

**COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
March 13, 2018**

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

Absent: None

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

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

Motion by Commissioner Newman, second by Commissioner Gouine, to approve the consent agenda as follows:

- A. Approve Monthly Finance Claims (Finance Total = \$23,772.80; Prepaid Total = \$1,172,256.18.
- B. Budget Adjustments
 - 2018 Raise Revenue/Expenditures
 - 1) Fund 101 Total Budget Increase Totaling \$12,449.84
 - 2) Fund 249 Total Budget Increase Totaling \$619.92
 - 2018 Lower Revenue/Expenditures
 - 1) Fund 101 Total Budget Decrease Totaling \$11,480.54
- C. SRR-MDOT Project Authorization 2017-0032-P5 5311 FY 2018 Operating Funds
- D. Marine Safety Program Grant Application 2018
- E. Correspondence – Oakland County Resolution opposing the State Budget Office’s proposed Amendments to the Michigan Indigent Defense Act, MCL 780.991 et al
- F. Minutes:
 - 1. Finance/Business Meeting of February 13, 2018, Committee of the Whole Meeting of February 27, 2018
 - 2. Planning Commission Minutes – 2/7/18
 - 3. District #4 Health Dept. – 1/16/18
 - 4. City Council Minutes – 1/23/18 & 2/13/18
 - 5. County Road Commission Minutes – 1/18/18
 - 6. NEMSCA – 2/2/18
 - 7. Board Appointments & Procedures Minute -12/6/17

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

CITIZENS COMMENTS

Carl Muscott citizen of Tuscarora Township commented on the replacement of the recycling plow truck. He was concerned about the bid price, the amount of money being spent on this new diesel truck and the truck usage.

SCHEDULED VISITORS - None

Finance Director's Report

Administrator Jeff Lawson stated that there would be no General Fund Revenue and Expenditure Report for January 31, 2018 will be presented at the April 10, 2018 Board of Commissioner's Meeting. Also Cash Summary by Fund Cash for January 2017 would not be presented until all the 2017 adjusting entries are posted, as cash balances could be affected. He gave an explanation of the Summarization of all budget adjustments posted from July 1, 2017 through December 31, 2017. Also Mr. Lawson gave an explanation of the Investment Report as of December 31, 2017 totaling \$21,499,486.39.

Administrator's Report

Administrator Jeff Lawson reported that the staff was currently in the process of reviewing contractor qualifications for Dore and Associates the low bidder and Pitsch Companies the second lowest bidder for the demolition of the Gold Front Building. A recommendation for award would be provided at the March 27, 2018 meeting. Staff has also been contacted by the neighboring property owner concerning the project and property lines. Staff has requested to meet with the property owner to discuss their concerns.

Administrator Jeff Lawson reported that the architect had provided a budget update and the recommendation for bid award had been placed on the agenda. The bid price for the jail component of the project was higher than the original estimates for the project. Staff's recommendation was to award bids to begin construction this spring.

Administrator Jeff Lawson reported that the County had received a project engineering of proposal from GFA Associated of Traverse City in association with Granger and Associates in the amount of \$110,000 for the Marina Fuel Tank and Gas Dock Project. Engineering proposals were sought last summer for the project and GFA were the only firm that identified interest. The County was awarded a \$400,000 grant from the Michigan Waterways Commission, which required a \$400,000 match to complete the project. GFA's estimated the cost of the project was 1.1 million dollars. After discussion with the State, the County had the option of modifying the work scope of the project to bring it back in line with the original project estimate. The Waterways Commission would discuss this topic at their March 21, 2018 meeting.

COMMITTEE REPORTS

Motion by Commissioner Sangster, seconded by Commissioner Gouine to accept the recommendation from the Board of Appointments & Procedures Committee to reappoint Alice Mushlock to the Cheboygan County Tax Allocation Board for a one (1) year term effective April 1, 2018 through March 31, 2019 and to reappoint Robert Boyd to the North Country Community Mental Health Board for a three (3) year term effective April 1, 2019 and ending March 31, 2022. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Gouine attended a Fair Board meeting and Planning Commission meeting.

Commissioner Matelski attended some township meetings.

Commissioner Johnson attended a Planning Commission meeting, whereby, they were still working through the PUD.

Commissioner Wallace reported staff from all three counties and 911 were working on the funding of the 800 MHz radio project. It looks like they were looking at a request for ½ mill estimated to take 3-4 years to retire the debit of the project with approximately \$10 million to be split between the three counties.

OLD BUSINESS

Straits Regional Ride Director Mike Couture presented the Amendment of Master Agreement 2017-0032/A1 between MDOT and the County of Cheboygan Board of Commissioners, for the purpose of SRR Public Transportation. This Contract was to amend the Agreement to revise the dollar thresholds in the competitive procurement requirements to prompt payment language, retroactive to the original effective date of the agreement. To do this, Subsections (b) and (c) of Section 7 of the Agreement would need to be amended to read as follows: For procurement up to \$3,500 dollars the Agency would document how the price was determined fair and reasonable. Further all procurement involving adequate written quotes the threshold would be changed from \$3,500 to \$100,000 to \$3,501 to \$150,000. Also to add a Retainage requirement Section 22 of the original agreement would need to be amended to read as follows: The Agency agrees to pay each Subcontractor no later than ten (10) days after receipt of payment from MDOT, further the Agency agrees also to return the 10 percent retainage to any Subcontractor ten (10) calendar days from the date, when the work was satisfactorily completed. He stated that any delay or postponement from these time frames must have written approval of MDOT. The above prompt payment provisions were a requirement of 49 CFR paragraph 26 of the Federal Register as amended and did not confer third party beneficiary right to or other direct right to a Subcontractor against MDOT. This provision applied to both DBE and Non-DBE Subcontractors. All other provisions of the master agreement except here in the amended would remain in full force and effect as originally set forth.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to approve the Master Agreement 2017-0032/A1 and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Straits Regional Ride Director Mike Couture presented an update on the Drug and Alcohol Policy. He stated in 2015, the State of Michigan took all rural agencies Drug and Alcohol plans and converted them into their own format to make them all consistent for FTA review. Currently, an email was received from the State of Michigan where the word “Opiates” needed to be changed to “Opioids” in all the plans and then taken to the Transit Boards for approval. Once this was done, they needed to send an electronic copy of the changed plan and the Board minutes where it mentioned the approval of the changes to the State of Michigan.

Motion by Commissioner Gouine, seconded by Commissioner Matelski, to review and adopt the changes to the Drug and Alcohol Plan. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

NEW BUSINESS

Straits Regional Ride Michael Couture presented the Straits Regional Ride – Fleet Credit Card. He stated SRR currently utilized a fleet credit card for refueling buses across the service area. Due to billing and service issues with the current card provider, SRR would like to change to a Marathon Fleet Card.

Motion by Commissioner Sangster, seconded by Commissioner Johnson, to authorize Straits Regional Ride to apply and secure a Marathon Fleet credit card for bus operations. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Michigan Veterans Affairs Agency's (MVAA) County Training Reimbursement. He stated an application for the MVAA County Training Reimbursement required a Board signature. Annual Spring Michigan Association of County Veteran's Counselors (MACVC) training was being held in Traverse City, May 1st-4th. This was required training for both County VSO's to get their required CEU'S to maintain accreditation.

In the past years, the registration and lodging were paid for directly by the State. The State only reimbursed for food and mileage. Starting this year, it had changed to a 100 percent reimbursement funding. The Counties must apply for the reimbursement of all costs after the training was complete.

Since the past training was at no cost to the County, this training was not reflected in the current budget. This procedural change was worked out between MVAA and MACVC; it was agreed upon and finalized in January 2018. The initial application must be sent to the MVAA via regional coordinator no less than 30 days prior the training.

Motion by Commissioner Newman, seconded by Commissioner Gouine, to approve the submittal of the MVAA Reimbursement Application, authorize the Chair to sign the necessary agreements and any necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Information Technology Director Employment Agreement Renewal. He stated the renewal of Employment Agreement was for a three (3) year time period with a salary of \$63,548.74, which was currently set as part of the Salary and Wage Resolution process each year.

Motion by Commissioner Johnson, seconded by Commissioner Gouine, to approve the employment agreement with Dave Berg, Information Technology Director. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Finance Director Employment Agreement. The position of Finance Director was advertised by the County on web based job platforms, Michigan Association of Counties, MML, County web site and the local newspaper. The County received over 30 applications with four (4) applicants selected for interviews. The recommended wage for the position was based on wage range information (Finance Director Position) from the five (5) comparable Counties.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to approve an employment agreement with and appoint James E. Manko as Finance Director. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the transfer purchase of a new Recycling Department Plow Truck. The Recycling Department would like to purchase a new 2018, ¾ ton, four wheel drive, diesel truck with a Boss VXT poly V-plow and safety lights installed. The truck they have now was a 2008 GMC, ¾ ton, which was nine (9) years old. The plow was getting worn and the truck had some mechanical issues. There were three (3) bids received. Discussion held on the different makes and model of the truck and the usage of the truck.

Motion by Commissioner Newman, seconded by Commissioner Wallace, to award the bid for a new truck to Galeana's Van Dyke Dodge in the amount of \$40,545.38. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson reported on the Health Department Remodel and Painting Award. Requests for bids were sought for the remodeling and painting of the final areas of the Health Department. Three (3) bids were received with the low bid received from Brown Builders Inc. in the amount of \$24,975.

Motion by Commissioner Gouine, seconded by Commissioner Sangster, to award the bid for the remodeling and painting of the Health Department to Brown Builders Inc. in the amount of \$24,975 and authorize the Chair to sign the Agreement for Services. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Jail Addition and Storage Recommendation of Award. He stated that bids were requested for the completion of a jail addition construction and storage building construction. Three (3) bids were received for the jail addition and five (5) bids for the storage building portion of the project. After review by the architect of the bid information and company qualifications, it was recommended by the architect that the Jail Addition Project be awarded to the low bidder, BCI Construction, LLC of Grand Rapids, MI and the Storage Building Project be awarded to the low bidder Kujawa Construction of Gould City, MI.

Sheriff Dale Clarmont explained the two primary issues that were driving the Jail Addition being the security of the facility and bringing the kitchen back in-house, which ensured the county, would have a place to prepare the meals for the inmates, not having to contract with a company who prepares the meals in an offsite location.

Administrator Jeff Lawson stated that funding the project would come from two (2) sources. The bulk of the funding would come from the county's tax revolving fund and a portion from the general fund would also be used for the jail and storage construction project.

Discussion was held on infrastructure repairs to the county building.

Motion by Commissioner Newman, seconded by Commissioner Matelski, to award the Jail Addition Project bid to BCI Construction in the amount of \$2,020,200 and to award the Storage Building Project to Kujawa Construction in the amount of \$496,800. A roll call vote was taken. Motion carried with 6 yes, 0 no, 0 absent and 1 abstain (Commissioner Johnson).

Administrator Jeff Lawson presented the appointment of Interim Zoning Administrator. During the transition of the Planning and Zoning Director position, it was recommended to appoint an Interim Zoning Administrator.

Motion by Commissioner Sangster, seconded by Commissioner Johnson, to appoint Jeffery B. Lawson as the Interim Zoning Administrator until the position was filled. Motion carried with 7 yes, 0 no and 0 absent

A 2018 Salary & Wage Resolution – Non-Union General #17-009 – Amendment #4 creates a temporary clerk position set at \$14.00 per hour for up to a ten week time period in the Building Safety Department to provide office coverage during employee medical leave. The amendment reclassified the position of Finance Director and identifies the annual salary and to adjust the Assistant County Administrator/Finance Director 2018 position salary to reflect the reorganization of the department.

The 2018 Salary & Wage Resolution approve on October 10, 2017, identified two Assistant Treasurer position and one Clerk II position in the department. The amendment corrects the 2018 Salary & Wage Resolution to identify one (1) 40 hour per week Assistant Treasurer position, one (1) 40 hour per week Clerk II position and one (1) 24 hour per week Clerk II position.

Motion by Commissioner Sangster, seconded by Commissioner Newman, to adopt Amendment #4 to the 2018 Salary and Wage Resolution – Non-Union General Employee #17-009 to be effective March 14, 2018, 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.

CITIZENS COMMENTS

Carl Muscott citizen of Tuscarora Township handed out a Wage & Salary survey from NEMCOG. When comparing some of the other comparable counties figures, Cheboygan County has fewer employees, half of the S.E.V., and a larger budget to run the county. Mr. Muscott thanked the Commissioners for realizing that the Jail Renovation would serve the community well and the county would be getting a reasonable quick pay back. He stated that he did not have a problem with the Board returning back from the closed session regarding the evaluation of Mr. Lawson, but there was nothing on the agenda for approving a contract extension or a salary and wage increase. After coming out of the closed session in the past several years, there was a motion to extend his contract for another year.

BOARD MEMBERS COMMENTS

Commissioner Matelski commented that the county spent a lot of money today.

Commissioner Newman commented that the Board did a lot of good today.

Motion by Commissioner Newman, seconded by Commissioner Sangster, to go into closed session at the request of Jeffrey B. Lawson, an employee of the county, and pursuant to Section 8(a) of the Open Meetings Act, being MCL 15.268(a), to consider a periodic personal evaluation on him.

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

ENTERED INTO CLOSED SESSION AT 11:07 a.m.

RETURNED TO OPEN SESSION AT 10:42 a.m.

Motion by Commissioner Gouine, seconded by Commissioner Newman, to accept the Administrator's Evaluation and file the evaluation with the Cheboygan County Clerk's Office. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Sangster, seconded by Commissioner Newman, to prepare the Administrator's Contract Extension and to schedule it for the next Board of Commissioner's Finance Business Meeting of April 10, 2018. Motion carried with 7 yes, 0 no and 0 absent.

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 12:00 P.M.

Karen L. Brewster
Cheboygan County Clerk/Register

John B. Wallace
Chairperson