

DICKINSON COUNTY BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
Monday, October 24, 2016 - 6:00 p.m.
Courthouse - Circuit Courtroom

1. The meeting was called to Order by Chairman Wender at 6:00 P.M.
2. Pledge of Allegiance to the Flag was said by all.
3. Roll Call was taken by County Clerk Dolly Cook and a quorum was present.
Present: Chairman Wender, Vice Chairman Stevens and Commissioners Degenauer, Martin and Kramer. (5)
Absent: None
Also Present: County Clerk Dolly Cook, Prosecutor Lisa Richards, Sheriff Scott Ceello, Equalization Director Sid Bray, Controller Brian Bousley and Admin Asst. Dianah Fayas.
4. Motion by Commissioner Degenauer Jr. supported by Commissioner Kramer to accept the agenda with the following addition:
7.N. Airport Committee
4. Request by Airport Manager to attend mandatory airport planning meeting with the FAA's Detroit Airport District Office Director in Lansing, MI at an approximate cost of \$400.00
All Ayes, Motion Carried.
5. Motion by Commissioner Kramer supported by Commissioner Stevens to approve the following meeting minutes as written:
Airport Committee – Oct. 5th
Special Meeting – Oct. 7th
Regular Meeting – Oct. 10th

All Ayes, Motion Carried.
6. **COMMUNICATIONS AND LEGISLATION:**
Commissioner Martin introduced the following students from Mr. Hogberg's Iron Mountain Government Class: John Lincoln Pettibone, Riley St. John, Desiree Wheeler, Nate Blackamp, Sophia Schinderle, Maggie Mooney, John Paul Smith, Alena Hill and Michael Kulas

A. Citizens' Time: (Limited to five minutes per person)
Chairman Wender opened the floor to Citizens' Time. Gerald McCole, Channing addressed the Board. He read from a letter that is on file in the County Clerk's Office. He explained what has been done when he filed a complaint with the State Police about Commissioner Barb Kramer getting paid by the County for sitting on the DICSA Board. He stated Commissioner Kramer was put on the DICSA Board by the DICSA Board, not the County Board. He also stated Chairman Wender changed the wording on the agenda. He stated the Commissioners should have rules and policies in place.
Kevin Pirlot, Iron Mountain, addressed the Board. He stated he is neither for nor against the hospital issue. He stated the taxpayers do not have enough information. He stated the Board talked about this at an Airport Committee meeting under other business. He read from the minutes of the October 5th meeting. He stated on October 7th, there was no mention of the hospital and again on the 10th meeting there was no mention of the hospital but yet tonight you want to make a decision. He stated you have failed the people of this community. He stated this should be discussed with the people of this community before a decision is made.
Dale Alessandrini, Iron Mountain, addressed the Board. He stated he hoped they (Board) wouldn't vote on this tonight without explaining the pros and cons of such a move to the taxpayers. He stated he realizes they have to be a non-profit to enter into a partnership. He stated the people need to know more before you vote on this.

B. Resolutions and Legislation –Commissioner Kramer
See 7.R.2 below
7. **REPORTS OF STANDING COMMITTEES:**
A. **Finance Committee** – Finance Chairperson Martin
 1. Conveyance of the Recommended 2017 Dickinson County Budget. (This will not be done tonight.)
 2. Motion by Commissioner Martin supported by Commissioner Stevens to approve

Budget Amendment #4 increasing the county appropriation to the Emergency Services Fund by \$13,000 with funds to be transferred from the Sheriff's Part Time Employees line item in the General Fund. Roll Call Vote: Commissioners:

Degenauer Jr. Aye
Kramer Aye
Martin Aye
Stevens Aye
Wender Aye

Motion Carried.

B. **A-95 Review** – Commissioner Kramer-None

C. **Crystal Lake Center/YMCA** – Commissioner Kramer-None

D. **Six County Employment Alliance** – Commissioner Stevens-None

E. **Planning and Zoning Committee** – Commissioner Kramer

1. Dickinson Conservation District meeting minutes of Sept. 20th.

F. **DHHS / DICS**A – Commissioner Kramer

1. Dickinson Iron Community Services Agency meeting minutes of Sept. 8th.

G. **Dickinson-Iron Health Department** – Commissioner Stevens

1. Board of Health meeting minutes of Sept. 28th.

H. **Northpointe** – Commissioner Martin-None

Commissioner Martin explained the \$200,000 regional performance payment to all employees which consisted of \$1,000 to each full time employee, \$500 to each part-time and \$250 to each special part time employee approved by the Board.

I. **Pinecrest** – Commissioner Degenauer-None

J. **Equalization Committee** – Commissioner Degenauer

1. 2016 Apportionment Report.

Equalization Director Sid Bray explained the apportionment report which is on file in the County Clerk's Office. He stated eligible manufacturing personal property and Tax Tribunal decisions really impact the revenues. He stated the drop in value is approximately 10%. He explained the Cities and the Townships. He explained the millages. Total losses for the County operational are approximately \$252,000 of which \$141,000 is tax tribunal losses. Commissioner Stevens stated we have many challenges ahead. Commissioner Degenauer Jr., thanked Sid for the hard work he has done and thanked him for keeping the Board up to date on all the things happening.

Motion by Commissioner Degenauer Jr., supported by Commissioner Kramer to approve the Apportionment report. All Ayes, Motion Carried

K. **Building & Supply/Real Estate-Remodeling** – Commissioner Degenauer

1. Discussion of Courthouse parking lot bids.	<i>Lower lot</i>	<i>Upper lot</i>
Refurbish (The Asphalt Doctor)	\$4,389	\$5,800—not recommended
Replace (Midwest Asphalt & Gravel)	\$29,425	\$24,550

Motion by Commissioner Degenauer Jr., supported by Commissioner Stevens to approve Midwest Asphalt and Gravel to do the lower parking lot this year at a cost of \$29,425. Roll Call Vote: Commissioners:

Kramer Aye
Martin Aye
Stevens Aye
Wender Aye
Degenauer Jr., Aye

Motion Carried.

2. Discussion of Correctional Center roof replacement bids.

 The Markell Company - \$39,893

 Lake State Roofing, Inc. - \$46,975

Motion by Commissioner Degenauer Jr., supported by Commissioner Stevens to approve the bid of Markell for the roof at \$39,893. Roll Call Vote: Commissioners:

Martin Aye
Stevens Aye
Wender Aye
Degenauer Jr., Aye

KramerAye Motion Carried.
Controller Bousley explained both had a 20 year manufacturer's warranty.

L. **Public Safety and Judiciary** – Commissioner Wender-None

M. **Parks Committee** – Commissioner Stevens-None

N. **Airport Committee** – Commissioner Wender

1. Motion by Commissioner Martin supported by Commissioner Kramer to approve the distribution of old parking lot light fixtures to the Dickinson County Parks Department and Fair Board. All Ayes, Motion Carried.

2. Motion by Commissioner Kramer supported by Commissioner Degenaer Jr., to approve the purchase of specialty runway sand from Midwest Gravel in the amount of \$4,850. Roll Call Vote: Commissioners:

Stevens Aye

Wender Aye

Degenaer Jr., Aye

Kramer Aye

Martin Aye Motion Carried.

3. Motion by Commissioner Martin, supported by Commissioner Degenaer Jr., to approve change order #1 reducing the contract price by \$4,825.97 for FAA contract 3-26-0049-2016: Rehabilitate Runway 13/31 and Remark Airfield and authorizes the Chairman to sign the same. Roll Call Vote: Commissioners:

Wender Aye

Stevens Aye

Martin Aye

Kramer Aye

Degenaer Jr., Aye Motion Carried.

4. Motion by Commissioner Kramer, supported by Commissioner Degenaer Jr., to approve the request of the Airport Manager to attend a mandatory Airport Planning meeting with the FAA's Detroit Airport District Office Director in Lansing, MI at an approximate cost of \$400. Roll Call Vote: Commissioners:

Degenaer Jr., Aye

Kramer Aye

Martin Aye

Stevens Aye

Wender Aye Motion Carried.

O. **Fair Board** – Commissioner Degenaer-None

P. **Library Board** – Commissioner Martin

1. Dickinson County Library meeting minutes of Oct. 11th.

Commissioner Martin stated a fence will be installed on the southern perimeter of the Library for the safety of children. She further stated the estate of Robert Spencer gave a gift of \$40,222.49 for the purchase of reliable financial publications.

Q. **Employee Relations Committee** - Commissioner Degenaer-None

R. **Dickinson County Hospital Committee** – Commissioner Stevens

1. Update by Mr. Bill Edberg on DCHS nonprofit status proposal.

He stated this is not about selling the Hospital. He stated under Public Act 230 we could not sell the hospital unless it was to another Public Act 230 Hospital. He stated we cannot do this on our own. He stated this would allow us to engage with other hospitals. He stated the taxpayers did not fund this hospital. He stated we can share best practices so we can reduce costs to our community. He stated this is not the final word. He stated articles and bylaws must be re-written. None of this was intended to be done behind closed doors.

John Schon, Administrator of the Hospital addressed the Board. He stated we have come a long way. He stated we are vested to do a good job for the community. He stated we did not want to be a tax burden to the community. He stated CMI cost the hospital 3.6 million dollars. He stated we have an 11 million dollar challenge in the future. He stated we want to maintain our independence and value. The resolution was read.

Commissioner Stevens stated this will affect the hospital for decades. He stated

many questions have been answered. He stated we have to go slow and let the people know what is going on. He stated we have to do what is best for the community.

Commissioner Kramer stated we did meet with the Hospital Board on October 21, 2016.

Commissioner Degenauer Jr., stated this resolution is to let the hospital proceed, but it is not final. He stated we have to do things for the future.

Commissioner Martin stated she realized how complicated healthcare finances are. She supports the Hospital. He stated this is a preparatory step, not final but is necessary.

Commissioner Wender stated this is a no brainer. He stated the hospital is a big economic boost to our community.

2. Motion by Commissioner Stevens supported by Commissioner Kramer to approve Resolution 2016-12 in support of DCHS developing a reorganizational plan for conversion to a nonprofit corporation status. Roll Call Vote: Commissioners:

Kramer Aye

Martin Aye

Stevens Aye

Wender Aye

Degenauer Jr., Aye

Motion Carried.

**DICKINSON COUNTY RESOLUTION 2016-12
RESOLUTION IN SUPPORT OF THE DCHS BOARD OF TRUSTEES' TAKING THE INITIAL
STEPS NECESSARY FOR THE HOSPITAL TO MOVE FORWARD WITH THE
DEVELOPMENT OF A FORMAL REORGANIZATIONAL PLAN THAT WILL ALLOW
DCHS TO TRANSITION FROM A MICHIGAN MUNICIPAL HEALTH FACILITY
CORPORATION TO A MICHIGAN NON-PROFIT CORPORATION**

WHEREAS, Dickinson County Healthcare System is organized under the Michigan Municipal Health Facility Corporations Act, otherwise known as Act 230; and

WHEREAS, effective March 15, 2016, the Michigan legislature enacted an amendment to the Michigan Municipal Health Facility Corporations Act to allow corporations organized under the Act to restructure the corporation as a nonprofit corporation subject to the provisions of the Michigan Nonprofit Corporations Act; and

WHEREAS, since the passage of legislation allowing corporations organized under the Act 230 to restructure as nonprofit corporations subject to the provisions of the Michigan Nonprofit Corporations Act, two of the three remaining Act 230 hospitals in Michigan have converted to non-profit healthcare corporations; and

WHEREAS, the DCHS Board of Trustees would like to explore partnering options and affiliation models designed to make certain the hospital continues to provide high-quality, cost effective care for the citizens of Dickinson County and the surrounding area but its ability to explore these options is extremely limited by the provisions of Act 230; and

WHEREAS, the DCHS Board of Trustees passed a resolution (subject to approval of by the Dickinson County Board of Commissioners) authorizing John Schon, Administrator and CEO, to take all actions necessary to develop a restructuring plan to restructure DCHS from a corporation organized under the Michigan Municipal Health Facility Corporations Act to a corporation organized under the Michigan Nonprofit Corporations Act; and

WHEREAS, DCHS is requesting approval of the Dickinson County Board of Commissioners to initiate the development of a restructuring plan in order to convert to a Michigan non-profit corporation, which will give DCHS the ability to enhance the utilization of local health care, to gain economies of scale and to share the upside and downside risk through collaborations with other nonprofit healthcare providers including, but not limited to, Clinically Integrated Networks, for the purpose of managing operational and financial challenges associated with the new Medicare ACO Payment Model and other federal and state regulatory requirements; and

WHEREAS, the Dickinson County Board of Commissioners will be consulted during the development of the restructuring plan that will include revised articles of incorporation that will provide for, ex officio, the appointment of at least one member of the Dickinson County Board of Commissioners as a voting member of the Board of Directors of the restructured nonprofit corporation.

NOW, THEREFORE, BE IT RESOLVED that, the Dickinson County Board of Commissioners does hereby support the DCHS Board of Trustees in taking the initial steps necessary for the hospital to move forward with the development of a formal

reorganizational plan that will allow DCHS to transition from a Michigan Municipal Health Facility Corporation to a Michigan Non-Profit Corporation.

DICKINSON COUNTY BOARD OF COMMISSIONERS

Henry Wender, Chairman

Joe Stevens, Commissioner

John Degenauer, Jr. Commissioner

Ann Martin, Commissioner

Barbara Kramer, Commissioner

I, Dolly Cook, the duly appointed, qualified and acting Clerk of the County of Dickinson, Michigan, do hereby certify that the above extract from the minutes of a Regular meeting of the County Board of Commissioners of Dickinson County, Michigan held on October 24, 2016 is a true and correct excerpt of original minutes related to the matters set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of the County of Dickinson, Michigan, this 24th day of October, 2016.

Dolly L. Cook, Clerk

- S. **Dickinson County Road Commission** – Commissioner Wender-None
- T. **Construction Code Commission** – Commissioner Degenauer
 - 1. Dickinson County Construction Code Commission meeting minutes of Sept. 20th.
- U. **Bay West Advisory Committee** - Commissioner Degenauer-None
- 8. Citizens' Time: (Limited to five minutes per person)
Chairman Wender opened the floor to Citizens' Time and there was no participation.
- 9. **UNFINISHED BUSINESS & OLD BUSINESS:** Commissioner Kramer-None
- 10. **PETITIONS AND NEW BUSINESS:** - Commissioner Kramer-None
- 11. Motion by Commissioner Martin supported by Commissioner Kramer to accept the Committee Reports and Correspondence and place on file. All Ayes, Motion Carried.
- 12. Controller's Report.
Controller Bousley stated he is working on the budget. He wants input from the Board. He stated Blue Cross and Blue Shield increase was 3 1/4 %. He and Commissioner Kramer spoke with the DNR about maybe getting some of their land back in the tax rolls.
- 13. Commissioners' Personal Privilege.
Commissioner Martin stated we should have a meeting early next week.
Commissioner Stevens thanked Barb for working with the DNR to get back land from the DNR and get it on the Tax Roll.
Commissioner Kramer attended an Economic Taxation meeting. She stated please contact Brandenburg about the dark store issue.
Commissioner Degenauer Jr., stated they meet at the airport and they do not hide things and the meetings are open and no action was taken. He also congratulated the football teams who went to the playoffs and wished them good luck. He stated Brain is a defensive coach for the Niagara Predators.
Chairman Wender stated he did not have a problem with voting on the hospital issue tonight because he represents the people in his district.
- 14. Motion by Commissioner Kramer supported by Commissioner Martin to adjourn, Subject to Call of the Chairman at 7:10 P.M.

Henry Wender, Chairman

Dolly L. Cook, County Clerk

