

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE MEETING
October 22, 2013**

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, Bruce Gauthier, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace and Sue Allor

Absent: None

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

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

CITIZENS COMMENTS – None

SCHEDULED VISITORS/DEPARTMENT HEAD REPORTS

Cheboygan County Drain Commissioner Cam Cavitt presented the annual report for the period October 2012 through October 2013. Cheboygan County currently has no legally established drainage districts and does not assess any fees or special assessments for drainage on its citizens. As Drain Commissioner he is responsible for administering statutes from the Michigan Lake Level Act, Michigan Subdivision Control Act and the Michigan Lake Improvement Act. The Drain Commissioner also sits on the County's Board of Public Works and the Recreation Committee. Mr. Cavitt said he was elected by his peers of the Michigan Association of County Drain Commissioners to act as District Chairperson for the Northern District, which includes the northern 22 counties of the Lower Peninsula. Mr. Cavitt's report included a PowerPoint presentation from the Michigan Association of County Drain Commissioners regarding the duties and responsibility of drain commissioners. Chairperson Socha suggested that Mr. Cavitt should speak with Greg Williams the Director of Emergency Management regarding possible attending No Spill conferences to meet the various contacts involved.

ADMINISTRATOR'S REPORT – Administrator Lawson stated hopefully the weather will cooperate to allow at least the base coat on the parking lot yet this fall. As far as the top coat the temperature should be around 50 degrees. He also stated the contractor has had difficulty finding a subcontractor to do the concrete stairway. The fairground restroom project is moving along with county staff to do the siding work on that. He said he asked the Humane Society to do the gravel portion of the lot and drain improvement parts this year. The contractor will do the nine space parking lot and drainage storage area and the base coat will be done in the Spring.

NEW BUSINESS

Administrator Lawson advised that two bids were received for the dredging project at the County Marina. The low bid was received from Kokosing Construction Company in the amount of \$485,100; the other bid in the amount of \$748,330 was from Ryba Marine. The project will be funded by a grant from the State of Michigan DNR Waterways Division. The DNR Waterways Division has requested to amend the County's Grant Agreement to include approximately 100 cubic yards of dredging at the City of Cheboygan Marina with the DNR and the City to obtain permit approval for material removal.

Motion by Commissioner Matelski, seconded by Commissioner Gouine, to award the bid for the Cheboygan County Marina Dredging Project to Kokosing Construction Company in the amount of

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\$485,100 and authorize the Chair to sign all award and contract documents and authorize all necessary budget adjustments. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented changes to the County's Purchasing Policy which would update the Sole Vendor Listing by adding Wheeler's Motors and update the Prepaid Check Writing Procedure by adding Fund 101 Drug Forfeiture Purchases.

Motion by Commissioner Redmond, seconded by Commissioner Gauthier, to adopt the revised Sole Vendor Listing 300-2A and Prepaid Check Writing Procedure 300-2B to become effective October 22, 2013 and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS – None

BOARD MEMBER COMMENTS – None

Civil Counsel Bryan Graham presented a Zoning Training Seminar for the Board of Commissioners.

Motion by Commissioner Wallace, seconded by Commissioner Allor, to go into closed session for the purpose of a strategy session connected with the negotiations of collective bargaining agreements as authorized by Section 8(c) of The Open Meetings Act, being MCL 15.268(c). A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Entered Closed Session at 11:17 a.m. – Returned to Open Session at 12:35 p.m. and Recessed for Lunch until 1:10 p.m.

A preliminary 2014 Budget copy was provided to each commissioner prior to this meeting for their review. Finance Director Kari Kortz stated the preliminary budget shows revenue from current taxes of \$7,333,967. She noted line item 101-400-607.04 Charges for Services increased mostly due to childcare, recycling and the fair; and line item 101-400-699.99 Transfers In does not include a transfer from the tax revolving fund. The preliminary budget has a 13% increase in health insurance and no increases for wages at this time.

Ms. Kortz reviewed the departments that have budget line item increases greater than 10% or \$10,000 which included Dept. 267 County Maintenance – includes a new maintenance truck purchase; Dept. 301 Sheriff – requested two vehicles but those were included in Dept. 267; Dept. 351 Jail – significant increase in food line item due to the jail inmate population; and Dept. 751 Fair - \$10,000 for a mower purchase.

In regards to special appropriations, Ms. Kortz stated information has not been received regarding the Airport, but an \$80,000 appropriation was budgeted. She said it appears no increase, but last year over \$19,000 was appropriated for a hangar door. Discussion held regarding the need for additional monies again this year. Other Appropriations – these are driven by funds we transfer to that were reviewed included: County Fair #561 - \$6,843 recommended to cover additional seasonal employees; Friend of the Court Fund #215 – increased due to projected wage & fringe; Building Dept. Fund 249 - \$82,085; and Termination Liability Fund 105 – \$49,650. Commissioner Socha asked if the appropriation to the Building Dept. Fund could be considered as a loan if and when the fund becomes flush again. She requested more information on the closing out of old permits from the Building Safety Department. Ms. Kortz stated the current shortfall at this point overall is \$450,485. Administrator Lawson said Fund 226 Recycling is still on the plus side. Discussion was held. Ms. Kortz said in regards to the Housing Program 50% will be budgeted for 2014 with the remainder to be budgeted in 2015.

Commissioner Socha questioned the capital improvement for the animal shelter. She does not see contribution coming in. Administrator Lawson said we do not have a commitment at this time. He said the last project was about 50/50. An agreement will be in place before the project starts.

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Commissioner Socha requested the administrator send responses to the two letters received from county retirees that were on the Consent Agenda in September. She said since the matter was not removed from the Consent Agenda for consideration the letters were basically received and filed. Commissioner Socha stated with changes to the law an actuarial would have to be done in order to approve an increase in retiree pensions. The actuarial would have to be done before July. This year it is not even possible but they should be aware of the changes. There is not, nor ever was, a line item for retiree pension increases as stated in one of the letters. The administrator said the response letters will be sent with required deadlines.

Discussion held on the VA van which has had very little use.

Commissioner Socha asked about department heads and other county comparables. Administrator Lawson said those positions will be reviewed also, but sometimes they are hard to compare due to variances in duties and responsibilities.

Commissioner Allor asked what amount has been requested for childcare. Ms. Kortz said she does not get requested amounts. She puts a place marker in and allocates it.

Commissioner Socha said in addition to wages, negotiations, and insurance, we still have to address the Fair Budget, Building Dept. Budget, Childcare, Drug Court and SAYPA.

The Marina Budget Fund 509 was discussed. Administrator Lawson said this fund still has some equity left and we have been working on slowing the use of that fund, but are still spending about \$15,000 per year more than we take in and that's with the depreciation out. He said Curt thinks we may get more seasonal slip rentals in, and if not he will have to look at night security and other wages. He said we will have to close that gap. Commissioner Redmond said Curt potentially has commitments to fill all of the seasonal slips and if that is correct it will be apparent early in 2014.

Motion by Commissioner Gauthier, seconded by Commissioner Matelski, to adjourn to the call of the Chair. Meeting adjourned at 2:45 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson