

**COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
August 13, 2019**

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

Roll called and a quorum present.

Present: Commissioners Mary Ellen Tryban, Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski, John Wallace, and Steve Warfield.

Absent: None

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

Motion by Commissioner Sangster, seconded by Commissioner Warfield, to approve the agenda with the following changes: delete correspondence K - item 1, 2, & 3 and move 8 - Letter from Planning Commissioner - Enforcement to #9 Administrator's Report. Also add C. - Fairgrounds Event Agreement – City of Cheboygan Fireworks under New Business. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Tryban, second by Commissioner Gouine, to approve the consent agenda as presented.

- A. Approve Monthly Finance Claims (Finance Total = \$0; Prepaid Total = \$1,296,660.02.
- B. Budget Adjustments as follows:
 - 2019 Raise Revenues/Expenditures
 - 1. Fund 277 total budget decrease of \$40,000
- C. Investment Report
- D. University of Michigan Biological Station Recycling Agreement
- E. Byrne Justice Assistance Grant Application 2020 – Compass Academy
- F. SRR/COP-ESD Afton/Tower to Onaway School Contract 2019/2020 School Year
- G. SRR/COP-ESD Rogers City to Onaway School Contract 2019/2020 School Year
- H. SRR-MDOT Contract 2017-0032/P32/P12 – FY2020 Specialized Services Operating Assistance Program
- I. Third Party Contract – CCOA 2019-2020 – Specialized Services Operating Assistance Program 2017-0032-P12
- J. DHHS Home Aid Position Agreement
- K. Correspondence:
 - 1. ~~Charlevoix County Resolution Opposing Trial Court Funding Commission Interim Report- (Remove for further discussion)~~
 - 2. ~~Gladwin County Resolution Opposing Trial Court Funding Commission Interim Report- (Remove for further discussion)~~
 - 3. ~~Hillsdale County Resolution Opposing Trial Court Funding Commission Interim Report- (Remove for further discussion)~~
 - 4. Kalkaska County Resolution Supporting the Caro Facility in Tuscola County
 - 5. Menominee County Resolution in Support of Funding the Great Lakes Restoration Initiative

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6. Menominee County Resolution in Supporting Medicare Prescription Drug Bill of 2003
 7. Livingston County Resolution Opposing Legislation to Prevent County Commissioner Candidates from Disclosing Their Party Affiliation on Ballots Provided to Michigan Voters
 8. Letter from Planning Commission - Enforcement (*Moved to Administrator's Report*)
- L. Minutes:
1. Finance/Business Meeting of July 9, 2019 and Committee of the Whole Meeting of July 23, 2019
 2. Planning Commission – 6/5/19, 7/3/19 & 7/17/19
 3. District #4 Health Department – 6/18/19
 4. City Council – 6/25/19 & 7/9/19
 5. County Road Commission – 6/20/19, 7/3/19 & 7/16/19
 6. NEMCSA – 6/7/19
 7. Fair Board – 6/3/19 & 7/1/19
 8. NCCMH – 6/20/19
 9. NMRE SUD Oversight Board Minutes – 5/6/19

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

CITIZENS COMMENTS

NLEA Board Member James Granger commented on a handout regarding some of the activities that has been happening with the NLEA. NLEA submitted three (3) industrial sites to the MEDC for a site evaluation to be completed by Olsson, a national engineering and design firm. Another new technology that was moving into the Cheboygan Industrial Park was a Robotics Company. Kurth Robotics manufactures robots for automation that will be opening its doors. He also reminded the Board of Pitch Night where businesses less than two (2) years old or just starting out can make their presentations and receive an award of thousands of dollars to help them with their businesses. Pitch Night was scheduled to be held at the Opera House on November 6th at 5 P.M.. The top awardees move on to the regional competition, which involves Antrim, Charlevoix and Cheboygan Counties.

City of Cheboygan Council Member Michael O'Brien commented that he had attended his first meeting. He reminded the Board that the City of Cheboygan and the County need to work together. Today Art Vision was having an open house to get input from the citizens of Cheboygan County and State of Michigan as to what type of art the City of Cheboygan should have. This was being held at the Cheboygan Library from 12 – 7 P.M. An issue that was of concern for the whole county being nonmedical marijuana facilities was being discussed tonight. As much participation is requested, to get an opinion as to how to move forward.

State Representative Sue Allor gave an overview of what was going on in Lansing. The House has been on break since June. The budget is not completed. The biggest issue with the budget has been the Governor's recommendation for a .45 cent per gallon tax increase. The House approach was to cut money from various departments. The Senate approached it a little bit differently. So as a result during the summer, there have been a lot of negotiations going on between the House and the Senate. Not having the budget done as in the past has impacted the schools and many other entities. Hopefully, this will be done before September 30th. She has been holding office hours around the district and she attended a meeting in Hillman, which was not in her district. A couple loggers from Presque Isle County had invited

her to attend. There is a bio-solid factory, which will be cutting production greatly and will have a significant impact on the loggers in Northern Michigan. With this factory shutting down the question is what will happen to all of these wood chips. Her first two years were definitely eye openers, but she was still enjoying it in Lansing and looking forward to the rest of her term.

Enbridge Representative Emma Cook commented that she was based out of the St. Ignace office. Enbridge was working currently to replace the Line 5 straits crossing with a tunnel under the lake bed. Currently, Enbridge was in their geo-tech phase. She wanted to offer herself up as a resource. Folders were handed out to explain what the boat was doing along with contact information. Enbridge has purchased office space in Cheboygan to store all of the core samples that were taken up from the straits. If anyone would like to tour and see the core samples that are being pulled out, please contact her. Commissioner Gouine commented on the void in the straits. Ms. Cook explained that the lake bottom had washed out underneath the Line 5. A permit was applied for from the Army Corp of Engineers about a year ago and Enbridge was waiting for the new permit to install the new anchors. When the line was originally installed, it had sand bags to anchor it to the lake bottom. As years have gone by, the lake bottom has washed out underneath the line, which obviously washed away the sand bags. For the past couple of years, Enbridge has been going through and installing new steel auger anchors to secure the pipeline.

SCHEDULED VISITORS - None

Finance Director's Report

Finance Director James Manko presented the Revenue and Expenditure Report for the General Fund for the month ending June 30, 2019. He reported total year-to-date revenue of \$1,976,489.56, or 14.40% of the budget compared to \$2,008,903.35, or 12.75% of the budget last year at this same time. He reviewed each line item number that had any significant changes of \$10,000 plus or minus. Mr. Manko reported expenditures year-to-date of \$5,683,065.22 or 41.39% of the budget, compared to \$5,495,584.86 or 34.88%, last year as of the end of June 30, 2018. He reviewed each department that had any significant changes of \$20,000 plus or minus. Mr. Manko stated the Cash Summary by Fund totaled \$18,191,796.73 as of June 30, 2019 and a summary of the negative cash balances was given. The Quarterly Fund Balance Report as of June 30, 2019 was given with a beginning balance of \$22,277,664 and a year-to-date fund balance of \$21,923.473. An explanation of the deficit balance accounts was given. Mr. Manko reported on the Summary of Expenses by Category for June 30, 2019. He also reported on the Summarization all Budget Adjustments posted from January 1, 2019 through June 20, 2019.

Administrator's Report

Administrator Jeff Lawson gave an update on the Marina. The engineer has submitted plans and specifications for the Marina project to EGLE and the Army Corp of Engineers for preliminary permit review.

Administrator Jeff Lawson gave an update on the Phone System Replacement. RFP packet for phone system replacement has been posted. RFP's due by August 22, 2019 at 4:00 P.M.

Administrator Jeff Lawson gave an update on the Vehicle Fleet Management Service. RFP's for vehicle fleet management services has been posted. RFP's are due by August 27, 2019 at 2:00 P.M.

Administrator Jeff Lawson gave an update on the Jail Inmate Phone System. The County has received request for proposals from vendors to supply inmate phone service within the jail. The Sheriff and staff have reviewed the proposals and requested a contract from NCIC Inmate Communications. Once a contract is received and reviewed by staff and legal counsel, the items will be placed for Board consideration and award.

Administrator Jeff Lawson reported on the County Building. Requests for sealed bids are currently posted to receive bids from contractors to provide labor and material costs for the removal and replacement of brick, block and concrete masonry materials associated with the replacement of a portion of the wall within the Treasurer's Office. Bids are due by August 27, 2019 at 2:00 P.M.

Administrator Jeff Lawson reported on a Letter from the Planning Commission requesting that the Enforcement Officer focus all of his time on enforcement rather than ½ of his time doing soil and sedimentation. A summary of the soil erosion program was given and how inspections were handled. The Planning Commission has tried to utilize the staff and balance it out for efficiency. The overall discussion is between capacity of the employees and also budget capacity. Commissioner Gouine commented that the Planning and Zoning Department was one of the most important departments in the building and he felt that there should be a full time enforcement officer because without one there was no use in having a Planning and Zoning Board. It was totally not effective. A discussion was held on hiring more staff, budget costs and maximizing the efficiency of the employees to get that job done.

Planning and Zoning Director Mike Turisk commented that he did not have specific numbers regarding permit requests. Zoning intakes are robust. The special site and review applications that go before the Planning Commission are down. In an effort to increase capacity and increase efficiency an operational approach was adopted. There was timing issue with some of the programs. The numbers vary and do suggest that there can be wide swings with regard to the specific types of inspections. Mr. Peltier is authorized to do follow ups on soil erosion and sedimentations. In the last nine (9) months, enforcement has increased since the previous five (5) years. On average, the department receives a total of two (2) new complaints per week.

Planning Commission Chairman Chuck Freese commented that there has been a problem because there is an enforcement officer that was hired and now he has focused 1/2 of his time on the soil and sedimentation. Since Mr. Peltier has been with the Cheboygan County, there has been a noticeable difference in enforcement throughout the county. Enforcement has been the major problem throughout the years.

Commissioner Wallace commented that the consensus of the Board was to have staff put together information to help the Board make a decision.

COMMITTEE REPORTS

Commissioner Sangster handed out the NEMCSA 2018 Annual Report for review.

Commissioner Newman commented on the huge success of the 2019 Cheboygan County Fair and hoped that everyone had a chance to attend. He thanked the Fair Board, all of the volunteers and the media who gave good coverage. He also wanted to acknowledge the Sheriff Department for their great security. Different citizens let him know that they thought it was the best Fair that they have ever been too. Sheriff Clarmont commented that the deputies at the Fair were over there as volunteers to assist the county and he wanted to give kudos to the Cheboygan Fair Director Dan O’Henley in setting up the security for the week. Commissioner Newman commented on the ongoing problems with District Health Dept. #4 management. He continues to receive complaints and doesn’t know what the answer is.

Commissioner Wallace commented that he handed out the Northeast Michigan Consortium Manager’s Report of August 2019 – Michigan Works! System Dashboard for review.

OLD BUSINESS - None

NEW BUSINESS

Administrator Jeff Lawson presented the Project Authorization: 2017-0032/P13 5339 Bus and Bus Facility’s Program. This contract is for the replacement of one revenue vehicle up to 30 foot in size with lift. The vehicle being replaced has reached its useful life in mileage and years of service. Contract awards SRR one additional revenue bus with lift.

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to approve the contract and authorize the Chair to sign with any necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented NEMCOG Video Conferencing Capacity Building Program Application. NEMCOG, with funding from the Michigan Department of Agriculture and Rural Development (MDARD) will install six (6) video conferencing systems within the township hall, city or village council chambers, or county buildings throughout the Northeast Michigan region of Prosperity Region 3. These will be placed within municipal building, locations to be chosen after review through an application process. These systems will be utilized for expanding the local municipalities’ exposure to remote regional planning staff to provide guidance on development matters during public meetings. Also utilization of remote access to small business counseling for local entrepreneurs. The systems will increase exposure to much needed training resources, planning support, and professional guidance as well as decrease transportation costs that would normally be spent on travel to distant education. Staff received notice of the program application after the last Board meeting and the application was due August 5, 2019 to be considered as a location.

Motion by Commissioner Warfield, seconded by Commissioner Tryban, to ratify submittal by staff of NEMCOG Video Conferencing Building Program Application. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Wallace presented the Fairgrounds Event Agreement - City of Cheboygan Fireworks. The City of Cheboygan would like to use the fairgrounds to launch a special fireworks display on August 24, 2019 at dusk as part of the City’s 130 year celebration.

Motion by Commissioner Sangster, seconded by Commissioner Warfield to approve the Fairground Event Agreement and authorize the Chair to sign. Motion carried with 7 yes, 0 no and 0 yes.

CITIZENS COMMENTS

Planning Commission Board Member Karen Johnson commented on Commissioner Gouine's comment about moving the Solid Waste Management Plan back into the hands of the Planning and Zoning Department. One of the things that have happened was that the State of Michigan was not funding or has not yet funded the updates to the SWMP. The Planning Commission would like to request that the Board of Commissioners send it back to the Planning and Zoning Department to add some sort of solid waste management into the counties zoning ordinance. Currently, a transfer station can be established anywhere in the county. Commissioner Sangster suggested putting together an ad hoc committee to discuss this issue and then staff would put together the information before bringing it back to the Board.

Carl Muscott citizen of Tuscarora Township apologized to Sheriff Clarmont for a FOIA request he sent to Mr. Lawson regarding the purchase of a side by side ATV. Mr. Muscott commented on the Zoning Board of Appeals Chairman Chuck Freese's request for an enforcement officer. Ordinance enforcement is not being done at all or not very well. There are currently five (5) employees that have some soil certification. A history about previous Enforcement Officers was given. Either the County has a law and enforces it or there wasn't a need for a Planning Commission.

Sheriff Dale Clarmont commented he accepted the apology from Carl Muscott. The reason why he was coming before the Board under citizen's comments was he didn't have the opportunity to get onto the agenda because he was just made aware of this FOIA request yesterday. A FOIA request by email was received by the Board from Mr. Muscott regarding the purchase of an Arctic Cat Side by Side ATV, which he wasn't sent and he just wanted to address some of those concerns. He stated that he came before the Board on May 14, 2019 and also the money was allocated in the budget process last year. Some of the concerns here was why didn't some of the other dealerships have the opportunity to place a bid. Staff recommendation was given to purchase an Arctic Cat because they were not satisfied with the performance of a Polaris, a Yamaha or a Suzuki. The purchase policy dated March 8, 2016 was followed, which didn't require an RFP and can be approved by the Finance Director or the Administrator for the purchase of less than \$25,000.

Louis Vallance citizen of Grant Township and City of Cheboygan questioned agenda items 5) Consent Agenda #F & #G SRR/COP-ESD Afton/Tower to Onaway Schools and Roger City to Onaway Schools Contract 2019/2020 School Year and also if regular citizens was getting additional services on SRR. This service should be for everyone and not just the school systems. Mr. Valance commented that the SRR schedule on the website needs to be updated and he was concerned with the bus noise when traveling on gravel roads. Commissioner Wallace stated that this would be taken under advisement.

BOARD MEMBERS COMMENTS

Commissioner Sangster commented on a request he received to look at the expansion of a sixth day to SRR.

Commissioner Matelski wanted to compliment Tom Smith and his committee for the wonderful dedication that was held at the Veteran's Memorial Park on Monday.

Motion by Commissioner Sangster, seconded by Commissioner Warfield for staff to prepare a letter of a commendation. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Newman, seconded by Commissioner Gouine, 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 8-7-2019, 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 is subject to the attorney-client privilege. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

ENTERED INTO CLOSED SESSION AT 11:36 a.m.

RETURNED TO OPEN SESSION AT 12:24 P.M.

Commissioner Warfield commented that he had the opportunity to tour the Enbridge vessel out in the straits observing their boring rig operations and the following day along with Commissioner Sangster visited their new facility in the industrial park looking at the core samples. There have been a number of people stand in front of this Board and address their concerns with Line 5. He has listened carefully to their concerns and it has weighed heavily with a difficult decision to be made, but in his opinion, the tunneling Enbridge proposes was the right answer. There were several counties in Northern Michigan looking at adopting resolutions in support of the construction of the tunnel. He suggested that this Board should start considering adopting a resolution. Discussion was held on the amount of monies that Enbridge brings into the county, their commitment of \$40 million for engineering and geo-technical program and their immediate action to try to avoid any further damage by an anchor. This was a positive solution to environment disaster.

Commissioner Newman commented if the propane gas that Enbridge supplied was not available to the Upper Peninsula; the cost of propane would be astronomical. He encouraged the Board members who have not gone to attend an Enbridge session because it was very educational.

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 12:40 P.M..

Karen L. Brewster
County Clerk/Register

John B. Wallace
Chairperson