forward. He said that they would need to hear from the public about this proposal.

Comm. Dan Smith seconded by Comm. Conan Smith moved that a public hearing on the Board of Commissioners "levying up to 1 mill under"\* Act 283 be scheduled for the Board meeting on May 21, 2014. \* Comm. Conan Smith made this amendment and it was accepted as friendly.

Roll call vote: YEAS: 5 NAYS: 3 (Comm. Brabec, Peterson, Rabhi) ABSENT: 1 (Comm. Sizemore) Motion carried.

Comm. Peterson asked what would be put before the citizens in two weeks. He said that the public must have input and access to the same information as the Board. Comm. Rabhi said that the Road Commission has endorsed a road project plan for Act 283 funds. He added that there may be value in waiting on the public hearing until the connection between the plan and the resolution was clear.

Comm. Dan Smith said that he is in favor of having a public hearing. He added that he was confident that a sufficient plan would be available for the public to comment on by the time the packet was published in ten days.

Comm. Peterson said that if taxes are going to be levied on the citizens then there should be a sufficient review process. He said that he hopes the citizens are given a reasonable amount of time to review the documents. He stated that this was about respect for the citizens of Washtenaw County. He added that there should be a period of two weeks for the citizens to review the documents. He said that every unit of local government should be notified about the public hearing. Comm. Rabhi said that the public hearing could be postponed or Comm. Dan Smith's resolution could be taken off of the table and amended so that it reflected the Road Commission plan.

Comm. Peterson said that there was no rush to do this to speed up a process. He added that he wants this resolution to have Corporate Counsel review and Administration's review before it comes to the Board meeting.

Comm. Martinez-Kratz said that the millage and the Road Commission proposal should match before they came to the Board.

Comm. Brabec thanked Roy Townsend for his work. She said that she was hesitant to vote on this. She added that something must be done but it had to be well thought out. She stated that she wanted a chance to consult with the public and the supervisors of the local jurisdictions.

### **Pending**

None

### **Adjournment**

Comm. Peterson seconded by Comm. Martinez-Kratz moved that the meeting be adjourned until May 21<sup>st</sup>, 2014 at 6:30 p.m. Motion carried.

The meeting adjourned at 9:05 p.m.

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Felicia Brabec, Chair

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Lawrence Kestenbaum, Clerk/Register  
By: Peter Simms, Deputy Clerk

APPROVED: May 21, 2014