

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE MEETING/BOARD PLANNING SESSION
April 25, 2017**

The regular meeting of the Cheboygan County Board of Commissioners was called to order at 9:00 a.m. by Vice Chairperson Chris Brown at Audie's Restaurant in Mackinaw City.

Roll called and a quorum present.

Present: Commissioners Chris Brown, Richard Sangster, Michael Newman, Cal Gouine, John Wallace, and Robert Bolinger

Absent: Commissioner Tony Matelski

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

CITIZENS COMMENTS

Carl Muscott, a resident of Tuscarora Township thanked Administrator Lawson for the information on the Marina. He commented on the Cheboygan County Marina fuel sales, which would eliminate any private marina fuel sales. Last year the Marina had seven (7) seasonal county slips out of 45 and the rest were either from outside the county or the State of Michigan. He stated they were talking about investing \$800,000 into the Marina, which was just the start of a \$3.5 million of infrastructure needed. He understood the match was only \$400,000 out of \$800,000, but Cheboygan County only needed \$600,000 for a waterline to service the Meijer Project. The expenditures to keep the marina operating by the county would create only three (3) part-time jobs this summer. If they had Meijer here, it would bring in 250 full or part-time jobs. He would appreciate the County Board of Commissioners to explain why they could not help with the Meijer infrastructure, but they could spend millions of dollars over the next two (2) years to improve the marina that was only being used by fewer than ten (10) residence.

SCHEDULED VISITORS/DEPARMENT REPORTS – None

ADMINISTRATOR'S REPORT – None

OLD BUSINESS – None

NEW BUSINESS

Administrator Jeff Lawson presented the resolution of support for the Northeast Michigan Council of Governments fiscal year 2018 Community Corrections Grant Application in the annual amount of \$307,200 to provide Community Correction programs in Alcona, Alpena, Cheboygan, Crawford and Otsego Counties.

Motion by Commissioner Wallace, seconded by Commissioner Newman, to approve Resolution 17-04 Fiscal Year 2018 Community Corrections Grant Application of the Northeast Council of Governments. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

BOARD MATTERS FOR DISCUSSION – BOARD PLANNING SESSION

Review of Board Goals - Administrator Lawson reviewed the county vision and mission statements and the current goals for the county. No changes were made.

Jail Expansion Project/ Storage-County Building Improvements –

Undersheriff Tim Cook presented the jail study report. He stated there is an estimated cost savings on meal cost by utilizing a food service vendor and help from the jail trustees once the new kitchen area is operational. The savings would be placed back into the tax revolving loan fund to reimburse the fund for future projects. The \$2.1 million expansion of the jail would consist of the addition of a kitchen for in-house food service, an addition of 20 beds and a storage building. The primary objective was the addition of the kitchen. The dorm areas would house work release prisoners, who would come and go through a separate entryway. Jail security would be improved.

Motion by Commissioner Sangster, seconded by Commissioner Newman for this item to be put on the agenda for the next Board of Commissioner’s meeting. Motion carried with 6 yes, 0 no, and 1 absent.

CCE 911 Radio Project –

Administrator Lawson presented the Draft CCE 911 Radio Study. The purpose of this report was to conduct a radio system study to identify the best radio system technology to insure better communication interoperability and address safety concerns related to emergency communications for the Law Enforcement, Fire and EMS/First Responder agencies served by the 911 Central Dispatch Authority. The report reviewed the current VHF system utilized by the organization identifying the pros and cons of this system as compared to changing technology to an 800 MHz radio system to serve the agencies and the public. Narrow banding was ordered by the FCC due to the limited availability of channels due to usage resulting in channel congestion. The facts were as follows: the current VHF system would be narrow banded again in the near future resulting in more loss of coverage, interoperability between agencies does not exist, especially outside of CCE with VHF, infrastructure would have to be developed with regard to towers and repeaters for VHF, the 800 MHz Tower coverage already exists but would need added channels, CCE 911 was already set up for 800 MHz communications through current console, due to narrow banding current VHF coverage in the three counties stands at 70%, and current

800 MHz coverage stands at 98.4%. The assumptions were as follows: lack of coverage with future narrow banding would occur, which would result in officer safety concerns and reduced timeliness for first responders, lack of interoperability between agencies inside/outside of CCE would hamper coordination efforts on operations, inadequate services provided in the near future with the current VHF system, and age of current system would result in expenditures for continuous upgrades and replacement of obsolete and/or maintaining of equipment. Possible Courses of Action along with the pros and cons were reviewed. Also the Cost Comparison of courses of action and phases were reviewed. The estimated cost of the upgrade was approximately \$10 million. The local surcharge currently being paid was .61 cents per month per phone line to fund CCE 911 and it could be increased up to \$2.00. It was recommended by the Radio Study Committee that the CCE Board of Directors recommend to the Board of County Commissioners in Charlevoix, Cheboygan and Emmet Counties to implement a technology change to the 800 MHz Radio System and approve a funding option to implement this project. An analysis of surcharge or millage required to retire projected bonding debt should be completed. He stated that this probably would not be put on the ballot before the voters until 2018. The report recommends that the CCE Board of Directors authorize 911 staff to begin contract discussions with the MPSCS and to prepare an RFP to obtain quotes for the necessary equipment to transition to an 800 MHz system in Charlevoix, Emmet and Cheboygan Counties. The report also recommends that the CCE Board of Directors enter into discussion with the County Boards of Commissioners to identify the funding opportunities available to proceed. The final CCE 911 Radio Plan is scheduled to be reviewed at the May 911 Meeting.

Zoning Ordinance Update –

Commissioner Brown suggested updating the County's zoning ordinance because the current zoning ordinance was more than 20 years old and had more than 138 amendments. He stated 20 years ago the main goal of zoning was controlling sprawl. This was why changes were made. Commissioner Sangster stated that if they were following the mission statement, they haven't had a balanced growth as stated. The Planning Commission was vital to economic growth. Commissioner Brown stated Cheboygan County would not survive on the tax base of a retired community spending. The area needed healthy growth to bring in money and jobs. Commissioner Gouine stated that the Planning Commission has approved 98 percent of the requests it has reviewed. Administrator Lawson stated that the Master Plan needs to be reviewed when preparing for a complete update of the ordinance because it is the foundation for the zoning ordinance. The Master Plan is updated every five years and identifies the topics and policy discussion areas that need to be amended in the Zoning Ordinance. Community Development Director Steve Schnell agreed with Commissioner Brown and his comments. The Master Plan was just adopted in 2014 and they did their best to get those

thoughts incorporated into it. Nothing can be predicted especially 20 years into the future. It would be helpful to go thru and look at the Master Plan and the zoning ordinances again to prepare for a complete update to the Zoning Ordinance integrating identified changes and modifying the format.

Mr. Schnell also identified that Staff appreciates receiving input from the Board concerning land use policy because it helps clarify to staff what the Commissioners want to achieve. A primary objective is to strike a balance to preserve what people come here for while encouraging growth.

Planning Unit Development –

Commissioner Brown presented the PUD topic to the Board of Commissioners and asked how the Board wanted to handle it. Community Development Director Steve Schnell stated that they were revising it because other areas use them as options to move more complicated projects forward in a timely manner. Administrator Lawson commented that per the information received from legal counsel that language would need to be constructed to either allow the Planning Commission to have final approval or to have final approval by the Board of Commissioners. Commissioner Brown stated that there were rules and regulations to help make that decision. The Board does have the last word on who sits on the Planning Commission and they try to give the Planning Commission the proper tool box to help make these decisions. Commissioner Brown stated that they would bring it to a vote at a future meeting.

Solid Waste Plan -

Administrator Lawson reviewed the process to amend the solid waste management plan. He stated that upon recent review of the plan that some updates concerning the County's positions on various items in the plan may need to be addressed. The proposed amendment topics were as follows: Decide if additional Type B Transfer Stations would be consistent with the plan and clarify siting criteria for these facilities, verify locations and reaffirm consistency of existing Type A and B transfer stations approved in the 2000 plan, identify and verify enforcement agencies. Although the last plan amendment was coordinated by NEMCOG, the County could undertake the amendment process and keep NEMCOG involved as the designated planning agency by appointing someone from NEMCOG to the SWMP committee.

Community Development Director Schell stated this would be a lengthy process requiring the appointment of a Solid Waste Committee and approval of amendments from a minimum of 67% of the Townships, Cities and Villages within the County.

Commissioner discussion occurred concluding that no action is directed at this time.

Economic Development Corporation –

Staff provided an overview of the County's EDC and partner agencies that the County works with.

Commissioner Sangster reaffirmed that the county has 14 different agencies that they work with on economic development. Money was being spent, but they weren't seeing a lot of results. If they didn't start getting some return from it, then it wasn't a good return on their investments.

Administrator Lawson stated that this is a good example of why the Commissioners hold a work session and that this topic is placed on the Board Planning Session as an agenda item to receive Commissioner direction and feedback to maintain alignment between the EDC and the Board of Commissioner's goals and objectives relating to economic development.

Commissioner discussion continued with recommendation to schedule County EDC meetings on a quarterly basis rather than a monthly basis.

Marina –

Administrator Lawson presented a summary on the Marina. Since 1989 the County had received a total of \$1,523,218 in DNR Waterways grant funds. When the Marina was first constructed the County received a \$632,425 DNR Waterways Grant, the City of Cheboygan contributed \$200,000 and the County contributed \$432,425 from the County Tax Revolving Loan Fund. The grant agreements signed by the County state that the County must operate the marina as a recreational boating facility in perpetuity. If the County would break the grant agreements, the County could be liable to repay up to the total of grant awards, the State would have the option to purchase the Marina from the County. Historically, the Marina has made enough revenue to pay its yearly operation cost, but not enough to provide funds for capital improvements costs. In 2008, a Marina Facility Study was completed identifying the need to start replacing capital assets at the facility, which at that time totaled 3.5 million dollars. A DNR Waterways grant in the amount of \$800,000 has been applied for the replacement of fuel tanks and the fuel dock at the Marina which was identified in the Facility Study Plan. The County has received a grant agreement from the State for approval by the Board to

construct the improvements. The grant would award \$400,000 in State funds and would require a \$400,000 local match from the County. Commissioner discussion occurred with a consensus of the Board to place the DNR Waterways Grant Agreement on the May 9th Meeting Agenda for consideration.

Airport –

Administrator Lawson presented the airport update, which had no major program changes. Commissioner Brown stated that the airport needed internet service. Mr. Lawson stated currently they had been talking to three (3) different agencies to bring internet into the County Building. As part of staff research the numbers could be calculated for the airport to bring high speed internet to the airport and Straits Regional Ride.

Commissioner discussion occurred with a consensus for staff to obtain a cost estimate for internet upgrades to the airport.

Fairgrounds –

Administrator Lawson updated the Board on the fairgrounds. He stated that he wanted to talk with the Fair Board on types of capital improvements and what kind of facilities may be necessary in the future. The administrator asked for Board feedback on this before moving forward. Commissioner Brown stated that regardless if you were young or old, the fair was something that people liked to attend. Mr. Lawson stated he would continue discussions with the Fair Board and keep the Board updated.

Budget –

Administrator Lawson summarized that the information that was gathered today is part of the County's Strategic Budgeting Process which is recommended by the Government Finance Officers Associations for best practices. The Process consists of the Board setting goals and objectives which is what was primarily being done today. From those goals and objectives departments identify their objectives which are what is used to identify budget appropriations. Outcomes and evaluations of programs and services are then reviewed and the cycle begins again with Board Policy directive.

Administrator Lawson stated that he had met with the Commissioners individually to review the County's Wage and Benefit Plan which identifies the County's compensation philosophy and rationale for setting wages for

the organization. Administrator Lawson identified that the County had conducted a wage comparable analysis in 2015 comparing wages with five other selected counties in the region. The analysis identified that many of the County's positions were paid below the regional average. From this information the County developed a tiered raise system to bring positions to the regional average over a three year time period. The County is currently in the second year of the three year process. Administrator Lawson also identified that he has received questions from a few Commissioners concerning internal wage comparable and restated that the County's wage analysis did not create an internal ranked classification system to verify internal wage equity within the organization. Administrator Lawson identified that this was not done in 2015 due to the cost which was estimated at 40,000-45,000 to have a consultant complete a wage analysis with internal rankings.

Commissioner Newman stated that he thinks that the Administrator's assistant is internally comparable to the Confidential Secretary position in the Sheriff's office and He thinks that she is below around \$1.25. He believes she should be brought up to comparison. Commissioners discussed the County's wage system with questions concerning the wage cycle, classifications, pay between union and non-union employees and internal comparisons. Commissioner Newman stated that He was not approached, but he just looked at this position. After discussion the consensus of the Board was to make this internal adjustment. Administrator Lawson asked if this should be done as part of the yearly wage cycle or sooner. The Board's consensus was to place it on the agenda for consideration sooner than later.

Pension Costs -

Administrator Lawson reviewed the Counties current unfunded pension costs, which were currently underfunded by approximately \$7 million. Administrator Lawson identified that the County's MERS Valuation Report identified that lack of market return on investments as well retirements of Baby boomers and extended lifespan of retirees have contributed to the growth of unfunded pension liability. MERS has implemented increases in contributions from units to reduce and work toward eliminating unfunded balance from units over the next 20 years. The County has approved a policy to submit additional payments each year as finances allow. The County has also changed to the MERS Hybrid system for new employees reducing new pension cost and providing an opportunity to prevent future unfunded pension liability for new employees.

Commissioner Newman commented that this was almost like a 401K plan and inquired if the employee is required to make a contribution. He would like to encourage employees to save for retirement.

OTHER

Commissioner Wallace questioned where we were regarding the replacement of the windows and panels on the county building. Administrator Lawson stated that the preliminary estimated cost is \$500,000 to \$600,000 and it was a timing issue for completion based on the number of existing infrastructure projects that the County is currently working on. There will be some return on the investment for energy efficiency with replacement of the windows but the panels are primarily an aesthetical upgrade.

Discussion was also held concerning possible rebate incentives to upgrade to LED light fixtures for buildings. Administrator Lawson stated that the County had received past incentives for energy efficiency upgrades for heating and cooling systems and that staff would look into possible rebates. He also reported that staff has been gradually changing to LED fixtures during facility renovation projects over the last few years.

CITIZENS COMMENTS

Carl Muscott thanked the Board of Commissioners for their time and all of their comments. He appreciated Commissioner Brown's comment on trying to keep the slip fees competitive and filled. Also he appreciated Commissioner Sangster's comment on the possibility of adding a fueling station at the marina.

BOARD MEMBER COMMENTS

Commissioner Gouine commented that former Chief Deputy Clerk, Amber Libby would be sworn in as an attorney 4:00 P.M. on Friday, April 28, 2017.

Motion by Commissioner Wallace, seconded by Commissioner Sangster, to adjourn to the call of the Chair. Motion carried. Meeting adjourned at 2.49 p.m.

Karen L. Brewster
County Clerk/Register

Chris Brown
Vice Chairperson