



Ottawa County
Where You Belong[®]

The State of the County Address
January 22, 2019

Presented by
County Administrator Alan G. Vanderberg
to the
Ottawa County Board of Commissioners

Thank you, Chair DeJong, Vice-Chair Bergman and the Board of Commissioners for this opportunity to present the fourteenth annual State of the County address. It is an honor to share the highlights and challenges of 2018 as well as a glimpse into the future.

2018 brought a number of leadership changes. We bid farewell to three Commissioners, Don Disselkoen, Mike Haverdink, and Kelly Kuiper; and welcomed new Commissioners Randy Meppelink, Doug Zylstra, and Kyle Terpstra. We also said goodbye to Keith Van Beek, former Deputy Administrator who left to become Holland City Manager; and to Brad Slagh, former County Treasurer who left for the State House of Representatives. John Shay, former Ludington City Manager took over the Deputy Administrator position and former Rep. Amanda Price became the new County Treasurer.

Ottawa County continues to excel and stand out as a leader among local governments in Michigan. Our vision is to make Ottawa County **where you belong**: a place where all people, visitors and businesses feel welcomed and valued as vital threads of our community fabric.

While we work toward this vision it certainly is clear that Ottawa County is the place where people want to be. Recent census reports indicate that 286,383 people choose to call Ottawa County home. From 2010 to 2017, Ottawa County's long-standing status as the fastest growing county in the state continued with a 9% increase in population, again, the eighth most populous county in Michigan. Nearly 50% of Ottawa County's population growth resulted from migration to the area.

Ottawa County continues to see solid growth in new housing projects and industrial investment in facilities and new jobs. Since 2010, residential building permits are up 185%. The Taxable Value on the Ad-Valorem Roll increased by 4.08%.

The General Fund Operations Tax Levy and the total of the operations levy and all special millages place Ottawa County as having the fifth-lowest property tax rate of Michigan's 83 counties. Ottawa voters approved a tax-limitation proposal in the General Election that will freeze the millage allocation for 10-years. The Board of Commissioners levies significantly less than the Headlee allowable amount saving tax payers \$9 million per year. The Financing Tools, a series of funds designed to smooth the impact of one-time expenses on the General Fund, saves taxpayers another \$9 million per year. Prudent cost allocation activity passes \$2.3 million of expense to state and federal grant programs.

The result of this activity is a strong financial position. Ottawa is one of four Michigan Counties to hold two triple A credit ratings. These top scores allow Ottawa County, plus its local units of government, to borrow money for capital improvement projects with lower interest rates, saving taxpayer dollars. PFM Financial Advisors determined the Aaa rating resulted in approximately 0.35% lower interest rates than compared to the median rating for Michigan counties. In dollars, the County's triple A credit rating has resulted in over \$16 million in savings for townships and

utility authorities that have used the County rating to finance water and sewer expansion projects.

Collaborations are increasing and have served the residents of Ottawa County well. The County seeks partnerships that will maintain and improve service quality for citizens while also providing cost savings and efficiencies for our partner local units of government. Blendon Township joined the ranks of local units for which the County provides assessing services. In 2018, the County began providing IT services to Blendon Township and Port Sheldon Township, as well as IT and project-management services for Holland Charter Township's new public safety building that is currently under construction. This brings the total municipalities that the County provides IT services to six.

Another significant partnership is the FOG-Net (Fiber Optimized Government Network) collaborative which includes the Ottawa Area Intermediate School District, Holland Board of Public Works, and Grand Haven Area Public Schools. During the past year, the organization formalized an Inter-local agreement establishing a FOG-Net Council and a network operations group (FOGNOG).

The County continues to provide services from the Sheriff's Office to 14 townships, three cities, one village, nine school districts and the Ottawa Area ISD. The Sheriff's Office saw increases in the number of contracted-township deputies. In addition, School Resource Officer positions were added to two school districts who have recognized the benefit and importance of these roles in the educational settings.

The County also provides strategic planning assistance, election support, training and other opportunities to local units of government. We anticipate that intergovernmental, inter-sector collaborations will remain an area of growth for the County in 2019.

The Sheriff's Office benefited from Ottawa County Insurance Authority (OCIA) funding for three important initiatives: contracting to revamp all Sheriff's Office law enforcement and corrections policies and procedures. This update will provide a new database of all policies and procedures that are vetted alongside state and national best practices. After standoffs in hostage situations two weeks in a row last summer, the OCIA approved the purchase of active shooter kits, consisting of a ballistic helmet and plate for each deputy. Finally, the OCIA approved funding for Protect the Protectors, a program with Robertson Brain Health. The Sheriff recognized how the stress of the job can impact the health of officers and even their families. Sheriff's staff is learning new techniques and strategies to improve their health and well-being through group sessions consisting of up to 50 employees in a cohort.

Community Mental Health (CMH) continues to experience increases in the numbers of individuals served. The biggest increase in requests are for Autism services and Substance Use Disorder services, especially Medication-Assisted Treatment for opiate abuse. At the same time

as this increase in demand, Medicaid funding for mental health services has declined over the last four years. The Lakeshore Regional Entity, which Ottawa CMH is a part of, has ended the last two fiscal years in a deficit. The Michigan Department of Health and Human Services has issued a “fix” for the State General Fund allocation. This was a big “win” for Ottawa County, as the State finally addressed a gross inequity in how it was distributing State General Fund Dollars to mental health departments and agencies. Starting in FY2019, CMH will receive an additional \$500,000 per year cumulatively for five years for a total of \$2.5 million in additional annual funding.

Despite these funding issues, CMH continues to provide quality services to as many people as possible. Millage dollars help to fill the gap in services created by the loss of funding. Millage dollars are being used for treatment services, prevention work in the schools, social recreational opportunities and integrated health services.

The County began implementation of the Public Defender’s Office, and Mr. Robert Hamilton was named the County’s first Public Defender. This was undertaken to comply with State mandates regarding separation of the indigent defense function from the Court system. We believe that the Public Defender’s Office will continue the tradition of excellence for indigent defense established for many decades by the court system and judges.

Ottawa County is undoubtedly a premiere location for outdoor recreation. During 2018, several more initiatives were pursued by the County’s Planning and Performance Improvement Department to grow an already world-class catalog of outdoor recreational opportunities. Some of these initiatives include the construction of expanded road shoulders along Lakeshore Drive, which is one of the county’s most popular cycling routes. The Department continued engineering of Phase II of the Spoonville Trail that will traverse the ravines of the Terra Verde Golf Course, meander to Nunica from the south-side of the Grand River and connect to the Grand River Greenway’s Idema Explorers Trail. Construction of Phase II of the Spoonville Trail will begin this spring. Nearly 300 runners hit the Spoonville and Idema Explorers Trails during the fourth-annual M231 Run. Not only did the run raise nearly \$13,500 for the trails, but awareness of the paved paths increased as well.

The Parks and Recreation Commission continues to make progress in establishing greenways along the county’s three main river corridors and the Lake Michigan coast. Completing the Grand River Greenway, which includes the Idema Explorers Trail that will cover 27 miles, remains a high priority. The Idema Explorer’s Trail, when linked to existing trail and road facilities, will traverse a total of 38 miles from the beach in Grand Haven to the Ottawa-Kent border where Georgetown Township meets Grandville. Efforts to raise \$7.2 million toward the \$21 million needed for land and easement acquisition plus trail construction exceeded \$5.9 million, with hopes of reaching the goal in 2019 and completing the trail project in 3-4 years.

The Lake Michigan Coastal Greenway received a boost when an unexpected series of events led to the purchase of 188 acres of prime recreational dune land in the cities of both Grand Haven

and Ferrysburg. Combined with an additional 157 acres purchased by the Land Conservancy of West Michigan, the new 345-acre Ottawa Sands Park includes natural dunes, a beautiful 80-acre man-made lake and over a mile of frontage on the Grand River. It also fills the gap in a six-mile corridor of public land that stretches from P.J. Hoffmaster State Park south to Grand Haven's North Pier. In December, Ottawa County Parks was recommended for a \$3.8 million grant from the Michigan Natural Resources Trust Fund to purchase the Land Conservancy property in the summer of 2019. With the Land Conservancy property under lease, the site was opened to the public in October 2018. The public response to the property has been overwhelmingly positive.

Ottawa County's Lakeshore parks, including North Beach, Kirk Park, Rosy Mound, Olive Shores and Tunnel Park, continue to be an attraction for residents and tourists alike. 2018 was another record-breaking year of beachgoers with vehicle permit sales totaling nearly \$468,500. Revenue generated from lakeshore operations, winter activities, facility reservations and grant funds supplements the parks millage.

The Ottawa County Parks Nature Center continues to serve as a visitor center and educational hub for the Parks system. Nature Center staff offered over 400 programs to the general public and school groups in 2018.

Plenty of water, available and abundant to meet all of our needs, is something we have taken for granted in Ottawa County. Access to fresh water has never been perceived as a problem until it was learned that water from the deep bedrock aquifer system located underneath our feet is being pumped-out faster than it can be replenished. Since completing a 7-year scientific study of our groundwater resources in early 2018, the County Planning and Performance Improvement Department has been developing a coordinated plan to mitigate issues associated with declining water levels in the deep bedrock aquifer. A coalition of scientists and other experts has been assembled to help develop and guide strategies to effectively manage our groundwater resources into the future. A few of these strategies may include changes in the manner by which new development is approved and constructed, and changes in the way people use their water. For instance, it may not be the best long-term decision to use fresh drinking water to water our lawns – there are other options. This is the type of “new-thinking” that all stakeholders will need to embrace to ensure our sustainability as a County. In addition to working with scientists and other experts to glean their expertise, the Planning and Performance Improvement Department is also consulting and collaborating with environmental agencies, educational organizations and water-user groups, among others. Later this year, the County will be releasing its Groundwater Management Plan that outlines the necessary implementation strategies to ensure continued access to abundant, fresh groundwater in Ottawa County.

Ottawa County employs a variety of tools to ensure the organization is continuously improving. Technology, innovation tools and other approaches, some borrowed from the private sector, are now fundamental in County success.

Toyota Kata (LEAN) continues to gain momentum and has been instrumental in driving process improvement countywide. It fosters a management philosophy or mindset that empowers staff to experiment with their ideas and provide solutions. It has been successful in promoting teamwork, improved communication and transparency within departments. Fiscal Services is working on improving the travel and mileage reimbursement process and streamlining employee benefit accounting. Public Health formed a kata initiative to cascade improved customer service department wide. Community Mental Health completed several projects over many functional areas. The Access Center is reorganizing its team policy and procedure information and decreasing no-show rates. Managed Services was able to consolidate agency service programs into a single entry when setting up for a new provider, which saved up to 11 hours of data entry per provider. HUD operations were streamlined resulting in updating 1 record (from 15) per participant and 61 records monthly (from 915).

Parks, Public Health, Planning Performance & Improvement and GIS collaborated using design thinking to see how they may improve the “Step it Up” walking program. The improved and rebranded *Step it Up! Adventure Series* includes new activities like guided kayaking, mountain biking, trail running and orienteering. Grant funding allowed these activities to be free to participants. The team increased the number of participants from 250 to over 1,000 in one year.

In 2018, the County updated miOttawa.org web site applications for District Court payments, Step-it-up challenge, Parks Blog, Campaign Finance Reporting and Event Registration. Online payments can be made on miOttawa.org for 21 different services. This saves time for customers as well as allows access at a day and time convenient to them. During Fiscal Year 2018, \$2,540,274 worth of services were transacted through the County’s online services. By saving staff time required for over-the-counter transactions, online services provide an additional cost-avoidance benefit. In FY2018, the number of online transactions numbered 79,781, nearly doubling the number of transactions since 2013 when there were 39,419 online transactions.

The Innovation & Technology Department (IT) maintained the County’s technological state of readiness in 2018 by completing planned replacements of end user equipment. A total of 796 computers and related items of equipment were installed, including 223 laptop and desktop computers. A significant effort was applied to strengthen the County’s cyber security posture. Quarterly reviews of security were conducted using a CYSAFE evaluation tool developed for the State of Michigan in cooperation with other local units of government. Ottawa County was one of nine local governments that collaborated with the State in a Chief Information Security Officer (CISO) as a Service (CaaS) pilot program to provide a shared CISO to advise and evaluate our security. Specific improvements to County security included, updated policies; configuration changes, updates and backups of network firewalls, routers and switches; implementation of two factor authentication and automated patch management for all County computers to close critical software vulnerabilities. These efforts proved effective as the County successfully responded to

five LEIN Audits, an IRS audit under the Friend of the Court Alternate Work Location (AWL) program and a Community Mental Health Meaningful Use review.

Courtroom technology upgrades planned in the Capital Improvement Plan (CIP) were completed with all Grand Haven and West Olive Court and Hearing rooms and the Grand Haven Jury Assembly Room being brought up-to-date.

Prior to the elections, the GIS team developed two applications that received very positive response: Find My Polling Place and Find My Elected Officials. They also developed a Campus Interactive Map that allows customers to locate the office closest to them based on the department name or the service needed.

The formal planning process for Phase I of the new Juvenile Justice Center commenced in December. The Integrated Project Design method, still somewhat new to the public sector, is being utilized to maximize building performance, employee productivity and cost efficiency.

Transparent communication about Ottawa County and its programs and services is a priority. Residents have expressed the desire that the County continues to keep them informed. One of the primary avenues is through GovDelivery, our email subscription system that began in July of 2015. Subscribers can choose to receive news from over 200 different County topics and receive those messages daily or weekly. A total of 35,372 residents are subscribed to receive news from Ottawa County, an increase of nearly 5,000 from the close of 2017. Last year, more than one million e-bulletins were delivered to subscribers.

Ottawa County government continues to receive high marks from its residents. In the biennial survey conducted by Lansing based Epic-MRA, 78% percent of residents said that Ottawa County operations are heading in the right direction. A decade ago in 2008, just 54% of residents shared this view of the county.

In 2018, the Ottawa County Art Trust was established with a juried exhibition. Establishing an art trust tangibly demonstrates the importance of creativity and culture to Ottawa County while preserving a legacy of assets for generations to come. A total of 58 entries were submitted to the exhibition by artists who live or work in Ottawa County. Of those entries, seven works are now part of the permanent collection.

The Ottawa County Leadership Cohort has completed a multi-year phase of its leadership development initiative. Starting in 2016, all levels of management, totaling 140 employees, have met six times a year for learning and discussion sessions. Following each session, participants applied their learning through on-the-job activities in their departments. The learning sessions explored *The 5 Behaviors of a Cohesive Team* and focused on increasing trust, productive conflict, commitment, accountability and results. One Leadership Cohort participant shared, “The Leadership Cohort has helped my team establish a base for dynamic engagement, innovation and communication.”

Late last year, the Board of Commissioners approved establishment of the Diversity, Equity & Inclusion Office. The funding plan for implementation of the office will be presented to the Board in February. A major focus of the office will be identification and elimination of implicit bias in policies, procedures and practices and service delivery. The office will also serve as a resource to our local units of government. This office is NOT the type of older approach, such as quotas, that has left a bad taste for many but will work diligently to make sure that there are no implied or unconscious barriers to anyone who wants to work and grow as an Ottawa County employee. We are committed to making sure that the Ottawa County government is doing our part to make sure that we are indeed a place “where you belong.”

In December, Gallagher Benefits released a “white paper” – **County of Ottawa Health Management Outcomes Study** – that documented the success of the employee health benefit plan changes, including implementation of a new HSA option and a new health management plan. The analysis found that the Ottawa County’s health management plan performed significantly better than benchmarks and documented improved employee choice, health outcomes and reductions in premium increases since the plan was implemented in 2011.

I am honored to serve a County Board of Commissioners that is dedicated to providing high quality services, keeping the cost of government low, removing future problems before they occur and that supports innovation and doing things differently when it can be justified.

The top 10 issues to watch for in 2019 are:

1. Completion of the Public Defender’s Office Implementation
2. Implementation of the Diversity, Equity, & Inclusion Office
3. Completion of Facility Upgrades
4. M-231 Bypass End Point
5. Southwest Ottawa Landfill
6. Adoption of the Groundwater Plan
7. Grand River Greenway Fundraising
8. Completion of the Pension Funding Plan
9. Completion of the Robot Wayfinding System Pilot
10. Major Progress on the new Justice Center

These issues are not in order of importance, as they are all important.

It is a privilege to serve as County Administrator for the Board of Commissioners and the citizens of this spectacular County. The year 2018 was a great year, and I look forward to an ever better 2019.

Thank you!