

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
August 14, 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 (arrived at 9:39 a.m.), and Sue Allor

Absent: None

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

Motion by Commissioner Matelski, seconded by Commissioner Redmond, to approve the agenda as presented. Motion carried with 6 yes, 0 no and 1 absent.

Motion by Commissioner Redmond, seconded by Commissioner Gouine, to approve the consent agenda as follows:

- A. Approve Monthly Finance Claims – Finance = \$59,275.18 Prepaid = \$1,060,331.66
- B. Budget Adjustments – Raise Revenues & Expenditures: Fund 101 total budget increase \$1,048; Fund 107 total budget increase \$615; Fund 270 total budget increase \$2,287; and Fund 286 total budget increase \$1,048; Inter-budget Transfer Payroll Related Administration decrease the carried forward fund equity line item and increase the administrator and fringe expenditure line item by \$1,764
- C. Investment Report
- D. Joint Resolutions & Intergovernmental Agreements to Manage Flood Plain Development for National Flood Insurance Program: Resolution 12- 17 Village of Wolverine, Resolution 12-18 Mackinaw Township, Resolution 12-19 Beaugrand Township, Resolution 12-20 Nunda Township, Resolution 12-21 Munro Township, Resolution 12-22 Mullett Township, Resolution 12-23 City of Cheboygan, Resolution 12-24 Hebron Township, Resolution 12-25 Wilmot Township, Resolution 12-26 Koehler Township and Resolution 12-27 Inverness Township, and Resolution 12-28 Forest Township, Resolution 12-30 Mentor Township and Resolution 12-31 Waverly Township
- E. Straits Regional Ride/COP-ESD Regular School Contract 2012/2013 School Year Totaling \$65,157.44 to be Paid in Quarterly Installments of \$16,289.36
- F. Fairgrounds Event Agreements
 1. North Country Animal Assisted Therapeutic Program – August/September 2012
 2. Boy Scouts from Clio, Michigan
- G. Correspondence
 1. Alger County Resolution Opposing the Closure of Selfridge Air National Guard Base
 2. Ottawa County Resolution Opposing the 10% Retail Open Access Cap of the Clean, Renewable, and Efficient Energy Act of 2008
 3. Tax Allocation Board Final Order for County
 4. MDEQ Air Quality Report
- H. Minutes:
 1. Finance/Business Meeting of July 10, 2012
 2. Health Board – June 19, 2012
 3. North Country Community Mental Health Board – June 21, 2012
 4. Michigan Northern Counties Association – June 18, 2012
 5. C.C.E. 9-1-1: Board Minutes of May 23, 2012; Director's Report July 18, 2012; and Monthly Financial Report 2012
 6. NEMCSA – June 1, 2012
 7. NMSAS Board of Directors – May 7, 2012
 8. NLEA July Newsletter, President's Report July 2012 & May 17, 2012 Minutes
 9. Cheboygan County Fair Board – June 4, 2012 & July 2, 2012
 10. Cheboygan Conservation District - April 25, 2012
 11. Cheboygan County Road Commission – July 2, 2012

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12. Cheboygan City Council –June 12, 2012 & June 26, 2012
13. Planning Commission Meeting –June 6, 2012, June 20, 2012, July 11, 2012, & July 18, 2012
14. ZBA – June 27, 2012

A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 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 ended June 30, 2012. She reported total year-to-date revenue of \$2,288,747.44 versus \$2,117,934.79 last year at that time. Ms. Kortz reported expenditures year-to-date of \$4,646,997.99 or 43.53% of budget, compared to \$4,683,068.72 last year as of the end June. She reviewed the Fund Balance quarterly report and Summary of General Fund Expenses by Category, which also is a quarterly report.

ADMINISTRATOR'S REPORT – Administrator Lawson reported five bids for the County Building Roof project were received. During the Architect's review process it was identified that the apparent low bidder had not completed roof core samples and requested to increase their bid, and as a result were disqualified. Cheboygan County based, Doyle Roofing's bid of \$195,127 was within 5% of the confirmed two lower bids of \$118,426 and \$190,900, and according to the County's Purchasing Policy, the architect has been asked to qualify Doyle Roofing's bid. If the Doyle Roofing bid is qualified at \$195,127, a recommendation will be presented on August 28, 2012. Mr. Lawson noted bids have been advertised for boiler replacement within the County Building; however, no bids have been received even though several mechanical contractors inspected the boilers. When contacted the contractors indicated they feel they would not be able to obtain and install the boilers prior to the winter weather. He recommended re-bidding the project in the spring. Mr. Lawson reported the Health Access Advisory Committee met on August 7, 2012. Representatives from the Health Department of West Michigan as well as McLaren met with the committee and public to review the Health Department's initiative to complete a Community Health Assessment for Northern Michigan. The Health Department identified that Cheboygan County is a focus County in which a Community Health Status Assessment and Public Health Assessment will be conducted consisting of surveys and a focus group interview. The Health Access Advisory Committee would serve as a task force facilitator to work with the Health Department and health care providers within the County. Mr. Lawson said staff has been working with representatives of the Kiwanis club to gather information concerning the Northern Michigan Outdoor Sports Exposition planned for May 17-19, 2013 at the Fair Grounds. The Club is working with participants and vendors to finalize the show. Once all information is available concerning the proposed target show featuring Patrick Flanigan who appeared on NBC's Sport Show Hot Shots as well as proposed bow shoot activities, the event will be brought for Commission consideration.

COMMITTEE REPORTS

Commissioner Horrocks said he would not be attending the MAC Conference in September because of a special Pigeon River Advisory Council meeting scheduled during the same period. He also reported the new pavilion in the City of Cheboygan is near completion. He said DNR now has a new director, Keith Creagh.

Commissioner Redmond attended the District #4 Health Board meeting and reported a full time nurse position has been added in Cheboygan. He also a Waterways meeting, a Fair Board meeting, Straits Regional Ride meeting, and a Benton Township meeting. This year's Fair was very well attended. He reported construction has started on the new fire hall in Benton Township. Commissioner Redmond said advertising for the vacancy on the Airport Authority failed to draw any interested applicants. He asked the board members to look for potential candidates for that position.

Commissioner Allor reported attending meetings of Ellis and Wilmot Townships, the Village of Wolverine Cheboygan County Council on Aging, the Health Board, North Country Community Mental Health, Area Agency on Aging, the local MTA, Health Access Advisory Committee, and NEMCSA. She reported

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CCCOA is looking for volunteers to assist with meals on wheels; they are also starting a newsletter; and may request a 2% increase in funding from the County. At the Health Board meeting it was discussed that Michigan has a public health crisis in regards to health of the citizens. She said according to national health rankings, Cheboygan ranked 22 out of 83 counties. She said that doesn't look too bad, the clean air helped, but we are extremely high in certain categories such as obesity which leads to diabetes, high blood pressure, and other diseases as discussed at Health Advisory meeting. Discussion held on various health rankings for this county compared to statewide rankings.

Commissioner Gouine said the Housing Commission requesting more grant money; things get done but not very quickly. Chairperson Socha said we are going to be getting a report on the activities. She said the board changed to NEMAH because it didn't make sense to have a two person full time department as the most economical way.

Commissioner Matelski reported attending four Planning Commission meetings, two Road Commission meetings, three township meetings, the local Michigan Townships Association meeting, and two ZBA meetings. He reported Aloha Township was upset with the recycling bins, lots of overflow, weeds not being cut, bins not being emptied. He suggested a review of the recycling program to determine what needs to be addressed. Chairperson Socha said she has heard similar concerns including no response to telephone messages. Discussion held.

Commissioner Socha attended a USCG Civilian Planning Specialist meeting with Greg Williams. A drill has been scheduled regarding issues with a tanker spill on the river in cooperation with the Coast Guard. She also has been working with Greg Williams with other emergency management matters including the lightning strike at the CCE center and the major wind storm in Burt Township, luckily no was hurt or there was no major structure damage. She reported at a regular Emergency Management meeting the budget passed included a slight increase in Greg's salary because health insurance was not under the cap. Commissioner Socha also attended the Hebron and Beaugrand Township board meetings.

OLD BUSINESS

Administrator Lawson said the Board approved a Credit Card Policy in 2000; however it was not inserted into the County's Policy manual. Credit Card Policy 300-3 updates the policy to reflect the use of credit cards by County personnel in accordance with PA 266 of 1995 as amended.

Motion by Commissioner Redmond, seconded by Commissioner Allor, to approve Cheboygan County Credit Card Policy 300-2 and place policy within the Cheboygan County Policy Manual. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

NEW BUSINESS

Administrator Lawson said the millage proposal for ambulance services expired in 2011 and the area ambulance agencies have requested that an Ambulance Millage renewal of .30 mills be placed on the November ballot. The .05 mill increase would cover increasing costs to provide service and replace the loss in revenue due to declining tax valuations over the last two years. Dallas Hyde, Director of Cheboygan Life Support Systems, addressed the Board and answered questions on the CLSS Business Plan that had been submitted for review. He reported that an additional full time crew has been added as of August 1, 2012 because of the number of transfers to Petoskey resulting from the closure of hospital services in Cheboygan. Mr. Hyde said the increase in trips also has taken a toll on the ambulance vehicles. He said medical control use to be from Cheboygan hospital, however, now they deal directly with Petoskey. He said he has been told that when the locum doctors are no longer in Cheboygan and permanent ER doctors have been hired for Cheboygan, this will change. Mr. Hyde said that .25 mills appears to be sufficient at this time, rather than the .30 mill initially talked about. He said Attorney Dave Barton is in the process of reviewing the bylaws for CLSS since Cheboygan Memorial Hospital is no longer in existence. Civil Counsel Bryan Graham said the board could consider .30 mills and if .25 mills is sufficient, that could be levied.

Motion by Commissioner Allor, seconded by Commissioner Matelski, to adopt the following resolution::

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Resolution No. 29 of 2012

A RESOLUTION TO APPROVE THE BALLOT LANGUAGE FOR A MILLAGE PROPOSAL TO PROVIDE FUNDS TO SUPPORT AMBULANCE SERVICES WITHIN THE COUNTY AND TO SUBMIT THE PROPOSAL TO THE ELECTORATE AT THE NOVEMBER 6, 2012 GENERAL ELECTION

Recitals

- A. Act 50 of the Public Acts of 1960, as amended, being MCL 41.711, et seq, expressly authorizes the Board of Commissioners for the County of Cheboygan to contract with individuals, firms, organizations, or corporations in operating or furnishing an ambulance service for the use and benefit of the residents of the county.
- B. The County of Cheboygan desires to contract with firms, organizations, or corporations operating ambulance services within the county and to provide funds to support those ambulance services within the county.
- C. The Cheboygan County Board of Commissioners, therefore, desires to obtain voter approval for .30 mills to provide funds to support ambulance services within the county.
- D. Because a county-wide general election is scheduled on November 6, 2012, the Cheboygan County Board of Commissioners finds it appropriate to submit this millage proposition to the electorate at this general election.

Resolution

NOW, THEREFORE, THE CHEBOYGAN COUNTY BOARD OF COMMISSIONERS HEREBY RESOLVES that:

- 1. The following proposal, the language of which is hereby approved by the Cheboygan County Board of Commissioners and certified to the Cheboygan County Clerk, shall be submitted to the electors of Cheboygan County for a vote at the November 6, 2012 general election:

Ambulance Millage Proposal

This proposal will permit the County to levy up to .30 mills for the purpose of providing funds to support ambulance services within the county in the years 2012-2015, inclusive.

Shall the tax limitation imposed under Article IX, Section 6 of the Michigan Constitution on the amount of ad valorem taxes which may be levied by the County of Cheboygan, State of Michigan, against taxable property in the County be increased by up to .30 mills (\$.30 per \$1,000 of taxable value) for a period of four (4) years, 2012 through 2015, inclusive, for the purpose of providing funds to support ambulance services within the county, and shall the Cheboygan County Board of Commissioners be authorized to levy such millage for this purpose? If approved and levied in its entirety, this millage would raise an estimated \$393,930 for Cheboygan County in 2012.

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

Administrator Lawson said that Jakki Ross has requested use of the Fairgrounds to host a Horsemanship Clinic on October 6 & 7, 2012. She wishes to use the horse barn and arenas for the event. Since this is classified as a for profit event the County Policy requires a 25%/75% split of the proceeds.

Motion by Commissioner Horrocks, seconded by Commissioner Redmond, to approve the Fairground Event Agreement between Cheboygan County and Jakki Ross to use the horse barn and arenas to host a Horsemanship Clinic on October 6 & 7, 2012 and authorize the Chair to sign. Motion carried with 7 yes, 0 no and 0 absent.

Building Official Al Hoard presented Ordinance 01-2012 and Amendment to the Municipal Civil Infraction Ordinance #1 of 2010. He said he requested that the other inspectors in his office be added to the ordinance so they have the authority to do the enforcement. This ordinance would allow for a more efficient and effective way to gain compliance with various enforcement matters.

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Motion by Commissioner Matelski, seconded by Commissioner Allor, to adopt Ordinance 01-2012, an ordinance amending the Cheboygan Municipal Civil Infraction Ordinance, being Ordinance No. 01-2010:

Ordinance 01-2012

**AN ORDINANCE AMENDING THE CHEBOYGAN COUNTY MUNICIPAL
CIVIL INFRACTION ORDINANCE, BEING ORDINANCE NO. 01-2010**

THE COUNTY OF CHEBOYGAN ORDAINS:

Section 1. Amendment of Section 3.

Section 3 of the Cheboygan County Municipal Civil Infraction Ordinance, being Ordinance No. 01-2010, is hereby amended to read in its entirety as follows:

SECTION 3. DESIGNATION OF AUTHORIZED COUNTY OFFICIALS.

The following county officials are hereby authorized by the Cheboygan County Board of Commissioners to issue municipal civil infraction citations pursuant to this ordinance for violations of county ordinances, the violations of which are designated municipal civil infractions:

- A. Deputies of the Cheboygan County Sheriff
- B. Code Enforcement Officer
- C. Building Official
- D. Building Inspector
- E. Electrical Inspector
- F. Mechanical Inspector G.
Plumbing Inspector
- H. Soil Erosion Officer
- I. Zoning Administrator
- J. Addressing Ordinance Enforcement Officer

Section 2. Severability.

If any section, provision or clause of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not effect any remaining portions or application of this Ordinance, which can be given effect without the invalid portion or application.

Section 3. Effective Date.

This Ordinance shall become effective the day following its publication in a newspaper of general circulation within the county.

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

DHS Director Julie Sproul addressed the Board regarding the Homemaker Position that has been in place in Cheboygan County for many years. The position provides direct social work services to abused and neglected children living in Cheboygan County and also helps parents of abused and neglected children to improve their basic living skills, home cleanliness skills, personal hygiene skills, budgeting skills, nutrition, child development and parenting skills. She said this service reduces the number of out of home placements of children in Cheboygan County at a notable cost savings to the county while ensuring children are maintained in their own homes in a safe fashion. Ms. Sproul said this is not a common position in other counties, she is only aware of approximately seven or eight other counties that have the position. She also stated in previous years it has been a 1-year contract, but is being changes to a 3-year contract this year. She said last year 36 families with 74 children were part of this program.

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Motion by Commissioner Gouine, seconded by Commissioner Horrocks to authorize the Chair to sign the Agreement between the Michigan Department of Human Services and Cheboygan County, Contract No. DFA-13-16001, Total Contract Amount \$119,750, effective October 1, 2012 through September 30, 2015 and authorize the Chair to sign. Discussion held. Ms. Sproul said if the board would submit a list specific information they would like to see she would be glad to provide it. Chairperson Socha said the board wants to make sure this is a hands-on position going into the homes. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson said a home improvement loan was issued through the housing program for Project #H-00-191. The homeowner is currently refinancing their home mortgage and in order to complete the refinancing the County must approve a subordination of the home improvement loan to place the loan in a second lien position to the mortgage. The Housing Commission has recommended approval of the subordination.

Motion by Commissioner Matelski, seconded by Commissioner Gouine, to approve the loan subordination for Housing Project #H-00-191 and authorize staff to provide a letter to the mortgage company. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson noted that bids were sought for vehicle maintenance, repair and tire contract. Three proposals were received for repair and tire service and one proposal for only tire service. Bidders were informed that tires must be purchased from the state contract, but no bidders were able to purchase tires under the State Contract. The most competitive bid was received from Wheeler Motors. Wheeler's currently maintains the contract to provide fleet maintenance and repair to the County. Wheeler's Contract identifies an hourly repair rate for labor of \$54.95. Parts and materials will be charged at the supplier rate plus 22%. Oil changes will be charged \$16.95 per change up to 6 quarts. Tires will be purchased from Auto Center Pit-Stop, (Sault Sainte Marie MI) a Good Year Dealer and state contract distributor. Tires will be mounted by Wheeler Motors. This insures the County will receive state contract pricing. No tire distributors within the County participate with Good Year National Contracts at this time. Vehicle and maintenance fees are estimated to cost approximately \$29,500 annually. Discussion held on number of vehicles in the county's fleet. Chairperson Socha said we really do need an analysis of the cost of county owned vehicles. Administrator Lawson said numbers do show if we do not have a fleet it would be more costly, however the number of vehicles necessary has not been determined.

Motion by Commissioner Matelski, seconded by Commissioner Horrocks, to approve the maintenance contract with Wheeler Motors and the purchase of tires from the State of Michigan Purchasing Program distributor Auto Center Pit-Stop and authorize the Chair to sign the maintenance contract. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented changes to the County Purchasing Policy Sole Vendor Listing 300-2A and the Prepaid Check Writing Procedure 300-2B. Changes to the Sole Vending Listing: Changing – 1) Cherry LAN System to Deketo, LLC; 2) Community Memorial Hospital to McLaren; 3) Telerad (replace Radios with Communications Equipment) Adding – 1) Auto Center Pit Stop; 2) BRP US, Inc. 3) Cheboygan Area Schools; 4) PNC Visa; 5) Werner Plumbing and Heating Deleting 1) Michigan Confidential Document Destruction. Changes to Prepaid Check Writing Procedure: Changing – 1) Fund 101 Advances to the County Fair to Fund 561 Start Up Cash Adding – 1) Fund 226 Fuel Purchases 2) Fund 277 Senior Citizen Millage Agreements Deleting – 1) Fund 226 Recycling Hauling Fees 2) Fair Board and Officers Annual Salary.

Motion by Commissioner Redmond, seconded by Commissioner Horrocks, to adopt the revised Sole Vendor Listing 300-2A and Prepaid Check Writing Procedure 300-2B to become effective August 14, 2012 and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Ms. Kortz said two quotes were received to provide county-wide central services indirect cost plan and monthly IV-D billings. She said Maximus Consulting, our current provider, and MGT of America, Inc., a firm formed by top-level Maximus Consulting executives after a down-sizing effort eliminated their

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positions, were the two bidders. She said both firms have the expertise to provide the services needed. Maximus Consulting has provided great service over the years, but due to a reduced work force we have been experiencing timeliness issues. MGT of America would provide a multiyear contract which would result in a savings of \$2,500 over the life of the contract. She said civil counsel has reviewed the contract and all recommended changes have been incorporated.

Motion by Commissioner Matelski, seconded by Commissioners Horrocks, to award the four-year (2011-2014) consulting services bid to MGT of America, Inc. in the amount of \$34,000 and to approve the Agreement between the County of Cheboygan and MGT of America, Inc. to provide the County-Wide Central Services Indirect Cost Plan and authorize the Chairperson to sign; to award the three-year (2012-2015) consulting service bid to MGT of America, Inc. in the amount of \$14,250 to provide the Monthly IV-D Billings/Scantron Services to the Prosecuting Attorney's Office and to approve the Agreement between Cheboygan County Prosecuting Attorney's Office and MGT of America, Inc. and authorize the Chairperson to sign; and to award the three-year (2012-2015) consulting service bid to MGT of America, Inc. in the amount of \$14,250 to provide the Monthly IV-D Billings/Scantron Services to the Prosecuting Attorney's Office and to approve the Agreement between Cheboygan County Friend of the Court Office and MGT of America, Inc. and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Ms. Kortz presented the 2013 Budget Process Timeline for approval. She said the timeline is similar to last year's with final adoption of the budget at the last finance/business meeting of 2012. Chairperson Socha said she plans to hold a meeting with Elected Officials after the MAC Conference but before October 9, 2012.

Motion by Commissioner Redmond, seconded by Commissioner Allor, to approve the 2013 Budget Process Timeline as presented. Motion carried with 7 yes, 0 no and 0 absent.

Chairperson Socha said that due to the MAC Conference the September 25, 2012 Committee of the Whole Meeting should be cancelled.

Motion by Commissioner Matelski, seconded by Commissioner Allor, to cancel the September 25, 2012 Committee of the Whole Meeting and have the Clerk post the cancellation. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS – None

BOARD MEMBER COMMENTS – Chairperson Socha clarified that she as Chairperson is the only County Commissioner who has a County credit card. She said perhaps the policy should name positions rather than individual names so if there is a change the policy would not have to be changed.

Commissioner Horrocks stated the county owned vehicle study should not include the sheriff vehicles.

Motion by Commissioner Matelski, seconded by Commissioner Wallace, to adjourn to the call of the Chair. Meeting adjourned at 12:19 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson