

**MINUTES OF THE
FINANCE COMMITTEE**

WEDNESDAY, NOVEMBER 19, 2014

At a meeting of the **Finance Committee**, held Wednesday, November 19, 2014, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Miller-Chair, Mocerri-Vice-Chair, Boyle, Brown, Carabelli, Flynn, Klinefelt,
Mijac, Sabatini, Sauger, Smith, Tocco and Vosburg.

There being a quorum of the committee present, Chair Miller called the meeting to order at 9 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by Sauger, supported by Carabelli, to adopt the agenda, as amended (to include #6, Adopt Ordinance Amending Section 2 of Macomb County Employees Retirement System Ordinance, #9, Budget Amendments to 2014-15 Budgets for Payment of December, 2014 Proposed Lump Sum Distributions for Union and Non-Union Employees, and #11, Adopt Resolution Urging DIA to Implement Accountability Procedures to Provide Greater Transparency for Senior Executive Compensation). **The Motion Carried.**

CHAIRMAN'S COMMENTS

Chair Miller provided some historical facts.

He also referred to the contract with Watchguard Video for in-car video systems for Sheriff patrol vehicles, which was approved at the November 10th Justice and Public Safety Committee meeting. He stated the contract has not yet been before the Finance Committee meeting due to additional clarification that had been requested and he anticipates the item being added to tomorrow's Full Board agenda as the Sheriff has committed to providing the information.

PUBLIC PARTICIPATION

Donna Cangemi, 11235 Hemlock Dr., Sterling Heights

**ADOPT ORDINANCE AMENDING SECTION 2 OF THE MACOMB COUNTY
EMPLOYEES RETIREMENT SYSTEM ORDINANCE**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Mocerri, supported by Flynn, to recommend that the Board of Commissioners adopt an Ordinance amending Section 2 of the Macomb County Employees Retirement System Ordinance; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED.**

ITEMS WAIVED BY INFRASTRUCTURE COMMITTEE CHAIR

**Michigan Department of Transportation (MDOT) Contract-Paving of
34 Mile Road from Campground to Fisher Road/Department of Roads**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Brown, supported by Carabelli, to recommend that the Board of Commissioners approve the Michigan Department of Transportation contract outlining scope of work and funding for paving of 34 Mile Road from Campground to Fisher Road in Bruce Township at an estimated cost of \$2,501,500; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Commissioner Brown noted a correction: the area being paved is located in Bruce Township, not in Ray Township as indicated in the back-up material.

Director of Roads Bob Hoepfner gave an overview of the contract.

The following commissioner spoke: Brown.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

**Cost Share Agreement with Macomb Township-24 Mile Road/
Department of Roads**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Sabatini, supported by Carabelli, to recommend that the Board of Commissioners approve the cost share agreement between the Macomb County Department of Roads and Macomb Township for the resurfacing of 24 Mile Road from Springdale to Foss at an estimated total cost of \$3,067,545; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Director of Roads Bob Hoepfner gave an overview of the agreement.

The following commissioner spoke: Carabelli.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

Clark Construction Company Contract for Construction Management Services for Central Campus Renovations/Facilities and Operations

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Flynn, to recommend that the Board of Commissioners approve the modified AIA contract (A-133-2009) between the County of Macomb and Clark Construction Company in the amount of \$2,586,443 for construction management services for the Downtown Campus Plan; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Lynn Arnott-Bryks, Director of the Facilities and Operations Department, gave an overview of the contract.

The following commissioners spoke: Flynn, Klinefelt, Carabelli and Brown.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED WITH KLINEFELT AND VOSBURG VOTING “NO.”**

Bernco, Inc. Contract for Interior Demolition-County Building/Facilities and Operations

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Mijac, supported by Sauger, to recommend that the Board of Commissioners approve a contract between the County of Macomb and the low qualified bidder, Bernco, Inc., in the amount of \$895,000 for the interior demolition – County Building; funds for this project are available in the Capital Budget; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Lynn Arnott-Bryks gave an overview of the bid process.

The following commissioner spoke: Klinefelt.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED WITH KLINEFELT AND VOSBURG VOTING “NO.”**

Global Green Services Group Contract for Hazardous Materials Removal for Interior Demolition-County Building/Facilities and Operations

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Brown, supported by Carabelli, to recommend that the Board of Commissioners approve contract between the County of Macomb and the low qualified bidder, Global Green Services Group, in the amount of \$334,000, for the hazardous materials removal for the interior demolition – County Building; funds for this project are available in the Capital Budget; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Lynn Arnott-Bryks gave an overview of the bid process.

The following commissioner spoke: Vosburg, Klinefelt, Carabelli and Mijac.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED WITH KLINEFELT VOTING “NO.”**

Adopt Resolution Supporting Macomb County's Proposal to Request MDOT's Transportation Economic Development Fund for Executive Drive in Harrison Township (OFFERED BY CARABELLI AND VOSBURG)

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Carabelli, supported by Vosburg, to recommend that the Board of Commissioners adopt a resolution supporting Macomb County's Proposal to Request MDOT's Transportation Economic Development Fund for Executive Drive in Harrison Township.

The following commissioner spoke: Brown.

Chair Miller noted two amendments that have been recommended by John Crumm, Director of Planning for the Department of Roads: first paragraph, third line, replace the word “fix” with “reconstruct”, and second paragraph, second line, insert the word “manufacturing” before the word “job”. There were no objections.

Chair Miller requested that his name be added to the resolution; there were no objections.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED.**

Adopt Resolution Amending the Complete Streets Policy

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Flynn, supported by Carabelli, to recommend that the Board of Commissioners adopt a resolution amending the Complete Streets Policy. **THE MOTION CARRIED.**

RATIFICATION OF 2015 WAGE RE-OPENER FOR 16 BARGAINING GROUPS

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Sauger, supported by Flynn, to recommend that the Board of Commissioners concur in the recommendation of the Macomb County Executive and the Human Resources and Labor Relations Department and approve ratification of a 2015 wage re-opener, as tentatively agreed to and ratified by the membership of the following bargaining groups: Building Trades Association, Macomb County Environmental Health Association, MCPDSA-Correction Officers, Michigan Nurses Association, POAM-Juvenile Justice Center, POLC-Captains/Jail Administrator/Chief of Staff, Teamsters Local #214 (Circuit Court/FOC), Teamsters Local #214 (Court Reporters), TPOAM (Family Court and Juvenile Justice employees), UAW Local 412-Unit 39 (General), UAW Local 412-Unit 46 (Assistant Prosecutors), UAW Local 412-Unit 49 (IT), UAW Local 412-Unit 75 (Supervisors), UAW Local 412-Unit 95 (Corporation Counsel), UAW Local 412-Unit 98 (Head Start professionals) and UAW Local 889; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Eric Herppich, Human Resources and Labor Relations Director, gave an overview.

Steve Smigiel, Interim Finance Director, commented on the budget adjustments that will be necessary for this action.

The following commissioners spoke: Miller, Boyle, Sabatini, Klinefelt, Brown, Vosburg and Flynn.

MOTION

A motion was made by Sabatini, supported by Klinefelt, to postpone #8 and #9 until the end of the agenda. **The Motion Carried.**

QUARTERLY REVENUE AND EXPENDITURE REPORTS FOR 9-30-14

MOTION

A motion was made by Sabatini, supported by Vosburg, to receive and file the Quarterly Revenue and Expenditure Reports for September 30, 2014.

Steve Smigiel summarized the reports.

The following commissioners spoke: Vosburg, Brown and Miller.

Chair Miller called for a vote on the motion and **The Motion Carried.**

**ADOPT RESOLUTION URGING DETROIT INSTITUTE OF ART (DIA) TO
IMPLEMENT ACCOUNTABILITY PROCEDURES TO PROVIDE GREATER
TRANSPARENCY FOR SENIOR EXECUTIVE COMPENSATION
(OFFERED BY COMMISSIONERS MIJAC AND KLINEFELT)**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Mijac, supported by Klinefelt, to recommend that the Board of Commissioners adopt a resolution urging Detroit Institute of Art (DIA) to implement accountability procedures to provide greater transparency for senior executive compensation.

The following commissioners spoke: Klinefelt, Brown and Vosburg.

MOTION

A motion was made by Vosburg, supported by Brown, to postpone.

Commissioner Klinefelt asked that the resolution be referred to tomorrow's Full Board meeting.

Board Chair Flynn said he will place the resolution on tomorrow's Full Board agenda.

Chair Miller called for a vote on the motion to postpone and **The Motion Carried.**

CORRESPONDENCE

**U.S. Small Business Administration-Update on SBA Disaster Loans and
Relocation of Business Recovery Center in Macomb County**

MOTION

A motion was made by Mijac, supported by Smith, to receive and file the information provided. **The Motion Carried.**

State of Michigan Department of Treasury-Inflation Rate Multiplier for Use in the 2015 Assessments

MOTION

A motion was made by Smith, supported by Sabatini, to receive and file the information provided. **The Motion Carried.**

Board Chair Flynn requested going into Executive Session at this time to discuss the Human Resources' issues and then addressing agenda items #8 and 9, prior to going into the Executive Session that was scheduled with Corporation Counsel and Independent Counsel.

MOTION

A motion was made by Klinefelt, supported by Brown, to enter into Executive Session for the purpose of discussing labor negotiations. **The Motion Carried.**

In accordance with the motion, committee entered Executive Session at 9:56 a.m., with it concluding at 10:21 a.m.

RATIFICATION OF 2015 WAGE RE-OPENER FOR 16 BARGAINING GROUPS

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Tocco, supported by Klinefelt, to recommend that the Board of Commissioners concur in the recommendation of the Macomb County Executive and the Human Resources and Labor Relations Department and approve ratification of a 2015 wage re-opener, as tentatively agreed to and ratified by the membership of the following bargaining groups: Building Trades Association, Macomb County Environmental Health Association, MCPDSA-Correction Officers, Michigan Nurses Association, POAM-Juvenile Justice Center, POLC-Captains/Jail Administrator/Chief of Staff, Teamsters Local #214 (Circuit Court/FOC), Teamsters Local #214 (Court Reporters), TPOAM (Family Court and Juvenile Justice employees), UAW Local 412-Unit 39 (General), UAW Local 412-Unit 46 (Assistant Prosecutors), UAW Local 412-Unit 49 (IT), UAW Local 412-Unit 75 (Supervisors), UAW Local 412-Unit 95 (Corporation Counsel), UAW Local 412-Unit 98 (Head Start professionals) and UAW Local 889; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

The following commissioner spoke: Vosburg.

Chair Miller called for a vote on the motion and **THE MOTION CARRIED WITH BROWN, SABATINI AND VOSBURG VOTING "NO."**

**BUDGET AMENDMENTS TO 2014-2015 BUDGETS FOR PAYMENT OF
DECEMBER, 2014 PROPOSED LUMP SUM DISTRIBUTIONS FOR UNION
AND NON-UNION EMPLOYEES**

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Tocco, supported by Boyle, to recommend that the Board of Commissioners authorize the County Executive to make necessary budget amendments to the 2014 and 2015 budgets to allow for the payment of the December 2014 proposed lump sum distributions for union and non-union employees as outlined in a November 18, 2014 memo from the interim Finance Director; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive.

Chair Miller requested a friendly amendment: include "in the amount not to exceed \$1,899,717. That was accepted by maker and supporter

Chair Miller called for a vote on the motion and **THE MOTION CARRIED WITH BROWN, SABATINI AND VOSBURG VOTING "NO."**

The motion now reads as follows:

COMMITTEE RECOMMENDATION – MOTION

A motion was made by Tocco, supported by Boyle, to recommend that the Board of Commissioners authorize the County Executive to make necessary budget amendments to the 2014 and 2015 budgets, in the amount not to exceed \$1,899,717, to allow for the payment of the December 2014 proposed lump sum distributions for union and non-union employees as outlined in a November 18, 2014 memo from the interim Finance Director; further, this budget action addresses budgetary issues only. It does not constitute the Commission's approval of any County contract. If a contract requires Commission approval under the County's Contracting Policy or the County's Procurement Ordinance, such approval must be sought separately; further, a copy of this Board of Commissioners' action is directed to be delivered forthwith to the Office of the County Executive. **THE MOTION CARRIED WITH BROWN, SABATINI AND VOSBURG VOTING "NO."**

**EXECUTIVE SESSION TO DISCUSS ATTORNEY/CLIENT PRIVILEGED
CORRESPONDENCE FROM CORPORATION COUNSEL DATED NOVEMBER 7,
2014 AND INDEPENDENT COUNSEL DATED NOVEMBER 18, 2014**

Commissioner Tocco requested adding discussion of a November 17th correspondence from Independent Counsel.

MOTION

A motion was made by Flynn, supported by Tocco, to enter into Executive Session for the purpose of discussing an attorney/client privileged correspondence from Corporation Counsel dated November 7, 2014 and Independent Counsel dated November 17 and November 18, 2014.

A roll call vote was taken as follows:

Voting yes were Boyle, Brown, Carabelli, Flynn, Klinefelt, Mijac, Miller, Sabatini, Sauger, Smith, Tocco and Vosburg. There were 12 "Yes" votes.

The Motion Carried.

In accordance with the motion, committee entered Executive Session at 10:30 a.m., with it concluding at 12:04 p.m.

Board Chair Flynn chaired the meeting.

ADJOURNMENT

MOTION

A motion was made by Sauger, supported by Klinefelt, to adjourn the meeting at 12:05 p.m. **The Motion Carried.**



Corinne Bedard
Committee Reporter