

FINANCE, CLAIMS AND ACCOUNTS COMMITTEE MEETING MINUTES

May 5, 2016

A regular meeting of the Chippewa County Board of Commissioners' Finance, Claims and Accounts Committee was held on Thursday, May 5, 2016 at the Chippewa County Building in Sault Ste. Marie, Michigan. Chairman Martin called the meeting to order at 5:30 p.m. with a quorum present.

MEMBERS PRESENT: Jim Martin, Scott Shackleton, Conor Egan and Rudy Johnson

MEMBERS ABSENT: Don McLean

OTHERS PRESENT: Joe Johnson, BC/BS; Ryan Whitley, BC/BS; Vince Babcock, 44 North, Rob Laitinen, CCRC; Steve Cannello, Attorney; Jim German and Kelly Church

Approval of the Agenda

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to remove Item 8-2 Approve Fee Schedule from Recycling Center. On a voice vote, the motion CARRIED.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to approve the agenda amended. On a voice vote, the motion CARRIED.

Public Comment

No public comment was offered.

PRESENTATION – Medicare Advantage Option for Retirees – 44North & BC/BS

Vince Babcock, Ryan Whitley and Joe Johnson presented the Committee with an option regarding Retiree Health Care, which will involve changing to Medicare Advantage upon the enrollees reaching age 65. This option would be a cost savings for the County, as well as, enhance a few of the current benefits that are offered through our current Medicare plan. There is only one area where suffixes 0013, 0018 and 0019 – would see a change in specialty prescription co-pay, which would increase from \$40 to \$80. The enhancements come in the Out-of-pocket Max will now be \$1,500, instead of the current no limit; chiropractic care and urgent care co-pays are currently not covered, would be under the Medicare Advantage Option. If hospital's except Medicare they will cover Medicare Advantage. Medicare Advantage also would eliminate the need to care two cards, and retirees would no longer have to match Explanations of Benefits, as the statements will be combined. Commissioners asked several questions about coverages, as well as, the process of converting to the new option, as the County Retirees and the County Union, would need to be advised of the potential change to the Medicare Advantage option which the coverage appears to be equal if not better, expect for the specialty prescription coverage for suffixes 0013, 0018 & 0019. Discussion includes establishing meetings with BC/BS representatives, the retirees and employees. If the County chooses this option for it to be implemented January 1, 2017 BC/BS would need to be notified by October 6, 2016, with an annual renewal and potential savings thru reduced utilization for the active suffixes. Administration will continue to move forward and establish meeting dates and make contact with the various Unions.

CLOSED SESSION

It was moved by Commissioner Shackleton, supported by Commissioner Egan, at 6:00 p.m. to move into closed session to update legal correspondence. On a roll call vote 4-0, the motion CARRIED

Chairman Martin declared the closed session ending at 6:44 p.m.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to reconvene the Finance Committee meeting at 6:45 p.m. On a roll call vote 4-0, the motion CARRIED.

Commissioner Egan excused himself at 6:45 p.m.

Correspondence and Informational Items

The Committee received the monthly Treasurer's Investment report, the monthly travel report and the monthly Visa billing statement.

AGENDA ITEMS

Approve Millage Renewal Language for Chippewa County Road Commission

The Committee received and reviewed the Chippewa County Road Commission's Resolution 2016-06 seeking approval to place a millage renewal request for one (1) mill, which was reduced to .9879 mill by the required millage rollbacks, for five (5) years on the August 2016 ballot, and in the event that it is not approved in August, be then placed on the November ballot as follows:

**ROAD MAINTENANCE AND REPAIR PROPOSITION
MILLAGE RENEWAL
AUGUST 2016**

Shall the previous voted increase in the 15 mill limitation imposed under Article IX, Section 6 of the Michigan Constitution on general ad valorem taxes with CHIPPEWA COUNTY, MICHIGAN of 1.000 mill (\$1.00 per \$1,000 of taxable value) which was reduced to .9879 mill by the required millage rollbacks, be renewed at .9879 mill (\$0.9879 per \$1,000 of taxable value) for 5 years, being 2017, 2018, 2019, 2020 and 2021, inclusive, for the purpose of providing funds for Repair and Maintenance of Roads within Chippewa County and streets within the City of Sault Ste. Marie, a portion of which will be disbursed to the City of Sault Ste. Marie Downtown Development Authority pursuant to statute, and Village of Detour, and shall the County levy such renewed millage for said purpose? The estimate of revenue the County will collect if this millage is approved and levied in 2017 is \$1,100,000.

YES _____
NO _____

CCRC Superintendent/Manager Rob Laitinen addressed the Committee with an update of CCRC, as well as, a listing of the some of road re-construction projects that have been completed from January 1, 2011 through December 31, 2015, utilizing the millage monies to leverage almost \$10 million for County Roads. Discussion followed Commissioner Shackleton restating his preference to have Millages voted on at the time of the General Election.

It was moved by Commissioner Johnson, supported by Commissioner Shackleton, to approve the Road Maintenance and Repair Proposition Millage Renewal August 2016 language, as presented, including approval for the November ballot, if necessary. On a voice vote, the motion was CARRIED.

Approve Quotations from Positive Energy and waive the County Purchasing Policy

The Committee review a quote for both the County Jail and the Courthouse (4) flood lights, in a continued effort to upgrade the County's lighting to LED not only as a cost savings but to also seek the Energy Optimization Rebates. The lights will all have a five year warranty, to be replaced by Positive Energy saving our maintenance staff.

- Chippewa County Jail summary: a cost of \$29,948.14, with an estimated rebate of \$9,068.00 and an estimated \$1,820.38 in savings per month once installed.
- Courthouse (4) flood lights: a cost of \$2,422.24, with an estimated rebate of \$471.60 and estimated \$74.96 in savings per month once installed.

Quotations are still being completed for the County Building and the Animal Shelter; Commissioner Shackleton noted to verify the number items for the utility rebates/incentives.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to approve the quotes from Positive Energy to upgrade the Chippewa County Jail and the Courthouse (4) flood lights to LED lighting at a cost of \$29,948.14 for the jail project and \$2,422.24 for the flood lights; with projected total rebates of \$9,539.60 with additional monthly savings of approximately \$1,895.34 and to waive the County's Purchasing Policy. On a voice vote, the motion was CARRIED.

Request for Quotations Bid Summaries – Panic Button & Intel-based Server Class Machine

The Committee reviewed the bid summary for the Panic Button/Silent Instant Notification System, four bids were received. Information's Systems consulted with David Pietrangelo and advised after reviewing that Secure Tech Systems, Inc. quote of \$9,500 including 10 alarms, would be their recommendation. It was noted that two additional alarms would need to be added to the project for a total of 12 alarms.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to approve the bid from Secure Tech Systems Inc., at a cost not to exceed \$10,000 as two additional alarms need to be included in the project. On a voice vote, the motion was CARRIED.

The Committee next reviewed the bid summary for the two intel-based Server Class Machines & Vmware CPU License Upgrade, three bids were received and all met bid specifications. ITC Inc. was the low bidder at \$23,799.76 with Fujitsu servers, installation and setup are included in the bid price.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to approve the low bid from ITC Inc., at a cost not to exceed \$23,799.76 for the two Intel-based Server Class Machine's & Vmware CPU License upgrades. On a voice vote, the motion was CARRIED.

FINANCE

Claims and Accounts

The Committee reviewed the bills and payroll presented for approval.

It was moved by Commissioner Shackleton, supported by Commissioner Johnson, to recommend the approval of April bills and payroll as follow: the general claims totaling \$247,037.14, other fund claims \$4,005,822.52, payroll \$682,119.90, Health Department claims \$524,095.10; total claims \$5,459,074.66 and vouchers H-1 through H-296. On a voice vote, the motion CARRIED.

Committee and Chairman's Comments

No additional comments were offered.

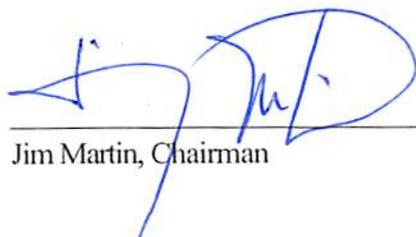
Adjourn

It was moved by Commissioner ^{vc}Johnson, supported by Commissioner Shackleton, to adjourn the meeting.

Chairman Martin declared the meeting adjourned at 7:18 p.m.



Kelly J. Church, Recorder



Jim Martin, Chairman