



State of Ottawa County 2016

Presented by County Administrator

Alan G. Vanderberg to the

Ottawa County Board of Commissioners

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Each year I am honored to present the State of the County Address and this year marks the twelfth annual report during my tenure. Thank you, Chair Baumann, Vice-Chair DeJong and the Board of Commissioners for this opportunity once again.

Like many counties across the state and nation, our vision is to make Ottawa County the place of choice for living, working and playing.

Live

Ottawa County continues to excel as a leader among local governments in Michigan and a place which attracts businesses, residents and visitors. Recent census reports indicate that 279,955 people choose to call Ottawa County home. Ottawa remains the eighth most populous County in Michigan and is poised to overtake Ingham at seventh within three years. From 2010 to 2015, Ottawa was the fastest growing County in the state at 6.1%, and 45% of our population growth resulted from migration to our area.

Ottawa County is proud to rank as Michigan's Healthiest County again in 2016, according to the Robert Wood Johnson Foundation. Since the rankings began in 2010, Ottawa County has clinched this top spot four of the seven years and ranked second the remaining three. Health contributes to the sustained economic, social and environmental well-being of the County. It's important to recognize the Ottawa Department of Public Health and our partners including award winning hospitals, health care providers and community clinics who work together to identify and address health issues.

The Ottawa County Sheriff's Office continues to keep the residents and visitors to our communities safe and informed through its community based programs and the variety of law enforcement services that they provide. In 2015 the Sheriff's Office saw a 14.4% drop in Index Crimes throughout the County, a trend that we continue to be very pleased with. The Sheriff's Office Cold Case Team continues to be effective in cracking old unsolved cases. The Team was instrumental in solving the 2007 Grand Rapids Homicide of Jana Kelly whose body had been dumped in Ottawa County with an arrest and conviction of the individual responsible for this crime. The Team is currently working on a 1977 unsolved homicide. Technology and computer type investigations have become a significant part of many investigative processes. A combined computer forensic lab within the Sheriff's Office has been extremely busy during 2015. Significant investigative processes have resolved and assisted in many case investigations. Computer crimes and these types of investigations very seldom respect local jurisdictional boundaries and require numerous details and hours of investigative time. Our Forensic Unit was responsible for identifying an international cyber terrorist suspect from England who was responsible for both local and international crimes. The Sheriff's Office continues to remain active in the West Michigan Enforcement Team (WEMET). This multi-jurisdictional approach to investigating narcotics trafficking and associated crimes continues to be effective in Ottawa County and West Michigan. The Sheriff's Office continues to

be very involved throughout the County in the communities they serve. 2015 marked a significant department and community accomplishment. The dedication of the Sheriff's Office Memorial "Making a Difference in the Communities We Serve", is something that reminds us every day of the service that is provided.

After 22 years of planning, the Michigan Department of Transportation (MDOT) completed the first phase of the M-231 Bypass in 2015. Three October events held to appropriately honor the occasion were well attended and successful. The M23.1K race, billed as a marathon warm-up run, had about 300 participants and received a mention in *Runner's World* magazine. The Sgt. Henry E. Plant Dedication Ceremony for the non-motorized trail celebrated the memory of Ottawa County's first Congressional Medal of Honor awardee, Henry E. Plant for his brave actions in the Civil War. Last but not least, the Dedication and Ribbon Cutting Ceremony for M-231 was held on October 23, 2015 and brought the State and community together in a special way to mark this achievement.

Work

We understand that residents work hard to earn every dollar. Residents of Ottawa County can count on us to use the property tax dollars they pay wisely. It shouldn't be surprising that the majority of residents are comfortable with their tax burden. The Ottawa County general property tax levy stands at 3.6 mills, the fifth lowest among the 83 counties in the state. When additional County millages; 911, Parks and Recreation and Roads are factored, Ottawa County stands as the fourth lowest statewide (comparison data is not yet available with the CMH millage included). In fact, the Board takes \$6.9 million less in property taxes than allowed by the Headlee cap. Through financing tools, including the Solid Waste Clean-up Fund, Capital Improvement Fund, Stabilization Fund, Delinquent Tax Revolving Fund and Equipment Pool; the County saves tax payers another seven million dollars. Careful cost allocation programs charge \$1.3 million in indirect costs and \$1.5 million in IT overhead appropriately to state and federal grants, keeping local dollars available for other services. A legacy of prudent financial leadership has also rendered Ottawa County's Other Post Employment Benefit (OPEB) liability very low compared to many other county and city governments at \$99,908.

All this adds up to a strong financial position. Ottawa County holds 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. For example, in October the County issued limited tax refunding bonds for Holland Charter Township in the amount of \$11,995,000 at an interest rate of 2.19%, with \$1,155,651 net present value savings. This represents savings to taxpayers equal to 8.83% of the outstanding debt.

The Ottawa economy is rebounding strongly from the Great Recession. However, 2016 brought new challenges as the expected decrease from the first year implementation of the State Personal Property Tax reform, setting funds aside for the Zeeland Consumer Power Plant tax appeal and the federal government decision to set zero inflation for 2016. The Taxable Value on the Ad-Valorem Roll increase of 1.37% for 2016 is substantially lower than the 5.59% in 2015. It is a testament to the growth in manufacturing, commercial and residential investment that any increase was experienced at all. In fact,

Taxable Value now exceeds the previous peak experienced in 2009, just after the advent of the Great Recession but before property values were impacted by the recession.

Ottawa County's strong financial condition plus residents with ingenuity, entrepreneurial spirit and strong work ethic continues to attract business development and expansion to the area. The County's Gross Domestic Product increased 2.5%. The Grand Rapids-Wyoming MSA (which includes Ottawa County) was ranked 21st in the nation for "Best Performing Large Cities" last year by the Milken Institute, a nonprofit, nonpartisan economic think tank. Of the 100 largest MSAs in the nation, the Grand Rapids-Wyoming MSA was ranked sixth by the Brookings Institution for job growth and gross metropolitan product (similar to GDP) growth from 2009-2014. The annual 2015 unemployment rate decreased from 4.7% to 3.5%. The February 2016 jobless rate dropped to 3.1%, second lowest in the state according to the Michigan Department of Technology, Management and Budget. While good news, this can also pose a challenge finding skilled workers, underscoring the need to continue training and education programs.

Affordable housing continues to be a challenge in Ottawa County. In 2014, business, government and non-profit leaders convened at Ottawa Housing Next forums to discuss the issue. In 2015 the group continued to meet to develop solutions.

Ottawa County officially launched the Great Lakes Ag-Tech Business Incubator in December 2014. The Incubator, a non-profit corporation, helps farmers and entrepreneurs turn their ag-tech machine, equipment, software ideas and inventions into businesses. Most farmers are intuitive, can-do individuals who have innate abilities to solve farm problems with ingenious mechanical inventions. These inventions are often foundations for thriving businesses which will create permanent jobs and generate capital investment in our County. Advocacy efforts were able to secure a \$500,000 state pledge for the project. In the first year of operations, five businesses have signed or committed to agreements, 20 prospective clients are awaiting screening and 12 entrepreneurs have been referred to other economic development agencies.

2015 has proven to be the busiest year for countywide brownfield redevelopment activities since the Ottawa County Brownfield Redevelopment Authority (OCBRA) was established in 2008. Using funds from a \$400,000 Environmental Protection Agency Brownfield Assessment Grant awarded in 2013, the OCBRA was able to provide financial assistance for 26 projects in 12 municipalities across the County. Over \$243,000 in Assessment Grant funding was expended in 2015 to prepare environmental assessments, cleanup plans and brownfield plans for blighted, vacant and underutilized brownfield sites in the County. Those funds leveraged an estimated 40 million dollars of investment in acquisition and redevelopment in the County, as well as the creation of a projected 300 new full and part time jobs. The current grant closes in September 2016, and final outcomes will be reported at that time. In December of 2015, the County submitted an application for an additional \$400,000 in EPA Brownfield Assessment Grant. Awards for that grant cycle will be announced in mid-May 2016.

The Ottawa County Board of Commissioners issued an economic development funding challenge, pledging one dollar for every four dollars raised from new private sector investment, up to \$55,000.

Lakeshore Advantage was able to meet and exceed new investment targets to fully leverage the County funds.

In 2014, a 13-member Groundwater Task Force was appointed to review and approve the Phase II Study, which will assess the current and future sustainability of the County's groundwater supply. The task force is comprised of a broad cross-section of the community including Ottawa County Commissioners, local unit of government supervisors, farmers, well-drillers, private-sector engineers, groundwater scientists and local business representatives. MSU's Institute of Water Resources began the work on Phase II in September 2014. Activities include extensive field testing and compiling data from a wide-range of sources including 450 wells in the County. The data obtained from these efforts are being utilized as inputs for state-of-the-art 3-D computer models. The computer models will then generate simulations of the County's geology with unprecedented detail and accuracy as well as produce data outputs regarding the many attributes of the County's groundwater system such as recharge, runoff, volume and other characteristics. The study will be completed in July 2017.

Ottawa County continues to improve its technology and upgrade systems to enhance its service to constituents. In 2015, the County initiated a project to replace its long serving Lotus Notes e-mail system. Over 80% of County employees were converted from Lotus Notes to Microsoft Exchange in the last six months of 2015. The new e-mail system provides enhanced access by employees from any location, internal or external to the County. A major component of the County's legacy Justice System was replaced with the release of the MICA Jail Management Module. Work is now underway to replace the last major component of the Justice System – the Case Management capability for the Courts. Enhancements to the County's cyber security posture was completed including an Intrusion Prevention System.

In 2015, online payments at miOttawa for services increased by more than 40% to over \$1.7 million. Citizen engagement is being achieved through social networking sites which include eight Facebook accounts, a YouTube channel, seven Twitter accounts and two Instagram accounts. The second Ottawa County Innovation & Technology Forum was held on May 8 with a focus on security and law enforcement technology. A highlight of the forum was a live demonstration by the Michigan State Police of their Unmanned Aerial Vehicle (UAV). The County is adopting new ways to communicate with employees and constituents. These efforts include an improved employee portal, digital signage and GovDelivery – a service that allows notifications to employees and the public of changes made to the County website. By creating an information push, the County is more effective in keeping both employees and the public informed. The email communication service currently has 17,373 unique subscribers.

The County made progress toward enhancing and supporting a culture of innovation and continuous improvement. Parks and Recreation is nearing the end of the first innovation pilot project with Adaptive Capacity, Inc. They were able to use innovation tools to brainstorm ideas around how to increase park usage and desirability to underserved populations. Specific marketing ideas were identified and are currently being implemented. One of the indirect benefits achieved through this process was a collaborative effort between the County and the Hispanic Center of West Michigan to better serve this

population. The Department of Public Health will soon also kick off a pilot project with Adaptive Capacity. Other project deliverables include an extensive facilitator's guide which will help teams throughout the County expand the use of innovation tools.

The County is also currently engaged with an Improvement Kata consultant. Fiscal Services completed a 3 month pilot project involving learning the Kata methodology and working through the *Learner's Storyboard* to improve the annual audit process. They created a new timeline which streamlined the process and reduced overall time by about four weeks. Process improvement will continue and further time savings will be realized in the years to come. Fiscal Services and the Innovation and Technology departments are collaboratively working on a file storage and management project with the potential of creating best practices and standards to employ Countywide. The Department of Public Health will apply Kata methodologies to the challenge of combining Family Planning and STD functions and in order to increase the number of patients seen per day. The Maternal and Infant Health area is also working on a project to standardize their documentation process to meet State requirements. Both groups were able to hit the ground running after the Kata training and expect to realize cost saving efficiencies.

The Innovation Fund approved two projects and is considering a third. The District Court Collections Clerk has been successful in generating income tax garnishments for outstanding civil infractions over the past 6 months. The total collected less project costs netted a "profit" of \$50,000 to date. The Sheriff's FOIA Management project is working on customization needs with the newly funded program via a test environment. Once implemented, this new FOIA system is expected to offer savings Countywide. The 20th Circuit Court recently applied to fund a Friend of the Court Deputy and Account Specialist. These positions would allow for more aggressive and timely enforcement which will help improve the FOC performance measures and get payments to families that need the money, and maximize efficiencies.

In 2015, the final two Ottawa Way Customer Service training sessions were held with Capodagli/Jackson Consulting. Customer Service training for all new hires will be offered in-house by Human Resources in the future. Ottawa County has been featured in the third edition of the *Disney Way* by Bill Capodagli and Lynn Jackson, highlighting the work done to create a customer-centric culture. Quarterly Outstanding Customer Service Award nominations have continued to amaze. An average of 45 customers each quarter have taken the time to nominate an employee for the honor, speaking volumes about the success of Customer Service in Ottawa County. The Customer Service Team designed and rolled out an Ambassador Program in early 2015. The program was developed to improve the experience for newly hired employees and improve the communication network of employees throughout the County. Ultimately, it is a way to provide excellent customer service and improve the organization as a whole. A total of 79 County employees applied and were trained to be Ambassadors. There were 40 new hires paired with an ambassador in 2015.

The County continues to explore and develop opportunities to collaborate with governmental partners which lower cost while maintaining or improving services for residents. The County expanded its collaboration effort by working with the Ottawa Area Intermediate School District and other local government and community partners to establish and take advantage of the Fiber Optimized

Government Network, otherwise known as FOG-Net. FOG-Net provides an inter-organizational infrastructure that presents opportunities for shared services between participants. This concept became a reality in 2015 and has led the County to transition one of its two internet connections to a higher speed and lower cost service. Spring Lake Village and Spring Lake Township became collaboration partners, as fiber was extended from the FOG-Net to their facilities enabling the County to provide IT services including hosting of Township servers. Among other partnerships, we continue to provide assessing for the City of Grand Haven and Crockery Township, financial services for both the Village of Spring Lake and Crockery Township, prosecutorial services for the City of Coopersville, multiple sheriff contracts, and to all local units we offer a reverse purchasing module and leadership trainings via Ottawa County Human Resources.

Human Resources is leading the talent attraction and career development component which includes the *three legged stool* approach to hiring and training. A total of 1,005 employees completed the Kolbe Index and 701 have now completed the initial training. We have continued to administer Kolbe and run the program in house for employee development and hiring. The DiSC assessment continues to be a core piece in our leadership training program. A total of 863 employees have completed the DiSC Behavioral Assessment and training. EQ-I 2.0, an emotional intelligence assessment, was also added to the three legged stool. HR has become certified to administer the assessment and a total of 99 employees have taken the EQ-I 2.0, this tool has been helpful in current employee growth and retention. Training has begun on how managers can effectively use this tool. With internal staff certified in these assessments, the organization is now equipped to blend each tool's benefit into the daily culture of Ottawa County with greater flexibility. Many of these departments are already utilizing their results in the areas of leadership, communication, understanding style differences and team building. Cultural Intelligence training has continued with 547 County employees trained.

The Ottawa County Health Management Plan remained on a successful course last year, with modifications to allow for healthy alternatives to maintain and improve the health of employees and spouses. We continue to offer three health plan choices, with the majority of employees electing the High Deductible Health Plan. The total increase to our Health Insurance Premiums, spread across all three plans, for 2016 was 5.5%. In an effort to continue on the successful path, changes to the Health Management Plan will offer more options and opportunities to improve health.

Every other year the County conducts an employee survey, which has been an important tool to gather input and improve the organization since first implemented 12 years ago. A new employee engagement survey was utilized this year, supported by the well-known service *SurveyMonkey*. With a solid completion rate of 63%, the survey provides great feedback in areas such as career development, work engagement, compensation/benefits, relationship management, and work environment. The survey allows comparison and analysis to the *SurveyMonkey* benchmark, both as an overall organization but also by departments of the County. The survey is being used to continue initiatives to increase communication among departments, improve customer service to citizens, and further develop engaged and talented employees. County employees consistently rated engagement/satisfaction scores at or above the benchmark of similar organizations. Specifically, 62% of County employees were satisfied with opportunities for professional growth compared to 53% of the benchmark. Only 12% of County

employees had some level of disagreement that the level of communication between senior leaders and employees was good, compared to 27% of the benchmark.

Impacts of regionalization and Governor Snyder's Regional Prosperity Initiative continue. In positive ways, the Grand Valley Metro Council continues to lead the West Michigan Prosperity Alliance division of this effort, promoting regional projects over the 13 county area. These include the Muskegon Port initiative and a combined water quality initiative of the Grand Valley Metro Council, Macatawa Area Coordinating Council and West Michigan Regional Shoreline Development Commission. The Michigan Association of Counties is unveiling in 2016 a new initiative identifying counties as "The Original Regional Government". This will capitalize on themes long held in Ottawa County, as a well-managed County that partners and collaborates, we already have many examples of accomplishing what the new regionalization push is theorized to accomplish. The caution is to not damage what we already have successfully put into place by pushing for more regionalization beyond county borders or to implement a "one size fits all" approach to fix problems statewide in a way that harms well managed counties.

In 2015 the County saw the elimination of Michigan Works, as Governor Snyder mandated a variety of changes with the regional Prosperity Initiative that moved the department into a regional construct. Ottawa County now has representation on that regional board and service is provided to citizens and businesses by West Michigan Works, headquartered in Grand Rapids but with a service center still located in Holland.

Headway was made toward partially resolving Medicaid and State General Fund funding inequities. Ottawa County voters also partly resolved the problem by approving the State's first Mental Health Millage.

Play

Ottawa County is a place to play for both residents and visitors alike. The variety of festivals, fairs and special events attract over a million visitors each year. Ottawa County's natural beauty is also alluring. Holland and Grand Haven State Parks are among Michigan's top attractions. Holland State Park has approximately 1.9 million visitors each year while Grand Haven State Park has 1.4 million visitors. The lakeshore beaches received accolades in *USA Today*, *US News & World Report*, *Coastal Living*, *Travel + Leisure* and more.

Ottawa County Park's North Beach, Kirk Park, Rosy Mound, Olive Shores and Tunnel Parks, are an attraction for tourists. In 2015, the number of daily permits sold to non-residents jumped to 24,063 from just under 19,000 in 2014. Annual permit sales to non-residents increased slightly to 801. In the last five years, revenue generated from summer lakeshore operations, winter activities, and year-round reservations has increased 59% totaling more than 621,000 in 2015. Park land acquisition has slowed over the past several years as the department edges toward its goal of approximately 7,000 acres. Instead, the department is focusing on improvements and opportunities on existing lands. Major projects completed and dedicated last year included a key stretch of the Macatawa Greenway Trail through the Upper Macatawa Natural Area – which now connects the Fred Meijer Kenowa Trail along

Byron Road to the Zeeland Township bike path running along Adams Street; the walkway along Lake Macatawa at Historic Ottawa Beach was dedicated last spring – now continuous and connecting to Holland State Park – an important addition in what is likely the County’s busiest recreational corridor. The dedication also featured the historic pumphouse building which was recently restored in partnership with the non-profit Historic Ottawa Beach Society. Yet another dedication involved a new paved pathway within Paw Paw Park, a project involving a partnership between the Parks Department and Public Health. Ottawa County collaborated with the City of Holland, with the County agreeing to a long-term lease of the City’s Paw Paw Park – which was then joined with the former Macatawa Greenspace to form a 172 acre County Park in the City of Holland. Major work was completed at Grand Ravines in Georgetown Township where public dollars and private donations were used to develop this very scenic new park on the Grand River – which includes the County’s first off-leash dog park – an extremely popular new attraction. Ottawa County Parks continues to be successful in acquiring state and federal grant dollars to enhance the County park system.

The Parks Department is committed to managing its properties to the highest standards possible which includes stewardship activities to control invasive species. Goats were used for a second year in an innovative program to help eliminate invasive plants on park lands. Students from the Intermediate School District’s Agriculture Science Program provided and helped manage the goats. Over 10,000 volunteer hours were logged in land management efforts throughout the park system during 2015.

Stay

In the 1800s, my ancestors, and many of yours as well, recognized the opportunities and resources that West Michigan had to offer. They migrated here with their families, built homes and established trading posts in the area. Today, Ottawa County continues to be a top choice for individuals and families to live, work and play. The great quality of life offered has evolved to include superb K-12 and post-secondary education, low crime, unparalleled natural resources, beautiful parks and a diverse, growing, innovative business sector make Ottawa County a great place to stay. We will continue the work to ensure that all who migrate to Ottawa for the good life, plentiful jobs, safety and great recreation, also feel a sense of belonging.

It is a privilege to serve as County Administrator for the Board of Commissioners and the citizens of this spectacular County. The year 2015 was a great year and I look forward to an ever better one in 2016.

Thank you