

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS**  
**FINANCE/BUSINESS MEETING**  
**April 10, 2012**

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, Don Horrocks, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor

**Absent:** None

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

The meeting was recessed until 9:52 a.m. to allow US Congressman Dan Benishek to talk about the hospital situation. Cheboygan Memorial Hospital has filed bankruptcy and closed on April 3, 2012.

Commissioner Matelski requested Item 5E-6 Cheboygan County Fair Board minutes be removed from the Consent Agenda and add to New Business for discussion.

**Motion** by Commissioner Horrocks, 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 Redmond, to approve the consent agenda as follows:

- A. Approve Monthly Finance Claims – Finance = \$37,087.06 Prepays = \$739,815.12
- B. MDOT Contract 2012-0061/P2 – Operating Funds for Straits Regional Ride
- C. County Treasurer Unpaid Invoices
- D. Correspondence
  - 1. Straits Area Services, Inc. 2011 Annual Report
  - 2. Cheboygan County Farm Bureau Invitation to 31<sup>st</sup> Annual Rural Urban Dinner
  - 3. NEMCOG - Notice of Intent by NEMCOG to Apply for Federal Assistance from USDA
  - 4. Cheboygan Memorial Hospital Closure Notice
  - 5. DEQ Air Quality Division's Pending New Source Review Application Report
- E. Minutes:
  - 1. Business Meeting of March 13, 2012
  - 2. Health Board – February 21, 2012
  - 3. North Country Community Mental Health Board – February 16, 2012
  - 4. Northern Lakes Economic Alliance Board of Directors – January 19, 2012
  - 5. C.C.E. 9-1-1: Board Minutes of 1/18/12; Director's Report March 21, 2012; and Monthly Financial Reports January 2012 and February 2012
  - 6. ~~Cheboygan County Fair Board – 2/2/12 & 3/5/12 (discussion only)~~ (Moved to New Business Item 12F)
  - 7. Cheboygan County Road Commission – February 29, 2012 and March 1, 2012
  - 8. Cheboygan City Council – February 14, 2012, February 17, 2012 and March 13, 2012
  - 9. Planning Commission Meeting – March 7, 2012
  - 10. ZBA – February 22, 2012

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

**CITIZENS COMMENTS** – Grant Township resident, Leonard Page, addressed the board regarding the hospital situation. He suggested the county file a motion to intervene in the bankruptcy lawsuit. He noted the biggest stakeholder in this is the County. Chairperson Socha said she believes the main concern at this time is to have the proceedings move forward as quickly as possible, and Administrator Lawson has been in contact with the parties involved, including McLaren.

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Dan Wilson of Wolverine addressed the board regarding his concerns with the Wolverine Lumberjack Festival. He introduced the festival chairman and encourage support of this family friendly event the last weekend in June.

### **SCHEDULED VISITORS** – None

**FINANCE DIRECTOR'S REPORT** – Accountant James Manko presented the revenue and expenditures report for the General Fund for the month ended February 29, 2012. He reported total year-to-date revenue of \$508,062.41 versus \$575,243.13 last year at that time. Mr. Manko reported expenditures year-to-date of \$1,395,624.90, or 13.22% of budget, compared to \$1,414,790.51 last year as of the end February.

**ADMINISTRATOR'S REPORT** – Administrator Lawson's written report included information regarding the hospital closure, Flood Plain Resolutions, 2-1-1 Request for Funding, Tuscarora Township's will not request funding under Act 185 of 1957 for sewer project, and Ambulance Millage Request. He said he has had contact regarding the hospital closure with a representative from McLaren informally at this time. And. last week Sheriff Clarmont and Emergency Management Director Greg Williams worked on this situation as well to establish contingency plans. Sheriff Clarmont said he has met with the County Medical Examiner Dr. Don Ramsay. Chairperson Socha commended the Administrator, Sheriff and Emergency Management Director for all they have done on this critical issue. Mr. Williams said the Cheboygan hospital was part of the critical infrastructure of this county and was in contact with all the EMS agencies. They are continuing to monitor the situation daily, and are going through a difficult task to insure any emergency equipment stored at CMH that has been provided by grants remains here. The equipment includes various hazmat response equipment. Mr. Williams said at this point they are making sure the equipment remains in this county. Lengthy discussion held.

Administrator Lawson distributed a draft letter to Philip Incarnati, President and CEO of McLaren Health Care requesting to establish official communication with the county and requesting correspondence from McLaren outlining their plan for a physician based health care system in the County. He also distributed and summarized information regarding the Future of Health Care in the County and Help for Displaced Workers for the County's website. He said the primary objective is the health, safety and welfare of the Citizens of this County. The primary concern is the absence of an emergency room/24 hour urgent care. He said information is coming from a lot of partners such as the area Chambers and Michigan Works. Chairperson Socha said a township official has requested that Barb Hall be added to the list so she can disseminate any information to township officials. She also asked if the press could get the county's website address out for people to use. Administrator Lawson said the more access the public has the better. Doug Damm of Citizens National Bank said the information sessions are for former hospital employees and other members of the community that may qualify for various state programs through the Michigan State Housing Development Authority regarding mortgages. Chairperson Socha told Mr. Damm these should be advertised in the Straitsland Resorter and the Petoskey News Review if at all possible. Discussion held.

**Motion** by Commissioner Matelski, seconded by Commissioner Horrocks, to authorize the administrator to establish on the county website any information possible regarding the hospital situation like with other similar type websites and authorize the letter to Philip Incarnati, President and CEO of McLaren Health Care to be sent and the Chairperson to sign the letter. Motion carried with 7 yes, 0 no and 0 absent.

Chairperson Socha commented on the request from the Cheboygan County Human Services Coordinating Body for the County to participate in the funding of a 2-1-1 Information service for Health and Human Service contact information. She said this information was sent to all township as well, but no township she has acted on the request. She said we should wait to see if there is participation. Administrator Lawson said a few counties appropriate for this, but in many areas it is non-profit organizations that fund this. In this region there are only two counties that don't contribute.

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### COMMITTEE REPORTS

Commissioner Redmond reported the Board Appointments & Procedures Committee recommends the reappointment of Alice Mushlock to the County Tax Allocation Board. This appointment is for a one year term.

**Motion** by Commissioner Redmond, seconded by Commissioner Matelski, to reappoint Alice Mushlock to the Cheboygan County Tax Allocation Board for a term commencing April 1, 2012 and expiring March 31, 2013. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Redmond also reported attending the MAC Conference, a District #4 Health Board meeting, a couple of meetings concerning the fair grounds and activities, the Benton Township meeting, and two meetings regarding the Trailblazers.

Commissioner Horrocks attend the City Council meeting.

Commissioner Wallace said he would be attending tomorrow' ambulance board meeting regarding resources, etc. He also noted Project Connect will be held at the Cheboygan Armory later this month.

Commissioner Allor said she attended two township meetings, the Wolverine Village Council meeting, two North Country Community Mental Health Board meetings, and the District #4 Health Board meeting. Managed health care was discussed at the North Country meeting which would require the type of health care received be funneled into the State to eliminate duplication. She said other states have implemented similar programs. She said the Health Board is concerned with declining home health care. She distributed brochures on Public Health Services available through District #4 Health.

Commissioner Gouine advised that the Airport has not resolved the tree issue and the Fair Board seems satisfied after meeting with Administrator Lawson.

Commissioner Matelski commended Commissioner Allor for questioning North Country Community Mental Health on certain matters. He reported attending two Planning Commission meetings, two Road Commission meetings, three township meetings, the local Michigan Townships Association meeting, 4-H Achievement Day, a Port Committee meeting, the Grant Township Annual meeting, and a ZBA meeting. He said 108 kids participated in the 4-H Achievement Day and it was nice to see MSU Extension's money put to good use. He said the FEMA maps were presented at the MTA meeting and noted Jeff Lawson, Steve Schnell and Al Hoard did an excellent job.

Commissioner Socha attended the NLEA meeting, Mackinaw and Burt Township meetings, the Airport Authority meeting, LEPC, a CCE 9-1-1 meeting and an Office of Emergency Management meeting. She commended EMD Greg Williams for his work. She said the E-team program which includes emergency situations that occur will be replaced by Web EOC, and noted that Joe Lavender and Sharon Schley are on this. She said the State will be having 300 and 400 level classes with more information on this to come. Andrea Sullivan from the Michigan DEQ gave a two hour presentation at the LEPC meeting on fracking. Ms. Sullivan has offered to speak to this board also. Interest was voices in hearing Ms. Sullivan's presentation.

**OLD BUSINESS** – None

### NEW BUSINESS

Straits Regional Ride Director Mike Couture presented the 2012 to 2015 Contract Renewal with Straits Area Services. This contract is a three year four month agreement increasing revenue for service from \$100,515.00 to \$ 138,504.00 per year, while delivering curb to curb pickup to SAS Clients in lieu of centralized pickup points. The contract is effective May 1, 2012 to allow for route logistics to be implemented. The contract improves service delivery to SAS Clients and maintains the service partnership between SRR and SAS. The contract was revised and reviewed by civil counsel.

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**Motion** by Commissioner Matelski, seconded by Commissioner Allor, to approve the Transportation Agreement between Cheboygan County on behalf of Straits Regional Ride and Straits Area Services, Inc. in the amount of \$138,504 per year to be paid in monthly installments of \$11,542 effective May 1, 2012, authorize any necessary budget adjustments and authorize the Chair to sign. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented an agreement with the Cheboygan County Humane Society for animal control. The Cheboygan County Humane Society has conducted numerous fund raisers over the last several years to raise the majority of funds to donate for completion of phase one building improvements to the shelter building. To recognize this donation the agreement will be a long term 24 year service operation agreement to continue this important partnership.

**Motion** by Commissioner Gouine, seconded by Commissioner Horrocks, to approve the Agreement for Animal Control Services with the Cheboygan County Humane Society effective April 10, 2012 and authorize the Chair to sign. Motion carried 7 yes, 0 no and 0 absent.

Administrator Lawson presented a draft lease agreement as requested by the Cheboygan Trailblazers, Inc. to construct a storage building, at their expense, within the fairgrounds property. The Trailblazers are a non-profit volunteer group who receive state grant funding to groom snowmobile trails within this County. Civil counsel drafted the agreement and it was sent to the Trailblazers for review. After that review, the Trailblazers had various concerns and civil counsel prepared a revisions of several paragraphs to accommodate the concerns. These revisions were distributed. Discussion was held. Commissioner Redmond said the building would have finished, heated interior and could be utilized for other functions during fair week or for other events. Fred Brandt, President of the Cheboygan Trailblazers was given time to review revisions.

**Motion** by Commissioner Redmond, seconded by Commissioner Horrocks, to enter into a Fairground Building Lease Agreement with the Cheboygan Trail Blazers, Inc. incorporating revised paragraphs 1. Description; 3. Improvements on Leased Property; 4. Term, Renewal; 10. Casualty Insurance; 14. Assignment and Subletting; 16. Termination; and addition of a new paragraph X. Mediation into the draft agreement prepared by civil counsel and authorize the Chair to sign. Motion carried with 7 yes, 0 no and 0 absent.

Sheriff Clarmont presented a proposed Jail Inmate Food Contract for the next three years with the Carnation Restaurant. He said bids were sought for this service with the Carnation being the sole bidder. He said Jakki Tallman owner of the Carnation Restaurant has rented kitchen facilities at the old Junior High from North Central Community College. The cost per meal will be \$2.95, an increase of .25 cents over the current cost, but this is the first increase in nine year.

**Motion** by Commissioner Matelski, seconded by Commissioner Redmond, to accept the bid of the Carnation Restaurant dated March 6, 2012 at \$2.95 per meal for the term of the contract and to authorize the Chairperson of the Cheboygan County Board of Commissioners to sign the three year contract, beginning April 1, 2012 through March 31, 2015 with the Carnation Restaurant for Cheboygan County Sheriff Department Jail Inmate Food Services. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson related to the Board that the Cheboygan County Road Commission has a road commissioner who is requesting to opt-out of one person health insurance coverage. He said a review of the September 2008 motion establishing the compensation for Elected Officials who choose to opt-out of coverage does not authorize an opt-out payment for a one person plan. Based on Civil Counsel recommendation, the Board of Commissioners must adopt a resolution authorizing reimbursement to elected officials for one person coverage if requested.

**Motion** by Commissioner Allor, seconded by Commissioner Redmond, that County Commissioners, Road Commissioners, Sheriff, Clerk/Register, Treasurer and Prosecutor who provide proof that his/her spouse has health insurance coverage or have Medicare or a private coverage plan with a health insurance provider, may opt out of the County's or Road Commission's one person, two person or family

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coverage and receive up to 35% or \$5,000 of the plan cost, whichever is less, per year. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Horrocks) and 0 absent.

Commissioner Matelski commented on the behavior of some members of the Fair Board members as evidenced by the Fair Board minutes. He said this behavior is the most disgustingly inappropriate behavior he has ever seen and we owe the administrator and finance director apologies for sending them to that meeting. Commissioner Horrocks said he believes people have not always treated the Fair Board properly.

**Motion** by Commissioner Matelski, seconded by Commissioner Wallace, to receive and file the Cheboygan County Fair Board minutes of February 2, 2012 and the notes from discussion on March 5, 2012. Motion carried./

**CITIZENS COMMENTS** – None

**BOARD MEMBER COMMENTS** – Chair Socha noted since it is getting close to budget time again a planning/goal session should be held. The board's consensus was that the goals could be reaffirmed for this year. The planning/goal session will be schedule in May with an Elected Officials meeting sometime shortly thereafter.

Commissioner Matelski said the Road Commission is still waiting for a Quit Claim deed for the ambulance garage in Indian River. Administrator Lawson said he would get with civil counsel on this.

Chair Socha asked if North Country Community Mental Health Director, Alexis Kaczynski has been scheduled to speak before the board of commissioners. Administrator Lawson said she will be contacted again. Ms. Socha also asked whom the recycle bin at the hospital belongs to. Administrator Lawson said it belongs to the county.

Commissioner Matelski said a constituent voice concern that Encana Oil had sold all oil and gas leases to Petro China. However, they have sold about 70% of their interests in Canada to Petro China. Petro China is the largest oil company in the world. He said it is still not sure if the sale will go through. Chair Socha said she was surprised to learn that there are four injection wells in Cheboygan County according to Ms. Sullivan from the DEQ.

Information on the Henderson property purchased by the County on a Land Contract east of the fairgrounds will be sent to civil counsel, as the County did not receive a Warranty Deed when the contract was paid off years ago. This has been researched and brought up in the past but has not be rectified.

**Motion** by Commissioner Wallace, seconded by Commissioner Matelski, to adjourn to the call of the Chair. Meeting adjourned at 12:34 p.m.

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Mary Ellen Tryban  
Cheboygan County Clerk/Register

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Linda Socha  
Chairperson