

CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
Finance/Business Meeting
April 11, 2017

The Finance/Business Meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Commissioner Brown at 9:30 a.m.

Roll called and a quorum present.

Present: Commissioner Chris Brown, Richard Sangster, Michael Newman, Cal Gouine, John Wallace and Robert Bolinger.

Absent: Commissioner Matelski (Excused)

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

Motion by Commissioner Sangster, seconded by Commissioner Gouine to approve the agenda adding Mud-Run Fundraiser Cheboygan Bowling Team under New Business as 12. (D). Motion carried with 6 yes, 0 no and 1 absent.

Motion by Commissioner Wallace, seconded by Commissioner Sangster, to approve the consent agenda as follows:

- A. Approve Monthly Finance Claims (Finance Total = \$0; Prepaid Total = \$680,811.96.)
- B. Budget Adjustments as follows:
2017 Raise Revenue/Expenditures
 - 1) Fund 101 Total Budget Increase Totaling \$2,944.24
 - 2) Fund 211 Total Budget Increase Totaling \$535
- C. Fairgrounds Usage Agreement – Relay for Life
- D. Straits Regional Ride Controlled Substance & Alcohol Misuse Policy Revision
- E. Correspondence
 1. NEMCOG Regional Review March 2017
 2. NEMCOG Regional Review (A-95)
 3. 2017 Governor’s Award for Innovative Tourism Collaboration
 4. NLEA 2016 Annual Activities Report
- F. Minutes:
 1. Finance/Business Meeting of March 14, 2017, Committee of the Whole Meeting of March 28, 2017
 2. District #4 Health Board Minutes – 2/21/17
 3. NEMCSA – 3/3/17
 4. NEMCOG – 2/16/17 (Revised)
 5. City Council Minutes – 2/28/17 & 3/14/17
 6. Board Appointments & Procedures – 3/8/17 (Revised)
 7. Planning Commission Minutes – 2/15/17 & 3/15/17
 8. Fair Minutes – 3/6/17

9. Cheboygan County Road Commission – 3/2/17 & 3/17/17
10. ZBA Minutes – 1/25/17

A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Citizens Comments

Bill Hartwig presented the Douglas Lake Improvement Association information. The Association consisted of approximately 330 members. It was formed to organize a group of property owners that share the common interest of living and recreating in the lake environment around Douglas Lake. The Association works with the local units of government. He passed out a handout, which gave a little bit of history, listed the Officers, Directors, and Standing Committees, and the activities that they were engaged in. They work very closely with the University of Michigan Biological Station in providing Lake Access Oversight, install loon nesting rafts, a clean boat program to help control invasive species, cooperating with Little Traverse Conservancy and the Watershed Council for shore line protection services, invasive species, monitoring water quality along with the U of M Biological Station and provide a local scholarship fund for a local student to work at the U of M Biological Station. For more information: www.douglaslake.org.

Carl Muscott stated he appreciated the update from Mr. Hartwig on the Douglas Lake Improvement Association. There were so many valuable resources here in Cheboygan and they need to decide why they're falling behind in development and valuations. The last time he was there he tried to persuade the Cheboygan County Commissioners to developing a Planning Unit Development that would address things from only an administrative level and exclude civil counsel from the decision. He asked if the Board had an opportunity to look at the MSU resource article forwarded to each of them, stating the criticism of a PUD process approval, which could be time consuming. Developments should have the ability to be looked at by the Board of Commissioners and he would encourage the Board to not take PUD's into Closed Session.

Civil Counsel Bryan Graham stated that it was important for the public to know that any decision made by this Board would be made at an open meeting. The Board had the legal right to go into closed session to get legal advice about any kind of issue that they deemed appropriate. They could take that legal advice into consideration when making a decision. He was only giving legal advice pursuant to a confidential memo that he prepared. No decision would be made.

Carl Muscott stated the fact that civil counsel was bringing a legal opinion did not serve the right for a closed meeting. This was too often used in closed sessions. If it was a legal opinion that affected the property owner rights in the county, it should be discussed openly above board so that everyone could hear it.

Scott Swanson stated that he supported Mr. Muscott. He understood that Mr. Graham wanted to give the Board legal advice and that it would be used in making a decision.

His position was the public needed to know not just their final decision, but also why they made that decision. There wasn't any harm if it was a litigation situation where they didn't want to reveal their litigation strategy. In this case, they would be telling the pitfalls that they might encounter if they had the Board of Commissioner be the final arbiter. The Board of Commissioners should be the final arbiter and to discuss the pitfalls openly. He did have a concern that if they abrogate the authority on the Planning Commission, what they were doing was getting rid of some of the accountability of the elected officials. Several of the County Commissioners spoke of the same concerns previously. He didn't think that they should go that route and if they did, they should say exactly why they choose that route and not just to make that decision. He didn't think that this was an area where the Board should go into closed session.

State Representative Sue Allor gave an update on her life in Lansing. She stated that it has been an interesting road. She was assigned to appropriation and sub-committees such as Natural Resources, Department of Health and Human Services, General Government, Military and Veterans, and School Aid. DHHS and School Aid had large budgets. The House and the Senate had been looking on budgets, tweaking it to make it work. Most of their tweaks for the various departments hadn't been turned in yet. There had been significant changes in the Governor's budget and what had come through in the House. As an example, with Natural Resources, there was a \$2 million request by Governor Snyder to close abandoned mines in the Upper Peninsula. After talking with a variety of people in the Upper Peninsula, they didn't really have a need to close the abandoned mines because they have been there for years and there wasn't any problems with them. So on the House side of the budget, they eliminated the \$2 million budget. A year ago, there was an item on the budget for a \$250,000 to study swimmers itch. She was relieved to find out that it was not placed in the budget this year, but then found out the Senate added it back into the budget and doubled it. When she gets back after break, it should be interested between the Senate, the Governor and the House budgets trying to come to a happy medium. This year she introduced a bill involving concealed weapons and also a revision of the Freedom of Information request that would make legislators obligated to call a FOI request, Legislation Open Records Act (LORA). Time would tell on how they reviewed these bills.

Commissioner Wallace asked her to explain how a bill was introduced into the house. Ms. Allor explained the legislator would come up with an idea. Then they would contact the Legislative Services Bureau so they could get an overview of their idea and what they would like to accomplish. An investigation would be done. Eventually, they would draft the bill and the legislator would file it with the Clerk's Office. At this point it would be called what was known as a blue back. They then take the blue back and try to get support from other legislators, sponsors, or co-sponsors. Once they get the sponsors, (which are not necessary) it would be introduced in the House and the House would assign it to a committee. After it goes to the committee, it would be evaluated. There were several choices that they could make such as not to do anything with it, alter or revise it, or make a recommendation to approve it as it stands. It then goes back to house with the recommendation of the committee and it was at that point that a vote would be taken on it.

Commissioner Bolinger asked to Ms. Allor to explain the Concealed Pistol Open Carry Law. Ms. Allor explained that there were four (4) bills being introduced recently and the bottom line on what they would allow was for an individual to carry a concealed weapon without having a CPL. Another one of the bills allowed the individual to for example be out in the woods without a CPL, but having a pistol on them with potentially wearing their jacket, which was over the pistol. This would not make them in violation.

Scheduled Visitors - None

Finance Director's Report

Finance Director Kari Kortz stated that there would be no General Fund Revenue and Expenditure Report for February 28, 2017 because the 2016 year-end adjustments were still being posted. Also Cash Summary by Fund Cash and Investment Report for February 2017 would not be presented until all the 2016 adjusting entries were posted, as cash balances could be affected. She gave an explanation of the Summarization of all budget adjustments posted from December 31, 2016 through February 28, 2017. Discussion held.

Administrator's Report

Administrator Jeff Lawson reported the Board Planning Session was scheduled for Tuesday, April 25, 2017 at 9:00 a.m. at Audies Restaurant in Mackinaw City. The following topics were on the agenda: Review Of Board Goals; Marina-Discussion of Infrastructure Grant Award-Future infrastructure need; Jail Expansion Project/Storage-County Building Improvements; Economic Development Commission Discussion; Solid Waste Plan; 911 Radio Project; Zoning Ordinance Update; Airport; Fairgrounds; Retirement Costs; Budget Issue; and Other.

Administrator Lawson reported that a copy of the draft report for the CCE 911 Radio was scheduled to be provided to the 911 Board at their April 19, 2017 meeting. All of the financials would not be done at that time. A draft copy would also be provided to the Board of Commissioners by April 21, 2017 for review.

Commissioner Brown stated that the Planning Session would be a round table discussion and any additional information should be requested before coming to the meeting to be prepared. He would encourage all of the Board's input.

Administrator Lawson reported that Elizabeth Zabik, Assistant Equalization Director, had completed her testing and received her MAAO 3 Certification. The County had sent Ms. Zabik for certification as part of their succession plan for the department prior to the retirement of Ms. Eaton. Staff would be preparing an employment agreement promoting Ms. Zabik to Equalization Director for Board Approval at the May 9th, 2017 Board of Commissioners meeting.

Committee Reports

Commissioner Sangster attended a Port Commission meeting at the City. Closing documents were being prepared for next week to sell the port property to the two anchor property owners that were currently operating on that site. This was pretty exciting after eight (8) years of work.

Commissioner Gouine attended an Airport Authority meeting, Fair Board meeting, Planning Commission meeting, and Zoning Board of Appeals meeting. He stated that the airport was thinking about selling some property and was getting it appraised.

Commissioner Newman attended a Community Mental Health meeting. The Director of Community Mental Health Alexis Kaczynski has retired and replaced by Christine Gebhard. He attended a retirement reception for her.

Commissioner Wallace attended his normal committee meetings and a Northeast MI Consortium, which was in charge of the Michigan Works. He handed out last month's activity report for the Michigan Works - Northeast MI Consortium. Currently he was working on the Northern Michigan Regional Entity Board, which was the group that allocates monies for drug and alcohol treatment, education, etc... He was working with the administrative assistant on getting some relief from using Cheboygan County's Liquor Tax monies to help support the halfway houses. The Salvation Armory took this on after the Chips closed years ago and they have made it a major ministry. The residents are part of the Drug Court in Cheboygan County. They were looking at using some of that tax payers monies that wasn't being used.

Commissioner Brown attended a Beaugrand Township meeting, a Mackinaw Township meeting, Airport Authority meeting, a Village of Mackinaw meeting, Village of Mackinaw Planning meeting and an LEPC/LPT meeting. He commended Sheriff Clarmont and his deputies for an event that he attended on the retirement of Taser that was held at the Hospice House with the Matelski's.

Old Business – None

New Business

Equalization Director Janice Eaton presented the 2017 Cheboygan County Equalization Report for approval. The Equalization Department conducts independent appraisal and sales studies each year and projects assessed values for each township and city. Each township or city was required by law to assess at an acceptable ratio between 49% and 50% of true cash value (market value). The County Board of Commissioner has the authority through the General Property Tax Act to factor assessments up or down to make sure the assessments fall within the accepted ratios. The report consists of columnar figures and charts showing the assessed values from the individual townships and city, the county equalized values, and the ratio for each class of property by unit.

Motion by Commissioner Wallace seconded by Commissioner Gouine to adopt the 2017 Cheboygan County Equalization Report as submitted reflecting a County Equalized Value of Real Property Value of \$1,653,884,840, and Personal Property of \$60,675,050 for a total 2017 County Equalized Value of \$1,714,559,890 (Copy of the 2017 County Equalization Report will be on file in the office of the Cheboygan County Clerk/Register). A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Administrator Lawson and the Board of Commissioners thanked Ms. Eaton for her years of service and helping Ms. Zabik with studying for her MAAO 3 Certificate.

Administrator Lawson presented the Animal Control Vehicle Purchase. The Animal Control vehicle and transport carrier is in need of replacement. The truck has over 200,000 miles and the carrier is twenty years old. The vehicle to be purchased was through the State MiDeal Program Ford F-250 4x4 at a cost of \$23,329. Two quotes were received from transport carrier manufactures with the low quote being submitted by Custom Fiberglass Coaches in the amount of \$12,175. The total financial impact of \$35,504.

Motion by Commissioner Newman seconded by Commissioner Gouine to approve the purchase of a Ford F-250 4x4 through the State MiDeal Program in the amount of \$23,329 as well as a Transport Carrier from Custom Fiberglass Coaches in the amount of \$12,175 and authorize all budget adjustments. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Finance Director Kari Kortz presented the State of Michigan, FY 2016 Homeland Security Grant Program Operation Stonegarden Grant Agreement in the amount of \$40,276. This grant was a non-matching grant for equipment and additional homeland security patrols. It covers eligible costs from September 1, 2016 through July 31, 2019 and the financial impact of \$40,276 in federal grant revenue to cover \$40,276 of expenditures in Fund 101 Department 334 in the 2018 budget.

Motion by Commissioner Sangster seconded by Commissioner Newman to approve the submission of the State of Michigan FY 2016 Homeland Security Grant Program Operation Stonegarden Grant agreement in the amount of \$40,276 by May 1, 2017 deadline after review by the County Finance Director and legal counsel, and authorize the Chairperson to sign any required documentation. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Administrator Lawson presented the Mud-Run Fundraiser Cheboygan Bowling Team. The Cheboygan Bowling Team (Cheboygan Area Schools) would like to have a Mud Run at the Fairgrounds Grand Stand to raise funds for the team on May 6, 2017.

Motion by Commissioner Bolinger, seconded by Commissioner Sangster to approve Fairground Event Agreement with Cheboygan Area Schools for a Mud Run Fundraiser to be held May 6, 2017. Motion carried with 6 yes, 0 no and 1 absent.

Citizens Comments

Carl Muscott commented that he knew the Stonegarden Grant Agreement was an annual event, which the Sheriff Department relied on. Administrator Lawson presented him with all of the information that he had on all of the goods and services that was received from the NLEA. He stated that Cheboygan County received nothing from the annual donation of \$42,000 to the NLEA. In fact, the donation was labeled as an investment.

Board Member Comments

Commissioner Wallace asked about the cooperation of the Sheriff Department with ICE. Undersheriff Tim Cook stated that they have a good working relationship with them. Part of the Stonegarden Grant Agreement was protecting the borders, patrolling the waterways, the Mackinac Bridge and the infrastructures of the area.

Motion by Commissioner Gouine, seconded by Commissioner Wallace to go into closed session pursuant to Section 8(h) of the Open Meetings Act, being MCL 15.268(h), to consider the written memo from our attorney dated March 7, 2017, which is exempt from disclosure by Section 13 (1)(g) of the Michigan Freedom of Information Act, being MCL 15.243(1)(g), since this memo was subject to the attorney-client privilege.

A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

ENTERED INTO CLOSED SESSION AT 10:37a.m.

RETURNED TO OPEN SESSION AT 11:21 a.m.

Motion by Commissioner Wallace, seconded by Commissioner Sangster, to adjourn to the call of the Chair. Motion carried with 6 yes, 0 no and 1 absent. Meeting adjourned at 11:22 a.m.

Karen L. Brewster
Cheboygan County Clerk/Register

Chris Brown
Vice Chairperson Board of Commissioners