

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
ORGANIZATIONAL/FINANCE BUSINESS MEETING
January 9, 2018**

The organizational/finance business meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson John Wallace at 9:30 a.m.

Roll called and a quorum present.

Present: Commissioners Karen Johnson, Richard Sangster, Cal Gouine, Roberta Matelski, John Wallace and Robert Bolinger

Absent: Commissioner Newman (Excused)

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

Commissioner Wallace opened the Organizational Meeting at 9:30 a.m.

Commissioner Wallace affirmed that he would continue to serve the remainder of a two-year term as Chairperson of the Board of Commissioners.

Commissioner Wallace opened the floor for nominations for the Cheboygan County Board of Commissioners Vice Chairperson. Commissioner Gouine nominated Commissioner Sangster for Board Vice Chairperson supported by Commissioner Matelski.

Motion by Commissioner Gouine, seconded by Commissioner Bolinger, to close nominations and cast a unanimous ballot for as Vice Chair of the Cheboygan County Board of Commissioners. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Wallace addressed the Cheboygan County Board of Commissioners meeting calendar for 2018. The two regular meetings would continue to be held on the second and fourth Tuesday of every month, with the Finance/Business meetings held on the second Tuesday at 9:30 a.m. and the Committee of the Whole meetings to be held on the fourth Tuesday at 9:30 a.m.. Tri-County 9-1-1 meeting was not scheduled at this time due to hiring of a new director.

Motion by Commissioner Sangster, seconded by Commissioner Bolinger, to adopt the meeting calendar for 2018 as presented. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Wallace addressed the Cheboygan County Board of Commissioners Meeting Rules of Order for 2018. Commissioner Wallace stated no changes were made besides changing the current year.

Organizational/Finance Business Meeting – January 9, 2018

Motion by Commissioner Johnson, seconded by Commissioner Bolinger, to adopt the 2018 Rules of Order for the Cheboygan County Board of Commissioners as presented. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Wallace addressed the make-up of the Community Corrections Advisory Board for 2018. Commissioner Wallace stated that the 2018 Advisory Board was comprised of Judge Scott Pavlich, Judge Maria Barton and Judge Robert Butts.

Motion by Commissioner Sangster, seconded by Commissioner Johnson to re-appoint Judge Scott Pavlich, Judge Maria Barton and Judge Robert Butts to serve as members of the Community Corrections Advisory Board for 2018. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Wallace closed the Organizational Meeting at 9:37 a.m.

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

Commissioner Michael Newman arrived at 9:38 a.m.

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

- A. Approve Monthly Finance Claim (Finance total = \$159,900; Prepays total = \$831,220.97)
- B. Budget Adjustments as follows:
 - 1. Fund 108 Total Budget Increase of \$3,185.37
 - 2. Fund 217 Total Budget Increase of \$259.82
 - 3. Fund 595 Total Budget Increase of \$10,4452017 Inter-budget Transfers
 - 1. From 101-148 to 101-148 Totaling \$97
 - 2. From 101-251 to 101-251 Totaling \$958
 - 3. From 256-215 to 256-215 Totaling \$23
- C. Straits Regional Ride – SASI Inc. Transportation Agreement Amendment
- D. Sheriff Vehicle Purchases
- E. Correspondence:
 - 1. Huron County Resolution in Opposition of HB 5096-5098
- F. Minutes:
 - 1. Finance/Business Meeting 12/12/2017 & Joint Meeting 12/20/17
 - 2. NEMCSA – 12/1/2017
 - 3. City Council Meetings - 11/28//17
 - 4. Health Board Meeting - 11/21/17
 - 5. County Road Commission – 11/22/17 & 12/7/17
 - 6. Fair Board Meetings – 9/11/17, 11/6/17 & 12/4/17
 - 7. Planning – 12/6/17

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

CITIZENS COMMENTS

Sheriff Dale Clarmont addressed the Board to recognize Roberta Matelski for her financial support of the Cheboygan County Sheriff's Department Canine Unit. Sheriff Clarmont stated that Mrs. Matelski donated \$10,000 in support of the Canine Unit and on behalf of the Sheriff's Department, thanked her for her continued financial generosity.

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 November 30, 2017. She reported total year-to-date revenue of \$10,767,300.40, or 88.12% of budget, compared to \$10,385,352.73, or 86.86% of budget last year at the same time. Ms. Kortz reported expenditures year-to-date of \$9,780,001.85 or 80.04% of budget, compared to \$9,521,117.45, or 79.63%, last year as of the end November 30, 2016. An explanation of the deficit balance accounts was given and a report on the Cash Summary by Fund with a beginning balance as of November 1, 2017 of \$22,139,731.10 and an ending balance as of November 30, 2017 of \$22,034,918.36.

ADMINISTRATOR'S REPORT

Administrator Lawson reported that the environmental report was received, which showed asbestos and lead paint in the building. The revised Request for Proposal (RFP) packet for demolition of the Gold Front Buildings would be posted and advertised by January 12, 2018. The RFP required contractors to inspect and prepare a demolition plan in conjunction with a structural engineer and submit a cost for building demolition. The demolition contractor would be required to meet the minimum liability requirements identified in the grant. Discussion held.

Administrator Lawson reported that the bid packet for the Jail Addition and Storage Building Project would be posted and advertised this month. Once the bids were received they would be reviews by the architect and a recommendation would be provided for award of the project.

Administrator Lawson reported that the job postings for Finance Director and Director of Planning and Zoning were posted online and on several municipal websites. The first review of applicants was scheduled for January 16, 2018. For the Planning and Zoning position, he was not seeing very many applicants with experience.

Administrator Lawson reported that the State was approached by the Cheboygan Yacht Club last fall requesting the ability to construct a building to be utilized by the club adjacent to the County Marina. After review, the State had proposed to transfer ownership of the property to the County by an administrative conveyance to enter into a use agreement to permit the County to develop as a park and to permit the yacht club to

construct their building. The State had identified the cost of purchasing the property from the State, which needed to be determined, but had identified the cost would be inexpensive as a conveyance transaction. He was asking for some direction of the Board. It was the consensus of the Board to have staff put this on the next agenda.

Commissioner Sangster stated that if it was built according to the print that they provided, this would be quite an asset and it would also be good for the marina.

Administrator Lawson reported that he met with the City on Friday, January 5, 2018 and talked specifically about the utility service agreement regarding the Meijer Project and outlined the process of moving forward.

Administrator Lawson reported that the painting contractors were scheduled to paint in the Health Department Building next week and this would finish the remodeling portion on the west wing of the building. The carpet had been installed and the work was progressing. Once the employees were moved into the new offices, the remodeling in the middle section could be done.

COMMITTEE REPORTS

Commissioner Sangster attended a NEMCSA Meeting, an EDC Meeting and a City of Cheboygan Port Initiative Meeting. At the NEMCSA Meeting, he learned that there were a lot of people that needed heating assistance.

Commissioner Gouine attended a Fair Board Meeting and an Inverness Township Meeting.

Commissioner Newman attended a Benton Township Meeting.

Commissioner Matelski attended an Aloha Township Meeting.

Commissioner Wallace commented that CCE 911 would be holding eight (8) interviews for the new CCE 911 Director.

OLD BUSINESS – None

NEW BUSINESS

Interim Planning and Zoning Director Scott McNeil presented Zoning Ordinance Amendment #143 relating to Office, Health & Fitness Center Uses. He stated that this zoning ordinance amendment was a continuation of what would be a series of proposed amendments as recommended in the Master Plan's Zoning Plan. This proposed amendment was developed in part based on communication with the Tuscarora Township Planning Commission relative to the Indian River Village Center zoning districts. It was determined that the current definition of Office was too broad as it included service and social uses. A public hearing was held by the Planning Commission on December 6, 2017 on the proposed zoning ordinance amendment.

There were no public comments received during the public hearing. This amendment was reviewed by legal counsel. Discussion was held on the definition of manufacturing and how things were changing.

Motion by Commissioner Sangster, seconded by Commissioner Johnson to adopt the

**CHEBOYGAN COUNTY
ZONING ORDINANCE AMENDMENT #143
AN ORDINANCE TO AMEND CHEBOYGAN COUNTY ZONING ORDINANCE NO.
200 RELATIVE TO OFFICE, HEALTH AND FITNESS CENTER AND PERSONAL
SERVICE CENTER USES.**

Section 1. Amendment of Section 2.2.

Section 2.2. of the Cheboygan County Zoning Ordinance No. 200 is hereby amended to add the following definitions in their appropriate alphabetical location which shall read in their entirety as follows:

Health and fitness center

A commercial establishment where passive or active exercises and/or use of equipment or apparatus for health maintenance and improvement, weight control, muscle building and muscle massage may take place. Associated merchandise and health food may also be sold.

Personal service center

Commercial establishments where barbering, cosmetology and other nonmedical body treatment services may be offered including body massage, nail care and tanning. Associated merchandise may also be sold.

Pet grooming.

A commercial establishment where the hygienic care and cleaning of a domesticated pet including haircuts and grooming is provided and where pets are not kept overnight

Section 2. Amendment of Section 2.2.

Section 2.2. of the Cheboygan County Zoning Ordinance No. 200 is hereby amended to change the following definition which shall read in its entirety as follows:

Office.

The use of a building or portion of a building for conducting the affairs of a business such as architectural, accounting, education, engineering, governmental, insurance, legal, real estate, stock broker and similar services excluding a home occupations.

Section 3. Amendment of Section 4.3.

Section 4.3. of the Cheboygan County Zoning Ordinance No. 200 is hereby amended to add a new section 4.3.13. which shall read in its entirety as follows:

4.3.13. Planned Projects subject to provisions of Section 17.28.

Section 4. Amendment of Section 6.2.

Section 6.2. of the Cheboygan County Zoning Ordinance No. 200 is hereby amended to add the following sections 6.2.31., 6.2.32. and 6.2.33 which shall read in their entirety as follows:

6.2.31. Health and fitness center

6.2.32. Personal service center

6.2.33. Pet grooming

Section 5. Amendment of Sections 13A.2. and 13B.2.

Section 13A.2. and 13B.2. of the Cheboygan County Zoning Ordinance No. 200 is hereby amended to add the following sections 13A.2.18., 13A.2.19 and 13B.2.13. which shall read in their entirety as follows:

13A.2.18. Personal service center

13A.2.19. Pet grooming

13B.2.13. Personal service center

Organizational/Finance Business Meeting – January 9, 2018

Section 6. Severability.

If any section, clause, or provision of this Ordinance is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, said declaration shall not affect the validity of the remainder of the Ordinance as a whole or any part thereof, other than the part so declared to be unconstitutional or invalid.

Section 7. Effective Date.

This Ordinance shall become effective eight (8) days after being published 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.

Interim Planning and Zoning Director Scott McNeil presented Zoning Ordinance Amendment #144 relating to Bar and Restaurant uses. He stated that this zoning ordinance amendment was a continuation of what would be a series of proposed amendments as recommended in the Master Plan's Zoning Plan. Discussion was held on the definition of family and short term rentals.

Motion by Commissioner Sangster, seconded by Commissioner Wallace, to adopt Zoning Ordinance Amendment #144, by striking out Sec. 2 and renumbering the amendment.

**CHEBOYGAN COUNTY
ZONING ORDINANCE AMENDMENT #144**

AN ORDINANCE TO AMEND CHEBOYGAN COUNTY ZONING ORDINANCE NO. 200 RELATIVE TO BAR AND RESTAURANT USES.

Section 1. Amendment of Section 2.2.

Section 2.2. of the Cheboygan County Zoning Ordinance No. 200 is hereby amended to add the following definitions in their appropriate alphabetical location which shall read in their entirety as follows:

Bar

An establishment where alcoholic beverages are primarily served for consumption within a principal building on the premises, where food may also be served and consumed and where hours of operation extend beyond 11:00 PM on any day of the week. Dancing and entertainment where permitted may also take place at a bar. Food and beverages may be served outdoors on the premises as an accessory use where allowed by the Michigan Liquor Control Commission.

Drive-through

An establishment so developed that some portion of its retail or service character is dependent upon providing a driveway approach and staging area specifically designed for motor vehicles so as to serve patrons while in their motor vehicles, rather than within a building or structure, for carry out and consumption or use after the vehicle is removed from the premises.

Restaurant

An establishment where food and beverages are served and consumed primarily within a principal building on the premises and where food sales constitute the primary source of the gross sales. Food and beverages may be served outdoors on the premises as an accessory use. Alcoholic beverages may be served where allowed by the Michigan Liquor Control Commission.

Restaurant, carry out

An enterprise where food and beverages are served primarily for consumption off premises and may serve food to patrons via a Drive-through and/or via an accessory parking lot. Carry out restaurants may have limited seating (no more than 15 seats) within a building or outdoors.

Restaurant, drive in

An establishment where food and beverages are prepared in a principal building and served primarily to patrons in motor vehicles which are parked in an accessory parking lot. A drive in restaurant may have limited outdoor seating (no more than 15 seats) and may also serve food and beverages for carry out.

Restaurant, fast food

Organizational/Finance Business Meeting – January 9, 2018

An establishment where food and beverages are served and consumed within a principal building on the premises and to patrons via a Drive-through. Food and beverages may be served outdoors on the premises as an accessory use.

Section 2. Amendment of Sections 6.2.3, 6.2.9., 9.3.5.,10.3.14, 13.2.2., 13A.2.4., 13B.2.2., 13C.2.4., and 13D.2.1
Sections 6.2.3, 6.2.9., 9.3.5.,10.3.14, 13.2.2., 13A.2.4., 13B.2.2., 13C.2.4., and 13D.2.1 of the Cheboygan County Zoning Ordinance No. 200 are hereby amended to read in their entirety as follows:

6.2.3. Bar and Restaurant, Restaurant, carry out, Restaurant, drive in and Restaurant, fast food.

6.2.9. Drive-through

9.3.5. Bar and Restaurant

10.3.14. Bar and Restaurant

13.2.2 Bar and Restaurant

13A.2.4. Bar, Restaurant and Restaurant, carry out..

13B.2.2. Bar, Restaurant and Restaurant, carryout.

13C.2.4. Bar, Restaurant and Restaurant carryout

13D.2.1. Bar, Restaurant and Restaurant carryout

Section 3. Amendment of Sections 13.2.11., 13A.2.13, 13B.2.8., 13C.2.12., and 13D.2.5.

Sections 13.2.11., 13A.2.13, 13B.2.8., 13C.2.12., and 13D.2.5. of the Cheboygan County Zoning Ordinance No. 200 are hereby repealed and reserved for future use.

Section 4. Amendment of Section 13A.4.5

Section 13A.4.5. of the Cheboygan County Zoning Ordinance No. 200 is hereby amended to read in its entirety as follows:

13A.4.5. Outdoor seating for any use shall not be located on a public sidewalk or public right-of-way, unless the government body with jurisdiction over the public sidewalk or public right-of-way consents in writing to such outdoor seating.

Section 5. Severability.

If any section, clause, or provision of this Ordinance is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, said declaration shall not affect the validity of the remainder of the Ordinance as a whole or any part thereof, other than the part so declared to be unconstitutional or invalid.

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

Administrator Lawson stated the County must renew its Interlocal Agreements with participating municipal units to collect a recycling surcharge fee to fund the County's recycling program. Since 2007, the County had imposed a recycling surcharge of up to \$24 per year per household. Due to increases in cost for the program, staff was recommending that the Board approve the following Resolution permitting the collect of up to \$25 a year per household. The surcharge fee would be charges on an annual basis for a period of five (5) years between 2018 and 2022.

Commissioner Newman commented that it was important that the public was aware that this was another benefit rather than just the added cost of moving the hazardous materials.

Motion by Commissioner Sangster, seconded by Commissioner Matelski to approve the following resolution imposing a recycling surcharge of up to \$25 per year per house hold and authorize the Chairperson to sign.

Resolution #18-01

NOW, THEREFORE, BE IT RESOLVED that the Cheboygan County Board of Commissioners hereby:

1. Imposes an annual surcharge of up to \$25.00 on each household within the local units of government within the county that either have entered into, or will enter into before November 1, 2018 interlocal agreements with Cheboygan County relating to the collection and disposition of the surcharge as authorized by Section 8a (1) of the Urban Cooperation Act of 1967. For purposes of Section 89c of the General Property Tax Act, being MCL 211.89c, the annual surcharge imposed by this Resolution shall mean the “solid waste fee” specified in Section 89c.
2. The surcharge imposed pursuant to this Resolution shall be for a period of five (5) years, 2018 through 2022, inclusive.
3. For the purpose of imposing the surcharge specified above, a household shall continue to be defined as follows:

A household shall mean a mobile home and a single unit building or portion thereof, including but not limited to a house, apartment, and condominium unit, which provides complete independent living facilities (permanent provisions for living, sleeping, eating, cooking and sanitation) for one (1) family for residential purposes and which is occupied for residential purposes at any time during the year.
4. County shall reimburse the local units of government that either have entered into, or will enter into before November 1, 2018 interlocal agreements with Cheboygan County ten cents (\$.10) per parcel annually for the administrative expenses incurred in assessing and collecting the surcharge.

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

Administrator Lawson presented the vehicle maintenance and repair contract. A request for bids were advertised in the newspapers within the County and bid packets were mailed to local vehicle repair/dealerships within the County. Two proposals were received for repair service. Wheeler Motors submitted the most competitive proposal identifying an hourly repair rate for labor of \$54.95. Parts and materials would be charges at the supplier rate plus 20%. Oil changes would be charged \$16.95 per change up to six (6) quarts. Tires would be purchased from Auto Center Pit-Stop, (Sault Ste. Marie, MI) a Good Year Dealer and state contract distributor. Tires would be mounted by maintenance providers. This insures the County would receive state contract pricing. No tire distributors within the County participate as state contract distributors at this time.

Motion by Commissioner Newman, seconded by Commissioner Sangster, to approve the maintenance contract with Wheeler Motors and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the Annual Remonumentation Agreements including 2018 Surveyor Agreements, individual Peer Group Agreements and Administrative Staff Services Agreement. The amount of the 2018 Remonumentation Grant was \$59,985.

Motion by Commissioner Sangster, seconded by Commissioner Johnson to approve the Professional Service Agreement between Cheboygan County and Granger and

Organizational/Finance Business Meeting – January 9, 2018

Associates; Fullford Surveying & Mapping and Ecker Surveying Incorporated for Remonumentation beginning January 1, 2018; to approve the individual Remonumentation Peer Group Services Agreement between Cheboygan County and Ronald Brand, Carl Kiiskila, Brian Fullford, Alan Granger and Jeff Ecker for the period beginning January 1, 2018 and ending December 31, 2018, and to approve the Administrative Staff Services Agreement between Cheboygan County and Granger & Associates, Inc. for the period beginning January 1, 2018 and ending December 31, 2018 and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the Purchasing Policy Revision – Sole Vendor Listing 300-2A to add Hyde Equipment at the request of the Recycling Department – refurbish recycling container.

Motion by Commissioner Newman, seconded by Commissioner Johnson, to adopt the revised Sole Vendor Listing 300-2A to become effective January 9, 2018. 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 – Amendment #2 – Probate Court. An error was made during the preparation of the 2018 Salary & Wage Resolution. On May 30, 2017, the starting wage of the Deputy Juvenile/Probate Registrar was decreased to \$16.00 for a new hire. This 2017 wage was not carried over correctly to the 2018 schedule. This amendment merely corrects this error by restating the beginning wage, the 2018 raise in dollars and the 2018 wage.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to adopt Amendment #2 to the 2018 Salary and Wage Resolution – Non-Union General Employee #17-009 to be effective January 1, 2018 and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the National Crime Victim's Grant. The County was eligible to apply for Grant funding from the Prosecuting Attorneys Association of Michigan for Public Awareness funds for Crime Victim Rights Week for 2018.

Motion by Commissioner Sangster, seconded by Commissioner Newman, to approve the National Crime Victim's Grant submittal and execution of all other necessary grant documents by the County Board Chairperson and review from Finance Director and Legal Counsel (if applicable). Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the change in the 457 Defined Contribution Plan from Security Benefit Plan to the Standard Plan. He stated that the County provided employees the option to invest employee funds into 457 defined contribution retirement plans. The County provided five (5) such plans for employees to choose from. The County had worked with Retirement Plan Advisors to provide services associated with investments to the County's Security Benefit Plan. Retirement Plan Advisors had held an information meeting for employees who have investments in the Security Benefit

Plan to explain the change. Retirement Plan Advisors recommendation was primarily based on the index fund investment options offered by The Standard Plan vs. The Security Benefit Plan. Discussion held.

Motion by Commissioner Newman, seconded by Commissioner Johnson, to approve and authorize the County Administrator contingent upon final document review by legal counsel and/or auditors to sign Investment Service Agreement with Retirement Plan Advisors as well as the Portfolio Selection Agreement, Advisor Selection Form and Plan Document Forms with The Standard to transfer funds from the Security Benefit Plan to the Standard Plan. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS

Carl Muscott citizen of Tuscarora Township commented that he was upset with the process of amending a zoning ordinance. There was a Planning Commission that spent numerous hours making an amendment to the existing zoning ordinances, confers with legal counsel and he wasn't sure if this was where the amendments should be getting changed. Mr. Muscott stated that excluding the family definition from the section on Bar and Restaurant ordinance was basically a housekeeping issue. Commissioner Johnson pointed out that the old definition of a family did define it as an individual and the new one did not. Everything that was done here impacts businesses in Cheboygan County. Civil Counsel Bryan Graham commented that in terms of the definition of a family, he raised the same issues that he raised today with Mr. McNeil during the review process. How that was relayed or perceived by the Planning Commission, he had no idea. Mr. Graham stated that he had an ethical obligation to the County to raise his concerns and how there could be unintentional consequences today.

BOARD MEMBER COMMENTS

Commissioner Johnson commented about the possibility of having a discussion on the hiring a Human Resources employee with Ms. Kortz's impending leave and the zoning position not being filled. Commissioner Wallace stated that he would have the staff put it on the agenda for the Board of Commissioner Planning Meeting in the Spring.

Commissioner Matelski commented that she visited the Cheboygan Human Society and the building was looking good.

Motion by Commissioner Wallace, seconded by Commissioner Newman, to adjourn to the call of the Chairperson. Meeting adjourned at 11:08 a.m.

Karen L. Brewster
Cheboygan County Clerk/Register

John B. Wallace
Cheboygan County Chairperson