

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS**  
**Finance/Business Meeting**  
**October 10, 2017**

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

Roll called and a quorum present.

**Present:** Commissioner Karen Johnson, Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski, John Wallace and Robert Bolinger.

**Absent:** None

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

**Motion** by Commissioner Bolinger, seconded by Commissioner Gouine, to approve the agenda. Motion carried with 7 yes, 0 no and 0 absent.

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

- A. Approve Monthly Finance Claims (Finance Total = \$25,748.79: Prepaid Total = \$809,915.79)
- B. Budget Adjustments as follows:
  - 2017 Raise Revenue/Expenditures
  - 1) Fund 101 Total Budget Increase Totaling \$40,276
- C. Straits Regional Ride (SRR) – MDOT Contract 2017-0032/P4 - FY-2018 Specialize Services Operating Assistance Program
- D. Specialized Services Operating Assistance Program Third-Party Contract 2017-00032/P4
- E. West Law Contract Renewal
- F. Correspondence
  - 1. Bay County Resolution on maintaining adequate Community Mental Health Services
  - 2. Eaton County Resolution opposing any Reduction of Federal Funding for the Great Lakes Restoration Initiative
  - 3. Wexford County Resolution opposing any Reduction of Federal Funding for the Great Lakes Restoration Initiative
  - 4. Otsego County Resolution opposing any Reduction of Federal Funding for the Great Lakes Restoration Initiative
- H. Minutes:
  - 1. Finance/Business Meeting of September 12, 2017 and Committee of the Whole Meeting of September 26, 2017
  - 2. NEMCSA – 9/8/17
  - 3. Millage Appropriation Committee – 2/3/17
  - 4. Board Appointments & Procedures Committee – 3/8/17
  - 5. Cheboygan City Council – 8/22/17, 9/12/17 & Special Meeting 8/29/17
  - 6. Planning Commission – 9/6/17

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

**Citizens Comments** - None

**Scheduled Visitors**

Prosecuting Attorney Daryl Vizina updated the Board on the Medical Marijuana Law. He and the Cheboygan County Sheriff Dale Clarmont had been contacted by at least one township inquiring about marijuana dispensaries in their communities and offered his opinion on the things that they should take

into consideration. His experience had been that a vast majority of patients were not using marijuana for legitimate medical reasons. The medical marijuana laws and regulations were ambiguous. The ambiguity in the laws makes it hard for law enforcement and prosecutors to know how to handle situations involving the drug, as well as confusion for those who were manufacturing it. As seen in Gaylord, many individuals who believed they were in compliance with the Michigan Medical Marijuana Act were not. It had resulted in numerous prosecutions, negative discourse, and undesirable publicity and picketing. He foresees similar issues occurring in any community, which allows dispensaries/grow-ops. Dispensaries/grow-ops pose a public safety risk. A large spike in individuals coming to a township to possess/use marijuana would elevate the number of drivers under the influence and increase availability to our children. Reports suggest that the THC levels in today's marijuana were significantly higher than marijuana from the past. Otsego County Board of Commissioner Members had been vocal of their frustration and marijuana dispensaries and the fallout associated with their existence. Another thing that should be considered by a township or a community was the fact that it was not as big of a revenue stream as it was made out to be. Taxes and fee benefits for the Townships and County were a 3% tax imposed on the retail income of each provisioning center. The distribution of that 3% tax was as follows: 25% to the municipality where marijuana facilities were located; 30% to the county where marijuana facilities were located; 5% to the County Sheriff; 30% to the State; 5% to the MSP; and 5% to the Law Enforcement Training. For example a \$500,000 in sales equals the following of \$3,750 to the municipality; \$4,500 to the county; and \$750 to the Sheriff. This wasn't some big financial windfall to have one of these opened up in the county, in the city, or a township. These products sold at the dispensaries were another concern. Products like marijuana infused gummy bears, candy bars, soda and other foods, which were made to look very similar to non-drug products.

Judge Robert Butts presented the 2016 Annual Probate and Family Court Report/Budget Request. He reviewed the report and highlighted several areas. The Child Protection by the numbers program had been in existence for 16 years with a total of 411 cases mediated, which averaged 27 cases per year. There was an average of 30 days from referral at Preliminary Hearing to Plea and Disposition. In the first 6 years there was 112 cases mediated, 85% agreement rate, a 134 minute average duration of medication and an average of 37 days from intake to disposition. This service was quite impressive with the numbers listed when bringing in a serious child abuse neglect cases, taking jurisdiction and moving it to disposition, which was where the Courts started providing services to the children and the family. This speaks values as to how this program was successful. Not only did this program help put families and children back together, but it reduced costs. He identified information and Court Status, which was consistent with the previous years and was proud of the amount of community service hours that was provided to the community.

Judge Butts was asked by his staff to request an increase of hours from 35 to 40 hours per week. The Probate and Family Courts 35 hour work schedule goes back to 1970. A list of the employees who still worked 35 hours was handed out. Judge Butts stated there must have been a good reason for the other offices to go to a 40 hour work week. Probate Court would like to better serve their customers. During the last few years between the Supreme Court and the State Court Administrative Office, there was more and more demand of the Court's time to address unfunded mandates, more reporting requirements, more meetings relative to the Child Care Fund and new legislation. A one day survey had to be taken from every customer with the feedback given back to the Supreme Court with the satisfaction of their services. Probate and Family Court were rated as high as any court throughout the State of Michigan. There was a consistently high case load and when compared to the other counties, the other counties worked additional hours of 37.5 to 40 hours per week with the same work load and with the same amount of employees. Judge Butts presented the 2016 Probate and Family Court statistics. It was important to note that the Juvenile Division and Probate Court division were two unique separate offices. There was an extremely high value for Probate Court as far as assisting customers because of customers not being able to afford an attorney or they would just not hire one. The customer would then rely on the staff to supply them with whatever they need. As for the Juvenile Department, it had the same recording requirements and they need to have contacts and home visits after hours. A program, which was approved by the Board called, "Probate on Patrol" was established with the wages being taken out of the child care fund. If the Juvenile Department hours were increased, the wages would again be taken out of that fund. The department would work a staggered schedule to work with the families in the homes to address any issues. This was why he would like to increase the work hours to provide more services.

The Probate and Family Court were a service Court and would never be a money making Court. The Finance Director Kari Kortz presented the increase of the total financial impact to the County.

### **Finance Director's Report**

Finance Director Kari Kortz presented the General Fund Revenue and Expenditure Report for August 31, 2017. She reported total year-to-date revenue of \$3,308,492.97, or 27.19% of the budget, compared to \$4,214,653.33, or 35.20% of the budget last year at this same time. She also reported on the total year-to-date expenditures of \$7,203,308.96, or 59.21% of budget, compared to \$7,014,667.24, or 58.75% last year as of the end of August 31, 2017. An explanation of the deficit balance accounts was given and a report on the Cash Summary by Fund with a beginning balance as of August 1, 2017 of \$19,121,012.27 and an ending balance as of August 31, 2017 of \$21,325,696.07.

### **Administrator's Report**

Administrator Lawson reported that the staff had received communication from Inverness Township that they had been in discussion with special legal counsel concerning entering into an agreement to obtain water from the City. The Township also indicated that they had submitted a water only Utility Service Agreement to the City on Tuesday, October 3, 2017 for consideration. He was going to contact each party and also would be sending a formal letter that the County would be available for mediation. Commissioner Newman reported that he attended a Benton Township meeting. The Board was going to formulate a plan to approach the members at the next MTA meeting to write letters of support encouraging mediation.

Administrator Lawson reported on the Gold Front demolition stating that the staff had prepared a RFP to obtain bids from qualified structural engineers to conduct a structural inspection of the buildings and prepare a demolition report and specifications to provide to the demolition contractors to remove the buildings. Staff had also prepared a RFP to obtain bids from qualified environmental engineers to identify environmental hazards in the buildings for removal by certified waste removal companies prior to the demolition.

Administrator Lawson reported on the Jail Expansion/Storage Project. Staff met with the project architect to review soil engineering information and preliminary construction prints. The soil report identified that there was poor soil conditions (clay) under the jail addition area that would require either pilings or a Geofoam footing support system for the addition. This would result in additional cost for the project. The Architect had been directed to prepare a cost estimate comparison between the two methods to identify the most cost efficient system.

Administrator Lawson reported that Community Development Director Steve Schnell had identified that he would be taking a new position and had provided his notice of resignation effective November 1, 2017. Mr. Lawson was currently reviewing the structure of the Community Development Department and would be meeting with staff members to solidify a transition plan. He would supply memos with continued communications with the Board of Commissioners before the final decision was made. It was the consensus of the Board to hold a joint meeting with the Planning Commission.

### **Committee Reports**

Commissioner Sangster attended a Board Appointments & Procedures Meeting, NEMCSA Meeting, and Alcona Health Advisory Board Meeting. At the Alcona Meeting, the Board was getting ready to hire a CEO and was working on providing their services. While attending the NEMCSA meeting there was an interesting presentation on Senior Bullying. This was quite the topic that happens in a lot of issues and how to identify it

Commissioner Gouine attended an Inverness Township Meeting, Boards Appointment & Procedures Meeting, Fair Board Meeting, Planning Commission Meeting and the Veterans Fair held at the Eagles. There was quite the turn out with the vendors and it looked like it was successful.

Commissioner Newman attended a CCE 911 meeting where the Board was in the process of selecting a director. The Board interviewed two (2) firms to help with the process with one being hired. Both of the firms each gave a timeline of three (3) months to help fill that position. He attended a Fair Board Meeting and a variety of other meetings. Commissioner Newman asked if the Board of Commissioners would keep encouraging support from their local Township Boards, regarding the Meijer Project when attending the MTA meeting.

Commissioner Matelski attended a Board Appointments & Procedures and a Koehler Township Meeting.

Commissioner Johnson reported attending a couple township meetings, an EDC Meeting and Planning Commission Meeting. Now with Mr. Schnell's upcoming resignation, the EDC would really be looking for some insight and direction.

Commissioner Wallace commented on the importance of finding a CCE 911 Director. The CCE 911 three County areas were bigger than the State of Rhode Island. When this was formed, it was the first in the country and was used as a model in other States.

**Old Business** - None

**New Business**

Commissioner Guine presented the recommendations from the Millage Appropriation Committee meeting made on the September 28, 2017 as follows: The recommended funding for Cheboygan County Council on Aging was the full request of \$560,975. The recommended funding for the Wawatam Area Seniors was the full request of \$59,891 and the recommended funding for the MSUE Project Fresh request was the full request of \$8,000.

**Motion** by Commissioner Guine, seconded by Commissioner Sangster to approve the allocation of \$560,975 from the Senior Citizens Millage Fund to the Cheboygan County Council on Aging; to approve the allocation of \$59,891 from the Senior Millage Fund to Wawatam Area Senior Citizens, Inc. and to approve the allocation of \$8,000 from the Senior Millage Fund to MSUE Project Fresh. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson stated he requested bids on line, within the newspapers, on the Builders Exchange as well as direct communications made with four (4) contractors to secure bids for a 28x20 kennel addition to the animal shelter. The addition would house the isolation kennels for the shelter. The request asked for a bid for labor only to construct footings, foundations, concrete floors, block walls, framing, trusses, dry wall, insulation, siding as well as painting walls and floors according to the architectural plans provided. The County was to purchase materials. The County only received one quote from Matt Barber Masonry in the amount of \$36,200.

**Motion** by Commissioner Guine seconded by Commissioner Newman to award the bid to Matt Barber Masonry in the amount of \$36,200 to complete the Kennel Addition and authorize the Chair to sign the Agreement for Services. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the Cheboygan County Local Emergency Planning Committee By Laws that were updated by the OEM staff.

**Motion** by Commissioner Sangster, seconded by Commissioner Bolinger to adopt the By Laws of the Cheboygan County Local Emergency Planning Committee and authorize the Chair and Clerk to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the three-year renewal of lease agreement with the Women's Resource Center. The County would receive the necessary revenue from the lease payments to cover the cost of the building operation and maintenance as well as funds to repay monies borrowed to complete planned renovations and future capital requirements.

**Motion** by Commissioner Sangster, seconded by Commissioner Bolinger to approve a three-year lease agreement with the Women's Resource Center of Northern MI and authorize the Chair to sign. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson stated the lease for the Sand Road and Wolverine Senior Centers with the Cheboygan County Council on Aging expired this month. A revised renewal lease extending the 2012 lease with an additional five-year term was prepared by County Legal Counsel. The buildings were leased for \$1. Capital projects scheduled for 2018 included seal coating the parking lot, paving and drainage work at the Sand Road Facility.

**Motion** by Commissioner Newman, seconded by Commissioner Johnson to approve the lease of the Sand Road and Wolverine Senior Center Buildings to the Cheboygan County Council on Aging and authorize the Chair to sign. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the contract with K & K Business Solutions, LLC d/b/a Advanced Safety Training. The 53<sup>rd</sup> Circuit Court was seeking approval of a contract between the Cheboygan County Drug Court and K & K Business Solutions, LLC to provide an alternative drug testing location. These amounts were reimbursed to the County of Cheboygan through a Drug Court grant.

**Motion** by Commissioner Sangster, seconded by Commissioner Gouine to approve the contract with K & K Business Solutions, LLC d/b/a Advanced Safety Training and authorize the Chair to sign and all other required documentation after review by the Finance Director. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the 2018 Salary & Wage Resolution for Elected Officials, which was created based on the recommendations of the Board Appointments & Procedures Committee meeting held on October 2, 2017 and provided changes of a 3% increase for the following Elected Officials: County Clerk Register, Prosecuting Attorney, Sheriff, and Treasurer. Also a recommendation for a change in the per diems providing for the maximum per diem in one (1) day to be increased to \$120 versus the previous amount of \$80. Financial impact of \$9,148.01 increase in salaries with estimated fringe increases of \$2,389.18, for a total increase of approximately \$11,537.19 to the 2018 budget. Per Diem changes estimated total increase of \$400 to the 2018 budget. (Copy on file in County Clerk's Office.)

**Motion** by Commissioner Gouine, seconded by Commissioner Newman to adopt the 2018 Salary and Wage Resolution – Elected Officials #17-008 and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the 2018 Salary & Wage Resolution – Non-Union General Employees #17-009. During the 2016 budget preparation, administration recommended the following pay increases for 2016, 2017 and 2018 based on an employee's wage compared to the average wage of five similar counties (Antrim, Charlevoix, Chippewa, Emmet and Otsego Counties). Also there were several departmental restructurings, which provided for employees to be moved up to market comparable wages more quickly than the three to five year plan recommended by administration. To keep pace with the Federal minimum wage, which was increasing to \$.35 on January 1, 2018, it was being recommended that a \$.25 raise in the base pay for seasonal employees in the Fair and Marina and for part-time laborer employees in the Recycling Department. The \$.10 difference was already provided for in the 2017 raises. In addition to this change in base pay, returning employees would receive an additional \$.25. Also a recommendation of a \$.35 raise for seasonal employees in the Sheriff's Department Marine Division as they were not awarded a raise in 2017. The Fair Board was requesting to segregate the current Fair Board Secretary responsibilities into two positions to provide for extra coverage during fair weeks. Based on the new management structure at the Marina with a Harbor Master back in place, administration was recommending a decrease in the starting pay of the Dock Masters classification based on their current level of responsibility. The Prosecuting Attorney Offices had requested to forgo part of their on-call budget to provide funding for an intern position, which would be included in the contractual services line item of their budget. The SAYPA program was no longer being coordinated by the SAYPA teacher who was receiving a \$12,000 stipend for those responsibilities. The Judge was reassigning those duties to the

SAYPA Instructional Aid and was requesting to increase her pay to \$2,080 annually; the difference of \$9,020 would be used to offset the increased cost of the teacher contract with Cheboygan Area Schools. The Sheriff Department was requesting a \$1,600 increase to the Correction's division over-time line item due to coverage issues related to paid time off. Due to market driven recruitment issues and internal comparison disparities, administration was recommending restructuring the pay scale related to several part-time positions in the SRR division including the Part-time Drivers, Part-time office and Special Needs Transport Monitor. Financial impact estimated in the 2018 budget at \$62,862 with estimated fringe calculated at 27% for a total of approximately \$79,835. (Copy on file in County Clerk's Office.)

**Motion** by Commissioner Newman, seconded by Commissioner Bolinger to adopt the 2018 Salary and Wage Resolution – Non-Union General Employees #17-009 and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

County Clerk Register Karen Brewster advised that the terms of Brian May (Republican) and Dale Giddings (Democrat) on the Cheboygan County Board of Canvassers expired on October 31, 2017. Pursuant to MCL 168.24c she contacted the county chair of each political party and requested three (3) names of nominees for the party's expiring seat on the Board. The following names were submitted by the Republican Party: Brian May, Cynthia Curtis and Cathy Stone. The following names were submitted by the Democratic Party: Dale Giddings, Leonard Page and Max Boettger. The terms of these appointments were four (4) years, expiring on November 1, 2021. County Clerk Brewster stated that under MCL 168.24c required the County Board of Commissioners to fill the two vacancies on the Board by electing a Republican and a Democratic member from the submitted names and the Michigan election law specified that the County Board of Commissioners use ballots when filling these seats. A ballot was distributed to each commissioner and were collected and tallied by the Clerk. Brian May was elected as the Republican member and Dale Giddings was elected as the Democratic member of the Board of Canvassers.

### **Citizens Comments**

Lowell Beethem thanked the Board of Commissioners on behalf of the Senior Center Board and the Staff for the millage appropriations and also for the Boards support of the MSUE Project Fresh. He talked with the farm vendors all the time. The vendors were happy with selling more produce and saw seniors that wouldn't normally be able to afford produce. It was a Win-Win situation.

Carl Muscott a resident of Tuscarora Township commented on a newspaper article that he had recently written. He passed out a handout and also read on what was seen on the Cheboygan County Community Developments website. The County didn't need a Community Development Director, but a Planning and Zoning Administrator. Also information was given out from the Emmet County Planning Department and Emmet County Building Safety Department. Mr. Muscott stated that Emmet County didn't have a Community Development Director, but was set up similar to Cheboygan. In a memo from the Emmet County Building Official Martie Van Berlo addressed some of the same issues happening here in Cheboygan County. A Tuscarora Police Department incident report showed there were failures in Cheboygan County with both Planning and Building Safety.

### **Board Member Comments - None**

**Motion** by Commissioner Wallace, seconded by Commissioner Newman to adjourn to the call of the Chair. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 11:46 a.m.

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Karen L. Brewster  
Cheboygan County Clerk/Register

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John B. Wallace  
Chairperson Board of Commissioners