

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS**  
**Finance/Business Meeting**  
**July 11, 2017**

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

Roll called and a quorum present.

**Present:** Commissioner Richard Sangster, Michael Newman, Cal Gouine  
Roberta Matelski, John Wallace and Robert Bolinger.

**Absent:** None – District #1 vacant

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

**Motion** by Commissioner Bolinger seconded by Commissioner Sangster, to approve the agenda. Motion carried with 6 yes, 0 no and 0 absent.

**Motion** by Commissioner Gouine, seconded by Commissioner Bolinger, to approve the consent agenda as follows:

- A. Approve Monthly Finance Claims (Finance Total = \$0; Prepaid Total = \$1,035,012.35 )
- B. Budget Adjustments as follows:
  - From 101-700 to101-902 totaling \$3,895
  - 2017 Raise Revenue/Expenditures
    - 1. Fund 249 total budget increase of \$3,895
    - 2. Fund 561 total budget increase of \$1,000
- C. Fairground Usage Agreement - Cheboygan Hockey Association
- D. Cheboygan County Fair
  - 1. EUP Antique Equipment Association
  - 2. Northern Central Security LTD
- E. Invoice Write-Offs
- F. Region 9 Area Agency on Aging Proposed 2018 Annual Implementation Plan
- G. Minutes:
  - 1. Finance/Business Meeting of June 13, 2017 and Committee of the Whole Meeting of June 27, 2017
  - 2. Planning Commission – 5/17/17
  - 3. District #4 Health Department – 5/16/17
  - 4. City Council – 5/30/17 & 6/13/17
  - 5. County Road Commission – 6/1/17

A roll call vote was taken. Motion carried with 6 yes, 0 no and 0 absent.

## **Citizens Comments**

Carl Muscott questioned a \$1,500 payment to Northern Homes, which he assumed was for the grant application of the demolition of the Gold Front Bar and Ballroom. He was curious as to why with all the well qualified staff at the Cheboygan County Building why they had to be hired to write the grant application. Mr. Muscott asked if the public could get an explanation of how the MERS program worked as far as buying time.

Susan Lux a resident of Wilmot Township commented that this was her second appearance before this Board asking for help on the problem with her neighbors hosting large gatherings. A packet was handed out with pictures. An explanation on how the events were run and the process was given. Mrs. Lux stated while the county had no noise ordinance, some townships do have a noise ordinance, which was enforced at the township level. Also the County needs to take care of the camping issue.

## **Scheduled Visitors**

Sheriff Dale Clarmont presented the Medal of Valor to Lt. Mike Brege for an incident that happened on January 21, 2017. A brief synopsis of the incident was given. This was the first time in the Cheboygan County Sheriff's Department's history that one of its deputies had been given the award. Also Lt. Brege was given a plaque recognizing his heroic actions. The audience gave Lt. Brege a standing ovation.

## **Finance Director's Report**

Finance Director Kari Kortz presented the General Fund Revenue and Expenditure Report for May 31, 2017. She reported total year-to-date revenue of \$1,782,758.32, or 14.66% of the budget, compared to \$1,658,732.25 or 13.93% of the budget last year at the same time. She also reported on the total year-to-date expenditures of \$4,282,315.87, or 35.22% of budget, compared to \$4,256,852.61 or 35.76% last year as of the end of May. She reported on the Cash Summary by Fund Cash and Investment Report for May 31, 2017, which totaled \$18,889,867.81. An explanation of the deficit balance accounts was given.

## **Administrator's Report**

Administrator Lawson reported that applications for the County Road Loan Program were currently being accepted until August 1, 2017. The applications were available on-line at [www.cheboygancounty.net](http://www.cheboygancounty.net). The program was reviewed at the May MTA meeting and a program notice reminder had been sent to the Townships and the Cheboygan County Road Commission.

Administrator Lawson reported that each year the Cheboygan County Fair hired temporary employees to work approximately three (3) weeks to support Fair activities. Currently, the Fair Manager was trying to find temporary employees to fill these positions. Interested applicants have been limited. The County does have an anti-

nepotism policy, which prevents persons that were related to work in the same department. The staff would like to ask for an exception to this policy for these temporary positions if no other candidates were available. He reported that a relative to the fair secretary had identified they could work at the fair, if needed. Commissioner Sangster asked if they were setting precedence in the future. Attorney Bryan Graham stated that it was case by case. It was the consensus of the Board to allow related employees to work at these temporary positions.

Administrator Lawson reported that currently the request for Proposals from engineering firms to provide bids to complete the final engineering plans for the replacement of fuel tanks and gas dock-building at the Marina were being accepted. Bids would be reviewed by staff with a recommendation for award at the August 8, 2017 Board Meeting.

Administrator Lawson reported that staff was preparing to release bids to complete the final addition to the Animal Shelter Building for the isolation kennels. Contractors were currently finishing work on the central kennel areas.

Administrator Lawson reported that carpet was being installed in the new Health Department meeting room at the Reid Building. After installation, the carpenter could begin construction of the new office area and waiting area within the Health Department. Progress on the project was subject to scheduling availability of each sub-contractor.

Administrator Lawson reported that sealcoating and striping of the Wolverine Senior Center was scheduled to take place within the next few weeks.

Administrator Lawson reported that there were six (6) applicants received for the appointment of District #1 County Commissioner scheduled for Friday, July 14, 2017 at 9:30 a.m.

### **Committee Reports**

Commissioner Gouine attended a District #4 Health Board meeting, Planning Commission meeting, Fair Board meeting, Zoning Board of Appeals meeting and Inverness Township meeting. Discussion was held on advertising for the upcoming Fair. Fair signs need to be catchy to catch someone's eye driving through town.

Commissioner Newman attended a Community Mental Health meeting, CCE 911 Board meeting, District #4 Health Board meeting, Benton Township meeting, Northern Michigan Counties Association and Cheboygan County Council on Aging.

Commissioner Matelski attended an Aloha Township meeting, Waverly Township meeting, Koehler Township meeting and Grant Township meeting.

### **Old Business – None**

## **New Business**

SAYPA Case Manager Mari Hesselink presented the Byrne Justice Assistance Grant 2018 Application and an outline of the SAYPA program was given. SAYPA Program was awarded a Byrne JAG Grant for the 2012/2013 funding cycle. This grant was \$100,000 and covered expenses from October 1, 2012 through September 30, 2013. Due to a focus change by the granting agency, the SAYPA Program did not qualify for funding for 2013/2014 or 2014/2015. In the summer of 2015, the SAYPA Program was notified by the Michigan State Police Grant Management Division that, once again, the program qualified for funding under the 2015/2016 granting agency guidelines. They applied for and were awarded an \$80,000 grant for the 2015/2016 funding cycle. Due to across the board cuts, SAYPA was notified that the maximum award for 2016/2017 period would be \$55,000 (a reduction of \$25,000). The SAYPA program did not receive the Byrne JAG grant for 2016/2017. In the summer of 2017, the SAYPA program qualified to apply once again for the Byrne JAG grant. Staff had completed the Byrne JAG grant request for the 2017/2018 funding cycle online. The funding request was for \$60,000 (the maximum allowable request). This grant would fund similar items as the previous grant (wages and contractual services). The previous application covered costs related to a part-time classroom monitor, the program director and the Decisions to Actions Program. Due to staffing changes at the school, the program directors responsibilities would be transitioned to County staff, therefore, this application requests funding of \$33,615 for wages and fringe benefits needed for a full-time classroom aide and \$26,385 for the Decisions to Actions Program. There was no required local match.

Commissioner Gouine commented that he had attended graduation and stated that all but one (1) of the graduates stated they would be furthering their education by attending college. He wondered if SAYPA followed up on each of the graduates after graduation to see how many really do attend college. Ms. Hesselink stated that once a student graduates from the program, SAYPA keeps tabs on them to see where they would be going, how well they actually perform. A good portion of them do actually pursue higher education.

Commissioner Wallace commented that these were kids that did not fit into the regular academic classroom structure and it was a wonderful program.

Commissioner Sangster commented that it was a well written report. It was amazing the future cost of these kids if they were not taken care of with the cost amounting to approximately \$625 per day for housing. Mr. Sangster stated that it was a great program.

**Motion** by Commissioner Gouine seconded by Commissioner Sangster to approve the Byrne Justice Assistance Grant – SAYPA application and authorize the Finance Director to submit using the MAGIC on-line grant management system and authorize the Chairperson to sign any forthcoming agreements or required documents upon the

review and approval of the Finance Director, Kari Kortz and legal counsel. Motion carried with 6 yes, 0 no and 0 absent.

Administrator Lawson presented the DHHS 2017 Homemaker Agreement. The County had an agreement with the State of Michigan Health and Human Services to pay 50% of the cost of the Home Aide Position employed by the State to provide instruction, guidance, assistance, motivation, and training in basis child/family care. This agreement was for a period of one (1) year until September 30, 2018. Financial Impact: Cost to the County \$47,750 Child Care (50% State 50% County) an increase of \$1,350 from 2017.

**Motion** by Commissioner Sangster seconded by Commissioner Bolinger, to approve the DHHS Agreement DFA 18-16001 for the Home Aide Position and authorize the Chairperson to sign and authorize all necessary budget adjustments. Motion carried with 6 yes, 0 no and 0 absent.

Administrator Lawson presented the MERS Application of Additional Credited Service for Community Development Director Steve Schnell to purchase 2 years of credited service from the MERS B-4 Defined Benefit Plan. MERS permits the purchase of service credit by motion of the Board of Commissioners approving the purchase. A background of the MERS program was given.

**Motion** by Commissioner Newman seconded by Commissioner Matelski to approve the Application for Additional Credited Service for Community Development Director Steve Schnell to purchase 2 years of credited service in the County's B-4 Defined Benefit Plan with employee funds of \$35,256 and authorize the Chairperson to sign the MERS Application and Governing Body Resolution Form. A roll call vote was taken. Motion carried with 6 yes, 0 no and 0 absent.

Administrator Lawson presented the Architectural Services - Jail Expansion/Storage Building. The Sheriff identified the need to review the feasibility of constructing a kitchen facility to help control inmate meal costs as well as the need for additional cell capacity and storage building area for the sheriff's department equipment. A Jail Expansion Study completed in March 2017 provided a preliminary site plan, floor plan and cost estimates for the proposed expansion to confirm cost feasibility before proceeding to final construction drawings and project bidding. After review of the plan, the Board of Commissioners gave authorization to proceed with development of final architectural drawings and bid documents to construct the project. Request for proposals were requested from qualified firms to complete final architectural drawings, bid documents and provide construction administration to complete the project. Three proposals were received from architectural companies with the low bid received from Landmark Design Group. Landmark Design Group completed the Jail Expansion Study for the County and had experience with several similar projects for counties throughout Michigan.

**Motion** by Commissioner Sangster seconded by Commissioner Newman to award the Architectural Services to Landmark Design Group P.C. and authorize the Chairperson

to sign the AIA Agreement for Architectural Services in the amount of \$102,675 contingent on legal counsel review and authorize any necessary budget adjustments. A roll call vote was taken. Motion carried with 6 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the 2018 Budget Process Timeline. The timeline outlined the process similar to prior years with the public hearing and final adoption occurring at the last Finance/Business meeting of the 2017 fiscal year. A deadline for the Board to have the document in hand was scheduled around the week of September 18 - 25<sup>th</sup> so they could go over it line by line.

**Motion** by Commissioner Sangster seconded by Commissioner Gouine to approve the 2018 Budget Process Timeline as presented. Motion carried with 6 yes, 0 no and 0 absent.

**Citizens Comments - None**

### **Board Member Comments**

Commissioner Wallace commented on setting a rotation list of the Board to bring in goodies for the citizens in attendance and Board members at these Board meetings. It was the consensus of the Board to start a rotation list.

Commissioner Gouine commented that he had been mulling over this camping issue. Most families in Cheboygan County have large families. Upon these family functions at a resident's property, there might be approximately fifty people with cars parked all over the place. These issues need to be taken into consideration. Also each year there were a lot of family reunions held and company with families that live on the lake. It was a concern on how to control this because Cheboygan County welcomes out of town visitors and the revenue that was brought to the County.

Commissioner Sangster commented that he had been contacted by several citizens regarding the cost of recycling and how it was set up. Especially right now when there were a lot of visitors in the County who would like to recycle. Administrator Lawson stated that the County could charge up to \$25 per household, a non-residential household could be charged \$36 per year and commercial was a whole different charge. Each unit had to agree with the County and there were a number of units that were already a part of the system. Commissioner Sangster asked if it was the ambition of the County to have more people recycle or less. Administrator Lawson stated more, but under the funding mechanism by law, each unit that agreed could only collect up to the \$25 fee. Mathematically, the system does pay for itself, but at a point and time the County would start losing money. The cost of the recycling would out pay what was collected. This was what was being balanced in the long run. The primary cost would be the costs of moving the recycling to Emmet County for processing because the County would not be able to build their own separate processing facility. There were some costs that go up each year whether it would be truck costs or personnel costs. In the long run, they were just trying to have enough capital to purchase the recycling bins and cover

the cost for the vehicle. An extra cost for hazardous materials was now being charged. These charges were just break even charges to pay for the processing. The overall costs were changing. More units need to come on board, which haven't been interested in the past and more growth in the County was needed, so there would be more households to charge. If this doesn't keep pace with the recycling quantities, then they would be in a situation where the County would first not be able to fund the vehicle cost projections for the future or capital costs to purchase dumpsters. The percentage for those would drop and eventually, they would come to the conclusion as to the funding of recycling would have to done a different way. There were a couple other options used by County's across the state.

Sheriff Clarmont commented that the Sheriff Department had received another check, which totaled \$12,500 from Tony and Roberta Matelski for the K-9 Unit bringing the grand total for the year to \$22,500. Sheriff Clarmont thanked the Matelski's for their generosity.

Susan Luz responded to Commissioner Gouine's comment regarding mom and pop gatherings. When families go to grandma and grandpa's house, how many times do they charge \$40 a person? Grandparents don't hire 13 to 16 bands to play around the clock for four (4) days and do live streaming for large gatherings. Mrs. Lux stated she would rather see more families getting together for healthier things rather than having this behavior. Administrator Lawson stated that he had asked the Community Developments staff to put a report, together with a background of zoning situations and also complaints that were received. Once it was reviewed, it would go through the proper process and be brought to the Board.

Carl Muscott commented on the valuable information mentioned regarding recycling for non-residential people who could pay \$36 for recycling. In Indian River, big screen TV boxes were found on the beach because people were not recycling cardboard. Mr. Muscott appreciated Commissioner Gouine's comments on the camping ordinance. The camping ordinance encourages people to come up here to camp and the 90 day annual policy was a good compromise. He hated to see the County go backwards on this issue.

Commissioner Wallace stated that he handed out the Revised 2017 – Board of Commissioners Committee Assignments and if there were any questions or concerns, they could be discussed after the meeting.

**Motion** by Commissioner Sangster, seconded by Commissioner Bolinger, to adjourn to the call of the Chair. Motion carried with 6 yes, 0 no and 0 absent. Meeting adjourned at 10:47 a.m.

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Karen L. Brewster  
Cheboygan County Clerk/Register

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John B. Wallace  
Chairperson Board of Commissioners