



## Budget & Finance Committee

Thursday, September 20, 2018 at 2:30 p.m.  
Room 212 – Otsego County Building  
225 West Main Gaylord, MI 49735

### MINUTES

#### CALL TO ORDER

Mr. Beachnau called the meeting to order at 2:33 p.m.

Roll call – Present: Paul Beachnau, Ken Borton, Ken Glasser, Rob Pallarito, Rachel Frisch, Tim Hanley, Diann Axford, Tim Cherwinski

#### APPROVAL OF MINUTES

Motion by Mr. Glasser to approve the minutes from the August 15, 2018 Budget and Finance Committee meeting. Seconded by Mr. Pallarito. Motion passed unanimously.

#### UNFINISHED BUSINESS

None

#### NEW BUSINESS

##### A. Budgets for September Year End (Bus & OCCOA)

Mr. Cherwinski presented the budget for the Otsego County Bus. The budget has already been approved by the Board in March as the bus is required to submit their budget to the State early.

Motion by Mr. Glasser to recommend to the full board the adoption of the Otsego County Bus 9/30/2019 budget as provided. Seconded by Mr. Borton. Motion passed unanimously.

Ms. Frisch presented the Otsego County Commission on Aging's budget. The budget was approved by the Commission on Aging's Board on September 12, 2018.

Motion by Mr. Borton to recommend to the full Board the adoption of the Otsego County Commission on Aging's 9/30/2019 budget as provided. Seconded by Mr. Glasser. Motion passed unanimously.

##### B. Airport GPU Purchase

Ms. Frisch presented information about the purchase of a new GPU (ground power unit) for the Airport. The current GPU is getting old and starting to show its age. There are risks to aircraft using the old unit as some electrical systems may be damaged from the unit shutting off. Bids were requested to replace the GPU. Aero Specialties, Inc. had the low bid totaling \$35,827.01. The GPU will be purchased within the current Airport budget fund 281.

Motion by Mr. Borton to recommend to the full Board the approval of the purchase of a new GPU from the lowest bid by Aero Specialties, Inc. in the amount of \$35,827.01 using funds from the current Airport budget (Fund 281). Seconded by Mr. Pallarito. Motion passed unanimously.

### **C. Bids for Trading Post and Info Center Demos**

Ms. Frisch presented information on the demolition bids for the Trading Post and the old Information Center.

The Trading Post property in Waters, MI has gone through the tax foreclosure process. The property includes an uninhabitable structure and an underground fuel tank (contained). Phase 1 environmental assessment has been performed which recommended the building be demolished and the tank removed. Funds for the demolition and tank removal would come from the Tax Foreclosure Fund (617).

The old Information Center on the corner of South Otsego and 1<sup>st</sup> Street is in disrepair. The County assessed the needs for that space and determined that it would be best to demolish the building. Funds for this project will come from the Capital Project Fund (499).

The projects were bid in one bid package. The low bidder is EF Wilkinson & Sons for a total of \$39,598.48 (\$30,127.19 for the Trading Post, \$9,471.29 for the old Information Center).

Motion by Mr. Glasser to recommend to the full board the approval of the low bid by EF Wilkinson & Sons in the amount of \$39,598.48 of which \$30,127.19 is for the demolition of the Trading Post funded through the Tax Foreclosure Fund (617) and the remaining \$9,471.29 is for the demolition of the old Information Center funded through the Capital Projects Fund (499). Seconded by Mr. Borton. Motion passed unanimously.

### **D. Bids for Courtroom 101 AC/Heating unit**

Ms. Frisch indicated that the air conditioning/heating unit in courtroom 101 at the Alpine Center is in need of replacement. The lowest bid came from JP Heating in the amount of \$13,073. The funds for this project will come from the Courthouse Restoration Fund (497).

Motion by Mr. Borton to recommend to the full board the approval of the low bid from JP Heating in the amount of \$13,073 to replace the air conditioning/heating unit in courtroom 101 funded by the Courthouse Restoration Fund (497). Seconded by Mr. Glasser. Motion passed unanimously.

### **E. Floor of Nature Center**

Commissioner Glasser discussed the need to replace the floor in the Nature Center. The Nature Center would like to create a rentable space to help offset some of the operating costs. Hickerson Tile & Floor Haus bid \$8,280 to complete the job. Funds from the Capital Projects fund (499) are available and will be used to pay for the flooring. Due to the bid being under \$10,001, according to the Otsego County Purchasing Policy, approval of the full Board is not required.

Motion by Mr. Glasser to recommend the replacement of the flooring in the Nature Center work to be completed by Hickerson Tile & Floor Haus at a cost of \$8,280 to be funded by the Capital Projects Fund (499). Seconded by Mr. Pallarito. Motion passed unanimously.

### **F. Christmas Lights Project**

Ms. Frisch presented a rendering of the proposed new Christmas lights for the Downtown County building. The Chamber and the DDA are trying to coordinate an effort to have all buildings use the same look. Bronner's Christmas Wonderland has the low bid at \$8,600. Funds to complete this

project are available and will come from the Capital Projects Fund (499). Due to the bid being under \$10,001, according to the Otsego County Purchasing Policy, approval of the full Board is not required.

Motion by Mr. Glasser to approve the bid from Bronner's Christams Wonderland in the amount of \$8,600 to update the Christmas decorations on the County building downtown to be funded with funds from the Capital Projects Fund (499). Seconded by Mr. Borton. Motion passed unanimously.

#### **G. Emergency Management Budget Amendment**

Mr. Hanley presented a budget amendment for the Emergency Management Fund (261). The fund has planned to fund 50% of the purchase of 800MHz radios for local fire departments. Several fire departments have decided to purchase the upgraded systems in 2018.

Motion by Mr. Pallarito to recommend to the full Board the approval of the budget amendment for the Emergency Management Fund (261). Seconded by Mr. Glasser. Motion passed unanimously.

#### **H. Property Tax Updates**

Ms. Frisch updated the Committee on the upcoming changes to the property taxes. The personal property tax reimbursement the County receives from the State should remain the same for the next few years. Mr. Hanley spoke with Mr. Heideman from the State of Michigan. Mr. Heideman indicated the property tax reimbursement would be approximately \$100,000 for the next few years. Ms. Frisch also gave an update on the Dark stores case in Escanaba. The results of this case will eventually be used as a benchmark. The impact of the case could have a significant impact on our County.

#### **I. August Financials**

The Committee reviewed and discussed the reports.

#### **J. Credit Card Statements**

The Committee reviewed and discussed the statement

Mr. Beachnau adjourned the meeting at 3:30 p.m.