

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
SEPTEMBER 10th, 2013**

The regular meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson Linda Socha at 9:30 a.m.

Roll called and a quorum present.

Present: Commissioners Linda Socha, Bruce Gauthier, Pete Redmond, Cal Gouine, John Wallace, Sue Allor, and Tony Matelski

Absent: None

Chairperson Socha requested a moment of silence in remembrance of September 11, 2001.

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

Commissioner Matelski requested the following item be removed from the Consent Agenda and added to New Business: Item 5-A *Approve Monthly Finance Claims*. Commissioner Allor requested the following item be removed from the Consent Agenda and added to New Business: Item 5-B *Budget Adjustments*. Commissioner Redmond requested the following item be removed from the Consent Agenda and added to New Business: Item F-7 *Cheboygan County Waterways Commission Resolution – Regarding Public Access to Lakes, Rivers, and Streams*.

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

Motion by Commissioner Matelski, seconded by Commissioner Allor, to approve the amended consent agenda as follows:

- A. ~~Approve Monthly Finance Claims~~ (Moved to New Business)
- B. ~~Budget Adjustments~~ (Moved to New Business)
- C. Fairgrounds Usage – Boy Scouts of Clio
- D. State of Michigan FY 2012 Stonegarden Grant - \$42,000
- E. 2012 CCRC Annual Report
- F. Correspondence
 1. Alger County Resolution in Opposition to HB 4785
 2. Chippewa County Resolution Re Full Funding of Revenue Sharing
 3. Huron County Resolution in Support of HB 395
 4. Oceana County Resolution in Support of the Healthy Michigan Plan (Medicaid Expansion)
 5. Retiree Letters regarding MERS Retirement
 6. Cheboygan County Road Commission – Bond Refunding
 7. ~~Cheboygan County Waterways Commission Resolution – Regarding Public Access to Lakes, Rivers and Streams~~ (Moved to New Business)
 8. Donation to Cheboygan County Fairgrounds – Electrical Upgrades
 9. Announcement of Funding Award Grant #MSC-2012-0730-HOA
- G. Minutes:
 1. Finance/Business Meeting of August 13th, 2013
 2. Health Board – 7/16/2013
 3. NLEA August/September Newsletter and September's President's Report
 4. NEMCSA – 8/2/13
 5. Michigan Northern Counties – 7/15/13
 6. Millage Appropriation Committee Minutes – 8/12/13 and 8/29/13
 7. Cheboygan County Road Commission – 8/1/13
 8. Cheboygan City Council – 7/23/13, 8/6/13 & 8/13/13
 9. Planning Commission Meeting – 7/17/13, 8/7/13 & 8/21/13

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

CITIZENS COMMENTS – None

SCHEDULED VISITORS – None

FINANCE DIRECTOR'S REPORT

Finance Director Kari Kortz presented the revenue and expenditures report for the General Fund for the month ending July 31, 2013. She reported total year-to-date revenue of \$2,302,733 or 21.88% of budget compared to \$2,443,870, or 22.89% of budget, last year as of the end of July. Ms. Kortz reported expenditures year-to-date of \$5,722,718, or 54.37% of budget, compared to \$5,671,197, or 53.11% of budget, last year as of the end of July.

ADMINISTRATOR'S REPORT

Administrator Lawson reported on the following items: Cheboygan County Union contract negotiations will begin later this month. Letters have been sent to each of the four bargaining units. The Cheboygan County Maintenance staff began demolition and appliance/fixture removal at the fairground restrooms. The objective is to remove the floor in the restrooms next week. Marina Dredging Project prints completed and plans have been sent to DNR Waterways Division for authorization. Refinancing Bonds for the Road Commission has been initiated and this board will be seeing resolutions on this soon.

COMMITTEE REPORTS

Commissioner Allor, Chairperson of the Millage Appropriation Committee, presented the Senior Citizens Millage appropriation recommendation for the Village of Mackinaw City & Wawatam Area Senior Citizen Center, MSU-E Project Fresh and the Cheboygan County Council on Aging.

Motion by Commissioner Allor, seconded by Commissioner Wallace, to accept the recommendation of the Millage Appropriation Committee and approve the allocation of \$55,900 from the Senior Citizens Millage Fund to the Village of Mackinaw City & Wawatam Area Senior Citizens Inc. Discussion was held commending the efficient use of funds in this organization. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Allor, seconded by Commissioner Gauthier to accept the recommendation of the Millage Appropriation Committee and approve the allocation of \$7,000 from the Senior Citizens Millage Fund to the MSU-E Project Fresh. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Allor, seconded by Commissioner Matelski to accept the recommendation of the Millage Appropriation Committee and approve the allocation of \$581,659 from the Senior Citizens Millage Fund to the Cheboygan County Council on Aging contingent on providing the following: a balanced budget with the current request, a copy of all regular and special meeting minutes, notification to the Board liaison of all regular and special meetings, clarification of the number of meals served and the number of individual customers served, provide accurate information on the application for the senior millage allocation request, require an annual audit be submitted with the application for the millage, clarification of cash balances as well as balances in all savings accounts, and the submission of a balanced budget in all future applications. Discussion was held regarding Board concern over a \$60,000 deficit presented in the information given to the Millage Appropriation Committee, concern regarding the enhanced reported number of meals served versus actual meals served, and general Board confusion over presented CCCOA materials. Legal counsel clarified the allocation could be reserved until a contract has been settled and contingencies have been met. Mike Bur, Director of the CCCOA addressed the Board's questions. Chairperson Socha requested Mr. Bur to provide a written report of the number of meals served and the number of individual customers served. Commissioner Allor voiced concern that

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the millage money is taxpayers' money and that many taxpayers are not able to afford health insurance and other benefits that some employees of CCCOA receive. Chairperson Socha thanked Mr. Bur for answering questions as it is imperative that the Board has accurate information. She requested that any current appropriation contract contingent items requested in the motion from CCCOA be submitted to Administrator Lawson. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Allor) and 0 absent.

Commissioner Allor attended Forest Township, Village of Wolverine, Nunda Township, Wilmot Township and Ellis Township Board meetings, a MAC Regional Summit meeting, a Michigan Northern Counties Association meeting, a District No. 4 Health Board meeting, and three Millage Appropriation Committee meetings.

Commissioner Gouine attended several Millage Appropriation Committee meetings.

Commissioner Matelski attended two Road Commission meetings, two Planning Commission meetings, a Waterways Commission meeting, three Millage Appropriation Committee meetings, and two Township Board meetings.

Commissioner Gauthier participated in table top exercise sponsored by the U.S. Coast Guard and the Office of Emergency Management. He also attended a City Council meeting and reported it looks like the 425 agreement with Inverness Township will be signed. He attended a recent NEMCSA meeting and would like to have a presentation from NEMCSA for this board.

Commissioner Wallace attended a Northern Michigan Substance Abuse Services meeting (NMSAS) and distributed several handouts regarding NMSAS. He said he has asked Marie Fick to do a presentation for this board.

Commissioner Redmond attended a MAC Regional Summit meeting, a Benton Township meeting, a District No. 4 Health Board meeting and a Local Emergency Planning Committee meeting. He said it appears District #4 Health will be looking for a 3% increase or approximately \$6,000 from Cheboygan County for next year.

Commissioner Socha attended a Beaugrand and a Hebron Township meeting, the MTA meeting, a Remonumentation Peer Group meeting, the MAC Regional Summit, a U.S. Coast Guard sponsored Office of Emergency Management tabletop exercise, and a Veterans' Services DAV Van Dedication. Commissioner Socha commended Don Horrocks for being instrumental in getting the van.

OLD BUSINESS

Steve Schnell, Community Development Director, presented the Cheboygan County Master Plan Authorization to distribute for public comment. Commissioner Socha recommended some alterations to the Master Plan regarding changing "Chair/Vice Chair" to "Chairperson/Vice Chairperson" in reference to the Planning Commission, consistency with capitalization of "Village/City" throughout the document, an unfinished sentence referencing Straits Regional Ride on Page 7, an update to the Indian River Library fee structure on Page 106, and an addition of the Secondary Animal Rescue Group (SARG) in reference to animal services on Page 107 of the Master Plan. Commissioner Socha commended Mr. Schnell for the efficient and thorough compilation of the Cheboygan County Master Plan.

Motion by Commissioner Gauthier, seconded by Commissioner Redmond to authorize the distribution of the draft of the Cheboygan County Master Plan. Motion carried with 7 yes, 0 no and 0 absent.

NEW BUSINESS

County Planner Scott McNeil presented the Cheboygan County Capital Improvement Plan. The Capital Improvement Plan is a legally required document for Cheboygan County to complete per the Planning

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Enabling Act. The Capital Improvement Plan does not list activities or plans that are required to happen or be funded. The Cheboygan County Capital Improvement Plan is a planning document.

Motion by Commissioner Redmond, seconded by Commissioner Matelski to approve the 2014-2019 Cheboygan County Capital Improvement Program per Planning Commission recommendation with the understanding that the inclusion of a project in the plan will not require or obligate governmental entity or department of the County to fund or complete any project or plan as required. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Steve Schnell, Community Development Director, presented the designation of the Cheboygan County Housing Program Certifying Officer and the Cheboygan County Housing Program guidelines for Board approval. He noted a slight change in one of the deferred loan qualifications. An applicant individual is required to earn not more than 60% of area median income, changed from 50%.

Motion by Commissioner Gouine, seconded by Commissioner Allor to designate the Chairperson of the Cheboygan County Board of Commissioners to be the Certifying Officer for Environmental Review Requirements for the Community Development Block Grant (CDBG) Housing Programs. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Matelski, seconded by Commissioner Redmond to approve the program guidelines for Cheboygan County Home Improvement Loan Services as presented. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Steve Schnell, Community Development Director, presented Resolution 13-18 Michigan Transportation Alternatives Program (TAP) Brutus Road Improvements. This is a resolution of support to make improvements on Brutus Road partnered between Cheboygan and Emmet Counties. Surface improvements would be made to Brutus Road and paved shoulders would also be added in order to lengthen the life of the road and create more road access for pedestrian users. Commissioner Allor inquired as to whether or not there would be a match involved. Mr. Schnell clarified that there would not be a match from Cheboygan County. At this time there is no commitment of funding, just a resolution supporting.

Motion by Commissioner Wallace, seconded by Commissioner Gauthier to adopt:

**Resolution No. 13-18
Michigan Transportation Alternatives Program (TAP)
Brutus Road Improvements**

WHEREAS, Cheboygan County encourages trail development for the purpose of providing alternative modes of transportation and recreation; and

WHEREAS, a proposal has been submitted by the Emmet County Road Commission and Cheboygan County Road Commission to the State of Michigan for the purpose of improvement to Brutus Road; and

WHEREAS, an opportunity exists to create 4' paved shoulders along Brutus Road to allow for alternate transportation options within the road right-of-way while road construction is being done; and

WHEREAS, paved shoulders along Brutus Road have been proposed as part of the Burt Lake Trail, a trail that would create an east-west connection of the North Western State Trail and the North Central State Trail and enhance the Northern Lower Peninsula Trail Network; and

WHEREAS, the 4' paved shoulders along Brutus Road from US-31 to Maple Bay Road would connect to the 5.1 mile completed segment of the Burt Lake Trail and allow for better access to the Maple Bay Campground, Burt Lake Access site and the Inland Waterway; and

WHEREAS, recreational trails have been found to increase economic opportunities for local communities and businesses; and

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WHEREAS, the concept of providing and improving trail facilities is supported by the 2007 Cheboygan County Recreation Plan for the proper agencies to pursue; and

NOW THEREFORE, BE IT RESOLVED that, this Cheboygan County Board of Commissioners supports the joint grant application by the Emmet and Cheboygan County Road Commissions to the Michigan Department of Transportation for a Michigan Transportation Alternatives Program Grant to meet one of the programs specified eligible activities by constructing 4' paved shoulders on Brutus Road for pedestrian and bicyclist use; and

BE IT FURTHER RESOLVED that, this Board of Commissioners supports the collaborative efforts of the Cheboygan and Emmet County Road Commissions to pursue specified grant funds eligible for road construction for the reconstruction of Brutus Road in conjunction with TAP Grant process to secure funding for the reconstruction of Brutus Road from US-31 to Maple Bay Road.

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

Steve Schnell, Community Development Director, presented the Sense of Place - Web Page Logo Transfer of Ownership for Aloha Township.

Commissioner Socha stated Cheboygan County owns the Great Up North website, she inquired as to the recourse available to the County if someone goes in and changes the structure and content of our product and in doing so implicates that the County made a change so anyone would assume it is our website and our change. Commissioner Allor referred to advertising soliciting funds that talked about the website greatupnorth.com which is the county's. Civil Counsel said it appears that the changes are authorized by someone in the county. Commissioner Socha said no they are not. Mr. Schnell said he was not aware that others have been updating this website. Administrator Lawson stated that the initial project was to create greatupnorth.com with subpages created specific to the various communities within Cheboygan County. He said the rights to the subpages have been transferred to the specific entities recently. The County technically owns the greatupnorth.com website, but there has been access to the website assumingly by the company who had the primary hosting site. Secondly, Administrator Lawson stated that Cheboygan County does have an agreement with Up North Broadcasting that they will provide Cheboygan County administration with advertisements before posting them on the radio. Mr. Lawson said after he has a chance to look at this, he most likely will make a recommendation to transfer the Great Up North webpage to the primary Chamber to take over so all aspects of that project would be under control of a non-profit. The Board of Commissioners directed Administrator Lawson to contact the web host for this website and investigate who has access to the website.

Motion by Commissioner Gauthier, seconded by Commissioner Gouine to authorize the agreement with Aloha Township transferring ownership of the Sense of Place associated logos, taglines, and websites and authorize the Chairperson to sign the agreement. Motion carried with 7 yes, 0 no and 0 absent.

Jeff Lawson, County Administrator, presented the Jaycees' Haunting Fairgrounds usage request. This a request and application to allow the Cheboygan Area Jaycees' to have access to the fairgrounds to erect a haunted house and then remove it for September 11th – November 13th, 2013.

Motion by Commissioner Matelski, seconded by Commissioner Gouine to approve the Fairground Event Agreement between Cheboygan County and the Cheboygan Area Jaycees' for use of three barns from September 1st, 2013 – November 13th, 2013 for haunted house set-up, event and tear down and authorize the Chairperson to sign the agreement. Discussion held. Commissioner Wallace asked if the Fairgrounds Policy regarding alcohol is applicable during this event. Administrator Lawson clarified the policy is in effect and there was no request in the application for alcohol privileges besides. Commissioner Socha inquired as to whom gives access to the fairgrounds. Administrator Lawson clarified that there is someone on the fairgrounds or they can come to the county building and work with maintenance for access. Commissioner Socha commented that there should not be calls into 9-1-1 dispatch in order to gain access to the fairgrounds as has previously occurred. Motion carries with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the County Building parking lot/sidewalk project bid award. There were two bids received for the parking lot/sidewalk project. The apparent low bid was received from Reith Riley

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Construction Co. Inc. located in Charlevoix, Michigan in the amount of \$250,816.67. The second bid was received from Payne and Dolan Inc. located in Gaylord, Michigan in the amount of \$252,144.50. Both companies submitted within the 24 hour requirements of the open bid process. Mr. Lawson stated that Commissioner Gouine identified prior to bids being submitted that his company is a sub to a sub-contractor under the Payne and Dolan Inc. proposed contract. Commissioner Redmond preferred the Gaylord based company as the bid difference was only about \$1300 and that company would use more local subcontractors. Commissioner Gauthier asked what the 5% provision mentioned by Administrator Lawson referred to. Administrator Lawson clarified that it was in reference to receiving bids and quotes for projects, if there are Cheboygan County companies bidding, there is 5% flexibility given to those bids. If the local bids are over the lowest bid by less than 5%, the Board of Commissioners can award the project to that bidder under that policy. Commissioner Socha stated that both companies are utilizing sub-contractors that are local and there are time constraints involved in this approval. *(Addition 10-8-13 met)* Administrator Lawson indicated a delay in approval could hamper the start of the project.

Motion by Commissioner Matelski, seconded by Commissioner Allor to award the bid for County Building parking lot and sidewalk project to Reith Riley Construction Company, Inc. in the amount of \$250,816.67, authorize the Chairperson to sign all award and contract documents and authorize all necessary budget adjustments contingent upon final review of bid and contract documents by engineer and Legal Counsel. Discussion was held. Legal counsel noted that because Commissioner Gouine would be indirectly benefiting from the other contract proposed that he should abstain from this vote. A roll call vote was taken. Motion carried with 5 yes, 1 no (Commissioner Redmond), 1 abstention (Commissioner Gouine), and 0 absent.

Commissioner Matelski and Commissioner Allor questioned specific monthly finance claims and received explanations on those expenditures.

Motion by Commissioner Matelski, seconded by Commissioner Wallace to approve the monthly finance claims as presented, Finance = \$29,688.08, Prepaid = \$1,001,842.69. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Allor inquired about a budget adjustment for childcare expenses. Kari Kortz, Finance Director, stated that the budget adjustments pertain to the money that Probate Court has to allocate funding to foster care homes and institutional care facilities. Within the institutional care category, the facilities can be "in-state private care", "out-of-state private care" or "other county care". The Probate Court has not spent the money in total they just have to move money from an "in-state private" line item to an "other county care" line item. Ms. Kortz noted that this is not the DHS budget, but that the DHS budget will require additional funding this year.

Motion by Commissioner Allor, seconded by Commissioner Gauthier to approve the budget adjustments as presented. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Redmond commented on the Cheboygan County Waterways Commission Resolution regarding public access to lakes, rivers and streams. He stated that at a recent Waterways Commission meeting, an individual questioned the resolution regarding public access in these areas for County residents. Commissioner Matelski stated that the townships have asked the Road Commission if they can be responsible for maintaining the road ends, so that it shows that townships are showing an interest because the road ends can be lost in a court of law. Commissioner Gauthier recommended drafting a similar resolution of support from the Board of Commissioners.

Motion by Commissioner Gauthier, seconded by Commissioner Matelski to request administration to draw up a resolution of support regarding public access to lakes, rivers and streams at road ends on behalf of the Board of Commissioners to be presented for consideration at the next Finance/Business meeting in October. Motion carried with 7 yes, 0 no and 0 absent.

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Motion by Commissioner Redmond, seconded by Commissioner Matelski to receive and file Cheboygan County Waterways Commission Resolution 01-13 Regarding Public Access to Lakes, Rivers and Streams. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS – Nunda Township Supervisor John Moore stated that he believes the greatupnorth.com website is administered offsite and suggested the Board should make a statement regarding authorizing the County Administration to indicate individuals who can make changes on that site. Commissioner Socha stated that there is currently a directive for Administrator Lawson and Legal Counsel to investigate this and determine who has access to the website at this time.

BOARD MEMBER COMMENTS

Commissioner Matelski said he did jump out of an airplane with three individuals in attendance here there to witness it.

Commissioner Socha requested that all staff and contractual employees receive a memo regarding County Building parking.

Motion by Commissioner Redmond, seconded by Commissioner Matelski, to adjourn to the call of the Chair. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 12:43 p.m.

Mary Ellen Tryban
Cheboygan County Clerk

Linda Socha
Chairperson