

**Cheboygan County Board of Commissioners
Committee of the Whole Meeting
November 28, 2017**

The Committee of the Whole Meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson John Wallace at 9:30 a.m.

Roll called and a quorum present.

PRESENT: Commissioners Karen Johnson, Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski, John Wallace and Robert Bolinger.

ABSENT: None

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

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

CITIZENS COMMENTS

Chuck Beckwith Chairman of the MTA and President of the Cheboygan Trailblazers Snowmobile Trail Grooming Club gave an update on the DNR closure of the bridge over the Little Black River in the City of Cheboygan, on Trail 9. He stated that he met with State Representative Lee Chatfield's office. Last week, a conference call was held with the head of Park and Recreation, several other people of the DNR, the bridge fabrication place in Marquette and the National Snowmobile Association. Mr. Beckwith read an email that he had received from State Representative Lee Chatfield that he had received confirmation from the Director of the DNR that the 62 foot temporary bridge was being set up so wide as to accommodate a groomer and to make it retro fit over the existing bridge with a reroute in place. The bridge should be in place by the middle of December. He gave a little bit of background stating that during the conference call, it was suggested that if the DNR was going to put a temporary bridge in and with the cost of the temporary bridge, why not retro fit it enough to make it a permanent bridge to save a ton of money and the existing bridge might not have to be removed. Mr. Beckwith thanked the Board of Commissioners, Administrator Lawson and everyone else for their support. Economically, this was going to be a life savings event for Cheboygan and Emmet County.

SCHEDULED VISITORS/DEPARTMENT REPORTS

Lisa Anderson, District 14 Coordinator for MSU Extension, presented the 2016-2017 Annual Report. Ms. Anderson stated that she served seven (7) counties including Cheboygan County. She wanted to thank Cheboygan County for another year of continued partnership because together they bring MSU Extension curriculums and educational experiences right here to folks in Cheboygan County. There was a brand new educator position posted with MSU Extension for government and public policy in land use and planning. This position was

originally located in Charlevoix County upon a retirement. MSU Extension would be getting better coverage for the work team placing it here in Cheboygan. Interviews should start the first of the year. Ms. Anderson introduced the other personnel from the Cheboygan County MSU-E office.

Leigh Ann Theunick, Cheboygan County 4-H Program Coordinator for MSU Extension, presented information on 4-H and Youth Development programs in Cheboygan County that took place in 2016-2017. She stated that two new clubs were added. The first one was an after school Lego Robotics Club at Bishop Baraga School with 28 youths and 3 volunteers. Robotics was a great way to teach science process, but it also taught important life skills such as problem solving, communication and team work, which was a huge thing youths needed to learn with more and more businesses going to a teamwork environment. The second club that was started this year was a summer program, which was called Wolverine Young Warriors. The club had a wonderful leader, Brian Turbin who was very passionate about the youths in the Wolverine Area and wanted to give them something fun and safe that they could do through the summer. The club met once a week through the summer and explored all kinds of different topics from fly fishing, wood working, kayaking, etc... The club also did a community service project with disabled veterans. This past year, new standards were introduced for 4-H youth members, who wished to exhibit market livestock animals at the fair with six (6) educational workshops offered. Ms. Theunick stated that there were 492 youth participants in 4-H programs for 2016-2017.

Danielle Melching, Early Childhood Educator for MSU Extension, presented information on various early childhood development and family programs in Cheboygan County that took place in 2016-2017. She had formed partnerships within the community, including DHHS, Great Start Regional Resource Centers and local school district. An outreach event was held at Knaebe's Apple Farm in Rogers City explaining the benefits of early literacy experiences. Then the parents and children worked on creating a story cube together. Ms. Melching presented plans for 2018 as follows: 12 One time presentations with topics such as The purpose of Play, Resilience, Technology in Early Childhood, Positive Discipline, Understanding a Toddler's Work, Literacy and Math for infants/toddlers; 2 series presentations with topics such as Nurturing Parenting and Guiding Principles; Babysitting SPIN Club that were held for 6 weeks for 90 minutes per week and Family Engagement Nights and Family Fun Day at the fair. It was important to prepare children for the future. The skills children were taught not only affects their lives today, but builds the foundation for their future independence as adults.

Ms. Anderson stated that since the retirement of Patti Spinella who was the Nutrition Program Instructor, Denise Aungst who wasn't here today and Kaelie Fessler have been carrying that torch. Last year, MSU Extension served 248 adults and youths in the SNAP-Ed Program, which stood for Supplemental Nutrition Assistance Program. A lot of this was through the school system where over 50% of the students received free or reduced lunch. Through the Senior Market Fresh Program, they were able to provide a total of 460 coupon booklets, which provided seniors to get fruits and vegetables at farmers markets with an impact of \$9,180 for the local economic stimulus. MSU Extension was in their 3rd year of serving 544 children and families weekly in the Tip of the Mitt area through partnership with the Food Bank of Eastern Michigan. As part of the backpack program, food was distributed for the weekends, children

and family received recipes, resources and information to make a healthier choice an easier choice. This affected 96 children in Cheboygan County.

Kaelie Sue Fessler, Health and Nutrition Director stated that Prescription for Health was a partnership and referral through the Alcona Health Center for 8 counties. MSU Extension provided nutrition classes, which gave participants \$60 in vouchers to purchase fruits and vegetables from local supermarkets. Through this program, she had worked with 56 adults in Cheboygan County. This was a 6 week program to discuss healthy choices, food and nutrition and physical activity. Participants could come from either a doctor's referral or from someone seeking out nutritional help. She has seen many positive results and completion of the 6 week program was nearly 100% from the adults that attended. Another new endeavor that was just taking off in the Wolverine Community Schools was a Fuel up to Play 60 program offered to all students. In conjunction with the Hoop Houses for Health, this was when local farmers provided fruits and vegetables to schools. MSU Extension would be going into the school to create tasting of these new foods with the students and offering nutrition, physical activity, education and helping to create a more interactive and fun lunch room experience.

Ms. Anderson stated there was other staff members housed in other counties that served Cheboygan County. Wendy Wieland, Innovative Product Counselor who was housed in Emmet County and her primary role was to help mainly new food businesses launch. She received the Innovation Counselor of the Year award through the MSU Product Center this year. Ms. Wieland was in attendance at the Cheboygan County Farm Bureau's annual meeting this year, where she gave a presentation about local food systems. Brandon Schroeder, Extension Educator for the Michigan SeaGrant Program was housed in the Alpena County office. He has a partnership with the Northeast Michigan Great Lakes Stewardship Initiative network, which engages youths in Great Lakes and natural resource projects, provides support for schools and educators, and facilitates school community projects. In 2016, nearly 240 Cheboygan County youths were engaged in hands on learning through a variety of Great Lakes and natural resource projects. In 2017, Mr. Schroeder received the Informal Educator of the Year award through the Michigan Science Teachers Association. James DeDecker, Agriculture Educator serves Cheboygan County and was housed in the Presque Isle County office. He conducts a lot of field days with growers to make sure they were getting access to the latest information on best management practices and field crops.

Mary McTevia, MSU Extension Office Manager was introduced and was thanked for putting this year's report together.

Commissioner Matelski commented that she knew about 4H and food, but it was very interesting reading through the report as to the different programs that were offered regarding early childhood development and helping people with their housing.

Commissioner Wallace commented that in the past the MSU Extension office was used for many things including for training of new Board of Commissioners.

ADMINISTRATOR'S REPORT

Administrator Lawson gave an update on the Gold Front demolition. Staff solicited bids for the completion of a structural demolition plan with bid specifications to provide to the demolition contractor for the removal of the buildings. Only one bid was received by Fieldstone Architect and Engineering. A review of Fieldstone's proposal identified that the liability limit in the agreement was capped at an amount that would not be sufficient to cover potential liability.

After discussion with the State of Michigan, the recommendation was to develop a revised Request for Proposal (RFP) packet to provide to the demolition contractor to inspect and prepare a demolition plan in conjunction with a structural engineer and submit a cost for building demolition. The demolition contractor would be required to meet the minimum liability coverage requirements identified in the grant.

Commissioner Gouine commented that the demolition was a more difficult job than most contractors experience because of the two common walls. Administrator Lawson stated that this was why they wanted the structural engineers to look at it, but with the demo plan it should give an outline on how they were going to approach it and not damage the buildings next door. Once it was received, the report would be reviewed. If the Board wanted to double check it, another structural engineer firm could be hired.

Administrator Lawson presented the Recycling Resolution/Agreements. The recycling inter-local agreements with participating units in the County expire in March 2018. Since 2007, the County had imposed a surcharge of \$24 per year per household. The state statute authorizing the surcharge permits the County to charge up to \$25 per year per household. Due to increased cost for the County's recycling program, staff was recommending that the Board approve a resolution authorizing the collection of up to \$25 per household per year to maintain the program. This resolution was scheduled to be placed on the Board's January 9, 2018 agenda. Once approved the inter-local agreements would be sent to participating units for approval.

Commissioner Sangster questioned if other units of governments or an individual who didn't participate could come to the county and pay \$24 annually for recycling. Administrator Lawson stated that the cost would be \$36 annually.

Commissioner Gouine questioned with the purchase of the new truck, the county was supposed to save money and he wanted to know what happened. Administrator Lawson stated that the county wasn't running in the hole. The county has saved a lot of money, as shown on the last recycling report. This program was solvent right now. There was enough money coming in to set the depreciation for the vehicle and dumpsters. It was just mathematically, in time the cost of the vehicle, labor and recyclable process with Emmet County keep going up every year. The county's ceiling was the \$25 annual fee. So the only way for the county to increase the revenue was thru the households that were built in the county or if a new unit comes in. This charge would offset some of the hazardous waste disposal, which fluctuates each year.

Commissioner Gouine asked if any of the county's policies changed that would have caused the costs to increase. Administrator Lawson stated that the county recycles the same items that have been recycled from the beginning. Yard wastes were not accepted. Hazardous wastes such as televisions were accepted by a different entity and now the county had that back because they couldn't make it viable. Purchasing the vehicle has allowed the county to stay ahead of the curve. This was where the county wanted the program to be right now because there was money to replace the vehicle. Next year's budget would replace the pickup truck and then in 2019, they would look at replacing the transfer vehicle, but would keep the old one as a backup because they were having issues with breakdowns.

Administrator Lawson gave an update on the joint meeting with the Board of Commissioners and Planning Commission which was scheduled for Wednesday, December 20, 2017 at 7:00 P.M. Staff was preparing information providing an overview of the County's Master Plan and providing a summary of the topics that had been discussed and action taken based on direction of the Master Plan. This would provide the Board of Commissioners and the Planning Commission with a starting point for dialogue concerning action taken and future policy direction related to land use planning and regulations.

Administrator Lawson gave an update on the Doris E. Reid Building remodeling. Contractors were working on the carpeting and tiling. He updated the Board on the roof leakage issue. Commissioner Gouine took a look and located a target area. With the weather being nice, he hoped to work with maintenance to get this completed.

Administrator Lawson gave an update on the Animal Shelter stating that the block work has been installed for the 28 x 28 isolation room addition and the contractor should be working on the roof rafters this week.

Administrator Lawson stated that the County Building's long distance phone service had been down for a last couple of weeks. He gave the phone system a week to fix the problem, but he didn't get a good response from them. The IT staff had been given authorize to change companies. Yesterday, the lines were all transferred and today he was hoping for them to get the county building operation.

OLD BUSINESS - None

NEW BUSINESS

Administrator Lawson presented a resolution in support of reopening the Cheboygan Armory, which would be submitted to the State of Michigan.

Commissioner Gouine asked the Sheriff what were the 1st, 2nd and 3rd lines of defense if something happened. Sheriff Clarmont stated that the units were local law enforcement, State Police, and Federal.

Commissioner Wallace asked for the resolution to be read. The County Clerk read the resolution.

Motion by Commissioner Gouine, seconded by Commissioner Matelski to adopt the following resolution and authorize the Chair to sign.

Resolution 17-012

Cheboygan Armory

WHEREAS the Cheboygan Armory has been an important part of the community for over 100 years providing a source of community pride and patriotism in serving the Michigan National Guard;

WHEREAS the Cheboygan Armory is an important facility to the community providing meeting space for veterans organizations and serving as an event location for many community events over the years;

WHEREAS the Cheboygan Armory has served as an important economic engine to the community resulting in a positive economic impact to the region and;

WHEREAS the Cheboygan Armory was recently renovated by the Michigan National Guard and can be quickly reopened to serve the Guard protecting the citizens and important assets of Michigan such as the Mackinac Bridge, electrical grids and pipelines;

NOW THEREFORE BE IT RESOLVED, that the Cheboygan County Board of Commissioners urges the Governor and the Michigan National Guard to reopen the Cheboygan Armory to:

1. Restore this important sense of community pride and symbolism of patriotism;
2. Work with the community to reopen the facility to provide a meeting space to veteran organizations and for community events;
3. Recognize the economic importance of the Armory to the community and the region;
4. Fully utilize a renovated facility in a strategic location to protect the citizens and important assets of the State of Michigan.

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

BOARD MATTERS FOR DISCUSSION

Administrator Lawson presented the 2018 Proposed Budget Review with a summary of all the changes made since the original recommended budget was provided to the Board of Commissioners on September 26, 2017 and October 2, 2017. The 2018 Budget would be finalized at a Public Hearing at the December 12, 2017 Finance Business Meeting, which would be advertised.

Discussion was held on the following general ledger number accounts: **Transfer In 101-400-699.99**: Mr. Lawson stated an additional \$400,000 for fuel tanks and dock replacements at the municipal marina, an additional \$135,000 for the jail project pursuant to the last architect

request and a deduction of \$35,275 from a balance in Fund 220. These funds were being added in for infrastructure projects, which represented the greatest increase in the budget from last year of \$12 million to this year's budget of approximately \$15 million range.

Expenditure Control 101-700-700.00: Administrator Lawson stated an additional payment of \$229,128 to MERS for unfunded accrued liability. This was part of the County's pension liability and the County was at approximately \$7 million of pension liability. Each year, the County received an actuarially report from MERS, which identified what the County's payments would be each year and MERS also provided a choice, if the County wanted to accelerate payments for a 10 year amount or a 20 year amount. The base payments were on the 20 year amount. What this represented was an additional payment to try to get the County into roughly a 15 year payment amount. Meaning that in 15 years, if the County stayed at this acceleration and the market performed the way the actuarially was stating, which didn't always happens, in 15 years the County could eliminate the \$7 million deficit that Cheboygan County had. Also accounting for the projected gains as far as to what the market might do and the expenses based on forecasted retirements. The actuarially report was done by MERS from independent companies. This was representing an additional payment that the County would like to make.

Commissioner Sangster stated next year at the Board's Work Session, he would like the Board to consider figuring out the cost of when a change in position such as Mr. Schnell's, where the County gave him years and then he up and left the County. He questioned if Mr. Schnell cost the County any additional monies by getting extra time and if the Board was interested in managing that budget fund, because this was affecting employee retirement. Administrator Lawson stated that when an employee bought years, the employee had to put in a projected amount from an actuarially done from MERS. Then the employee was responsible for buying back the number of years at that base amount. Commissioner Sangster questioned if this was going to be a financial factor to the County because he had seen in other units of government where an employee was at a wage and all of a sudden, jumped to a wage where it was almost doubled and the employee only needed three (3) years to retire. Then it sets the employee's pension for the first 10 years at half the pay and then the employee's pension was set at the last three (3) years of pay. This staffing decision put an enormous burden on this liability. Administrator Lawson stated that there could be legal issues. The reality was the defined benefit. It has been an impact that had been looked at. He explained that new employees were with hybrid retirement benefit, which was started in 2016. Hybrid was where a portion was defined benefit, but the funding ratio dropped. The State of Michigan was also looking at this topic.

Transfer Out 516-902-999.00: This was another part of the infrastructure where the finance department just enters the budget on different sides of the equation and the monies get transferred between funds.

Commissioner Sangster questioned if the county, budgeted for strategic planning because it stated," to appropriate funds to meet the objectives that were designed to produce the outcomes that support the goals of the organization and a history of developing goals that promote a higher quality of life, a safe environment, balance growth and positive interaction with all citizens of the county". Administrator Lawson explained that this was referring to the

whole budget process. The whole budget process was set up under the Government Finance Officer's Associations standards. As part of that, the County needed to have a budget that met those criteria, which had to include a planning implementation stage. For example when a work session was held in the spring, monies were appropriated.

CITIZENS COMMENTS

Carl Muscott citizen of Tuscarora Township stated he appreciated Commissioner Sangster's comments that there was a fiduciary responsibility that people had to look at for long term ramifications. The Board recognized circumstances when Mr. Schnell gained a raise in mid budget year and then he was approved to buy back years of retirement. What he did was to move his pay up and then shortened his term with the county. He commented on the posting requirements and qualifications for the new Planning and Zoning position.

BOARD MEMBER COMMENTS

Commissioner Sangster questioned where the job was posted and how many applications were received. Administrator Lawson stated that it was posted online at Jobs Indeed and the State Planning Site and in the Cheboygan Tribune. To date, he had not received any applications. The next step might be to target potential applicants by identifying agencies and specifically sending out information to them. Commissioner Sangster suggested hiring a firm. Mr. Lawson stated typically for this level of work they wouldn't do that, but it was an option. The next step was to put it on the National APA site.

Commissioner Gouine commented that the Road Commission had five (5) elected Commissioners and he wanted to know what it would take to go back to three (3). Mr. Lawson stated that he would have to do some research on that.

Commissioner Wallace called the Board of Commissioners attention to the invitation that they received for the "From Decisions to Actions" graduation on Wednesday, December 6, 2017 at 7 P.M. and encouraged them to attend.

Motion by Commissioner Sangster, seconded by Commissioner Newman, to adjourn to the call of the Chairperson. Motion carried. Meeting adjourned at 11:08 P.M.

Karen L. Brewster
Cheboygan County Clerk/Register

John B. Wallace
Chairperson Board of Commissioners