

## THE BENZIE COUNTY BOARD OF COMMISSIONERS

July 9, 2018

The Benzie County Board of Commissioners met in a special-joint session on Monday, July 9, 2018, 448 Court Place, Government Center, Beulah, Michigan.

The meeting was called to order by Chair Gary Sauer.

Present were: Commissioners Carland, Jeannot, Money, Sauer and Warsecke

Excused: Commissioner Roelofs

Absent: Commissioner Griner

Building Authority Roll Call:

Present: James Clark and Eric VanDussen

Absent: Thor Goff, Jeff Johnson and Lisa Vogler

DHHS Board:

Present: Tom Hart and Gaylord Jowett

Kathy Dube, Maples Administrator, is also present

Absent: Ann Loveless

The Pledge of Allegiance was recited.

### Agenda:

Motion by Jeannot, seconded by Warsecke, to approve the agenda as presented. Ayes: Carland, Jeannot, Money, Sauer and Warsecke Nays: None Exc: Roelofs Abs: Griner Motion carried.

Public Input: None

Building Authority Update:

Eric VanDussen, Chair, the BA appointed two individuals – a construction liaison, Mr. Clark, to meet with engineer and Comstock; Jeff Johnson has been appointed to serve as liaison between the Building Authority (BA) and Department of Health & Human Service (DHHS) board.

Mr. Clark talked about the exterior, the previous plan was to pile drive more steel into the ground and it was determined that it was not a good idea. Abatement is scheduled to begin in August. The architectural engineer drawings are nearing completion and Comstock is planning to do some exterior work prior to abatement. Preliminary schedule is that Comstock Construction is looking to complete the project by the end of December 2018. There are some open contracts with the contractors and Comstock is looking to renegotiate with them and others will be rebid.

Comm Money asked if they considered auguring rather than pile driving? They are looking at now using gravity blocks.

Eric VanDussen commented that the engineer we met with the other day is a landscape engineer and is designing the footing structures and the design of the blocks, not constructing it. Then bids will go out and back to the BA.

Eric VanDussen stated the BA has approved incorporating the DHHS plans for Phase III; does Mr. Burley have the authority to speak for the DHHS board for everything relating to the construction.

Tom Hart stated that he has been given fairly free reign and we rely on him fully for that.

Eric VanDussen stated that the asbestos abatement contractor can't start until late August or early September according to Comstock.

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Comm Jeannot inquired regarding the A/C compressors on the roof – where were they before, they weren't there, there was no air distribution in that area. Compressors will now be on the ground. Comm Jeannot asked if at some point will we have an update as to where we stand on the budget. Mitch asked who would put out the bids?

Eric VanDussen stated Comstock is using the same contractors will update bids and then they will go back to the BA.

Comm Jeannot memorialized for the minutes that the DHHS board has acknowledged that Dave Burley does not need DHHS board approval unless using DHHS fund.

Jim Clark concern of Dave was removal of the flooring and asbestos abatement, he is closely involved in that coordination. The Old galvanized pipe that was discovered in the utility room will be removed, but when you touch an old galvanized pipe, it starts to fall apart.

Eric asked about the pipes and water lines from the old portion of the building that is not being demolished.

Tom the money set aside by the county for Phase III should be used for those issues. If there is not enough money, where do we go from there? The project isn't complete until it is completed.

Karen stated that the millage allows for updates to equipment and upgrades – she says that includes the old building.

Jim Clark stated it would be helpful to have a wish list if there is extra money, now is the time to do it.

Comm Carland asked what percentage of the building is on the new generator? Tom and Kathy both stated not much. Kathy stated that each room has a red outlet that is wired to the generator. The freezers in the individual kitchens are not on the generator.

Tom stated the freezers should be a part of emergency support to be on the generator.

Eric stated this should be discussed with Comstock to talk with the electrical contractor about getting a separate bid for integrating the generator through the rest of the building.

Mitch says to think about leaving some space on the generator for any future needs.

Eric inquired if the Dykema report to the state has been updated? Kathy stated that it is done, the other report is March 2019.

Comm Money stated regarding the electric that he agrees with Comstock contracts being held, but the other issues should be opened up for bid to others.

Comm Jeannot inquired of Mr. Clark regarding a time frame for the wish list; the sooner the better.

The next couple of weeks would be the best – Kathy agreed. At least by July 25.

Mitch inquired as to when the next State of Michigan inspection is. Kathy stated any day now.

Eric VanDussen gave an arbitration update – the attorney is nearly done with the review and document production.

Comm Jeannot asked about the statute of limitations. Eric stated that it is still an issue.

Kathy was asked about the census and stated they are at about 93%.

Kathy stated that the Maples used to get a full 1 mill to operate. She would like the excess millage money after the bond payment is made to go to the Maples when the construction is fully completed.

Eric stated your fund balance initially allowed the Maples to accumulate \$4.5 million for this project.

At this point, your fund balance has another accumulation of \$1 million, is that correct.

Kathy it is recommended that you should have 3 months of revenue in the bank at all times, so we should have \$2 or \$2.5 million in the bank. We are also paying on the pension fund which is underfunded, so we are dumping a lot into that fund and we are also contributing to the depreciation account.

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Comm Sauer stated to Kathy – you have \$1 million in your fund balance now, are you increasing the fund balance now? Kathy responded slightly.

Eric inquired regarding warranties? Karen stated several have expired.

Comm Carland inquired of Kathy -- you said once that a facility like the Maples should operate with no millage – how do we get there? Drastic changes would have to be made.

Update on the Facility Operation – Kathy stated they are concerned with just getting through Phase 3 and that the facility is secure. The general operation of the facility is good.

Comm Carland stated that perhaps in the future we might sequester bond money into the Building Authority account for projects to the facility for the duration of the bond. Then you would go to the Building Authority for those projects.

Comm Jeannot the operating agreement will help to take care of the specifics.

Mitch spoke regarding the operating agreement – Mr. Figura wants to it to be a Use Agreement rather than an Operating Agreement. And the Use Agreement should be with the BOC and the DHHS, not including the BA. He has one agreement that is a decent template and should have a working draft by the end of July.

Comm Jeannot the agreement would be with DHHS and the BA with successor in interest. The DHHS board when they have an issue, they would come to us. The agreement is just documenting what is happening.

Mitch indicated to Tom Hart that their attorney should review the Use Agreement when it is done.

10:43 a.m. Public Input

Comm Money stated regarding the wish list, do it in a timely fashion with the BA; if there is more left over, we can then discuss. There is nothing else we can do with that money.

Comm Sauer asked Kathy if coordination is better, do you feel you are getting input from the BA? She indicated Yes, both ways.

Meeting adjourned at 10:45 a.m.