

PERSONNEL / WAYS & MEANS COMMITTEE

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MEMBERS

Terry Collins, Ralph Tillotson
Committee of the Whole

MEETING LOCATION

301 N. Main Street – Adrian, MI

Minutes: Tuesday, June 13, 2023 – 10:52 a.m.

Present: Commissioners Collins, Bales, Bolton, Jenkins-Arno, Krasny, Martis, Stimpson, Tillotson, and Van Doren

Also Present: Kim Murphy, John Gillooly, Shannon Elliott, Rebecca Borton, Jennifer Ambrose, Leslie Kovalski, James and Sandie Brissette, Wendy Chetkovich, Francine Zysk, Sheriff Bevier, Gordon Gauss, Matthew Turgeon, Bob and Karol Knoblauch, Erin Van Dyke, Tracy Stace, Jenny Escott, Ed Scheffler, Ben Ricker, Thomas Kendziora, Roxann Holloway, Carolyn Bater, Bev Ahlers, Rachel McAran, Mary Lowe (The Daily Telegram) Judi Gilmore, and Ian Wendt (WLEN), Victoria Powell, Carlos Thagard, and Dan Swallow

I. Approval of Minutes

Motion by Van Doren, seconded by Stimpson, to approve the minutes of the May 9, 2023 meeting. Motion carried.

II. PERSONNEL BUSINESS

- A. Employment Changes:** Personnel changes were available for review.
- B. Other Personnel Business:** No other personnel business was presented.

III. WAYS AND MEANS BUSINESS

- A. Finance Reports:** Administrator Murphy reviewed points of interest in the General Fund Income Statement and the Fund Equity Change Report. She also identified and reviewed fund deficits.
- B. Third Quarterly Allotment of Appropriations**

Motion by Bolton, seconded by Van Doren, to recommend approval of the 3rd Quarterly Allotment of Appropriations by way of resolution. Motion carried.

- C. Bid Acceptance – Architect / Engineering MSC Project:** Kim reviewed a recommendation for bid approval for the architect and engineering services for the Maurice Spear Campus renovation project. There were four bids received and she reviewed each.

Byce and Associates have experience in over 240 corrections, justice, and public safety projects. They provided a detailed timeline and benchmarks to assure the timely completion of the project. They are partnering with Securitecture whose area of expertise includes criminal justice, public safety, behavioral health, historic preservation adaptive reuse, and communications/security needs. Byce is proposing a \$45,000 fee for Phase 1 which is for program validation, charrette, conceptual and schematic design. Phase 2 is design development, construction documents, bidding and awards, and construction observation for a cost of 6% cost of the work. Based on a project of \$20 million, less \$4 million in soft costs, their final costs are anticipated at approximately \$1,005,000.

Comm. Tillotson recommended having a “not to exceed” provision included. Kim explained that the Architect and Engineering fees are based on a percentage of the total cost; which are unknown at this time. Bryce and Assoc did provide a base price of \$45,000 for Phase I, with continuing services based on a percentage of the overall cost.

Comm. Jenkins-Arno asked about the timeline and September 2025 was offered as a project completion date

The current state of the facility and juvenile detention state-wide was reviewed.

Motion by Martis, seconded by VanDoren, to recommend approval of the bid from Byce & Associates for the Architect and Engineering work associated with the Maurice Spear Campus renovation project. Motion carried.

D. Physical Resources: TPS Project Proposal – Nick Williams

The TPS Project Proposal was moved up on the agenda at the request of Comm. Van Doren, there were no objections

Nick Williams presented a proposal for the use of the property formerly known as the Tecumseh Products Site to manufacture steel tubes. Tecumseh Tubular Products is a mill project that he has been working on for some time. He explained that they will use steel coils to manufacture steel tubing. This is a fully automated system that will initially create 30 to 50 jobs and within 5 to 7 years create 100 to 150 jobs, and added that no position would be paid less than \$25 per hour. He currently has three plants (Detroit, Erie, and Gary, Indiana). Mr. Williams stated he is interested in the entire site, but only needs the building to initiate the process, and anticipates putting approximately \$11 million into the site

Carlos Thagard talked about the automated tubing system that his company, FD Machinery, produces and he shared a video. Their automated system requires minimal training and is safer to operate while producing quality products.

Mr. Williams would like to purchase the property upfront or over a 5-year land contract. An appraisal would be required to purchase upfront.

There were discussions regarding site preparation and clean-up responsibilities.

Mr. Williams expressed his appreciation for Commissioner VanDoren, Krasny, and Martis' assistance. He was recently re-introduced to members at Lenawee Now, and they will be looking into additional funding opportunities.

Dan Swallow, City of Tecumseh, mentioned that he escorted Mr. Williams through the site, which is zoned industrial, and is interested in learning more about the proposal.

Mr. Williams was thanked for the presentation.

E. Solicit RFP for Architect/Engineering for Judicial Building: Kim reviewed the renovation needs of the judicial building.

There are various departments and functions in the building, I and Kim recommended that a needs assessment be performed prior to moving forward with any permanent plans for renovations and/or construction. This will enable a third-party entity to work with the County to determine the needs and logistics.

Motion by Van Doren, seconded by Martis, to recommend authorizing the Administrator's office to solicit proposals for a Needs Assessment of the Judicial Building. Motion carried.

F. Drain Commission Financing: Jenny Escott reviewed the funding process of the drain projects which may be funded through bond issuance, bid solicitations from financial institutions or individuals, or through the Revolving Drain Fund (802).

Recently, financial institutions have begun requiring the full faith and credit of the County Board of Commissioners for every note.

She submitted three proposals.

- 1) Pass a full faith and credit resolution backing notes issued in the 2023 calendar year in the aggregate principal amount not to exceed \$500,000.
- 2) Authorize the County Treasurer to fund notes with specific terms and interest rate through the General Fund or the Delinquent Tax Fund.
- 3) Increase the Revolving Drain Fund (802) by an additional \$750,000.

The Revolving Drain Fund was established in 1981 with \$225,000 and was last increased to \$750,000 in 2009. As the cost of projects and maintenance continue to increase, which in turn raises assessments, note terms are being extended out.

There are currently 33 Drain Project notes outstanding.

Jenny suggested that the Full Faith In Credit resolution for the remainder of 2023, as well as, consideration of a 2024 budget increase in the 802 Revolving Loan Fund.

There were discussions regarding borrowing funds from the County when it is feasible.

Kim recommends moving forward with the full faith and credit resolution that would allow the Drain Commission to continue borrowing practices for the remainder of the year. With the understanding that if no bids are received for the notes, Jenny will come

back to address it. This will allow the finance division an opportunity to determine the best way to increase the 802 fund balance for 2024.

Motion by Stimpson, seconded by Van Doren, to recommend approval of the good and faith resolution. Motion carried.

G. Committee Referrals/Recommendations

Criminal Justice Committee: RFP Inmate Healthcare

Motion by Stimpson, seconded by Van Doren, to recommend authorizing the solicitation of RFPs for inmate healthcare services. Motion carried.

H. Other Ways & Means Business

Comm. Van Doren circled back to the Tecumseh Tubular Products proposal and the direction of the Committee. They need to be aware of covenants on the property and they may want to meet with EGLE.

Comm. Martis would hate to miss an opportunity to move forward with a solution that would benefit the county.

There were discussions regarding the property's current condition. There are remediations that need to be addressed by the property owner such as the surface debris, and electrical lines, that needs to be removed prior to Tecumseh Products can install an underground injection/extraction system. There is the longer term clean up of ground water.

The Committee is interested in the project and will wait for a formal proposal from Mr. Williams following his due diligence.

Mr. Williams provided contact information today and Kim Murphy will follow up with him.

Kim provided an update on the status of obtaining an appraisal. The company hired to prepare the appraisal recently notified her that after reviewing the environmental information, they have determined that an appraisal is beyond their scope and they are unable to complete an appraisal. Another company will need to be hired.

The County has invested approximately 2.3 to 2.4 million, and costs continue to incur.

John Gillooly confirmed that due diligence is extremely important for both the purchaser and the seller. No formal action is needed by the Board of Commissioners at this time until an offer is made. He noted that 4-6 months is a short timeline and it may be extremely difficult to accomplish.

IV. CONSENT AGENDA

Action items approved at this meeting will be placed on the Board of Commissioners Consent Agenda unless requested to be removed.

V. PUBLIC COMMENT

Kim reviewed an invitation shared by Francine Zysk to attend a town hall meeting in August 17th to develop an action plan to combat the opioid epidemic in Lenawee County.

VI. COMMISSIONER COMMENTS

There were no Commissioner comments.

VII. ADJOURNMENT

Motion by Tillotson, seconded by Martis, to adjourn the meeting at 12:32 p.m. Motion carried.