

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS  
COMMITTEE OF THE WHOLE MEETING/BOARD PLANNING SESSION  
May 28, 2019**

The regular meeting of the Cheboygan County Board of Commissioners was called to order at 9:30 a.m. by Chairperson John Wallace at Audie's Restaurant in Mackinaw City.

Roll called and a quorum present.

**Present:** Commissioners Mary Ellen Tryban, Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski John Wallace, Steve Warfield, Treasurer Buffy Weldon, Straits Land Resorter Editor Scott Swanson, Nunda Township Supervisor John Moore and Undersheriff Tim Cook.

**Absent:** None

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

**CITIZENS COMMENTS** - None

**SCHEDULED VISITORS/DEPARMENT REPORTS** – None

**ADMINISTRATOR'S REPORT**

Administrator Jeff Lawson presented the Infrastructures Project Update. The County will be working with our phone consultant Abilita to begin gathering information from departments concerning phone use and features used to develop an RFP for phone system replacement with VOIP System. This will be one of our larger projects this year providing an important upgrade to this key infrastructure system.

The County will continue to coordinate with CCE 911 on the 800 MHz Radio Project. CCE is currently is working with Motorola on the system tower and backbone upgrades, which are scheduled to be implemented over the next year. CCE is also finalizing their RFP process for vendors to provide bids on radios and pager. The County will make our first required payment for system upgrades to CCE by the end of this year. The County will pursue bonding for funds in 2020 depending on when the radios and pages are ordered.

The Animal Shelter is nearing completion with the concrete work in the final kennel renovation area completed and scheduled for painting. The County has received confirmation from a mechanical contractor that they will complete the remaining heating, cooling and air handling in this area, but have not received a final cost estimate or final schedule from contractor.

Circuit Court Judge Gauthier is forming a Safety Committee within the County Building on security. The committee will consist of Department Heads and a County Commissioner. A report to the State Court Administrator Office is due by September 1<sup>st</sup>.

Staff is in the process of obtaining quotes from a specialty contractor to install an over laminate on internal Court doors and window glass to increase security.

Staff is coordinating with the paving contractor to complete final paving of the parking lot areas from last fall and final punch list items that were weather contingent on the Jail and Storage Building projects. Doors in the jail were being painted. Seeding of the lawn areas and fixing a

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structure issue with the sanitary sewer manhole cover. Also staff is working with the Gas Company and the Architect to adjust the gas pressure for the generator.

Administrator Jeff Lawson presented an update on Northern Lakes Economic Alliance. NLEA has sent out information concerning Emmet County's rejection of the proposed four-year agreement. This e-mail was forwarded to each Board member on Friday.

Administrator Jeff Lawson presented an update on Solid Waste Plan. In 2018, the County sent a Notice of Intent for amendment to the Solid Waste Plan to NEMCOG for submittal to the State. The State indicated that funding was approved in December of 2018 within a supplemental appropriation bill to being the process of updating all Solid Waste Plans statewide. The DEQ indicated that plan requirements will be finalized in 2019 to begin a new planning initiative statewide.

Due to this development, the County's Solid Waste Plan Amendment process will be coordinated with the State's amendment process to assure that the County is addressing all State requirements and utilizing any State Grant funding.

The three (3) primary issues identified for the plan amendment are:

1. How to process new requests for Type B transfer stations related to definition, siting, approval and number.
2. Whether to license solid waste haulers.
3. Enforcement.

Planning and Zoning staff is working with the Planning Commission to discuss zoning language regulations related to siting of waste haulers.

Discussion was held on organizing a committee, timing and direction from the state, the focus on recycling and reduction, looking at regulations in the zoning ordinance, cleaning up the zoning ordinances and updating the master plan.

Administrator Jeff Lawson presented an update on the Citizen's Survey. The Board identified at last year's work session to complete an up-dated citizen's survey. This was not completed in 2018. A copy of the survey that was sent out in 2000 was looked at. Staff would like to receive feedback if similar questionnaires should be sent out or if an expanded survey should be developed. Research from other Counties identified the use of survey companies to develop, send, collect and report information. Discussion was held on the previous surveys with Public Safety being rated as the highest point of interest; breaking out Public Safety; sending the survey out with the tax bills with a postage paid envelope; putting the survey on the website; making sure that homeowners with escrow accounts get a survey; taxpayers versus renters and also a county newsletter being sent along with the survey. The consensus of the Board was to move ahead with the mailing of a survey.

Administrator Jeff Lawson presented an update on the progress of the Solar Project in Grant Township. Staff contacted the developer and he believed that a meeting was going to be set up with the township.

Administrator Jeff Lawson presented and gave an update on the Meijer Project. The two (2) units have agreed to move forward. Talks have begun on refinancing the sewer bond with Inverness Township. A new water tower was to be built on the east side of the city.

**OLD BUSINESS** - None

**NEW BUSINESS**

Administrator Jeff Lawson presented the Drug Court – Approval of MDCGP and Edward Byrne Memorial Justice Assistance Grant Application and Certification. The Cheboygan County Drug Court desires to apply for grant funds to continue the Drug Court Program. The certification/applications for these grants are due May 31, 2019.

**Motion** by Commissioner Sangster, seconded by Commission Tryban, to approve the submittal of these Cheboygan County Drug Court Grant Applications and Certification, and all future forthcoming documentation after review and approval by the Finance Director, and legal counsel, if applicable. Motion carried with 7 yes, 0 no and 0 absent.

**BOARD MATTERS FOR DISCUSSION – BOARD PLANNING SESSION**

**Review of Board Goals** – Administrator Jeff Lawson reviewed the County Mission and Vision Statement and the current goals for the County. No changes were made. A review of last year's goals that were met was given in the Administrator's report. The public survey was one that wasn't completed. Commissioner Warfield addressed the continued conversation of hiring a Human Resource Director and questioned where the county was at with Economic Development.

**Economic Development – Land Banks** - Treasurer Buffy Weldon presented on Land Banks. A hand out on Land Banks 101 was given out. Land Banks are governmental or nonprofit entities that are focused on the conversion of vacant, abandoned, and tax delinquent properties into productive uses. This program was designed to acquire and maintain these distressed properties and then transfer them back to new responsible owners and productive use. Originally these land banks were set up to enable them to undertake these activities more effectively and efficiently than public or nonprofit entities. For example there was a house located in the City of Cheboygan that burned down in 2015. If the county had a Land Bank set up, this home could very easily be pulled into the Land Bank; the parcel could be cleaned up and then sold to reinvest the monies in other foreclosures. History of what has happened over the years is to just leave these parcels. These types of homes make the value of other homes and parcels in the neighborhood drop. This would help bring value back to the county and these neighborhoods. The Board in Emmet County was made up of nine (9) members who make these decisions. The first right of refusal starts at State level. Once the county has foreclosed on a property, the state can purchase it at fair market value. Should the state pass, the local unit of government (city, township and village) has the opportunity to purchase the property for a public purpose at the cost of unpaid taxes and fees. If the local unit of government passes, the county has the option to buy it for the cost of unpaid taxes and fees. A list of the Cheboygan County 2019 Public Land Auction Parcels was handed out, which included 46 parcels including four (4) parcels being homesteads. This would be valuable to have a Land Bank set up to rehab these homes.

Administrator Lawson commented that Land Banks was something they talked a little bit about over the past year. The Treasurer indicated this would give the

county the ability to look at parcels for rehab, which could be either commercial or residential. Housing was one of the foundations of economic development. Currently today, the county has a Housing Program, which was looked over the past couple of years because the State didn't have any grant funding coming into the program. Each year, the county gets a little bit of money or sometimes a lot if there was a payoff of a property to go into the housing fund. If this amount is less than \$36,000 per year, the County can use that money any way that the County wants to use it; can be put into the general fund and can be reallocated into a program such as this for renovation and then parcels could be resold to get an investment back. There was a potential here, but more research is needed. It was possible to contract with an architect or a university to rehab a parcel with these funds. There was approximately \$150,000 of what use to be housing funds that was clear. This money could be used for this type of project or the county could keep on loaning money out, but this was enough money to do a seed project. A five (5) year limit would be set for an owner to live there before they could sell the property and during this time, the land bank authority could capture 50% of the taxes to use at a later time to fund another project. It would increase the housing availability; quality; help the neighborhood and help get someone into housing. This won't change a lot of things really fast, but it would help with the value of the property. Last year, the county collected slightly over \$36,000 and this money would have to be used for the MSHDA Program for emergency repairs. There was a list of people who needed emergency repairs, but there was a need for more people to apply for these services. If the county doesn't spend these monies, the balance has to be turned back into the state. Discussion was held on this being another tool, the county not being a general contractor, using the building trades, Habitat for Humanity or other entities and bringing the projects up to code could cost over 50% of the total cost. Administrator Lawson and Treasurer Weldon plan to attend the training on June 21<sup>st</sup> in Grayling to check out all of the legalities and then bring that information back to the Board for further discussion. It was the consensus of the Board to take a look into Land Banks.

**EDC Goals/Coordinator RFP** - Administrator Jeff Lawson stated that the EDC Goals have been a discussion by the Board for several years. The County has allocated \$60,000 in funding for economic development activity in the 2019 budget. A proposal has been presented to contract with an individual or company to provide community development services focused on supporting economic prosperity and an overall enhance quality of life in Cheboygan County. The proposal identifies the development of an oversight task team to monitor and direct deliverables. He recommended utilizing a reactivated EDC for this role. The EDC consists of nine (9) members, three (3) are Board of Commission members to provide continuity between Board objectives and EDC objectives. The EDC is established by public act and it provides important tools for certain types of projects that may need bonding or other resources permitted under the act. Utilizing the EDC is the board that monitors and directs deliverables for the Coordinator provides a focus to the EDC and keeps it active for possible future projects. In 2007, the EDC was utilized to issue a bond to expand the medical office area in what is now the primary medical office area for McLaren's Northern Michigan-Cheboygan Campus. One of the discussions that the Board has had in the past was the

alignment between the EDC and Board of Commissioners goals and objectives related to economic development. The County EDC and Coordinator can identify specific goals and objectives and ensure that services by NLEA and other economic development agencies are utilized to their fullest potential by businesses and entrepreneurs in Cheboygan County. Discussion was held on the roles of the EDC and Coordinator; establishing goals and objectives; what NLEA has done for the county in the last five (5) years; Inverness sewer bond and Coordinator's contract.

Administrator Lawson commented on the need to continue to grow partnerships with economic development agencies, enhance communities' awareness of NLEA activities, NEMCOG's Regional Prosperity Initiative and other state and regional economic development organizations activities. This includes business retention and expansion efforts, funding opportunities and broadband needs. For example, the Department of Public Works Committee has no projects to work on this year, but the committee was available. The Board was asked to review the contract over the next couple of weeks and look for anything that needed tweaking and also make a list of what the Board would want the coordinator to work on. It was the consensus of the Board to move ahead with the RFP. Commissioner Sangster and Warfield thanked Jeff Lawson for getting this together.

**Infrastructure Project Review** – Administrator Jeff Lawson presented the County Building Complex Capital Improvements. The county has ended their fiscal year and was in the audit process. For over a decade, the county has been able to add to the fund balance each year. A big portion of that fund has been through the tax foreclosure sales. History of the pending tax foreclosures legal action was given. The impact might be to return the money back to the property owners and this would be seen in the general balance reserve. Staff has been increased this year. Pension costs are going up approximately \$120,000, which will continue over the next several years. Tax base gains are eaten up in pension or health care costs not just general costs. Cheboygan County was known as one of the financially stable counties in Michigan. With that said, there were a lot of infrastructure needs and base costs. MERS will be adjusting their rate of return back. The base payment was paid, but with no additional payment. As of 2016, the County has changed to a Hybrid Retirement Plan for new employees. The County has enough balance in reserves in case it is needed. There have been a few communities in Michigan that have borrowed money at a low interest rate and counties can technically do this. The following projects were discussed:

- 1) County Building elevator refurbishment/replacement estimated cost \$250,000.
- 2) County Building Driveway reconstruction (from Family Fare heading west) estimated cost \$270,000. An option was to contact Family Fare for help with this project and use rent monies from the DHHS Building.
- 3) Fuel Tank and Pump Replacement estimated cost \$280,000 – cost analysis to be

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completed eliminating tank and purchasing fuel through fuel station care program.

4) County Building trim panels/windows replacement estimated cost \$650,000.

5) County Building Energy Efficient Upgrades, which upgrades would include a new energy efficient plumbing valve and fixtures in the restrooms, replacement of air-conditioner, lighting and electrical upgrades. The upgrades will reduce energy costs, which will pay for the cost of improvements over time. Estimated cost \$15,000 - \$20,000 per year.

Discussion was held on the repairs of the pillars in front of the County Building, which was something that could be addressed this year. The setting of a timeline for these repairs needs to happen sooner than later because holding off might cost the county more money.

Administrator Lawson stated that these were repairs needed on the County Building complex. There were other places that the county was responsible for such as the Health Department and the DHHS Building. Two wild cards were the fairgrounds and the marina repairs. There were three areas to look at with the fairgrounds, which were the day to day maintenance with monies appropriated for these repairs, intermediate types of projects and larger types of investments. Discussion needs to be on how to fund the next large investment. In 2008, there was a study done on the marina showing that eventually the replacement of the whole marina would need to be done. These were Park and Recreation type projects. Discussion was held on possible grant funding.

It was the consensus of the Board to approve the Administrator's priority list of projects as presented.

Discussion was held on hiring a Human Resource Director; possibly contracting/sharing with another county; possibly hiring a retired HR person; hiring a part time versus a full time employee; job description could include updating policy and procedures manuals; department head's responsibilities in letting employees know what their job descriptions were; setting personnel goals and objectives; setting a means of measuring job performance; history of the previous County HR employees; not refilling this position during the recession; structure within the building with elected officials as co-employees; working as a team player; being fair but firm; employee evaluations; union contract grievances procedure; HR job description; replacement of employees; furthering employee education; appeals to the Board and forming a Personnel Committee.

It was the consensus of the Board to advertise for a part time HR person. Chairman Wallace appointed Commissioner Newman, Commissioner Warfield and Commissioner Tryban to the Personnel Committee. The Personnel Committee was to meet with the Administrator and bring back a recommendation to the full Board.

Commissioner Wallace commented that the Board has talked in the past about a Grant Administrator. He questioned if this was something the Board wanted to discuss. Commissioner Sangster stated he felt this would come in under the EDC. Administrator Lawson commented that grants were really specialized now. Each department could internally write a grant pursuant to their needs of the department and the turnaround time on grants was very short. He reported that there weren't a lot of agencies that had a grant administrator.

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Commissioner Newman questioned how the new location for Straits Regional Ride was coming. Administrator Lawson stated Civil Counsel Bryan Graham has reviewed the lease and he needs to relay to the owners that there have been some modifications to it. With the moving of the office staff, there was still going to be some logistic issues with the drivers. The buses cannot be parked at the new location. There was conversation with the airport chair about the continuance of paying for bus storage at the airport. The biggest challenge could be coordinating communication between the office and the drivers. The radio check for that area came back good. There was a need to make the move as smooth as possible. Bring people on board to fill the positions and take care of the HR issue. A preliminary date to meet with some of the employees is scheduled to look at the complaints and then staff would follow up with management. A report would be put together for review from the Personnel Committee to see if it needs to be sent to the full Board.

Commissioner Gouine commented that a citizen of Benton Township questioned the payment of permits. He paid for two (2) permits for adding an addition unto his residence. Administrator Lawson explained that in any township where someone wanted to add an addition unto their residence, a zoning permit was required to check the setback along with a building permit. Two different fees charged for two different processes.

Commissioner Warfield commented that he attended a Northern Michigan Counties Associate meeting. The guest speaker was from Lake County and that county has adopted a self-insurance program to cover their medical expenditures with a \$25,000 stop loss policy through Blue Cross. He was provided with some of the financials and it looks like a cost savings. He will pass this information along to the Administrator. He reported receiving a letter regarding organ donation and the responsibility of the Medical Examiner. Staff will follow up on this. Discussion was held on the Road Commission Act 51, the recent Road Millage Proposal and how road funds were spent by Townships and the Road Commission.

**CITIZENS COMMENTS** - None

**BOARD MEMBER COMMENTS** - None

**Motion** by Commissioner Newman, seconded by Commissioner Gouine, to adjourn to the call of the Chair. Motion carried. Meeting adjourned at 2:16 p.m.

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Karen L. Brewster  
County Clerk/Register

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John B. Wallace  
Chairperson