

**COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
March 12, 2019**

The Finance/Business Meeting of the Cheboygan County Board of Commissioner was called to order in the Commissioners Room by Commissioner Wallace at 9:30 a.m.

Roll called and a quorum present

Present: Commissioners Mary Ellen Tryban, Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski, John Wallace, and Steve Warfield.

Absent: None

Commissioner Wallace gave the Invocation and led the Pledge of Allegiance.

Motion by Commissioner Sangster, seconded by Commissioner Tryban, to approve the agenda as presented. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Tryban, second by Commissioner Wallace, to approve the consent agenda as presented.

- A. Approve Monthly Finance Claims (Finance Total = \$136,847.30; Prepaid Total = \$873,286.73).
- B. Budget Adjustments as follows:
 - 2019 Raise Revenues/Expenditures
 - 1. Fund 101 total budget increase of \$3,498
 - 2. Fund 101 total budget increase of \$6,367
 - 3. Fund 101 total budget increase of \$11,000
- C. Pitney Bowes Lease Agreement-Mail Postage Machine
- D. Minutes:
 - 1. Finance/Business Meeting of February 12, 2019, Committee of the Whole Meeting of February 26, 2019
 - 2. Board Appointment & Procedures – 11/19/18
 - 3. District #4 Health Dept. – 1/15/19
 - 4. City Council Minutes – 1/22/19
 - 5. County Road Commission – 1/17/19 & 2/8/19
 - 6. NEMCOG – 1/17/19
 - 7. NEMSCA – 2/1/19
 - 8. NCCMH – 1/17/19
 - 9. Planning Commission – 1/16/19, 2/6/19 & 2/20/19
 - 10. Fair Board – 1/10/19, 1/11/19 & 1/12/19

A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent

CITIZENS COMMENTS

Chuck Leady citizen of Benton Township commented that he was here last week and did a presentation on 5G technology, wireless, privacy issues, local control issues and some health issues. He stated he finished up with a recommendation to change and to make some additions to the permitting process so the County knew what these companies were installing in this

community. Then he talked about a resolution, which has been going around to many of the counties to oppose what the legislature has put through in Senate Bill 637, which takes away the local control. He questioned the Board to see if there was any interest in doing these two things.

SCHEDULED VISITORS

CCE 911 Director Pam Woodbury introduced herself and her new Assistant Director Rob Jerman to the Board. Mrs. Woodbury gave an update on the 800 MHz Project stating that the project kicked off on February 21st and the development phase is up and running. In April, the actual site work will be starting. The plan is to have this completed in the summer of 2020 to the point that they can start to bring subscribers on and hopefully, completely changed over by the fall of 2020 with the exception of possibly paging because they want to do some testing. Commissioner Newman commented on the request for proposal (RFP) process at the end of this year – for equipment in sticking with Motorola equipment. She explained that as far as the subscriber equipment goes, which would be the portable radios and mobile base stations for the users who use this equipment, CCE is still required to put out RFP's for that equipment. The Technical Advisory Committee which consisted of the law enforcement, fire departments and EMS command have come together and presented to the CCE 911 Board that they would like to stick with the Motorola equipment. The Motorola equipment is what was brought to the voters in November and this was the equipment that provided the most options, is the most durable and lasts the longest. The CCE 911 is still going through with an RFP to get the best possible price that they can and have already pushed Motorola to the point of taking \$1 million off of the entire project. They were being very diligent with the taxpayer's money. As far as the timeline goes, each of the counties has to start collecting this tax money to make sure that it was there. All of the subscribers cannot be brought on board at the same time because part of the project was building that infrastructure and adding eleven (11) new channels to this area so that the subscribers from the three (3) counties doesn't overwhelm the system. Commissioner Newman questioned if this substantially comes in under budget, where does the extra money go. Mrs. Woodbury stated if this comes in under budget, it goes back to the Board to decide on how to handle this.

Finance Director's Report

Finance Director James Manko stated that there would be no General Fund Revenue and Expenditure Report for January 2019. It would be presented at the April 9, 2019 Finance Business Meeting because the 2018 year-end adjustments were still being posted. Also the Cash Summary by Fund Cash and Investment Report for January 2019 would not be presented as the 2018 adjusting entries were still being posted and beginning cash balances could be affected. Mr. Manko reported on the summarization of all budget adjustments posted from July 1, 2018 through December 31, 2018 and addressed significant line items.

Administrator's Report

Administrator Jeff Lawson gave an update on the Jail Project. The security contractor has completed approximately 98% of their system installation. The new cell area and kitchen are in use. The general contractor will have some exterior landscaping and door weatherization to complete in the spring.

Sheriff Dale Clarmont gave an update on the front security door stating that it was working as advertised. The Food Service contract was going very well, as well as the area with the new cell blocks, which were for work release inmates that go to work every day. Because this is a secure area separate from the rest of the jail and it was much safer.

Administrator Jeff Lawson gave an update on the Indigent Defense. Staff will be meeting with the MIDC in April to review our plan and compliance standards as well as preliminary budget needs for next year.

Administrator Jeff Lawson gave an update on the 911 Bond. Staff will be meeting with the bond advisors in April to review the bid process as well as the structure of the bond issue. Once identified, the Bond Attorney will complete the final Bond Resolution for Board approval.

Administrator Jeff Lawson gave an update on the NLEA Broadband Consortium Agreement. Legal Council has finished reviewing the agreement and has given several recommendations regarding the structure and the bylaws. It will be provided back to the other two counties for review and, hopefully, it should be placed on the next Board meeting agenda. There was one business in the county that was interested and was asking about the structure, which was Tube Fab

COMMITTEE REPORTS

Commissioner Sangster attended a Board Appointments & Procedures Meeting on March 4th and would recommend the following appointments/reappointments.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to appoint Jeff Veryser to the Northern Lakes Economic Alliance for a 3-year term commencing January 1, 2019 through December 31, 2021; to appoint Karen P. Johnson to the Cheboygan County Planning Commission for a 3-year term commencing on December 16, 2018 through December 15, 2021 and to reappoint Alice Mushlock to the Cheboygan County Tax Allocation Board for a one (1) year term effective April 1, 2019 through March 31, 2020. Motion carried with 7 yes, 0 no and 0 absent.

OLD BUSINESS

Administrator Jeff Lawson presented Resolution #19-05 Medicare Prescription Drug Bill. This Resolution was to voice support to amend the Medicare Prescription Drug Bill of 2003 to permit the Medicare program to negotiate for lower drug prices to help control the cost of prescription medication for seniors and the disabled.

Motion by Commissioner Gouine, seconded by Commissioner Warfield, to adopt

RESOLUTION #19-05

WHEREAS, Health care costs continue to rise for all Americans and, for some Americans, this increase can be devastating; and

Finance/Business Meeting – March 12, 2019

- WHEREAS, Medicare is the focus of many lawmakers who portray it as an "entitlement" program that costs the Treasury too much money. Technically, the term "entitlement" is correct but it has an unfortunate connotation; and
- WHEREAS, Medicare is an essential medical plan that millions of seniors and disabled individuals depend upon to stay alive. Medicare is not a gift, as the term "entitlement" suggests. Many of the beneficiaries have worked their entire adult life and paid into the system in order to receive this crucial medical plan; and
- WHEREAS, Due to spiraling costs largely associated with the price of prescription medications, our elected officials find themselves passing on increased costs to those who can least afford that increase, namely senior citizens and disabled individuals who are on Medicare's Part D drug program; and
- WHEREAS, When congress enacted Medicare Prescription Drug Bill they enacted a law that does not allow Medicare to negotiate with pharmaceutical companies for drug price the way Medicaid and the Veterans Administration does; and
- WHEREAS, One economist, Dean Baker, estimates that Medicare could have saved approximately \$332 billion dollars between 2006 and 2013 (approximately \$50 billion a year) had the Department of Health and Human Services been permitted to negotiate prices of drugs with the drug companies, as federal agencies do in other programs; and
- WHEREAS, Rising prescription drug costs have been the primary reason for the increase in health benefit costs; and
- WHEREAS, The increasing cost of prescription drugs and outrageous profits made by pharmaceutical companies is a systemic problem that significantly affects our state and our nation. It deserves non-partisan effort; and
- WHEREAS, We must prevent our elected officials from balancing the budget on the backs of those who can least afford it, the elderly and disabled. Increases in premiums and drug costs are unacceptable Ways to deal with a flawed Medicare Prescription Drug Bill; and
- WHEREAS, We must preserve the Medicare program as it currently exists and to do so requires immediate action to cut unnecessary costs, particularly in the area of prescription drug coverage; and
- WHEREAS, We must revise the Medicare Prescription Drug Bill of 2003 to allow negotiating lower drug prices and the importation of identical, cheaper, drugs from Canada and elsewhere; and
- WHEREAS, We cannot allow the previously approved bill to stand as adopted at the risk of having the Medicare program be the cause of a staggeringly increasing deficit which will require tax increases or cuts to the rest of the government, nor can we allow the continuance of price increases to our citizen's cause many to contemplate discontinuing medically necessary drugs in order to pay their bills, heat their houses and have food on the table; Therefore, Be It Further
- RESOLVED That the Cheboygan County Board of Commissioners goes on record urging our Legislators to immediately commence the process of revising the Medicare Prescription Drug Bill of 2003 to allow negotiating lower drug prices and the importation of identical, cheaper drugs from Canada and elsewhere; Be It Further
- RESOLVED That a copy of this resolution be forwarded to our area Federal and State Legislators, The National Association of Counties, the Michigan Association of Counties and the other Michigan Counties.

A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

NEW BUSINESS

Administrator Jeff Lawson presented the Cheboygan County Fair Agreement-Buckeye Ball LLC. The Fair Board would like the County to enter into an agreement with Buckeye Donkey Ball LLC in the amount of \$3,300 during the Fair on August 7, 2019. After deducting admission taxes, if

any, this also includes a non-refundable \$100 registration fee. This is a rain or shine grandstand event.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to approve the Buckeye Donkey Ball LLC Agreement, addendum and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Aloha Township Road Loan Application. The County has received a road loan application from Aloha Township requesting to borrow \$223,000 to be paid back over five (5) years to use toward the paving of 2.4 miles of Long Lake Road a from M-33 to existing pavement. This portion of Long Lake Road is currently graveled. Staff reviewed the financial information provided by the Township, which identifies the Township is requesting to borrow approximately 61% of the project cost. Staff did not identify any financial concerns limiting the ability of the Township to repay the loan.

Motion by Commissioner Sangster, seconded by Commissioner Matelski, to approve a five (5) year loan to Aloha Township for the paving of a portion of Long Lake Road and authorize the Chair to sign the loan agreement. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the 2019 Medical Marihuana Operation and Oversight Grant Agreement. The State of Michigan has designated the use of Medical Marihuana Operation and Oversight funds to provide education programs through the Health Department. The County will be the fiduciary agency for the grant funds with District #4 Health Department Staff who will implement the program.

Motion by Commissioner Sangster, seconded by Commissioner Matelski, to approve the 2019 Medical Marihuana Operation and Oversight Grant, authorize the County Administrator to sign and authorize any necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the Federal Energy Regulator Mediation Agreement Black Lake Level-Alverno Dam. The County has been requested to participate in a Dispute Resolution Process conducted by the Federal Energy Regulatory Commission (FERC) staff to come to an agreement between Black River LP, Black Lake Association (BLA) and the Black Lake Preservation Society (BLPS) as to the long term operating protocol of the hydroelectric dam and head pond in relation to the water level of Black Lake. The summer and winter levels of Black Lake were set by a court order in 1965. The mediation process is confidential and the mediator has no authority to order agreement. The agreement has been reviewed by legal counsel.

Motion by Commissioner Gouine, seconded by Commissioner Matelski, to approve the

DISPUTE RESOLUTION SERVICE
FEDERAL ENERGY REGULATORY COMMISSION
MEDIATION AGREEMENT

Finance/Business Meeting – March 12, 2019

The undersigned parties hereby request the assistance of the Federal Energy Regulatory Commission Dispute Resolution Service (DRS) in the attempted resolution of the dispute between them today. The parties understand that mediation is a voluntary process that may be terminated at any time. The parties agree to maintain the confidentiality of all information disclosed in the course of the mediation and further agree to the following terms:

1. Proceedings before the mediator are informal and the rules of evidence for civil proceedings do not apply. No voice, stenographic, or other recording of the mediation will be made.
2. Mediation sessions are private. The complainant is entitled to be present. Non-parties may attend only with the permission of the parties and the consent of the mediator.
3. Any statements made by the parties, other participants, or the mediator during the mediation process, and any documents created for or during the mediation proceedings are inadmissible and not discoverable for any purpose whatsoever in any pending or subsequent judicial or other proceeding, absent the written consent of all of the parties, the mediator, and the DRS.
4. The parties will not seek to compel the testimony, by subpoena or otherwise, of the mediator or any other employee of the DRS to testify in any proceeding for any reason. The parties also will not seek to compel, by subpoena or otherwise, the production of documents created for or during the mediation in any proceeding or for any reason.
5. Evidence that is otherwise admissible or discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation proceedings.
6. The obligations imposed by this agreement are in addition to and do not supercede any obligations imposed by applicable state or federal laws regarding mediation confidentiality.
7. The mediator has no authority to compel agreement or other resolution of the dispute and will issue no written recommendations or conclusions. At the request of the parties, or on the initiative of the mediator, the mediator may provide an oral recommendation or opinion to resolve the dispute. In that circumstance, the parties may jointly decide to implement that recommendation or opinion but neither party is obligated to do so.
8. The parties shall not rely on nor introduce as evidence in any proceedings any views, comments, or suggestions made by any party or participant with respect to a possible settlement of the dispute, any admissions made by another party or participant in the course of the mediation proceedings, or any proposals, opinions, or comments of the mediator. In accordance with DRS policy, the mediator's notes and records of the mediation content, if any, are routinely destroyed.
9. The DRS and its employees will be held harmless of any claim for damages for any act or omission occurring during or in connection with the mediation process, to the extent permitted by applicable law.
10. The parties agree to be bound by this agreement. By signing below, the parties represent that they have the full authority to bind their respective organization and/or members to this agreement.

and authorize the Chairman, Drain Commissioner and County Administrator to sign. A roll call was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director James Manko presented the 2019 Salary & Wage Resolution Amendment #1 – Non-Union General Employees – Maintenance and SAYPA. One Union Housekeeping Position will be increased from 35 hours per week to 37.5 hours per week. Community Mental Health located in the Doris E. Reid Building will pay for the additional wages and benefits to clean their office space. The original 2019 Salary & Wage Resolution did not include a 3% wage increase for the SAYPA Classroom Monitor position due to a delay in grant funding. However, the wage increase was built into the 2019 SAYPA Byrne Jag Grand Application.

Motion by Commissioner Tryban, seconded by Commissioner Sangster, to adopt Amendment #1 to the 2019 Salary and Wage Resolution - Non-Union General Employee #18-23 to be

effective February 27, 2019, authorize any necessary budget adjustments and authorize the Chair to sign . A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Veterans Service Officer Employment Agreement Renewal. This is a renewal of Employment Agreement for a three (3) - year time period.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to approve the three (3) – year employment agreement with Richard Wiles, Veterans Service Office and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Cheboygan County Housing Program Guideline Amendment – Emergency Repair Program. The County no longer received housing grant funding from MSHDA for the home improvement loan program due to a lack of State funding. The County must amend its Housing Program Guidelines to remove reference to MSHDA within the guidelines. The State will also only permit the use of funds from program income payments received from past loans to be spent on emergency repair items, which include but are not limited to water/plumbing, sewer/septic systems, heat, electrical, roofs and accessibility.

Julia Mauldin citizen of Hebron Township addressed the Board regarding her situation for applying to the Emergency Repair Program and was hoping that the Board could help. Administrator Lawson would have to look at the application, guidelines, schedule and the other funds that have cleared into the general fund to see how much flexibility there was. Discussion was held on the estimated cost and remodeling of structure.

Motion by Commissioner Sangster, seconded by Commissioner Warfield, to approve the amendment to the Program Guidelines for the Cheboygan County Home Improvement Loan Services Emergency Repair Program. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

BOARD MATTERS FOR DISCUSSION

Discussion was held on when to schedule the Board Planning Session. It was the consensus of the Board to hold the Committee of the Whole/Planning Session on May 28, 2019 at Audie's Restaurant in Mackinaw City starting at 9:30 a.m.

CITIZENS COMMENTS

Chuck Leady commented that he was going to ask a question regarding the 800 MHz Emergency System, but had gotten his answer during the break. The question that he asked was if this new emergency communication system was hardened against the electromagnetic pulse (EMP) with the answering being no, it was not hardened against it. Discussion was held on following up on this.

Charlie Veneros citizen of Aloha Township and Aloha Township Treasurer thanked the Board for approving the Aloha Township Road Loan Application.

BOARD MEMBERS COMMENTS

Commissioner Gouine questioned the age of the K9 at the time of retirement. Sheriff Clarmont stated he was 9 years old and would be 10 by the time of retirement.

Commissioner Matelski questioned on where the renovations were at for the Humane Society. Administrator Lawson commented that they were still looking for a mechanical contractor. One firm identified that they could get there in July. The general contractor cannot move forward until the duct work gets installed into the ceiling and so this work would have to be coordinated. She stated that at a meeting last night someone asked her about having a Board meeting in the evening. Commissioner Wallace commented that they tried this twice and attendance was about the same. Commissioner Matelski also commented that she has been doing some research on the 5G technology, had some concerns and would like the Board to consider a resolution especially about towers, which were left behind by companies. Something should be in place stating that these companies should be responsible to take care of these towers after the usage was stopped. Discussion was held on right-of-ways and resolution. It was the consensus of the Board to have staff prepare a resolution.

Commissioner Tryban asked to be excused for the Committee of the Whole Meeting on March 26th.

Commissioner Warfield commented on Julia Mauldin's situation and asked the County Administrator to work with her through this process with as much flexibility as possible to help accommodate her needs.

Commissioner Wallace commented on the Michigan Works! Northeast Consortium March 2019 Newsletter and February 2019 event recaps and statistics that he handed out. He read a letter from the Honorable Daryl P. Vizina Probate Judge stating he had reappointed William Beethem to the Soldiers Relief Commission with his term expiring on December 31, 2021 and he also appointed Richard Mayo to the Soldiers Relief Commission with his term expiring December 31, 2020.

Motion by Commissioner Wallace, seconded by Commissioner Newman, to adjourn to the call of the Chair. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 11:06 a.m.

Karen L. Brewster
County Clerk/Register

John B. Wallace
Chairperson