

**Cheboygan County Board of Commissioners
Committee of the Whole Meeting
September 24, 2019**

The Committee of the Whole meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson John Wallace at 9:32 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 led the Pledge of Allegiance.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to approve the agenda pulling Item A. under New Business - NCIC Communications Contract. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS - None

SCHEDULED VISITORS/DEPARTMENT REPORTS

Cheboygan Life Support Director Dallas Hyde gave an update on the Cheboygan Life Support Service. The Ambulance Service was established in 1983 by the Cheboygan Hospital, the Village of Wolverine and Tuscarora Township. Each of these entities would appoint Board members to their Board, which was a 501(c)3 nonprofit. In 2012 after the hospital folded, CLSS went back and changed the way that they got their Board members. Members were selected from the community, which always included one (1) Board of Commissioner. The purpose of CLSS was to provide emergency and transfers to citizens of Cheboygan County. In 2015, Allied Ambulance filed for bankruptcy and there were a couple other entities that were going to lose ambulance service. Rogers City, St. Ignace and Mackinaw Island asked the CLSS Board to do their billing in human resources. In April 1, 2015, the CLSS's mission statement now was to provide services to Presque Isle County, Cheboygan County and part of Mackinac County. A contract was paid for these services. In the 2018 Financial Statement for the year ending December 31, 2018, it only showed Cheboygan County because the other counties have a separate loss statement and balance sheet. In 1983, a one-time millage was held to purchase a building and the trucks. Then from that point on CLSS would receive approximately \$60,000 to \$70,000 from the County. The hospital would do their billings and human resources for free. In 1995 the Balance Budget Act allowed CLSS not to bill patients any more. For example if CLSS had a Medicare patient, whatever, Medicare paid CLSS had to be taken as payment in full. CLSS lost about \$300,000 per year in billings. CLSS couldn't afford to lose that kind of money and stay in business. This was when CLSS asked for a millage. CLSS has had a millage for the past eight (8) years. The next time the CLSS millage would be on the ballot would be in November 2020. He reviewed the CLSS yearly billable run volume handout, which showed a huge increase in 2012 when the hospital no longer had over-night beds. CLSS was doing about 500 transfers a year from Cheboygan to Petoskey Hospital. Then CLSS went from one (1) staff crew to two (2) staff crews in Cheboygan 24/7. Emergency crews would not transfer patients any farther than Traverse City unless there was a life threatening medical reason and could not be air lifted. In 2018, CLSS was dispatched 3,842 for emergencies and 3,019 transfers. If

necessary, CLSS might have to supply a fourth truck out of Cheboygan with sufficient room for crew at the Indian River Station. There were seven (7) trucks at this time. A review of the CLSS Capital Improvement Schedule was given, which showed the current cost and estimated replacement cost of equipment for the next 10 years. Payroll runs \$2,500,000 per year for all the entities. A line of credit has been established with Citizens National Bank for any future expenses. The Ambulance Subscription plan is still in place and is accepted.

Commissioner Wallace questioned the 800 runs that were not billable. Mr. Hyde explained that not all of them, but part of them was where they treated the patient for an existing illness such as diabetes and was in a diabetic coma upon arrival. Medical treatment was given, the patient wakes up, understands what has happened and the ambulance crews signs off. Another example would include car wrecks where people are just driving by or when a patient just needs help being picked up.

Building Official Safety Director Matthew Cronk presented the Department of Building Safety 2018 Annual Report. The department regulates and oversees all construction and demolition activity throughout Cheboygan County under the Stille–Derosssett-Hale Single State Construction Code Act 230 of 1972. This act requires the State of Michigan to have a uniform Construction Code across the State of Michigan. The codes that are adopted by the State of Michigan are as follows: International Code Council (ICC); State of Michigan Department of Licensing and Regulatory Affairs (LARA); Construction Codes; Michigan Building Code and a Michigan Rehabilitation Code for Existing Buildings. Building safety staff includes permit processing, office management, plan reviewers and field inspectors for all construction disciplines regulated by the Michigan Building Code. Building Codes Currently Enforced are building; plumbing; mechanical; electrical; fire code; fire suppression; fire alarm and energy code. Reference Standards are in addition to the codes listed above with many more referred building codes. In 2018 permit percentages were as follows: 398 residential building permits (20.26%); 71 commercial building permits (3.62%); 655 electrical permits (33.35%) and 666 mechanical permits (33.91%). Sub Trade permit comparison were as follows: 655 – electrical, 666 mechanical and 174 plumbing permits with no difference between the two years of 2017 to 2018. A comparison of the type of building permits was given with a total of 469 building permits in 2018. These included 30% residential additions; 20% storage buildings; 12% new residence; 39% of all other permits that would be commercial additions; new commercial projects; garages; demolitions and things of that nature. A total construction value for building permits was given over the last 10 years of \$37,616,746 residential and \$6,577,814 commercial. The thing that jumped out is the positive trend in Cheboygan County. In 2018, Building Safety experienced a modest and steady increase in permits; staffing changes/challenges; continued implementation of efficiencies, new code implementation, 100% of all expired/open permits are closed or extended and no new open/expired permits will be created. Once a year, he puts on a code update seminars, partners with some of the local businesses and invites contractors for a breakfast. This was always a real good turnout to keep everyone posted with all of the new changes. He thanked his staff in the Building Safety Department.

Planning and Zoning Director Michael Turisk presented the Planning and Zoning Department 2018 Annual Report. At 376, the number of zoning permits issued in 2018 was approximately 10% less than in 2017 (416), but is relatively consistent with the mean (356) for the previous five-year period (2013-2017). The majority of zoning permits issued were for garages and other accessory buildings (147) following by single-family dwellings (56; one less than in 2017) and residential additions/alterations (50). In 2018, the Department experienced a sharp increase in the number of Soil Erosion and Sedimentation Control Permits as compared to 2017 (250 and 190) a 24% increase and 72 more permits than the previous five-year average of 178, thus

indicative of increased construction activities near to the lakes, rivers, and other water bodies. The Planning Commission approved six (6) fewer Site Plan Review and Special Use Permit Applications in 2018 than in 2017 (23 applications compared to 29 in 2017, but just above the 2013-2017 average of 22). Application included 12 Special Use Permits, five (5) Special Use Permit Amendments and six (6) Site Plan Services. In 2018, eight (8) Zoning Ordinance Amendments were approved by the Board of Commissioners. The ZBA approved one (1) use variance and five (5) dimensional variance applications. Two (2) Zoning Ordinance interpretations were also considered, including relative to the term “residential street” in the context of Special Use Permit review and a second interpretation regarding the term “altered” in Article 22 of the Zoning Ordinance as it relates to non-conforming lots and structures. In 2013, the Community Development Department absorbed the activities of the former Cheboygan County Housing Commission and Housing Department. The Michigan State Housing Development Authority (MSHDA) permits funding of emergency repairs and Program Income collected from previously issued loans in order to assist qualified homeowners in the County. Ever dwindling sources of funding at the State level has resulted in MSHDA indicating that no competitive grant funding is currently available and is unlikely in the foreseeable future to assist with homeowner rehabilitation. However, the Planning and Zoning Department is working to identify eligible applications to assist with emergency repair work. The Ordinance Enforcement daily activities include site inspections and follow up paperwork tracking complaints received. In 2018, zoning enforcement activities were largely performed on a cursory basis due to reduced staffing. In October 2018, the Planning and Zoning Department hired a full-time Zoning Enforcement Officer/Soil Erosion and Sedimentation Inspector who, as of this report in September 2019, continues to successfully manage ongoing, unresolved violations as well as new complaints. In 2019, the Department has implemented more robust zoning enforcement protocols given additional staff. The most common complaints/violations regard (in descending order) building without permits, junk or inoperable vehicles, living in campers > 30 days and the use of storage buildings for long-term living. Some enforcement matters remain in our system with a status of “in progress” because of a history of recurring violations or difficulty in achieving compliance or resolution. Periodic observations of the site are made and are marked resolved when no violations are observed over a period of time. Since October 2018, 155 files were closed and currently there were 58 open files. Since 2013, 150 SUPS & SPRS approved by Planning Commission including amendments and one-year extension; 91 approval expired (one-year approve window closed); 41 finalized (final inspection requested and approved) 18 issues (one-year approval window remains open). He thanked his staff for all their hard work.

ADMINISTRATOR’S REPORT

Administrator Jeff Lawson presented an update on the Phone System Replacement. The County received 12 RFP Packets from vendors for phone system replacement. Staff has met with two vendor finalists to review equipment and system capabilities. Staff will be recommending an award of contract to Teoma for an Avaya system at the October 8, 2019 meeting.

Administrator Jeff Lawson presented 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. Staff is preparing an RFP for posting to determine if there may be interest from attorneys in the region. A regional discussion has also occurred between several Counties in Northern Michigan to investigate a joint approach to meet this requirement. Crawford County has identified that they have an attorney on staff and the staff capacity to implement an Inter Local Governmental Agreement. After review of the RFP’s, staff will recommend either entering into a service agreement with an

attorney to meet the standard or utilizing the services of Crawford through an Inter Local Agreement to meet the standard set by the MIDC. The cost of meeting this new standard would be reimbursed to the County by the State Indigent Defense appropriations.

Administrator Jeff Lawson presented an update on the Marina Project. The engineer has submitted plans and specifications from the Marina project to EGLE and the Army Corp of Engineers. The permit will be reviewed as a general permit and will be placed under public notice by EGLE.

Administrator Jeff Lawson presented the County Building Repairs. Staff has gained access to the ceiling beam area above the Treasurer's Vault. Staff will be meeting with Clark Construction to inspect the wall and beam in this area and will continue the process to obtain a quote for repair from Clark Construction.

OLD BUSINESS – None

NEW BUSINESS

Sheriff Dale Clarmont presented the 2019 Mobile Data Terminals (MDT). The Cheboygan County Sheriff Department is requesting the Cheboygan County Board of Commissioners approve the purchase of five (5) MDT's to include the necessary accessories and installation for outfit in patrol vehicles. Financial Impact \$18,446. Discussion was held on the software; computer operations and the timeframe.

Motion by Commissioner Warfield, seconded by Commissioner Tryban, to approve the purchase of five (5) GETAC MDT's to include the necessary accessories, installation and authorize the necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Sangster presented the Letter of Support – NEMCSA's Head Start/Early Head Start grant proposal. NEMCSA is applying for grant funding to continue providing quality Head Start/Early Head Start services to qualifying children and their families.

Motion by Commissioner Sangster, seconded by Commissioner Matelski, to approve the Letter of Support for NEMCSA's Head Start/Early Head Start grant proposal. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Memorandum of Understanding Hope Network Development Corporation. Hope Network Housing Development Corporation, a non-profit organization, is proposed to construct and operate an affordable independent housing development near 420 S. Huron within the City of Cheboygan. Hope Network is pursuing a low income tax credit for the project. A component of scoring for tax credit is the availability of public transportation. Currently, Straits Regional Ride service is provided Monday through Friday. The Memorandum of Understanding is requesting service be extended within the City of Cheboygan Area on Saturday's and Sunday's from 8 a.m. to Noon. The cost of extending Saturday and Sunday services is estimated at \$25,000. Currently, state and federal reimbursement is approximately 50% for an estimated cost to the County of \$12,500 prior to any fair box collection. The MOU pledges services will be provided. The agreement can be terminated with a 30-day notice. Hope Network's filing deadline to receive tax credit consideration is October 1, 2019. Discussion was held on the requirements to full fill this cycle deadline of October 1, 2019.

Motion by Commissioner Gouine, seconded by Commissioner Sangster, to approve a MOU to Hope Network Development Corporation extending SRR service within the City of Cheboygan on Saturday's and Sunday's from 8 a.m. to Noon. 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 wording in the MOU stating that SRR was a demand service, which would be a violation of the state and federal transit law. The wording cannot be used as a demand service like a taxi as per the original 2000 MDOT operations manual. The manual states that SRR is supposed to be a public transportation system. On the SRR passes it states "hourly rates upon request" and in the SRR brochures it states "hourly rates upon request", which is a violation of the transit laws. It also says on the MOU that it was still only going to be in the City from 8 a.m. to Noon. Nothing about what was discussed in the previous meeting where it would be opened up for the citizens to use not just the school systems. He also commented a bill that was passed at the senate where the County Road Commission could be merged with the County Board of Commissioners. This would save the county a lot of money and was something that the county should take a look at. Again there were no SRR services running this past weekend for the Mackinac Island Republican Leadership Conference where Vice President Pence came into the Pellston Airport. Things need to change.

Carl Muscott citizen of Tuscarora Township commented on incorporating the Road Commission into the County Board of Commissioners. This had been discussed before. The County Road Commission has a huge legacy cost, which Cheboygan County really doesn't need to take on. He stated that the Road Commission could reduce the number of Road Commissioners. A total of three (3) would be plenty. The Road Commission seems to be more fiscally responsible, but there was no point in taking on all that debt.

BOARD MEMBER COMMENTS

Commissioner Wallace commented to the Board to review the handouts of the Michigan Works! Northeast Consortium September Newsletter & August Recaps and MI Works! "We make work happen". Northeast Consortium is being used as a model throughout the State of Michigan Works offices.

Commissioner Gouine commented that he agreed with Carl Muscott that the Board does not need to be a part of the Road Commission and also agreed that the Board members could go down to three (3).

Commissioner Newman commented on the District #4 Health Department stating he felt at the last meeting they had made some progress and were moving in the right direction. Then today he received some information from Commissioner Gouine about the same thing that had been decided on in a positive note asking that same question. He was a bit confused and he hoped that the other counties could move forward.

Commissioner Matelski commented she agreed that the Road Commission Board should go down to three (3) Board Members.

BOARD MATTERS FOR DISCUSSION

Commissioner Sangster scheduled a Board Appointment & Procedures Meeting for Thursday, September 26th at 10 a.m. to be held in the Administrator's Office.

2020 Budget Review

Administrator Jeff Lawson presented on the Budget. Staff is beginning to develop the line item portion of the 2020 Budget. The County has consistently seen increases to the General Fund-Fund Balance over the years, but must be cognizant of continued budget pressure that can reduce fund balance within the future. Items for discussion included: **Wages** – Wage increase for 2020 will generally be in the 2.5% to 3% range based on negotiated labor agreements. Administration has received selected requests to consider wage increases above the range. These requests are for positions that have lagged behind our regional comparables. Administration will also be recommending adjusting above the average for several positions in our lower pay classifications to remain competitive and retain employees. The County's wage resolution will need to be adopted in October. **Pension Cost** – Although the County closed its full Defined Benefit Program in 2016 and moved to the Hybrid-Pension Plan, the County will continue to see increased pension liability cost into the future. The County continues to make the required minimum payments into the MERS program, but will need to increase its contribution to work toward reducing the County's current \$8.9 million pension liability, which is 73% funded. In recent years the county has been making larger contributions to decrease that liability. However, those contributions have been coming from tax sale revenues. Currently, there is a statewide lawsuit challenging the tax sale process that may diminish that source of revenue for the county. **Capital Improvements** – The County will need to continue to make progress on Capital Improvement projects. These costs are estimated in the millions of dollars and are reliant on Fund Balance reserves and future tax sale proceeds. Currently, the county is looking at repairing the wall in the Treasurer's Office with the cost still to be determined, looking at replacing the elevator at a cost of \$150,000 to \$300,000, repairing the road next to the county building at a cost of \$250,000 to \$300,000, replacing two (2) air units on the county building, upgrading the fuel dock at the marina and needed work at the fairgrounds. **Health Insurance** – The County's Health Insurance costs per plan is projected to receive a 4% reduction in 2020. The County's cost has increased approximately 8% over the last two years. The County on average has received limited increase in costs and remains under the State Cap Rate. **Animal Shelter** – The Animal Shelter has requested an increase in appropriation of approximately \$16,000 for cost in utilities, maintenance and general costs. **Airport** – The Airport will be requesting an increase of \$9,548 plus \$18,000 for a total of \$27,548 in operational cost associated with the termination of the SRR lease with the Airport and projected maintenance cost for tree removal. **District Court** – The District Court will be requesting additional funding to increase home visits associated with the Drug Court Program. **Human Resources** – Based on discussion during the strategic planning session this past spring. Appropriations will be estimated to reinstate the HR position for the County to at least part-time. **Planning & Zoning** – The Planning Commission would like the code enforcement officer to only work on Planning and Zoning Enforcement from May to October each year. This would require a part-time Soil Enforcement Officer to be hired for this time period. **Sheriff's Department** – Staff is reviewing with the Sheriff and Prosecutor's Office the possible upgrade of body cam equipment for law enforcement.

Motion by Commissioner Tryban, seconded by Commissioner Matelski, to adjourn to the call of the chairperson. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 11:54 a.m.

Karen L. Brewster
County Clerk/Register

John B. Wallace
Chairperson