

Monday, July 1, 2013

Pursuant to adjournment comes now the Starke County Board of Commissioners and meet in regular session at 10:00AM in the Annex Meeting Room, Knox, Indiana, with Kathy Norem, Kent Danford and Jennifer Davis present and the following proceedings were held to wit:

The meeting was called to order by President, Kathy Norem. She advised of additions to the posted agenda: the scheduling of a meeting with CIGNA for the mid-year health insurance report; the scheduling of Commissioners' Office hours for the month of July; a proposal to sell to the County, the old landfill property; and a request by EMA Director, Ted Bombagetti. President Norem inquired of any other additions or corrections to the posted agenda. Commissioner Davis inquired if there is an update in regard to the status of the federal lawsuit, Haut v Starke County. County Attorney, Marty Lucas advised there has been no decision at this time.

RE: EMS MONTHLY REPORT

EMS Director, Paul Mathewson, and Clerk MaryLynn Ritchie appeared before the Board to present their monthly report. Clerk Ritchie advised they had received a total of \$375.95 from Collections Attorney, Jonathan O'Hara, and \$88.00 from the Starke County Clerk, from Small Claims Court. She distributed a monthly report citing the number of runs for the month of June, noting the number of runs was down, but the number of revenue dollars is increasing. Commissioner Davis inquired if she could look at a report on the number of transfers leaving out of the hospital, not including the transfers to nursing homes. Clerk Ritchie advised it would be possible. Director Mathewson advised the new County policy in regard to part time status employees has been implemented in their department and the new schedule keeps their total monthly hours to less than 130. Director Mathewson presented to the Board a Technical Service Support Agreement, with Physio Control Company, the Company which provides support and service to the LifePak units. Commissioner Danford made a motion to approve the agreement, seconded by Commissioner Davis. The motion passed with all ayes, and the agreement was signed by President Norem.

RE: COUNTY HIGHWAY DEPT. MONTHLY REPORT

County Highway Superintendent, Rik Ritzler, appeared before the Board to present the monthly Highway Department report. He presented a request for a Utility Permit received from CenturyLink who is installing fiber optic cables at Toto Road at SR39 and CR250S at SR39. Commissioner Danford made a motion to approve the utility permit. Commissioner Davis seconded the motion, and it passed with all ayes. All three Commissioners signed the permit. Superintendent Ritzler advised: Mowing—the County mowing program is progressing as planned. They are completing the second cycle of mowing in most areas of the County. They have completed three mowing cycles in selected high traffic areas of the County. Chip & Seal Program—the chip & seal operations had been hampered by recent rains. They have completed eight miles so far. They are currently chip sealing in Oregon Township, and expect to move to Washington Township the next day. Culver Replacements—They have replaced eight culverts as of July 1. They will resume the replacements after the chip & sealing has been completed. They have six pipes on the replacement schedule. Bridge Replacements—they are obtaining hydraulic reports to assess the best way to replace the County's bridges in need of replacement. Bridge 50 is still closed, and is schedule for replacement next summer. The construction of Bridge 43 will begin as soon as the required permit is obtained. The US Army Corps of Engineers has released their approval of the project to IDEM and now they are waiting on approval from IDEM. JPR is keeping in contact with the permitting agencies so as to gauge the progress and assist as needed. Major Collectors—the application process is progressing as planned. US35 Bridge Replacement—the Highway Department is monitoring the progress on a daily basis. Intersection Safety—they have asked INDOT to reexamine the traffic conditions at two Starke County intersections, SR23 at SR8 and US35 at Toto Road. The INDOT Laporte District traffic office has initiated new studies at both intersections, to see if there is a need for the installation of flashing yellow lights. Truck Purchase—the three new trucks that were approved by both the Council and the Commissioners have been ordered. Two are expected to arrive in October and the third in December. The truck which was just recently purchased was used that day. Commissioner Danford inquired if gravel will be trucked into San Pierre, and the Superintendent advised not until the day they will be working on the roads in that area.

RE: LIABILITY AND WORKERS' COMPENSATION INSURANCE RENEWAL

Robert Lindenmeyer and Debbie Smith, of 1st Source Insurance, Randall Teltoe, of Burnham & Flower Insurance, and Judy Boch with the Workers' Compensation Insurance appeared before the Board to discuss the renewal premiums for the County's liability and workers' compensation insurance. Mr. Lindenmeyer advised due to the County's high claim amounts for the last five years he has experienced difficulty in renewing the County's insurance. He advised thus far two companies have declined to present a quote, and the other insurance is willing to insure with a \$1,000.00 deductible on equipment and vehicles, and a \$50,000.00 deductible on the other coverage. He noted the annual premium would increase from \$136,433. to \$153,784. He advised if the County decided to purchase a policy with a \$10,000.00 deductible the annual premium would be \$225,475. Ms. Boch advised in regard to the Workers' Compensation insurance, she has received five denials from various insurance carriers. Mr. Teltoe advised the County's loss ratio (ratio of total claims to annual premium amount) for the last five years, with each of the five years being over 100% of the premium amount, is way too high since the insurance companies are looking for a 40-45% loss ratio. President Norem inquired if they had the figures in regard to the County becoming self-insured. Mr. Teltoe advised the hard drive in his computer crashed over the weekend and he wasn't able to prepare that information. He also noted the present insurance company first stated they did not want to renew the County's policy, but he was able to talk them into a renewal. Commissioner Davis inquired if they had known how five years history was not good, why was there no action taken by the insurance company before now, why was it not increased earlier. Mr. Lindenmeyer stated the County's former agent had the ability to not

pass the increase on to the County the last three to four years. Mr. Lindenmeyer also advised another solution besides protected self-insurance would be a third party administrator (TPA), and a (SIR) is a self-insured with retention. Attorney Lucas inquired what would have been the expense to the County if the \$50,000.00 deductible had been in place over the last few years. Mr. Teltoe advised the County would have paid all the claims, plus paid the premiums. Ms. Smith advised the insurance companies are not seeing any returns from their investments, so that is why they are requesting a ratio loss of 50% or lower, to become more profitable. Attorney Lucas noted the DOW is over 15,000 now and investments should be turning around.

President Norem advised they would like to see the numbers on being self-insured with a catastrophic cap, noting it had to be less expensive than what they were proposing. Mr. Teltoe advised the insurance company would tell you what the cap would be, and it will be high due to the loss history. He noted they will run w/c insurance along with it. Attorney Lucas advised if last year's storm damage was included in the loss history since obviously the County had no control over that loss, but they might have been able to in earlier claims. President Norem stated they want to see figures on self-insurance with a catastrophic cap; they knew of the County's five year history and they failed to act of it; the County's agent negotiated for the County but the insurance carrier is responsible for their lack of action, and also the County has been seeing a trend in improvements. Commissioner Davis inquired how long before they see an improvement. Mr. Lindenmeyer advised it could be a three to five year process.

Mr. Lindenmeyer advised the workers' compensation insurance is not a rosy picture either. They had gone to five different companies to attempt to get coverage. He noted the County's experience ratio is 1.51 rising from a ratio of 1.25 last year. Ms. Boch advised the current renewal's premium will increase in cost by \$59,000.00. She also advised the w/c coverage could be rolled into the same self-insured package. President Norem stated the \$10,000.00 deductible with the 225,475 premium is not an option, and requested some definite proposals. Mr. Lindenmeyer advised the current policy expires on July 17th. Mr. Teltoe advised he would not be able to present any quotes before the 17th. President Norem stated they never told the County earlier, they should have been prepared and had the numbers prepared to look at other options. She inquired if the current policy could be extended. Mr. Lindenmeyer stated there is no window it expires on the 17th, and noted if extended until August 1st it would be pro-rated at the current rate. President Norem stated it was their fault premiums had not been increasing along the way not the County's. She advised they were done discussing the situation and they should go back and put pressure on their companies, and come back with the numbers. She advised they need to have at least a 48 hour notice to post a meeting. Commissioner Davis inquired if a different insurance agency giving a quote would be considered. President Norem noted the insurance company waited until the last minute to inform the County. She advised they should call around and see what other agencies say.

RE: AUDITOR'S BUSINESS—MINUTES, PAYROLL CLAIM, VENDOR CLAIMS

Commissioner Danford made a motion to approve the payroll for the pay period ending on June 22nd, with a pay date of June 28th, in the total gross amount of \$185,452.87. Commissioner Davis seconded the motion, and it passed with all ayes. Commissioner Danford made a motion to approve the vendor claims in the total amount of \$146,937.65. Commissioner Davis seconded the motion, and it passed with all ayes. Commissioner Danford made a motion to approve the minutes of the June 13th meeting, seconded by Commissioner Davis. The motion passed with all ayes. The final minutes of the June 3rd meeting were signed. Auditor Chaffins presented information on the present balance of the Estimated Revenues for the County General Fund. She advised as of June 30th a total of \$970,578.14 had been received, noting a total estimated yearly amount of \$1,698,950.; and thus far the County had received 57.13% of the estimated amount. She noted if the present rate continues the EMS Department would collect more than the estimated \$600,000.00 in yearly revenue. President Norem stressed the importance of correctly determining the amount of estimated revenue, since it is a big factor in creating the County General budget. She added, overestimating the revenue could cause huge issues in the budget process and the cash flow.

IN OTHER BUSINESS TO COME BEFORE THE BOARD:

GIS AGREEMENTS

President Norem advised the County has received a request to establish GIS Data Exchange agreements with surrounding Counties similar to the agreement the County presently has with LaPorte County. She noted the other Counties would be Fulton County, Marshall County, Porter County, Pulaski County and Jasper County.

Commissioner Danford made a motion to approve the agreements with all the surrounding counties, seconded by Commissioner Davis. The motion passed with all ayes. IT Director, Joe Short, advised each County will need to approve the agreement also, noting Starke County is initiating the process.

President Norem advised the County had also received a request to access the County's GIS Data from WTH for the Ag Exchange Farm Real Estate. WTH advised when the fully executed application is received by WTH and they receive the \$750.00 payment from their client, the County will receive a check in the amount of \$250.00 for the use of the GIS Data. Commissioner Danford made a motion to approve the request, seconded by Commissioner Davis. The motion passed with all ayes.

TAXABLE FRINGE BENEFITS

Auditor Chaffins advised she had received requests from the following employees to take the \$3.00 per day valuation of the taxable fringe benefit: Terry Stephenson, Building Commissioner; Dennis Estok, Surveyor; Joe Short, IT Director; Stephen Rik Ritzler, Highway Superintendent; Scott Dedloff, Highway Foreman; Terry McIntire, Sign Man/Driver. She noted there had been no response from EMS Director Paul Mathewson. President Norem advised Mr. Mathewson could take the \$3.00 valuation, or park the vehicle that afternoon, at 4:00PM.

COUNTY AUCTION REPORT

Commissioner Danford presented a brief report of the results of the County Auction held on June 14th. Total Gross Sales of the Highway Department: \$16,788.00 and they were distributed as follows: 7% commission—327.25; 15% commission—1816.95; advertising fee—189.40 leaving a net balance of \$14,454.40 which was receipted into

the Highway Department's Fund. The total gross sales of the County General Fund: \$3,085.00 and they were distributed as follows: 15% commission—462.75; advertising fee—189.40, leaving a net balance of \$2,432.85 which was deposited into the County General Fund.

TAXABLE FRINGE BENEFIT POLICY

Attorney Lucas advised he has written the County's Policy in regard to the employees who drive county vehicles and it being a taxable fringe benefit. He noted the policy will need to be approved by the County Council and suggested the Board of Commissioners recommend the policy to the Council at their joint meeting on July 15th.

REQUEST TO CLOSE CR50S, WEST OF SR39

County resident, Todd Lawrence, appeared before the Board to request the Board to consider the vacating of CR50S, west of SR39. Mr. Lawrence advised that area of CR50S, a one mile roadway, only leads to what is left of the old Shaw Farm. He noted the area was recently hit with some vandalism, and advised there is no need for any traffic to be on that road. The only traffic would be the access to the fields with the farm equipment. Mr. Lawrence also advised himself, and the heirs to the Shaw Farm, the Harper Brothers would maintain that section of the roadway. Attorney Lucas advised if the Board vacates that portion of the roadway, then the road will no longer exist, instead the Board could just close that portion of the road. President Norem inquired if that was something the Board could do now. Commissioner Davis stated she would like to see a statement from the Harpers noting their approval of this request. Commissioner Danford made a motion to take this matter under advisement, giving time for the Harpers to submit their approval statement. Commissioner Davis seconded the motion, and it passed with all ayes. President Norem asked the issue be added to the next meeting's agenda.

STATE HEALTH INSURANCE

President Norem advised the County had received a letter from the State soliciting the County's participation in the State's Group Health Insurance. She noted, as it would be a good idea to look at other options, she suggested Auditor Chaffins complete the questionnaire and provide the County's information to the State. Auditor Chaffins advised it would be possible to get that accomplished in the State's timeframe. Commissioner Danford made a motion to follow through with the process in order for the County to possibly participate in the State's Health Insurance. Commissioner Davis seconded the motion, and it passed with all ayes.

Commissioner Davis advised there has been no news in regard to the County's Animal Control Officer other than the Sheriff has agreed to add that item to his 2014 budget. She also noted working in cooperation with another County is still a possibility. President Norem questioned if possibly the Sheriff's Posse could assist the County with this issue.

Attorney Lucas advised, in regard to the situation with the Kone Company and the Courthouse elevator, there has been no response from Kone after he set them a letter. He also noted the outstanding invoice to Kone has not been paid. He advised in order to terminate the contract the County might want to consider filing a lawsuit in Small Claims Court to declare the contract is terminated. Commissioner Danford advised he would meet with the Courthouse Custodian, Carl Goodrich that afternoon.

President Norem advised it had been discovered that payments to Weaver & Boos, in regard to the monitoring at the old county landfill, had been paid out of the Cumulative Capital Fund, instead of the CEDIT Fund, Commissioners' Portion. She advised the corrections have been made, but there is not a sufficient balance of CEDIT appropriations left to pay the proposed project by Weaver & Boos, since the unexpended appropriations balance was \$44,000.00 and the project by Weaver & Boos will be \$58,000.00. Commissioner Davis noted the salary of the intern is to be paid from that CEDIT Fund also, and would not want to totally expend all of their CEDIT funding. Commissioner Davis made a motion to pay one half of the Weaver & Boos project out of the CEDIT Fund, and one half out of the Cumulative Capital Fund. The motion was seconded by Commissioner Danford, and passed with all ayes.

Attorney Lucas advised a policy in regard to delinquent tax property payment agreements have been established. He advised any taxpayer who is delinquent could have their property excluded from being offered at the county tax sale as long as the owner makes all timely payments, and is in full compliance with the terms and conditions of the agreement, and of the County's policy. He noted the policy was established with the requirements listed in IC 6-1.1-24-1.2. He summarized the policy as follows: The Treasurer would enter into the agreement with the taxpayer. The taxpayer agrees to the agreement and will pay all current and future tax bills on time. The Auditor reviews the agreement, and if not in agreement, or if not accepted, any payments the taxpayers had made due to the agreement will be returned to the taxpayer, and the property will be listed on the tax sale list at the original delinquent amount. The agreement is due by July 1, is only a one year term agreement. A copy of the agreement should be kept by the Treasurer, the Auditor, and the taxpayer. The taxpayer should also receive a copy of this County Policy. He also noted an owner/representative could enter into such an agreement. President Norem inquired if there will be a form to be signed by each party. Attorney Lucas stated it is a good suggestion, and he added he would like them to be able to pay more than the amount stated in the payment plan, if they so desire. Commissioner Davis made a motion to approve the policy, seconded by Commissioner Danford. The motion passed with all ayes. Attorney Lucas advised he will make the modifications to the policy.

President Norem advised there was another policy presented: a policy creating controls over authorizations given in regard to access of the various County software. The policy is requesting the IT Director to be the sole authority in establishing the various controls and accessibility to the County's software programs, such as Low Financial, and Low Property Software. The IT Director also noted, it should be stated the software companies should not be able to override his authorization controls established, without the IT Director's permission. He advised that scenario is now happening. Commissioner Danford made a motion to approve the policy, seconded by Commissioner Davis. The motion passed with all ayes. President Norem advised the policy will apply to all the County's software

vendors, and a letter should be written advising such companies of the new County procedure. Auditor Chaffins noted that was another form of the County establishing internal controls.

In regard to an update on the Bass Lake Beach & Campground situation, President Norem advised she had contacted the State DNR in regard to the removal of the diving platform in Bass Lake. She advised she had left a message with the DNR, and received a telephone call from a DNR Officer in the LaPorte area who advised the DNR will mark the diving platform tanks. Then she stated she received a telephone call from DNR Lt. Jerry Shepherd, of Michigan City, who advised the diving platform could be in a reparative zone. He advised he will be retiring soon, and DNR Lt. Tom Torsell will be replacing him. Lt. Shepherd stated he will have Lt. Torsell call to follow up with Commissioner Norem. He also advised the State needs to mark the tanks before any action is taken. President Norem advised Doug Williamson of the Indiana Department of Health inspected the Bass Lake Beach and Campground on June 19th. He cited the Callahan's for the lack of safety equipment at the Beach and advised they had 30 days to rectify the issue. On June 26th the County Health Inspector performed a follow-up inspection and discovered the Callahan's were still not in compliance with obtaining the safety equipment at the Beach, and at that time closed down the beach until the necessary safety equipment was obtained. Attorney Lucas advised the County does have the right to take action.

President Norem advised she had requested Auditor Chaffins pull from their files, the original letter when the State of Indiana turned over the beach and campground to the County. She noted the letter states the property could be maintained as an outdoor recreational facility in perpetuity and not necessarily a beach and campground. Commissioner Davis noted she thought it stated it should be a park. President Norem advised the Board needs to decide what to do with the lease of the beach and campground. She also advised the County could create a Parks and Recreation Board and their first job would be to deal with the beach issue. She asked the Auditor to query other Counties to see if there is a county, comparable in size to Starke County, who as an established Parks and Recreation Board. President Norem inquired of the recourse by the County if the Callahans operate outside of the order. Attorney Lucas advised they could obtain a Court Order. She then advised Attorney Lucas to send the Callahans a letter requesting their presence at the next meeting, to address these issues.

President Norem advised she has been contacted by CIGNA Health Insurance Company they are ready to present their mid-year review. President Norem inquired if the meeting could be held in an Executive Session since information received could be confidential, personal county employee information and the review does not call for any action taken by the Board of Commissioners. Commissioner Davis inquired if the insurance company couldn't submit the review report via conference call. After a brief discussion, it was determined to hold the meeting on Monday, July 29th, at 9AM, in an Executive Session.

President Norem passed out a calendar for the month of July, and asked the other Commissioners to fill in the hours they would be able to work in the Commissioner's Office, at the Courthouse. President Norem advised July 22nd is the Open House at the New County Jail site, located at CR550E & SR8. The County Council budget hearing is scheduled for July 23rd, and on July 30th Lt. Governor Ellspermann will be speaking at the Knox Community Center.

EMA Director, Ted Bombagetti, appeared before the Board to request approval on an "Emergency Management Performance Grant Effectiveness Measures" report. He advised the report states EMA Clerk, MaryLynn Ritchie, and himself have completed the required exercises and have completed the required training courses, acquiring all the possible available points. He advised in addition to the state points, they are also in federal compliance and will be eligible for any future salary reimbursement grant funding.

President Norem advised the County had received a letter from Vincent Campiti, the attorney for Mr. Stephen Ciesielski, the present owner of the old County landfill property. She noted the letter was a proposal for the County to purchase the property from Mr. Ciesielski in the amount of \$4,000.00 for the 22 ½ acre parcel. Attorney Lucas advised before the County could purchase a property, they need to obtain two appraisals of the property. Commissioner Danford made a motion to proceed with obtaining appraisals of the land. Commissioner Davis seconded the motion and it passed with all ayes. Attorney Lucas noted he will contact the appraisers. President Norem also noted the County had received a notice from IDEM that the deed for the property of a closed landfill, needs to be noted it was previously a landfill. She advised the State stated the notation needs to be completed by July 30th. Attorney Lucas questioned why the State would call the property a "closed" landfill, when it requires the continual gas monitoring.

President Norem advised the Director of the Starke County Economic Development Foundation, Charlie Weaver, had submitted paperwork for their signatures, in regard to the CR300E, SR8 project: Certification of Compliance with the Clean Air Act and the Federal Water Pollution Control Act, Certification Regarding Lobbying, and the Owner's Certification Regarding Eminent Domain. Commissioner Danford made a motion to approve the signing of the documents, seconded by Commissioner Davis. The motion passed with all ayes and the documents were signed.

President Norem advised the County has received a document from KIRPC in regard to the Yellow River Debris Clean-Up Project, and the completion of the grant process. She advised the document requires the signature of the County's Chief Executive but she was reluctant to sign the form since the issue with the damage to Mark Smith's trees has still not been addressed. Commissioner Danford made a motion to approve the signing of the document once the Mark Smith tree issue has been resolved. Commissioner Davis seconded the motion, and it passed with all ayes.

Commissioner Davis inquired as to the date of the County's next Tax Sale. She was advised the next County Tax Sale will be held on Friday, September 6th, at 10:00AM.

PUBLIC COMMENTS

Terry Bowser, a frequent camper at the Bass Lake Campground advised he would be interested in managing the campground and he has several ideas for improvements. President Norem advised she was reluctant to accept his plans, at this time, since the County has an existing lease and also other interested parties.

Commissioner Davis advised the Sheriff has the paperwork for the Sheriff's 457B Pension Plan and will be presenting it to the Merit Board for possible approval.

IT Director, Joe Short, advised when he presented his request to the Board to purchase updated computers for the County he stated he had the appropriations to purchase computer equipment in his budget, but he was mistaken. He was advised by the Auditor the computer budget item had been transferred to the budget of the Cumulative Capital Fund, prior to the final budget adoption last year. He noted the Auditor suggested presenting a request, to the County Council, for the necessary appropriations from the CAGIT Certified Shares Fund instead. Commissioner Danford made a motion to approve his request and recommend the approval to the Council. Commissioner Davis seconded the motion, and it passed with all ayes.

Clyde Haniford noted his complaint that the out houses were still at the Bass Lake Beach.

There being no further business, Commissioner Danford made a motion to adjourn the meeting, seconded by Commissioner Davis. The motion passed with all ayes, and the meeting was adjourned at 12:35PM.

July 1, 2013

Kathy Norem, President

Kent Danford

Jennifer Davis

Katherine Chaffins, County Auditor
& Secretary to the Board of County Commissioners