

December 19th, 2017

The Board of Supervisors of Shelby County, Iowa, met pursuant to law and rules of said board in regular session at 9:00 a.m. in the Supervisors Chambers of the Shelby County Courthouse with the following members present: Steve Kenkel, Chairman, Charles Parkhurst, Vice-Chairperson, Roger Schmitz and Mark Maxwell, Clerk.

The Chair asked that any Conflict of Interest be stated concerning any item on the agenda. No conflicts were stated.

A motion was made by Parkhurst and seconded by Schmitz, to approve the agenda with no additions. AYES: Unanimous NAYES: None

A motion was made by Schmitz with a second by Parkhurst, to approve the minutes of the December 5th meeting. AYES: Unanimous NAYES: None

It was moved by Schmitz, seconded by Parkhurst, to approve the Claims of December 19th, 2017 as listed in the Claims Register. AYES: Unanimous NAYES: None

Steve Kenkel reported on the Southwest Iowa Mental Health Region Planning Board. At the last meeting the required County funding was discussed, the next meeting being January 8th, 2018. The salvage operation in Corley was cleaned up and the bill will be charged back to the property owner.

Marcus Gross, Shelby County Attorney, was present to ask for Board approval for the Legal Research Contract with Thompson-Reuters. Gross negotiated the asking price down for the new 3 year proposal. This service provides legal online research versus buying new law books every year. A motion was made by Schmitz and a second by Parkhurst to approve Gross to sign the contract for 3 years. Schmitz, Kenkel and Parkhurst voted in favor of the motion. No NAYES were cast.

Ron Chamberlain then asked for time for observance for the 125th anniversary of the Courthouse. A cake was provided for all in attendance. A brief history was given by Chamberlain filled with many Courthouse facts.

County performance evaluations were due December 8th and the board considered all positive evaluations that were turned in on time, for this meeting on December 19th, first notice was given on November 8th to Department heads. The Board considered the list of all positive evaluations that were turned in on time from all Department Heads. EMA was the only department that failed to meet the deadline for submittal and were denied approval from the board. It was moved by Parkhurst and Seconded by Schmitz to approve all positive evaluations submitted on time. Ayes Unanimous. All of those successful evaluations, that were turned in on time, were given the 1% raise, that was offered by the board in December of 2016, to all employees eligible for the raise that met conditions put forth by the board.

Carolyn Blum, Shelby County Treasurer, asked the board to consider tax abatements which included: two mobile homes, which were junked. The Parcel numbers and abated taxes were Parcel number 05940508299 for \$97.00. Parcel number GA226022 for \$68.00. A motion by Schmitz and a second by Parkhurst proceeded a vote with the following results: Ayes: Schmitz, Parkhurst and Kenkel. Nays: None

Todd Valine, Shelby County Chamber of Commerce and Industry, updated the Board on ongoing projects. The most recent economic development project he can announce is the moving of the Bomgaars Store to a brand new building, twice the size of the existing one, to be built at the Harlan Plaza along with the separate new restaurant building on the south lot of the Harlan Plaza. There are already interested parties negotiating with the owners of the current Bomgaars store at this time.

A motion was made by Parkhurst and a second by Schmitz to accept and approve the following resolution:

RESOLUTION NO. 2017-32

TO THE HONORABLE BOARD OF SUPERVISORS OF SHELBY COUNTY, IOWA MEMBERS,

WHEREAS, Shelby County ("County") is concerned with the recent rapid rise in troubles among County citizens, residents, and visitors in relation to problems arising out of the use, abuse and overuse of opioid medications, which according to certain studies, impacts millions of people across the country; and

WHEREAS, issues and concerns surrounding opioid use, abuse and overuse by citizens, residents and visitors are not unique to County and are, in fact, issues and concerns shared by all other counties in Iowa and, for that matter, states and counties across the country, as has been well documented through various reports and publications, and is commonly referred to as the Opioid Epidemic ("Opioid Epidemic"); and

WHEREAS, the societal costs associated with the Opioid Epidemic are staggering and, according to the Centers for Disease Control and Prevention, amount to over \$75 billion annually; and

WHEREAS, the National Institute for Health has identified the manufacturers of certain of the opioid medications as being directly responsible for the rapid rise of the Opioid Epidemic by virtue of their aggressive and, according to some, unlawful and unethical marketing practices; and

WHEREAS, certain of the opioid manufacturers have faced civil and criminal liability for their actions that relate directly to the rise of the Opioid Epidemic; and

WHEREAS, County has spent millions in unexpected and unbudgeted time and resources in its programs and services related to the Opioid Epidemic; and

WHEREAS, County is responsible for a multitude of programs and services, all of which require County to expend resources generated through state and federal aid, property tax levy, fees and other permissible revenue sources; and

WHEREAS, County's provision of programs and services becomes more and more difficult every year because the costs associated with providing the Opioid Epidemic programs and services continue to rise, yet County's ability to generate revenue is limited by strict levy limit caps and stagnant or declining state and federal aid to County; and

WHEREAS, all sums that County expends in addressing, combatting and otherwise dealing with the Opioid Epidemic are sums that cannot be used for other critical programs and services that County provides to County citizens, residents and visitors; and

WHEREAS, County has been informed that numerous counties and states across the country have filed or intend to file lawsuits against certain of the opioid manufacturers in an effort to force the persons and entities responsible for the Opioid Epidemic to assume financial responsibility for the costs associated with addressing, combatting and otherwise dealing with the Opioid Epidemic; and

WHEREAS, County has engaged in discussions with representatives of the law firms of Crueger Dickinson LLC, Simmons Hanly Conroy LLC, and von Briesen & Roper, s.c., (the "Law Firms") related to the potential for County to pursue certain legal claims against certain opioid manufacturers; and

WHEREAS, County has been informed that the Law Firms have the requisite skill, experience and wherewithal to prosecute legal claims against certain of the opioid manufacturers on behalf of public entities seeking to hold them responsible for the Opioid Epidemic; and

WHEREAS, the Law Firms have proposed that County engage the Law Firms to prosecute the aforementioned claims on a contingent fee basis whereby the Law Firms would not be compensated unless County receives a financial benefit as a result of the proposed claims and the Law Firms would advance all claim-related costs and expenses associated with the claims; and

WHEREAS, all of the costs and expenses associated with the claims against certain of the opioid manufacturers would be borne by the Law Firms; and

WHEREAS, the Law Firms have prepared an engagement letter, which is submitted as part of this Resolution ("Engagement Letter") specifying the terms and conditions under which the Law Firms would provide legal services to County and otherwise consistent with the terms of this Resolution; and

WHEREAS, County is informed that the Iowa Counties Association has engaged in extensive discussions with the Law Firms and has expressed a desire to assist the Law

Firms, County and other counties in the prosecution of claims against certain of the opioid manufacturers; and

WHEREAS, County would participate in the prosecution of the claim(s) contemplated in this Resolution and the Engagement Letter by providing information and materials to the Law Firms and, as appropriate, the Iowa State Association of Counties as needed; and

WHEREAS, County believes it to be in the best interest of County, its citizens, residents, visitors and taxpayers to join with other counties in and outside Iowa in pursuit of claims against certain of the opioid manufacturers, all upon the terms and conditions set forth in the Engagement Letter; and

WHEREAS, by pursuing the claims against certain of the opioid manufacturers, County is attempting to hold those persons and entities that had a significant role in the creation of the Opioid Epidemic responsible for the financial costs assumed by County and other public agencies across the country in dealing with the Opioid Epidemic.

NOW, THEREFORE, BE IT RESOLVED:

County authorizes, and agrees to be bound by, the Engagement Letter and hereby directs the appropriate officer of the County to execute the Engagement Letter on behalf of the County; and

BE IT FURTHER RESOLVED:

County shall endeavor to faithfully perform all actions required of County in relation to the claims contemplated herein and in the Engagement Letter and hereby directs all County personnel to cooperate with and assist the Law Firms in relation thereto.

A vote was taken for approval by the Board with Ayes by Kenkel, Parkhurst and Schmitz, No NAYES were cast.

Auditor Maxwell presented the Board with notification from Julie Goeser, Shelby County Wellness Director that all employees are enrolled in the wellness program. The employees participated at a proven 100% of enrolled. The Supervisors then voted to approve the \$100.00 payment to each participant and approved the program going forward for next year. For 100% participation the County receives over \$50,000 in deduction in health Insurance Costs from the Counties provider. A motion was made by Schmitz, seconded by Parkhurst to approve the payments. A unanimous vote in favor was then counted.

Brandon Burmeister, County Engineer, was available to update the Board on activities of the county road crews and the status of current maintenance and construction projects. Burmeister noted that the open winter has enabled the bridge crew to get more work done that what is normally achieved and has had a very successful year. The road crew has been ditching and performing maintenance where permitted. The dry weather has made maintaining rock roads with equipment unadvisable in most cases. Burmeister noted that anything torn up now probably wouldn't heal until after the spring thaw. The Engineer also has received bids for GPS units in County equipment, with the hopes of marking the roads, with these units, for areas that need more material or other maintenance, while routine maintenance is being performed.

The regular meeting was adjourned with the budget workshops for all departments beginning.

Sheriff Neil Gross gave his budget proposal to the Board and was approved with his 3% required cuts approved by the board with a motion for acceptance by Parkhurst and a second by Schmitz. The Sheriff is sharing an employee and cut planned software purchases for his departments required cuts. A unanimous vote in favor of the budget was recorded.

Kyle Lindberg Shelby County Jail Administrator presented his budget, the departments saving come from a combination of several line item cuts totaling \$33,411.00 A motion by Schmitz and a second by Parkhurst was made. The vote was unanimous in favor of accepting the proposed budget for Lindberg's department.

Brandon Burmeister presented the Secondary Roads Department budget, this budget, included a \$70,000.00 deduction in transfers made to the department from a County

wide fund. This is the second year in a row this cut has been made. The transfer 2 years ago was \$215,000. A motion by Schmitz and a second by Parkhurst was made. The vote was unanimous in favor of accepting this budget.

Lonnie Maguire, Community Services Director, presented her four budgets, Case Management, Mental Health/Developmental Disabilities, General Relief and Substance Abuse. The combination of all 4 of her departments have had many State regulated layoffs and has met her budget reductions. Parkhurst made a motion in favor with a second by Schmitz to approve her budgets for fiscal year 19. Schmitz, Kenkel and Parkhurst voted in favor of accepting her budgets.

Tony Buman County Assessor is also the Zoning Department Head, he presented his department's budget. Having already meeting budget reduction for fiscal years 18-19-20, required by the board in the first year, Parkhurst made a motion in favor with a second by Schmitz to approved the budget. Schmitz, Kenkel and Parkhurst voted in favor of accepting his budget.

Carolyn Blum Shelby County Treasurer presented her budget to The Supervisors. Previous savings and recent retirement will be enough to meet the savings goals set last year by the Board of Supervisors. A motion by Parkhurst and a second by Schmitz was made for accepting the budget for the Treasurers Department for fiscal year 2019. A unanimous vote in favor of the proposed budget was received. No NAYES were cast.

Terri Daringer, Shelby County Environmental Health Department Head, presented her budget and it was approved by the board. The water well grant expense was the biggest increase but is offset by revenue taken in by the County for this unavoidable expense. Supervisor Schmitz made a motion to accept the Environmental Health budget and a second by Parkhurst preceded a vote with the following result: AYES: Kenkel, Parkhurst and Schmitz, NAYES: none

Geralyn Greer, Shelby County Recorder, let the Board know of her fiscal year 2019 budget intentions. Previous saving by her department has created a budget that exceeds the 3 year budget reduction requirements set by the Board. There is a digital imaging program Greer intends to head up, the Board approved a Capital expenditure of \$50,000.00 in fiscal year 2019, to be dedicated to this project. The goal is to get all County records digitally recorded and indexed. The old paper books are fragile and difficult to store as well as being vulnerable to damage from disasters. This would be a pay as you go program and with acceptable results will be continued for at least one more fiscal year. This budget was accepted by unanimous vote and no Nays were cast after a motion by Parkhurst and a second by Schmitz.

Gene Cavanaugh, Shelby County Veterans Affairs Director presented his budget and it was approved. A motion by Schmitz to approve the budget, a second was made by Parkhurst, all three Supervisors voted in favor of approving the budget. It was noted that the Veterans Affairs office is exempt from the budget reduction plan. There was only a \$788.00 increase over fiscal year 2018.

The County Attorney's budget was considered and Parkhurst made a motion to accept the budget as submitted by Marcus Gross, Shelby County Attorney. Schmitz then seconded the motion. Kenkel, Parkhurst and Schmitz all voted in favor of accepting his budget. No NAYES were cast.

The Board of Supervisors then considered their own Departments budget as prepared by Auditor Maxwell. Economic Development contributions by the County was increased by \$11,500.00 and cuts were made in other areas, this only increased planned spending from fiscal year to year by less than \$3,000.00. Parkhurst made a motion in favor with a second by Schmitz to approved the budget. Schmitz, Kenkel and Parkhurst voted in favor of accepting this budget.

The election budget was then considered. Capital of \$ 10,000.00 was agreed to be placed in the budget as the laptop computers used by the County Precincts will be 2 years old

this fall. Computers for elections must be kept up to date to ensure that the always updated election software is compatible with Shelby County. This Capital will be earmarked for expenditure on new equipment when the need is deemed warranted or required by the State of Iowa. Primary and General elections fluctuate this Departments yearly requirements thus exempting this budget from the budget reduction plan.

Parkhurst made a motion to accept the budget as prepared by Election Commissioner Maxwell, a second by Schmitz, preceded AYE votes by Kenkel, Schmitz and Parkhurst. No NAYE votes were cast.

Nick Preston, Shelby County Conservation Board Director, presented his budget to the Board. The Conservation budget met board requirements and was approved with the County contribution to his budget with an increase of \$2,127.00 due to allowable health insurance and wage increases. A mention was made by Preston that all county property that is Secondary road yards is maintained by his department. Parkhurst made a motion in favor of approval and a second by Schmitz was made. A unanimous vote in favor of approval was received.

The IT/Central Purchasing budget was prepared by County IT director Mark Maxwell. The recent IT audit revealed deficiencies in having an equipment rotation plan in place. As IT equipment ages it obviously becomes outdated. Maxwell suggested a onetime Capital charge be earmarked for server replacement, with intentions of beginning a server replacement program to avoid crashes and problems with updating old equipment. There has also been a PC replacement schedule started by Maxwell replacing older equipment. This replacement exposed old software that has no service or support available, nor will it load or transfer onto new machines. There will be a yearly investment continued to keep the IT system from falling too far behind, that allows very expensive, unbudgeted issues to arise. The budget was approved with an \$1,857.00 decrease from last year's asking. A motion by Schmitz and a second by Parkhurst was made. The vote was unanimous in favor of accepting the proposed budget for Maxwell's department.

Mark Maxwell, Shelby County Auditor, presented the Auditors budget. There is an expected \$3,000 decrease in asking this year due to Karen Goans recent retirement. Schmitz made a motion to accept the budget, with a second by Parkhurst. Kenkel ,Schmitz and Parkhurst all voted in favor of the budget. No NAYES were cast.

Contributions to other Governments and organizations was increased by \$11,650 as Public Health contracts and required library funding both increased. Other policy and administration which include County organization dues and auditing/consulting fees, Environmental Control including the Beaver Bounties and watershed maintenance, the Department of Human Services and Public Health, which is countered with the same grant revenues as expenses, Juvenile Court, Misc. court and Medical Examiner; all of the afore mentioned Departments being exempt because there is no way to estimate these mandated expenditures. Parkhurst made a motion in favor with a second by Schmitz to approved these Department budgets prepared by Maxwell. Schmitz, Kenkel and Parkhurst voted in favor of accepting this budget.

Mark Maxwell, Auditor, being head custodian of buildings and grounds submitted this budget. Grounds maintenance, utilities, custodian and capital for upkeep included \$150,000.00 for next years scheduled repairs and maintenance and future capital expenditures. Parkhurst made a motion in favor with a second by Schmitz to approved the budget. Schmitz, Kenkel and Parkhurst voted in favor of accepting this budget.

The meeting was recessed at 2:46 P.M. and scheduled to resume at 9:00 AM on Wednesday December 20th at 9:00 AM.

The workshops then commenced at 9:00 AM, December 20th.

Bob Seivert presented the EMA budget, It was determined that the current fiscal year transfer amount for determining the funding from the County should be \$300,000.00.

For fiscal year 2019 it will employ the figure of \$275,000.00 for determining the amount. The base transfer amount used in the budget this year will be \$832,103.00 .

Discussion was conducted about the City of Harlan's Communications funding to the County. The price of \$110,000.00 per year has not risen since fiscal year 2015. At the last Supervisors meeting it was agreed by the supervisors to leave it for fiscal year 2019. The suggested funding raise over a 3 year period was \$40,000.00 making the contribution in 2022 \$150,000.00 the issue was tabled until the meeting January 2nd at 9:00 AM

Steve Kenkel, Chairman

ATTEST:

Mark L Maxwell
Clerk to the Board of Supervisors

NOTE: These minutes are as recorded by the Clerk to the Board of Supervisors and are subject to Board approval at the next regular meeting.