

**COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
November 12, 2019**

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 Mary Ellen Tryban, Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski, John Wallace, and Steve Warfield.

Absent: None

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

Motion by Commissioner Tryban, seconded by Commissioner Sangster, to approve the agenda and the consent agenda as presented. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

- A. Approve Monthly Finance Claims (Finance Total = \$0; Prepaid Total \$1,130,936.45).
- B. Budget Adjustments a follows:
 - 2019 Raise Revenues/Expenditures
 - 1. Fund 101 total budget decrease of \$753
 - 2. Fund 229 total budget increase of \$55,795.70
 - 3. Fund 267 total budget increase of \$19,931.55
 - 2019 Inter-department Budget Transfer
 - 1. From 101-229 to 101-229 totaling \$895
 - 2. From 101-302 to 101-700 totaling \$2,541
 - 3. From 101-700 to 101-228 totaling \$5,200
 - 4. From 101-700 to 101-135 totaling \$12,000
 - 5. From 259-135 to 259-135 totaling \$2,320.57
 - 6. From 259-131 to 259-135 totaling \$52,189.66
- C. Investment Report
- D. Straits Regional Ride:
 - 1. Letter of Understanding
 - 2. 2019 Revised Title VI Written Plan
- E. MSU-E Service Agreement - MOA
- F. Correspondence:
 - 1. Alger County Resolution Opposing Legislation to Prevent County Commissioner Candidates from Disclosing their Party Affiliation on Ballots provided to Michigan Voters
 - 2. Alger County Resolution Opposing Trial Court Funding Commission Interim Report
 - 3. Alger County Resolution on HB 4590 a Bill to Create a Tourism Reinvestment Excise Tax
 - 4. Bay County Resolution Opposing Legislation to Prevent County Commissioner Candidates from Disclosing their Party Affiliation on Ballots provided to Michigan Voters

5. Kalkaska County Resolution Opposing Legislation to Prevent County Commissioner Candidates from Disclosing their Party Affiliation on Ballots provided to Michigan Voters
 6. Lapeer County Resolution Supporting Line 5 Tunnel
 7. Otsego County Resolution in Support of Line 5 Tunnel
- G. Minutes:
1. Finance/Business Meeting of October 8, 2019 and Committee of the Whole Meeting of October 22, 2019.
 2. NEMCSA – 10/4/19
 3. Cheboygan City Council – 9/24/19 & 10/8/19
 4. County Road – 9/19/19 & 10/2/19
 5. NCCMH – 9/19/19
 6. Fair Board – 9/9/19 & 10/7/19
 7. NEMCOG – 9/19/19
 8. Planning Commission – 9/18/19
 9. Agricultural Society – 11/6/18

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

CITIZENS COMMENTS

Louis Vallance citizen of Grant Township and the City of Cheboygan commented on the SRR Letter of understanding with Emmet County on adding three (3) additional roads and questioned where Cheboygan's three (3) additional roads were. He also commented on the Capital Improvement Plan and suggested that instead of having these projects split up possibly combining them to get a better cost. He commented on the road improvement projects coming up in Cheboygan County, which will be a mess for the next couple of years and the problems this will cause with people trying to get to work.

SCHEDULED VISITORS - None

Finance Director's Report

Finance Director James Manko presented the Revenue and Expenditure Report for the General Fund for the month ending September 30, 2019. He reported total year-to-date revenue of \$6,113,566.42, or 44.15% of the budget compared to \$6,703,308.14 or 42.50% of the budget last year at this same time. He reviewed each line item number that had any significant changes of \$10,000 plus or minus. Mr. Manko reported expenditures year-to-date of \$8,465,970.73 or 61.14% of the budget, compared to \$8,293,096.42 or 52.59%, last year as of the end of September 30, 2019. Mr. Manko stated the Cash Summary by Fund totaled \$26,648,124.92 as of September 30, 2019 and a summary of the new negative cash balances was given. Mr. Manko presented the Quarterly Fund Balance Report as of September 30, 2019 with a beginning fund balance of \$22,277,664 and a year-to-date fund balance of \$22,906,020. A summary of the negative fund balances was given. He also gave a Summary Expenses Report by Category as of September 30, 2019.

Motion by Commissioner Matelski, seconded by Commissioner Sangster to receive and file the financial reports as presented. Motion carried with 7 yes, 0 no and 0 absent.

Administrator's Report

Administrator Jeff Lawson gave an update on the Indigent Defense. A new Michigan Indigent Defense Commission standard requires the separation of Indigent Defense services from the Courts. Currently, the program is administered by the Circuit Court. The new standard will require Counties to have an assigned counsel to administer the program. Three (3) RFP's have been received. Staff will have a recommendation for the Board to consider for the December 10, 2019 meeting.

Administrator Jeff Lawson gave an update on the Public Defender Contract. Staff is also working with the Public Defender to renew the Public Defender Contract for December 10, 2019 meeting.

Administrator Jeff Lawson gave an update on the Marina. The engineer has submitted plans and specifications for the Marina project to EGLE and the Army Corp of Engineers. The permit is expected to have final review by EGLE by mid-December.

Administrator Jeff Lawson reported on the County Building Repairs. A second structural engineer inspected the block curtain wall and scanned the wall in order to provide a design recommendation concerning a repair or replacement plan. The report is expected to be completed by mid-November. Once completed engineering design prints and specifications will need to be completed to provide to Clark Construction.

Administrator Jeff Lawson reported on the Sale of Vehicle. Staff has received two (2) local bids and awaits any offers that may be received by on line auction for the sale of a 2012 Jeep Compass with transmission problems. The vehicle has approximately 127,000 miles on it. The County will sell the vehicle at the highest bid received.

Administrator Jeff Lawson gave an update on the Phone System Project. Staff has scheduled the installation for the new phone system during the first and second week in December.

COMMITTEE REPORTS

Commissioner Sangster commented that the NLEA Board held their Northern Michigan Pitch Night event this past week at the Opera House. The Northland Brewing Company that is going to open in Indian River won first place as well as the Secrets on Main Bed & Breakfast and Kurth Robotics. These businesses will advance to the Grand Event finale Business Model Competition in a three (3) county event to be held at Boyne Mountain Resorts on Wednesday, November 20th

Commissioner Wallace commented on several handouts regarding the Fiscal Impact of the Little Traverse Conservancy properties impact on the Cheboygan County's tax rolls and a Detroit News article on the Line 5 tunnel dated November 5th.

Commissioner Matelski attended an Area Agency on Aging and stated that there are a lot of programs for the elderly such as helping caregivers and heating assistance. AAA is looking for volunteers for the Senior Core program and the RSVP program.

OLD BUSINESS - None

NEW BUSINESS

Administrator Jeff Lawson presented the Fairground Event Agreements. There are two (2) Fairgrounds events to be approved. The Seedums Garden Club would like to use the first barn on May 8th, 9th and 10th, 2020 with a Gardening Garage Sale to be held on May 9th from 9 a.m. to 2 P.M. The Cheboygan Kiwanis Club would like to use the midway, front lawn area, restrooms, and, potentially, if weather is a factor on July 16th, 17th, 18th and 19th to host a Corn Hole Tournament.

Motion by Commissioner Sangster, seconded by Commissioner Gouine to approve the event agreements as presented and authorize the Chair to sign. Motion carried with 7 yes, 0 no and 0 no.

Administrator Jeff Lawson presented the 2020 Cheboygan County Capital Improvements Program (CIP). The 2020 Capital Improvements Program document was approved by the Planning Commission.

The Michigan Planning Enabling Act (Act 33, 2008) requires local municipalities that have adopted a master plan to prepare an annual CIP, a blueprint that shows those public structures and/or improvements in general order of priority that will be needed (or desirable) and can be undertaken within the ensuing six year period. This CIP indicates capital improvement expenditures for the period 2020 through 2025.

The inclusion of a particular project in the CIP does not require any public entity or department of the county to fund or complete the project; rather, the CIP is intended, in part, as a long-range planning and physical development coordination tool. The CIP also serves to help maximize financial and other resource capacities.

The Planning Commission recommended the 2020 CIP for approval to the Board of Commissioners after review and discussion during a public meeting on October 16, 2019. No public comments were heard.

Motion by Commissioner Gouine, seconded by Commissioner Newman, to adopt the 2020 Capital Improvement Program, per Planning Commission's recommendation. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the SRR Transportation Manager Employment Agreement – Rebecca Charboneau. The position of Transportation Manager was advertised by the County on the County web site, local paper, and State transportation web site. The County received approximately 20 applications for the position and interviewed two (2). Ms. Charboneau will be promoted from the Interim Manager position.

Motion by Commissioner Newman, seconded by Commissioner Warfield, to approve the employment agreement with and appoint Rebecca Charboneau as the SRR Transportation Manager. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Recycling Truck Hooklift System. The County requested sealed bids from companies for a hooklift loading system to be installed on the new recycling truck. The County received bids from two (2) companies as follows: Truck and Trailer Specialties – Swaploader Hooklift System \$44,985 and Marrel Corporation – Ampliroll Hooklift System \$42,650.

Although the apparent low bid is from Marrel Corporation in the amount of \$42,650 for an Ampliroll Hooklift System staff recommends the purchase of the Truck and Trailer Specialties Swaploader Hooklift System in the amount of \$44,985 based on durability/reliability, safety features and location where the lift can be serviced.

Motion by Commissioner Sangster, seconded by Commissioner Tryban, to award the Recycling Hooklift loading system bid to Truck and Trailer Specialties for a Swaploader Hooklift System in the amount of \$44,985 and authorize the Chair to sign purchase agreement with any necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director James Manko presented the 2020 Fee Resolution #19-18. The 2020 Fee Resolution, which is a compilation of all County fees, which includes all fees charged by the County that are not statutorily set. Proposed 2020 fee changes to the following departments: **Building Safety** – changes to the Fee Schedule in order to more appropriately cover the costs of the Building Safety Department services.

As with last year's changes, these proposed fees show smaller annual increases than larger fee changes adopted less frequently. These increases are necessary due to the increasing costs that all departments face. Staff is aware of the Board's desire to make sure the department continues to run efficiently and works toward reducing the cost of the Department to the General Fund. Staff is also aware of the need to minimize impact of fee changes to the residential customer. The proposed fees change the multiplier used to calculate permit fees. The residential multiplier would change from .0051 to .0064 and the commercial multiplier would change from .0063 to .0066.

Planning and Zoning – Staff is proposing a small increase to the Soil & Sedimentation/Stormwater Applications to help cover costs for required inspections by the State.

Treasurer – New fee added to certify taxes that were paid up on a parent parcel before it was divided by owner.

County Road Loan Program – The Cheboygan County Township Road Loan Program Policy 300-6 requires that the Board of Commissioners set an interest rate for all road loans on an annual basis. The interest rate for all loans originated during 2020 will be 5.33% based on the month end and average of the Federal Prime Rate from December 2018 through November 2019.

Discussion was held on the Planning and Zoning increase to the Soil & Sedimentation/Stormwater Applications. Commissioner Warfield asked staff to take a harder look at this and possibly make it a larger increase because of the staffing issues. Administrator Lawson stated that this was being monitored.

Motion by Commissioner Tryban, seconded by Commissioner Matelski, to adopt Resolution #19-18 – 2020 Fee Resolution to become effective January 1, 2020 and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director James Manko presented the 2019 Salary & Wage Resolution - Non-Union General Employees #18-23 – Amendment #3. Currently, 89th District Court has a full-time (35 Hour) Court Officer/Part-time Magistrate and Probation Officer. Due to the new Michigan

Indigent Defense Counsel (MIDC) rules, the District Court has experienced an appreciable increase in workload. In 2018, there were no jury trials. In 2019, there have been four trials and currently have eleven scheduled through November. The Court has to schedule trials every Monday and Friday through November to manage the trial docket. A request to change the full-time position from 35 hours per week to a range of 35 – 40 hours per week based on the court schedule.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to adopt Amendment #3 to the 2019 Salary & Wage Resolution – Non-Union General Employee #18-23 to be effective November 13, 2019, 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.

BOARD MEMBERS COMMENTS

Commissioner Wallace presented the Quiet Island Name Proposal. A recommendation from Lawrence Smith, a member of the Pellston Downtown Development Authority's proposal to the U.S. Board on Geographic Names to apply the name Quiet Island to the area north of the Michigan Inland Waterway in Emmet County and Cheboygan.

Motion by Commissioner Sangster, seconded by Commissioner Warfield, to not take any action on the Quiet Island Name Proposal. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Wallace presented the Property Donation – Munro Lake. The property is located at 10204 W. Munro Lake Drive, Levering, MI 49755. The owner would like to donate the property to the county to be developed into a park for water access and have the park named after a family member. Discussion was held on why this property was not donated to the township, cost of development and maintenance costs.

Motion by Commissioner Sangster, seconded by Commissioner Warfield, to decline the donation of the Munro Lake property. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS

Louis Vallance thanked the Board for their decision to hire Rebecca Charboneau as the new Director for Straits Regional Ride. He commented on the Mecosta – Osceola Transit Authority Ride millage proposal passing to expand services during the week days until 10 P.M. and to also expand services on the weekends. Cheboygan County needs to do the same with SRR so there were services available seven (7) days a week.

2020 BUDGET REVIEW

Finance Director James Manko provided an updated Budget Summary Report. Continued review of the 2020 Budget and discussion was held on the line items that the Governor vetoed such as the Swamp Tax Fund, Child Care Fund and Secondary Road Patrol Grant. Further discussion was held on Per Diems - Board of Commissioners; appropriation for increase of 89th District Court Jury Trials; increasing home visits for Sobriety Court; new servers and generator backup; hiring a part-time Human Resource Director, hiring of a part-time Soil & Sedimentation employee; vehicle replacements; additional Animal Shelter appropriation; additional Fairground appropriation; additional Airport appropriation; Road Loan Program; County Building road repair; fuel pump/tank compliance and air conditioner unit

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replacement. Questions were answered by the Finance Director Manko and/or Administrator Lawson.

Motion by Commissioner Wallace, seconded by Commissioner Sangster, to adjourn to the call of the Chair at 12:47 P.M..

Karen L. Brewster
County Clerk/Register

John B. Wallace
Chairperson