



Bay County, Michigan

Cooperation, Collaboration, and Consolidation of Services Plan

Category 2 of the State of Michigan Economic Vitality Incentive Program (EVIP)

Introduction

With the passage of PA 63 of 2011, also known as the Fiscal Year 2012 Appropriations Act, the Michigan Legislature revised the state revenue sharing structure that had been in place for several years. Historically State Shared Revenue had two parts: Constitutional and Statutory. The revised structure does not change the Constitutional component; however, the Statutory component was eliminated and replaced with a new program called the *Economic Vitality Incentive Program (EVIP)*. Under the 2013-2014 EVIP requirements, a County can receive additional revenue sharing beyond the Constitutional portion by demonstrating the use of certain "Best Practices" in each of these three categories: 1) accountability & transparency, 2) consolidation of services, and 3) unfunded accrued liability plan.

The County of Bay met requirements for the first category, accountability & transparency, by the October 1, 2013, due date. The information provided herein will illustrate the County's on-going practice of intergovernmental cooperation. It will detail many of the successful past endeavors that are still in practice today, and list many new goals that the County will work on during the next fiscal year.

The third category relating to unfunded accrued liability plan will be responded to on or before June 1, 2014.

List of County Elected Officials

Clerk

Cynthia Luczak

County Commissioners

1st District- Michael Duranczyk

2nd District- Ernie Krygier

3rd District- Vaughn Begick

4th District- Kim Coonan

5th District- Thomas Herek

6th District- Donald Tilley

7th District- Michael Lutz

Drain Commissioner

Joseph Rivet

County Executive

Thomas L. Hickner

Prosecutor

Kurt Asbury

Register of Deeds

Brandon Krause

Sheriff

John Miller

Treasurer

Rick Brzezinski

Bay County Future Cooperation, Collaboration, and Consolidation Proposals and Projects

As of January 2014

Great Lakes Bay NG911 Phone Project

The following organizations began partnering in November 2013 to create a shared 911 phone system among the three counties. The current partners include:

1. Bay County 911
2. Midland County 911
3. Tuscola County 911

Currently, the phone systems of the three counties operate independently from one another using three separate analog phone systems.

Bay, Midland, and Tuscola 911 Directors and Information Technology Administrators have met with several vendors and network providers to determine the feasibility and needs of this project. It has been determined that a shared 911 phone system among the three counties can be implemented by using existing fiber and private network connections.

Bay, Midland, and Tuscola 911 Centers need to replace their current 911 phone systems and equipment with an effective solution capable of handling future technology and connecting to the upcoming Michigan Next Generation 911 (NG911) network. The current legacy systems do not allow certain functions and capabilities that are needed for the upcoming changes in call delivery, the ability to route or re-route emergency calls based on geographic location, the ability to provide virtual backup to other 911 Centers and allow for network, equipment and cost sharing. These 911 Centers need to be prepared to receive requests for emergency assistance from other technologies beyond voice calls such as a text or data message. The systems also need to be capable of processing photo or video sent from a caller or emergency responder.

A collaborative purchase will reduce implementation costs for each County by virtualizing the 911 phone systems and network. The project will increase overall system reliability and resiliency through network geo-diversity and equipment redundancy.

The project calls for a primary server to be located at Midland County 911 and a second identical server to reside at Bay County 911 for redundancy. A layer 2 network connection will be used to connect the servers at Bay and Midland Counties. A layer 3 network connection will connect Tuscola County and future sites to the network.

A shared VoIP system will provide beneficial outcomes, including the following:

- A decrease of \$14,586, annually, in administrative phone line fees.
- Increased reliability of the 911 system.
- Decreased implementation cost by approximately \$700,000 to Bay County 911, Midland County 911, and Tuscola County 911 respectively, by sharing the overall cost of a single NG911 phone system.
- Ability for 911 Centers to receive text and data messages
- Capability for 911 Centers to receive video, pictures and telematics data.

The estimated total cost of this project is \$1,050,000.00, which the partnering 911 centers have jointly applied for grant funding to cover the cost of the project. They applied for the Competitive Grant Assistance Program, through the Michigan Department of Treasury. The first round of applications for this funding for fiscal year 2014 is January 24, 2014.

The Great Lakes Bay NG911 Phone Project is estimated to be completed and operational by March 1, 2015.

Bay Future Merger

Bay Future, Inc. is exploring a partnership with Saginaw Future, Inc. This would combine the two economic development corporations to work under the Great Lakes Bay Region title, which will showcase the region as a whole, while allowing each community to maintain their individual identities.

Bay Future is a private-public economic development collaboration in Bay County, made up of an alliance of government, business and other organizations. The current partners in Bay Future are

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| <ul style="list-style-type: none"> • 1st State Bank • Associated Builders and Contractors, Inc. • AKT Peerless Environmental Services • Andrews Hooper & Pavlik P.L.C. • AT&T Foundation • Auburn DDA • Bangor DDA • Bangor Township • Bay Area Chamber of Commerce • Bay Area Community Foundation • Bay City DDA • Bay City IBEW/NEAC • Bay City Mall • Bay City Times • Bay County • Bay County Realtor Association • Bay Landscaping, Inc. | <ul style="list-style-type: none"> • Bay View Foods • Bellsmith Graphic Design and Promotional Concepts • Bierlein Companies, LLC • Boutell Enterprises/Firehouse Soft Wash • Catholic Federal Credit Union • Century 21 Signature Realty • Charter • Champagne & Marx Excavating • Chemical Bank • Citizens Bank now part of FirstMerit • City of Auburn • City of Bay City • City of Essexville • City of Midland • City of Pinconning • Commercial Equities Real Estate |
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- Consumers Energy
- Covenant HealthCare
- COPOCO Community Credit Union
- DoubleTree Hotel by Hilton
- Davidson Building
- Delta College
- Do-All, Inc.
- Donald J. Sabourin, DDS, PLLC/Genco Properties, LLC
- Dore Real Estate LLC
- The Dow Chemical Company
- Dow Corning Corporation
- EMCOR, Inc.
- Eōvations LLC
- Essexville DDA
- Euclid Industries, Inc.
- F.P. Horak Company
- Fabiano Brothers
- Fifth Third Bank
- FinancialEdge Community Credit Union
- FirstMerit Bank
- Frankenlust Township
- Fraser Township
- Garber Management Group
- Garfield Township
- General Motors Powertrain
- Gerace Construction
- Go-To Transport Inc.
- Gougeon Brothers
- Great Lakes Loons
- Gregory Construction Company
- H & H Wetters Farms
- Hagen Ford
- Hampton Township
- Herman Hiss & Company
- Impact Sound Entertainment
- Independent Bank
- ITC Transmission
- Ittner Bean & Grain
- Jeffrey C. Mayes
- Labadie Auto Company
- Lee Wood Contracting, Inc.
- MacMillan Associates, Inc.
- Mast, Foulds & Co., P.C.
- MBS International Airport
- McLaren Bay Region
- Merritt Township
- Mersen Bay City
- Michigan Sugar Company
- Michigan Works!
- Monitor Township DDA
- Moulthrop Clift, Inc.
- Old City Hall
- Portsmouth Township
- R.D.S. Management
- Rehmann
- RiversEdge Development Corporation
- Rowley's Wholesale
- Saginaw Bay WIN
- Rush Office Outfitters & Print Center
- S.C. Johnson, Inc.
- SPACE, Inc.
- Spence Brothers
- Spicer Group
- Stevens Worldwide Van Lines
- Saginaw Valley State University
- Thistledown Farms
- Three Rivers Corporation
- Thumb National Bank & Trust Company
- Two Men and A Truck
- UAW Region 1-D
- United Bay Community Credit Union
- Wade-Trim, Inc.
- Weinlander Fitzhugh
- Wells Fargo Advisors
- Wildfire Credit Union
- Williams Township
- Yeo & Yeo

Bay County was a founding member of Bay Future, serves on its Board of Directors, and is the organization's leading investor.

The Bay County Board of Commissioners has put forth a resolution in support of the merger between Bay Future Inc. and Saginaw Future Inc. and has encouraged the

other partners to consider taking the same action. This project started Fourth Quarter of 2013

This partnership is not projected to produce any monetary savings, however its aim is to improve efficiency through regionalization. Combining the resources of these two corporations and their partner agencies under the Great Lakes Bay Region moniker will strengthen the economic development base in the region.

The partnership between Bay Future Inc. and Saginaw Future Inc., whether successful or not, will be completed by the Second Quarter of 2014.

Bay County Cooperation, Collaboration, and Consolidation Proposals and Projects

Updates on 2013 Projects

Bay County and Bay City GIS systems

There have been discussions of a more formal agreement between the City of Bay City and Bay County regarding their Geographic Information Systems (GIS) both in regards to GIS software and data layers. These discussions have been ongoing since 2006, however they became more focused in early 2013.

It is believed that there could be software savings by full utilization of existing software licenses as witnessed in the joint tax query partnership. Estimated annual savings could be \$10,000 per year or more. It is likely that the City of Bay City will enter into an Enterprise License Agreement (ELA) with ESRI which would allow the City of Bay City unlimited license, and it is yet to be determined how that might impact our joint efforts. The ELA would not occur until the Fourth Quarter of 2015.

This project is in progress.

GIS

Bay County, the Bay County Road Commission, Bay County 911, the City of Bay City, Saginaw County, Midland County, Dow Chemical, and United States Geological Service (USGS) have acquired digital orthophotography in both 2005 and 2010 independently. In 2010, there was an effort to coordinate the acquisition of this aerial photography as a joint project but due to timing issues and individual unique specifications of the final product, the project was not able to be combined.

Representatives from Bay County and the City of Bay City met during the Fourth Quarter of 2013 and the 1st Quarter of 2014 to discuss consolidating efforts and resources. It is anticipated that in October 2015, if funding allows, each entity will pursue a new digital orthophotography product and it is anticipated that this and any future orthophotography projects will be a combined effort. Estimated cost savings of this project is \$50,000 - \$60,000 every 5 years or approximately \$10,000 per year. As we continue discussions with not only Bay City, but adjacent and surrounding counties, including Saginaw, Midland, Isabella, and Gladwin all will likely benefit from a collaborative cost savings, due to the increased geographic size using the newest State of Michigan Aerial Photography program handled through the Center for Shared Solutions.

No barriers or setbacks have been encountered for this project.

This project is in progress.

Centralized Wellness Center for Self Insured Groups

The following organizations began partnering in March 2012 to create a Centralized Health Center for Self Insured Health groups. The current partner groups include:

1. Bay County Clerk's Office
2. Bay County Board of Commissioners
3. Bay County Drain Commissioner's Office
4. Bay County Executive's Office
5. Bay County Prosecutor's Office
6. Bay County Register of Deed's Office
7. Bay County Sheriff's Department
8. Bay County Treasurer's Office
9. All Act 139 Departments
10. Bay County Court system, including District Court, Circuit Court, Friend of the Court, and Probate Court

Other governmental entities, such as the Bay Arenac School District, City of Bay City, and Bay Arenac Behavioral Health had initially expressed interest in joining in this effort, but have not to this point done so for a variety of reasons. However, there continues to be some interest among other groups not directly associated with this effort, to join with Bay County.

Bay County is the first county to actually implement a Wellness Center in the State of Michigan.

Office visits to this Wellness Center are free for all Bay County employees, pre-65 retirees, and their dependents. The Wellness Center has the ability to dispense generic prescriptions at no cost because there will be no dispensing fees for prescriptions.

A shared Wellness Center provides many other benefits, including the following:

1. No cost visits to three locations, ensuring greater participation at lower claim costs to the organization
2. Low overhead, positively impacting overall claim costs
3. Improved employee morale by making it more convenient to see a medical professional; making the waiting time less, and providing employees better care.
4. Increased direct care management by the physician, reducing overall large claim costs for chronic and undetected claims.
5. Expanded wellness initiatives.

The proposed opening date was in the Third Quarter of 2013. The Wellness Center’s actual opening date was January 2, 2014. The delay was caused by employee and bargaining units contract negotiations. Bay County has 13 bargaining units that had to approve contracts before the end of 2013. The Bay County Personnel Department, which is also overseeing the Wellness Center, was busy with contract negotiations. All contracts are now approved, and the bargaining units have agreed with the Wellness Center as presented.

The estimated savings will be significant in the long run. Little or no savings are anticipated the first year due to ramp-up costs and less than full participation, it is anticipated that by 2015 the trend of rapidly escalating costs will be reversed. There will be an initial startup fee of approximately \$38,000 and the first year costs could possibly be slightly more than \$280,000, however, some, possibly most, of the costs should be offset by avoidance of payments to Blue Cross Blue Shield.

One Time Expansion Fee	\$	38,335
Annual Administrative Fee	\$	178,680
Adm. 1x fee (125 * \$18)	\$	2,250
Contracts (125 min * \$42.25*12)	\$	63,375
Total Year 1	\$	282,640

The contract was awarded to Total Family Health Care, Jeffrey Potts, M.D., to be effective January 1, 2014 –through December 31, 2016.

Completed.

Water Supply Agreement

The following municipalities are partnering to create the Bay Area Water Treatment Plant. The current partners include:

1. Bay County
2. Board of County Road Commissioners of the County of Bay
3. Bay County Department of Water and Sewer (a department of the Bay County Road Commission)
4. State of Michigan
5. City of Bay City
6. Charter Township of Hampton
7. City of Essexville
8. Charter Township of Bangor
9. Beaver Township
10. Frankenlust Township
11. Fraser Township
12. Kawkawlin Township

13. Merritt Township
14. Charter Township of Monitor
15. City of Pinconning
16. Charter Township of Portsmouth
17. Charter Township of Williams
18. Saginaw/Midland Municipal Water Supply Corporation

The Bay Area Water Treatment Plant will supply treated water to the above partners from a state-of-the-art membrane water treatment plant. These partnering municipalities will share in the process of acquisition, construction, operation, administration, and maintenance for this enterprise. Bay County, however, is financing the project through State of Michigan Drinking Water Revolving Fund (DWRF) and Local Government Loan Program (LGLP) bonds. The Bay Area WTP will be owned by Bay County while the bonds are outstanding and will be operated and maintained by Bay County Department of Water and Sewer, a department of the Bay County Road Commission. This project is a product of numerous meetings and studies defining the needs and options of the region, which began in earnest with an offer in January 2011 from the Saginaw-Midland Municipal Water Supply Corporation to supply raw water to a water treatment plant serving the entire Bay County Community.

This cooperative project will yield a higher quality of water through a newer process, with fewer chemicals involved. The operation will be less costly, as well, due to the absence of chemicals in the process. The Bay Area Water Treatment Plant will receive its raw water from Lake Huron-Saginaw Midland Municipal Water Supply Corporation Whitestone Point Facility. When completed, in addition to the partner communities, the Bay Area WTP will supply water through the Bay County Road Commission and its Department of Water and Sewer to the Bangor-Monitor Metropolitan Water District, the Kawkawlin Metropolitan Water District, the Beaver Road Water Association, Pinconning Township, and Wisner Township.

The proposed opening date of the Bay Area Water Treatment Plant is in the Fourth Quarter of 2015. The completion of this project is on schedule. The ground breaking for construction of this project was held in October of 2013. The project is in a construction phase.

No barriers or setbacks have been encountered for this project.

Cost of this project is projected at \$59.6 Million.

Data for Future and Current Cooperation, Consolidation, and Collaboration projects will be updated as new information becomes available.