SPECIAL MEETING

BAY COUNTY BOARD OF COMMISSIONERS

A G E N D A

TUESDAY, JUNE 18, 2013

4:15 P.M. (Or immediately following P/HS Committee meeting)

COMMISSION CHAMBERS, FOURTH FLOOR, BAY COUNTY BUILDING

PAGE NO.		
	I	**CALL TO ORDER (CHAIRMAN KRYGIER)**
	II	**ROLL CALL**
	III	**INVOCATION**
	IV	**PLEDGE OF ALLEGIANCE**
	V	**CITIZEN INPUT (4:15 P.M.)**
	VII	**ITEMS FOR CONSIDERATION**
		A. Resolutions
1- 7		1. No. 2013-108 - Resolution Declaring Official Intent to Reimburse Project Expenditures with Bond Proceeds and Authorizing Publication of Notice of Intent to Issue Bonds
8- 9		2. No. 2013-109 - Retention of Bond Counsel for Issuance of Bonds for Water Supply System Improvements
10-11		3. No. 2013-110 - MAXIMUS Contract (Finance Dept.)
	VIII	**UNFINISHED BUSINESS**
	IX	**NEW BUSINESS**
	X	**MISCELLANEOUS**
	XI	**ANNOUNCEMENTS**
	XII	**CLOSED SESSION**
	XIII	**RECESS/ADJOURNMENT**

RESOLUTION NO. 2013 - 108
RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE PROJECT EXPENDITURES WITH BOND PROCEEDS AND AUTHORIZING PUBLICATION OF NOTICE OF INTENT TO ISSUE BONDS

At a special meeting of the Board of Commissioners of the County of Bay (the "County"), held on the 18th day of June, 2013.

PRESENT: _____

_____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____:

WHEREAS, the County proposes to issue its tax-exempt bonds in one or more series (the "Bonds") to finance County water supply system improvements consisting of a new 17.4 MGD membrane water treatment plant with approximately two (2) miles of new twin 30-inch raw water transmission lines, and related improvements and appurtenances (the "Project"); and

WHEREAS, in order to preserve and promote the public health, safety and welfare of the present and future residents of the County, it is necessary to acquire, install and construct the Project, and the Project can be financed most economically and efficiently by the County through the exercise of the powers conferred by Act 342, Public Acts of Michigan, 1939, as amended, and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"); and

WHEREAS, it is anticipated that the County will advance a portion of the costs of the Project prior to the issuance of the Bonds, such advance to be repaid from proceeds of the Bonds upon the issuance thereof; and

WHEREAS, Section 1.150-2 of the Treasury Regulations on Income Tax (the "Reimbursement Regulations") specifies conditions under which a reimbursement allocation may be treated as an expenditure of bond proceeds, and the County intends by this resolution to qualify amounts advanced by the County to the Project for reimbursement from proceeds of the Bonds in accordance with the requirements of the Reimbursement Regulations; and

WHEREAS, a notice of intent to issue the Bonds must be published in order to comply with the requirements of Section 33 of Act 94.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County, as follows:

1. The Project shall consist of the water supply system improvements described in the preamble hereto.

2. The maximum principal amount of obligations expected to be issued for the Project is $72,000,000.

3. The County hereby declares its official intent to issue the Bonds to finance the costs of the Project, and hereby declares that it reasonably expects to reimburse the County's advances to the Project as anticipated by this resolution.

4. The Bonds shall be authorized by proper proceedings subsequent to this resolution.

5. The County Clerk is hereby instructed to publish the notice of intent to issue bonds attached hereto as Exhibit A once in the *Bay City Democrat*, so as to be prominently displayed therein. It is hereby found and determined that said newspaper has general circulation in the County and that said notice contains the information required by section 33 of Act 94 and otherwise necessary to adequately inform the County electors of the nature of the Bonds.

6. All prior resolutions and parts of resolutions insofar as they may be in conflict with this resolution are hereby rescinded.

YEAS: _____

NAYS: _____

ABSTENTIONS: _____

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
)ss
COUNTY OF BAY)

I do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Commissioners of the County Bay, Michigan, at a special meeting held on the 18th day of June, 2013, and that notice of said meeting was given in accordance with the Open Meetings Act.

_____
Cynthia A. Luczak, County Clerk

EXHIBIT A

NOTICE OF INTENT TO ISSUE BONDS
BY THE COUNTY OF BAY, MICHIGAN

NOTICE IS HEREBY GIVEN, that the County of Bay, Michigan (the "County"), intends to issue bonds, in one or more series, in the aggregate principal amount of not to exceed $72,000,000 for the purpose of defraying all or part of the cost of water supply system improvements consisting of a new 17.4 MGD membrane water treatment plant with approximately two (2) miles of new 30-inch raw water transmission lines, and related improvements and appurtenances. On January 30, 2013, the Board of County Road Commissioners of the County, as designated County Agency for the County pursuant to Act 342, Public Acts of Michigan, 1939, as amended ("Act 342"), entered into a water supply agreement with three cities and ten townships within the County to construct and operate a new Bay Area Water Treatment Plant and raw water transmission lines to provide treated water to the same areas currently served by the Bay City Water Treatment Plant. The location for the new Bay Area Water Treatment Plant is adjacent to the current Bay City Water Treatment Plant on Euclid Avenue, just north of Lauria Road, in Bangor Township. The new Bay Area Water Treatment Plant will be supplied with raw water procured from the Saginaw-Midland Municipal Water Supply Corporation through a wholesale raw water service agreement.

The County expects the bonds to be sold to the Michigan Finance Authority in connection with its Drinking Water Revolving Fund Loan Program and/or its Local Government Loan Program. Each series of bonds will mature in not to exceed thirty (30) years and will bear interest at a rate or rates to be determined at the time of sale but in no event to exceed such rate or rates as may be permitted by law. Certain of the bonds may be subject to redemption prior to maturity.

The bonds will be issued under the provisions of Act 342, Act 94, Public Acts of Michigan, 1933, as amended, and a resolution or ordinance of the Board of Commissioners of the County and will be payable from the net revenues of the Bay Area Water Treatment Plant and Raw Water Transmission Mains System (the "System") and any improvements, enlargements and extensions thereto, and a statutory lien on said revenues will be established by said resolution or ordinance. The County will covenant and agree to fix and maintain at all times while any of the bonds shall be outstanding such rates for service furnished by the System as shall be sufficient to provide for payment of the necessary expenses of operation, maintenance and administration of the System and of the principal of and interest on the bonds when due, to create a bond and interest reserve account, if necessary, and to provide for such other expenditures and funds for the System as are required by the resolution or ordinance authorizing the issuance of bonds.

The County will pledge its full faith and credit as additional security for the payment of principal of and interest on the bonds. In the event of the insufficiency of the net revenues of the System to pay such principal and interest, the County will be obligated to pay the amount of the insufficiency from its general fund or levy taxes for such purpose. The County's ability to levy taxes to satisfy such full faith and credit pledge shall be subject to constitutional and statutory tax limitations on the taxing power of the County. In addition, the County may pledge certain of its revenues derived from the State of Michigan for the payment of principal of and interest on the bonds.

RIGHT TO PETITION FOR REFERENDUM

This notice is given, by order of the Board of Commissioners of the County, to and for the benefit of the electors and taxpayers of the County in order to inform them of their right to petition for a referendum upon the question of the issuance of the aforesaid bonds. The bonds will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice, a petition requesting a referendum upon such question, signed by not less than 10% or 15,000 of the registered electors in the County, whichever is less, shall have been filed with the undersigned County Clerk. In the event that such a petition is filed, the bonds will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the County qualified to vote and voting thereon at a general or special election.

FURTHER INFORMATION

Further information relative to the issuance of said bonds and the subject matter of this notice may be secured at the office of the County Clerk of Bay County, Bay County Building, Suite 101, 515 Center Avenue, Bay City, Michigan 48708-5122.

This notice is given pursuant to the provisions of Section 33 of Act 94, Public Acts of Michigan, 1933, as amended.

Cynthia A. Luczak
County Clerk
County of Bay

June 18, 2013

BAYCOUNTY

DEPARTMENT OF CORPORATION COUNSEL **BAY COUNTY**

MARTHA P. FITZHUGH
Corporation Counsel/Risk Manager
fitzhughm@baycounty.net

THOMAS L. HICKNER
County Executive

DEBRA A. RUSSELL
Legal Coordinator/Administrative Assistant
russelld@baycounty.net

TO: **COMMISSIONER ERNIE KRYGIER, CHAIR, AND THE BAY COUNTY BOARD OF COMMISSIONERS**

FROM: **CORPORATION COUNSEL MARTY FITZHUGH** MF

RE: **RETAINING BOND COUNSEL FOR ISSUANCE OF BONDS FOR WATER SUPPLY SYSTEM IMPROVEMENTS**

DATE: **JUNE 13, 2013**

Background: On February 5, 2013, the Bay County Board of Commissioners unanimously approved Resolution No. 2013-11 which authorized the process of financing the new water treatment plant to deliver water to customers in our region and also for the County to initiate a Request for Proposals for bond counsel services.

The County will advance some expenses of this transaction. The bond counsel services will be provided with the attorney fees drawn from the proceeds of the bond issuance.

For any retention of attorneys expected to exceed $20,000, the Bay County Purchasing Policy requires a Request for Qualifications. However, in this instance, Bob Redmond, Frances Moore and I relied upon another provision within the Large Purchases section of the Policy which includes "Exemptions" to the procedures required for purchases costing $20,000 or more (see page 23). "An Exemption... is permitted...When contracts of ... other public entities are used, if the Contractor extends the identical terms and conditions to the County, provided that the contract has been awarded through procedures substantially similar to those required by the Bay County Purchasing Policy [Page 23 (A)(2)].

In this instance, we established that the State of Michigan had approved 2 firms following its last Bond Counsel Request for Proposals, including Dickinson Wright, PLLC, a law firm specializing in bond work. The County established that Dickinson Wright, PLLC would provide Bay County with the same pricing it provides the State. This is compliant with the Purchasing Policy.

Paul Wyzgoski will be the attorney primarily responsible for managing the financing. The fee will be $1 per $1,000 of the aggregate principal amount of each series, with a minimum fee of $15,000 per series plus expenses payable upon delivery of each respective series of the bonds.

Recommendation: **That the Board of Commissioners authorizes the Board Chair to execute the retention letter with Dickinson Wright PLLC following approval as to legal form by Corporation Counsel.**

515 Center Avenue, Suite 402, Bay City, MI 48708-5125 (989) 895-4131
FAX (989) 895-7658 TDD (hearing impaired) (989) 895-4049

No. 2013-109

BAY COUNTY BOARD OF COMMISSIONERS

6/18/13

RESOLUTION

BY: BAY COUNTY BOARD OF COMMISSIONERS (6/18/13)

WHEREAS, On February 5, 2013 the Bay County Board of Commissioners unanimously approved resolution no. 2013-11 which authorized the process of financing the new water treatment plant to deliver water to customers in our region and also for the County to initiate a Request for Proposals for bond counsel services; and

WHEREAS, The County will advance some expenses of this transaction. The bond counsel services will be provided with the attorney fees drawn from the proceeds of the bond issuance; and

WHEREAS, While any retention of attorneys expected to exceed $20,000 requires a Request for Qualifications pursuant to the County's Purchasing Policy, in this instance the Board's Financial Analyst, the County's Purchasing Agent and Corporation Counsel relied on another provision within the Large Purchases section of the Policy which includes "Exemptions" to the procedures required for purchases costing $20,000 or more; and

WHEREAS, In this instance, it was established that the State of Michigan had approved 2 firms following its last Bond Counsel Request for Proposals, including Dickinson Wright, PLLC, a law firm specializing in bond work; and

WHEREAS, The County established that Dickinson Wright, PLLC, would provide Bay County with the same pricing it provides the State and this is compliant with the County's Purchasing Policy; Therefore, Be it

RESOLVED By the Bay County Board of Commissioners that Paul Wyzgoski will be the attorney primarily responsible for managing the financing; the fee will be $1 per $1,000 of the aggregate principal amount of each series, with a minimum fee of $15,000 per series plus expenses payable upon delivery of each respective series of the bonds; Be It Further

RESOLVED That the Board of Commissioners authorizes the Board Chair to execute the retention letter with Dickinson Wright, PLLC following legal review/approval.

ERNIE KRYGIER, CHAIR
AND BOARD

DWS - Water Treatment Plant - Bond Counsel

MOVED BY COMM._____

SUPPORTED BY COMM._____

COMMISSIONER	Y	N	E	COMMISSIONER	Y	N	E	COMMISSIONER	Y	N	E
BRANDON KRAUSE				KIM J. COONAN				MICHAEL E. LUTZ			
ERNIE KRYGIER				THOMAS M. HEREK							
VAUGHN J. BEGICK				DONALD J. TILLEY							

VOTE TOTALS:
ROLL CALL: YEAS_____ NAYS_____ EXCUSED_____
VOICE: YEAS_____ NAYS_____ EXCUSED_____

DISPOSITION: ADOPTED_____ DEFEATED_____ WITHDRAWN_____
AMENDED_____ CORRECTED_____ REFERRED_____

BAY COUNTY
FINANCE DEPARTMENT
Crystal A. Hebert
Finance Officer
hebertc@baycounty.net

Thomas L. Hickner
Bay County Executive

Kimberly A. Priessnitz
Assistant Finance Officer
priessnitzk@baycounty.net

Frances A. Horgan
Purchasing/Housing Rehab
horganf@baycounty.net

TO: Ernie Krygier, Chair
Bay County Board of Commissioners

FROM: Crystal Hebert, Finance Officer CH

DATE: June 13, 2013

SUBJECT: MAXIMUS Contract Award

REQUEST:
To allow Bay County to enter into a three (3) year contract, with an optional two (2) year extension, for the preparation of the county-wide central services cost allocation plan with MAXIMUS.

BACKGROUND:
Upon expiration of the current contract for the cost allocation plan, requests for proposals were released, as permitted under Bay County's Purchasing Policy in January 2013. Proposals from MAXIMUS, MGT of America, and Kohn Financial Consulting, L.L.C., were opened in February 2013.

ECONOMICS:
After an analysis of the pricing and a review of the supplemental material, the bid was awarded to MAXIMUS in April 2013, with an overall, five-year total price of $48,000. Funds currently exist in the 2013 Finance Budget.

RECOMMENDATION:
Authorize the County to enter into a three (3) year contract, with an optional two (2) year extension, with MAXIMUS for development of the county-wide central services cost allocation plan with MAXIMUS and authorize the Board Chair to sign any and all necessary documents subject to Corporation Counsel review and approval.

c: Tom Hickner, County Executive
Michael Gray, Assistant County Executive
Tim Quinn, Personnel Director
Robert Redmond, Financial Anaylst
Kimberly Priessnitz, Assistant Finance Officer
Marty Fitzhugh, Corporation Counsel

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No. 2013-110

BAY COUNTY BOARD OF COMMISSIONERS

6/18/13

RESOLUTION

BY: BAY COUNTY BOARD OF COMMISSIONERS (6/18/13)

WHEREAS, Upon expiration of the current contract for the cost allocation plan, RFP's were released pursuant to the County's Purchasing Policy; and

WHEREAS, Proposals were received from MAXIMUS, MGT of America and Kohn Financial Consulting, LLC and after analysis, the bid was awarded to MAXIMUS with an overall, 5 year total price of $48,000 and funds exist to cover this expense in the 2013 Finance Department budget; Therefore, Be It

RESOLVED That the Bay County Board of Commissioners approves the three (3) year contract, with an optional two (2) year extension, with MAXIMUS for development of the county-wide central services cost allocation plan and authorizes the Board Chair to execute the contract with MAXIMUS as well as all related documents, on behalf of Bay County following legal review/ approval; Be It Finally

RESOLVED That related required budget adjustments are approved.

ERNIE KRYGIER, CHAIR
AND BOARD

Finance - MAXIMUS Contract (3 yr)

MOVED BY COMM._____

SUPPORTED BY COMM._____

COMMISSIONER	Y	N	E	COMMISSIONER	Y	N	E	COMMISSIONER	Y	N	E
BRANDON KRAUSE				KIM J. COONAN				MICHAEL E. LUTZ			
ERNIE KRYGIER				THOMAS M. HEREK							
VAUGHN J. BEGICK				DONALD J. TILLEY							

VOTE TOTALS:
ROLL CALL: YEAS_____ NAYS_____ EXCUSED_____
VOICE: YEAS_____ NAYS_____ EXCUSED_____

DISPOSITION: ADOPTED_____ DEFEATED_____ WITHDRAWN_____
AMENDED_____ CORRECTED_____ REFERRED_____

-11-