



WASHTENAW COUNTY BOARD OF COMMISSIONERS

WORKING SESSION

July 7, 2011

The meeting was called to order by Vice Chair Turner at 6:30 p.m. in the Board Room, Administration Building, 220 North Main Street, Ann Arbor, Michigan.

MEMBERS PRESENT: Comms. Bergman, Gunn, Judge, Ping, Prater, Sizemore, Conan Smith, Dan Smith, and Turner

MEMBERS ABSENT: Comms. Peterson and Rabhi

OTHERS PRESENT: Verna McDaniel, County Administrator; Kelly Belknap, Interim Deputy County Administrator; Brian Mackie, Prosecuting Attorney; Tina Gavalier, Finance; Ken Schrader, ITS; Cheryl Perry, County Administration; Jason Brooks, Clerk's Office; various citizens; and members of the press.

Roll Call

Citizen Participation

None

Commissioner Follow-Up to Citizen Participation

None

Discussion Items:

A2 Skatepark Update – *Friends of the Ann Arbor Skatepark, Project Liaison Scott Rosencrans*
Scott Rosencrans gave the A2 Skatepark Update (on file in County Clerk's office).

Comm. Bergman stated that her grandchildren will be pleased with this project and stated that this is a wonderful endeavor.

Comm. Conan Smith stated that the Parks Commission has provided a matching grant for this project. Rosencrans stated that donations could be made at a2skatepark.gov.

Comm. Sizemore asked if merchandise sales points are all in Ann Arbor City. Rosencrans reported that they currently are and added that he is currently trying to broaden the range of the outlets. Comm. Sizemore stated that kids in Ypsilanti will be using this and added that Ann Arbor has its name all over this. He added that Washtenaw County needs some recognition in the project.

Comm. Turner stated that there is a great deal of interest in this project on the western side of the County. Comm. Sizemore added that he is totally in favor of this and stated that he feels that merchandising and information could be spread to other areas in the County.

Comm. Conan Smith stated that Comm. Sizemore was a driving force behind this project.

Comm. Sizemore asked if there would be a legal requirement for safety. Rosencrans reported that a rules commission is usually put together by the Parks Advisory Commission to develop rules. Comm. Sizemore asked if there is room to expand to BMX in the future. Rosencrans reported that this will not take up the entire area of the park between the road and parking lot and stated that he is not sure what else the City has planned.

Recycling Authority – Public Works, Director Dan Myers

The presentation on the Western Washtenaw Recycling Authority was provided by Director of Public Works Dan Myers and Frank Hammer (on file in County Clerk's office).

Comm. Sizemore stated that he called special meetings to hear both sides of the story. He added that he feels that recycling needs to be looked at countywide. Comm. Sizemore asked how long each municipality has to join. Hammer reported that Lima is holding a vote next week, Bridgewater has voted to become an associate member and Sylvan has voted to pull out of the Authority. Hammer reported that an investing member can get out after 15 years and associate members can get out after 5 years. Comm. Sizemore reported that he would like to see Comm. Turner represented on this board. Myers reported that he would not come back to Ways and Means as soon as the communities come on board. Comm. Sizemore reported that he is a little gun shy on full faith and credit and that he is not necessarily against this.

Comm. Prater asked if a business plan has been assembled. Hammer reported that one has been put together. Comm. Prater stated that it should be sent out if support is being solicited from this Board. Hammer reported that a budget has been established for each possible scenario. Comm. Prater stated that he does not know of a tax can be levied without the establishment of a special assessment district. Myers reported that households in this area have been assessed through a special assessment over the last 20 years.

Comm. Judge asked if the County gives any funding to the WWRC. Myers reported that they do not. She asked if communities that are not curbside would still be single stream as far as just dumping recyclables in a bin. Hammer reported that they could. Comm. Judge asked how residents have reacted to the potential special assessments. Hammer reported that he has heard very little negative feedback. Myers reported that public hearings were held. Comm. Judge asked if the Authority could issue its own bonds rather than County bonds being issued. Myers reported that normally projects done through the Board of Public Works have been County bonds.

Comm. Bergman asked what happens if a house goes into foreclosure and remains unoccupied. She asked what price can be received for recyclables and if any of this money can go toward payment of the bond. Comm. Bergman stated that she would like to know the price to contract with the City of Ann Arbor. Hammer reported that the assessment has to be paid by the Treasurer and added to the property as a liability to be paid when the property is sold. Myers reported that this project includes 7000 households which is a larger chunk than normally seen with Public Work projects. Hammer reported that he is using prices from early 2011 which has since gone up 15% and added that money is set aside for equipment and contingencies. Myers reported that the debt is not going to be handled with the sale of recyclables. An evaluation table that compared options was presented at the meeting (on file in County Clerk's office).

Comm. Turner stated that he has utilized this authority for 20 years and added that he has received great service. He stated that as a Chelsea resident he is charged \$2.50/bag. Comm. Turner added that cutting to one bag is a savings of \$130/year and stated that he knows the citizens of Chelsea are supportive. He stated that he is concerned about the assessment and payment of this assessment. Comm. Turner reported that it is based on residents that support it and stated that it will be utilized. He added that five drainage district bond resolutions were approved without scrutiny. He asked why there was not pushback on these other five issues. Comm. Turner stated that he feels that the Authority has proven in the past that this can be handled.

Comm. Gunn stated that there is a long standing relationship with the Water Resources Commissioner and added that the drainage districts are assessed and paid. She asked how Manchester Village and Sylvan Township pulling out of the Authority effects revenue. Hammer stated that Sylvan Township is still somewhat up in the air and added that there have been concerns about the timing of the assessment given the current situation. He stated that he is comfortable going on without Manchester Village. Comm. Gunn stated that she is concerned with maintenance of the new facility. Hammer stated that the Manager of the facility has a very thorough handle on maintenance.

Comm. Ping stated that this Authority has worked for the last 20 years and has no debt. She added that there are communities that contract with the Authority that are not investment or associate members and stated that this is just revenue coming in. Comm. Ping reported that there are also communities looking at the Authority from outside of the

County. She stated that all will be impressed with how organized this will be when it comes forward at Ways and Means.

Comm. Conan Smith stated that he is strongly in favor of what is being done here. He added that the mission of the Authority is valuable to the entire County. Comm. Conan Smith stated that he is excited that there is a desire on the western side of the County to do more recycling. He added that it is important to step back and realize that this is about serving the public. Comm. Conan Smith stated that he is excited about working with someone with a track record in recycling and expansion of recycling of goods. He stated that he appreciates the thorough nature of the financial analysis. Comm. Conan Smith feels that due diligence has been done and reported that there is a strong process in place going through the Board of Public Works. He added that he is fully supportive.

Comm. Dan Smith stated that he is generally supportive of this activity. He stated that he is served by a private enterprise and asked if this is an option as well. Comm. Dan Smith stated that there are some concerns about how this will be paid for in the future. He stated that some of the questions asked during this presentation warrant follow up when this item comes back to Ways and Means. Hammer reported that two private companies were contacted and neither had any interest. Hammer stated that there would be enough cash on hand to pay the note even if 2% of households completely default. He added that the Authority has been doing this for 20 years and stated that there is antiquated equipment. Hammer stated that the Authority has no debt and sets aside money for depreciation on equipment. Comm. Dan Smith stated that the County provides full faith and credit to provide a service. He added that he would like to see a comparison in the interest cost difference between a township bonding out as opposed to a County.

Comm. Smith seconded by Comm. Gunn moved to limit debate on this issue to fifteen more minutes. Roll call vote: YEAS: 5 NAYS: 4 (Comms. Judge, Ping, Prater, Sizemore) ABSENT: 2 (Comms. Peterson and Rabhi). Motion carried.

Comm. Prater asked why the revenue number is so much higher for single stream. Myers reported that the Authority would be capturing all of the revenue as opposed to getting just a portion by contracting with AA MRF.

Comm. Judge asked if the 7,000 households represent the number if all are in. Myers reported that 11,000 would be the number if everyone is in. Comm. Judge stated that drainage districts are a necessity due to backyards or basements flooding. She added that this is not a necessity in the same way. Comm. Judge stated that water cannot be addressed in the same way that recycling can be.

Comm. Sizemore stated that he does not like the presentation that he saw.

Comm. Ping asked if it is the County that does the administrative work. Hammer reported that they do and that the County does collect a fee. Comm. Ping asked if this figure could be included.

Comm. Turner stated that his point was to differentiate from the Sylvan Township issue. He added that his concern is that foreclosures are a risk to any project that gets the County's full faith and credit. He stated that the Western Washtenaw Recycling Authority has had a wonderful track record over the previous twenty years.

WCHO Split from Washtenaw County – Washtenaw Community Health Organization, Executive Director, Patrick Barrie

Patrick Barrie gave the presentation of the WCHO Split from Washtenaw County (on file in County Clerk's office). Comm. Bergman introduced WCHO consumers and WCHO Board members.

Comm. Gunn stated that this was a wonderful explanation and added that service delivery is extraordinary. She stated that Barrie has his support if this needs to be done.

Comm. Prater stated that the benefit is reducing the liability that the County currently faces. Barrie reported that this is the case. Comm. Prater asked what the staff number will be on this move. Barrie reported that the first wave is six people with the potential for another eight depending on whether they meet this liability test. Comm. Prater asked what kind of timelines will be set. Barrie reported that the deadline he tried to set is the end of his fiscal year which is September 30. He reported that the WCHO is footing the bill to make sure that all statutory requirements are met.

Comm. Judge stated that it is important that this be done right and stated that Barrie has her full support.

Comm. Bergman asked if Barrie could explain the possible federalizing of the PORT Program. Barrie stated that he came up with financing mechanisms that have maximized federal dollars. He added that single or married childless adults will be able to get on Medicaid starting in 2014 no matter how poor they are. He added that this has never been done before. Comm. Bergman stated that there may be a possibility to purchase a building currently owed by the County. Comm. Bergman stated that the WCHO will not have total service control and much better control fiscally. She added that she has faith in Barrie and stated that the WCHO will be able to move forward in a way that will positively affect consumers.

Comm. Sizemore stated that he appreciates the presentation this evening. Barrie stated that he is concerned about the future configuration of health services in Michigan.

Comm. Turner stated that CSTS work with Faith in Action has been a wonderful service and added that he looks forward to that growing in the future. He added that he sees this as a growing opportunity and a greater chance to serve people.

County Administrator's Report

None

Items for Current/Future Discussion

Comm. Sizemore stated that Administration should take a look at the way that agendas are set up due to some of the discussion time issues that have come up.

Pending

None

Citizen Participation

Paquetta Palmer, CSTS, stated that she believes that the staff was left out of the discussion. She added that from 2001 through now she feels it was working out with a sudden change. Palmer stated that the way it is communicated is going to be important to the comfort level of the staff. She added that other counties have made this change and gone back to the previous method. Palmer stated that there is fear because the staff is in the negotiation period at this time. She added that people associated with the WHP are concerned about what a change like this means. Palmer stated that no employee can be on the Board.

Patty Borough reported that she would like to appreciate support for the WCHO and the services they have provided over the years. She stated that she feels the time is right to make this change. Borough added that she feels communications will improve between the WCHO and CSTS as time moves along.

Dennis McDougal, WCHO Board, stated that he would welcome the support of the Board of Commissioners in looking at this possibility. He added that he would like to commend Comm. Bergman for assisting in this transition. McDougal stated that he would like to support this transfer of staff and added that he was glad that he was pointed in the direction of the WCHO.

Commissioners Follow-up to Citizen Participation

Comm. Bergman stated that she would like to thank the Board of Commissioners as well as fellow WCHO members for their support. She added that Palmer can communicate the type of information needed. Comm. Bergman stated that this organization has served the County well and added that she feels that this reorganization will help employees provide better service.

Comm. Ping stated that this is a balancing act between what can be communicated during labor negotiations and being sensitive to rumors that may be out there.

Comm. Turner stated that the more the staff knows the more ownership there is through the process.

Adjournment

Comm. Prater seconded by Comm. Sizemore moved that the meeting be adjourned until July 21st, 2011 at 6:30 p.m. Motion carried.

The meeting adjourned at 9:03 p.m.

Rob Turner, Vice Chair

Lawrence Kestenbaum, Clerk/Register
By: Jason Brooks, Deputy Clerk

APPROVED: August 3, 2011