

**COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
May 14, 2019**

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

Roll called and a quorum present

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

Absent: Commissioner John Wallace

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

Motion by Commissioner Newman, seconded by Commissioner Gouine, to approve the agenda pulling Item #10 A. Motion carried with 6 yes, 0 no and 1 absent.

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

- A. Approve Monthly Finance Claims (Finance Total = \$26,700; Prepaid Total = \$1,067,805.27.
- B. Budget Adjustments as follows:
 - 2019 Inter-department Budget Transfer
 - 1. From 101-700 to 101-131, 101-136,101-139, 101-148, 101-202, 101-212, 101-215, 101-228, 101-229,101-243, 101-253,101-682 and 101-731 totaling \$1,605
 - 2. From 101-285 to 101-902 totaling \$141,404
 - 2019 Raise Revenues/Expenditures
 - 1. Fund 101 total budget increase of \$8,818
- C. Investment Report
- D. State of Michigan FY 2018 Operation Stonegarden Grant
- E. Letter of Recommendation to NEMSCA Endorsing the CCCOA
- F. Straits Regional Ride - MDOT Project Authorization 2017-0032/P11 5311 FY 2019 Operating Funds
- G. Fair Ground Usage Agreements – Farm Friends 4-H Club Horse Riding Meetings & Riding Practices
- H. Fair Contracts:
 - 1. Animal Oasis (Mobile Petting Zoo)
 - 2. Heritage Draft Horse Organization - Horse Pulling Event Contract
- I. Correspondence:
 - 1. NEMCOG Project Review – Burt Township
 - 2. NEMCOG Project Review – City of Cheboygan
 - 3. Bay County Resolution Opposition to Slashing Federal Funding for the Great Lakes Restoration
 - 4. Cheboygan County Road Commission’s 2018 Annual Report
- J. Minutes:
 - 1. Finance/Business Meeting of April 9, 2019 and Committee of the Whole Meeting of April 23, 2019

Finance/Business Meeting – May 14, 2019

2. Board Appointment & Procedures – 3/4/19
3. District #4 Health Dept. – 3/19/19
4. City Council Minutes – 4/9/19, 4/18/19 & 4/23/19
5. County Road Commission – 3/21/19 & 4/4/19
6. NEMCOG – 3/21/19
7. NEMSCA – 4/5/19
8. NCCMH – 3/21/19
9. Planning Commission – 4/3/19
10. Fair Board – 2/11/19, 3/4/19 & 4/1/19

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

CITIZENS COMMENTS

Mark Manning citizen of the City of Cheboygan stated that he wanted to turn his attention to the Sheriff of Cheboygan County. He stated that he vented to an employee of this county, he apologized and thanked this employee for listening to what he had to say. He asked the Sheriff to thank this employee again on his behalf. Mr. Manning described his work experience and addressed his concerns about an incident that happened and working conditions at Straits Regional Ride.

Joanne Cromley citizen of Koehler Township commented that she was asked by her colleague Roger Gauthier to present the economic impacts of Enbridge Line 5's worst case spills in the Straits of Mackinaw and Indian River because he was unable to be here today.

John Kurczewski citizen of Tuscarora Township commented that he has approached this Board to pass a resolution regarding the 5G Technology situation. He reminded the Board that if they jump into some sort of agreement with any of the telecoms right now, the Board might be doing this County a great deal of harm. Numerous articles were handed out stating that doctors and scientists worldwide have called for a moratorium on this technology because it has not ever been proven safe. He questioned the Board to see if a decision had been made and what the timeline would be to adopt a resolution.

Louis Vallance citizen of Grant Township commented on the blight in this county describing certain locations and asking what the county was doing to improve the looks of the County. He also commented on the 5G Technology and internet companies providing services in different areas of the county. He suggested using inmates to clean up dump sites in the woods.

Vince Lumetta citizen of Beaugrand Township capitalized on some things that Joanne Cromley talked about in regards to Line 5 and climate change. Many issues were mentioned and why this was important. If Enbridge was allowed to go ahead and build this tunnel, we are going to be locked in for several decades with the petroleum industry being our energy supplier. Mr. Lumetta stated that there have been huge advances in green technology and increases in green technology jobs. There was a lot of data out there and he asked everyone to educate themselves. Now was the time to act.

SCHEDULED VISITORS

Fair Board President Ron Williams and Vice President Ron Fenlon presented Cheboygan County Fair Board's long range fundraising for large scale improvements at the fairgrounds

and requested a separate line item to assure donors or volunteers who help with fundraising that monies would go to a specific project and not into the general operations. There was currently a budget for the normal maintenance of the grounds, but no monies to expand or improve things. This would be something that the Cheboygan County Fair Board would be working hand in hand with the Board of Commissioners on.

Administrator Lawson stated that the first mission during fair week was to make enough money to cover the cost of the fair. In some years that happens and in other years revenues fall short. When revenues fall short, it is subsidized from the general fund. First, was general maintenance with appropriations from the general fund and secondly were intermediate projects with \$15,000 to \$20,000 set aside per year for set types of projects.

Commissioner Sangster commented that he would like to sit on a committee or meet with the Fair Board to try to map out a more defined path.

Commissioner Newman commented that this would be monies that the Fair Board would raise from special events. The Fair Board members just want to get out there and raise special funds for specific projects and have an active part.

Motion by Commissioner Newman, seconded by Commissioner Gouine to establish a fund raising line item that would be specifically used for the Cheboygan County Fair Board for capital improvements. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Finance Director's Report

Finance Director James Manko presented the Revenue and Expenditure Report for the General Fund for the month ending March 31, 2019. He reported total year-to-date revenue of \$999,698.81, or 7.29% of the budget, compared to \$945,519.28, or 6.01% of the budget last year at this same time. He reviewed each line item number that had significant changes. Mr. Manko reported expenditures year-to-date of \$2,597,279.40 or 18.93% of the budget, compared to \$2,581,743.73 or 16.4%, last year as of the end of March 31, 2018. He reviewed each department that had significant changes. Mr. Manko reported on the Quarterly Fund Balance Report as of March 31, 2019 totaling \$23,268,262. He reviewed the three (3) new funds, which were Fund 259, 272 and 278 and reported on the fund that was closed out which was 294. Mr. Manko reported on the Summary of Expenses by Category prepared as of March 31, 2019. He reviewed the changes in wage and fringe, supplies, professional/contractual services and appropriations, transfers out and the remaining categories. Mr. Manko reported that the Cash Summary by Fund Cash and Investment Report for March 2019 would not be presented as the 2018 adjusting entries were still being posted and the beginning cash balances could be affected.

Administrator's Report

Administrator Jeff Lawson gave an update on the Marina Waterways Grant Application. The County has received preliminary notice that the request for supplemental funding for the Marina fuel tank/dock project in the amount of \$125,000 has been awarded. The County will receive \$525,000 in grant funds to match with \$525,000 in County match funds to complete the project. Looking at putting out RFP's in the fall so that we would be looking at a spring project next year.

Administrator Jeff Lawson gave an update on the sale of a vehicle. The County advertised for quotes to sell a 2010 Ford Escape with approximately 160,000 miles with mechanical issues. The County received three (3) bids. The highest bid was \$801.00. The County will sell the vehicle for \$801.00.

Administrator Jeff Lawson gave an update on MSU-E Extension Programs. MSU-E has upcoming programs and resources available through the Extension office and website in conjunction with Mental Health Awareness Month. <https://www.canr.msu.edu/earlychildhooddevelopment/events>

Administrator Jeff Lawson gave an update on moving the Straits Regional Ride operation out of the county airport. The County has received information on an alternative space for SRR that would provide approximately three (3) times as much office space as there was at the current airport location, which was leased for \$1,500. While a new location would offer more office space, there may not be sufficient parking space for all 20 Straits Regional Ride buses and some of them may have to remain parked at the airport. Commissioner Sangster commented that this was something that needed to be handled immediately. Administrator Lawson stated that he understood the directive to move as quickly as possible, but there were logistics that would need to be addressed to get it done.

Motion Commissioner Newman, seconded by Commissioner Warfield to approve moving SRR from the current airport location to new office space located at 521 Stempky Street. A roll call vote was taken. Motion carried with 5 yes, 1 no (Commissioner Gouine) and 1 absent.

COMMITTEE REPORTS

Commissioner Sangster attended a Board Appointments & Procedures Meeting on May 1st and would recommend the following appointments/reappointments.

Motion by Commissioner Gouine, seconded by Commissioner Matelski, to accept the recommendation of the Board Appointments & Procedures to appoint Edward Delana to the Planning Commission to replace Stephen Churchill who resigned with the term effective May 14, 2019 and ending on December 15, 2019. Motion carried with 6 yes, 0 no and 1 absent.

OLD BUSINESS - None

NEW BUSINESS

Administrator Jeff Lawson presented the Abilita Telecommunications System Consultant Agreement. The County's existing phone system was over 20 years old. The County would like to develop a Request for Proposal and implement transition to a Voice over IP (VoIP) system with the assistance of Abilita a telecommunication consultant company. Phase 1 & 2 services consist of discovering best telecommunication solution for County, defining and development RFP and recommend solution and vendor for implementation. Phase 3 services consist of project deployment.

Motion by Commissioner Warfield, seconded by Commissioner Tryban, to approve the agreement with Abilita for telecommunications system consulting up to \$14,500 contingent upon final review by legal counsel, authorize the Vice-Chair to sign and authorize any necessary budget adjustments. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Administrator Jeff Lawson presented the conveyance of Utility Easement – PIE&G. This was for a conveyance of utility easement to PIE&G for the installation of an electrical line and service to the Humane Society's storage building next to the Animal Shelter on Hackelburg Road.

Motion by Commissioner Gouine, seconded by Commissioner Matelski to approve the Conveyance of Utility Easement to PIE&G for the installation of an electrical line and service to the storage building adjacent to the Animal Shelter on Hackelburg Road and authorize the Vice-Chair to sign easement. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Administrator Jeff Lawson presented Resolution 19-07 Approving the FY 2020 Community Corrections Grant Application of the Northeast Michigan Council of Governments. Resolution of support for NEMCOG's FY 2020 Community Corrections Grant Application in the annual amount of \$253,980 to provide Community Correction Programs in Alcona, Alpena, Cheboygan, Crawford and Otsego Counties.

Motion by Commissioner Tryban, seconded by Commissioner Newman to adopt

RESOLUTION 19-07

**Approval of the
FY2020 Community Corrections Grant Application of the
Northeast Michigan Council of Governments
Cheboygan County**

WHEREAS, the Northeast Michigan Council of Governments (NEMCOG) serves as the Fiscal Agent and Program Manager for the Northeast Michigan Community Corrections Advisory Board (NEMCCAB), and

WHEREAS, this County is a member of either the NEMCCAB strongly desires to continue to participate with Community Correction's Programs and Services, and

WHEREAS, NEMCOG has worked with the OCC to develop a Community Corrections FY2020 Grant Application for the NEMCCAB, and

WHEREAS, the FY2020 Community Corrections Grant Application has been prepared by NEMCOG in the amount \$253,980 for Community Corrections Programs and Services in the counties of: Alcona, Alpena, Cheboygan, Crawford and Otsego, and

WHEREAS, the Northeast Michigan Community Corrections Advisory Board, has approved this Grant Application and recommends its approval by the member counties,

THEREFORE BE IT RESOLVED, that Cheboygan County hereby approves the Northeast Michigan Community Corrections Advisory Board's, FY2020 Grant Application prepared by NEMCOG for Community Corrections funding in the annual amount of \$253,980 for Programs and Services.

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

Administrator Jeff Lawson presented Resolution 19-08 Opposing Any New Legislation to Exempt the Collection of Utility Personal Property Tax Revenue. The resolution opposes any new proposed legislation that would exempt utility personal property tax from collection without complete and stable replacement of revenue lost to municipal units and school funding sources.

Motion by Commissioner Warfield, seconded by Commissioner Matelski, to adopt

**Resolution 19-08 Opposing Any New Legislation To Exempt The Collection Of
Utility Personal Property Tax Revenue**

WHEREAS, In 2018 Senate Bill (SB) 1031 was introduced to amend the General Property Tax Act in an attempt to exempt qualified utility personal property from the collection of taxes; and

WHEREAS, utility personal property tax revenues provide critical funding dollars for services to communities in Cheboygan County and throughout the State.

NOW, THEREFORE, BE IT RESOLVED that the Cheboygan County Board of Commissioners opposes any new proposed legislation that would exempt utility personal property tax from collection without complete and stable replacement of revenue lost to municipal units and school funding sources.

BE IT FURTHER RESOLVED that this resolution be forwarded to State Representative Sue Allor, State Representative Lee Chatfield, State Senator Wayne Schmidt and Governor Gretchen Whitmer and the Michigan Association of Counties.

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

Administrator Jeff Lawson presented Resolution 19-09 Supporting Michigan Regional Prosperity Initiative Funding Reinstatement. Michigan's Regional Prosperity Initiative (RPI) enacted in 2014 has been the catalyst that established meaningful collaborations between business, workforce, education (K-12 and post-secondary), communities, economic development and regional planning organizations throughout the State of Michigan resulting in strategies implemented that assisted in new business development and retention, talent attraction and retention, K-12 and post-secondary career education initiatives; community and economic development projects. The Resolution requests reinstatement of funds for the Regional Prosperity Initiative.

Motion by Commissioner Newman, seconded by Commissioner Matelski, to adopt

RESOLUTION 19-09

FOR

**MI REGIONAL PROSPERITY INITIAITVE
FUNDING REINSTATEMENT**

WHEREAS, Michigan's Regional Prosperity Initiative (RPI) enacted in 2014 has been the catalyst that established meaningful collaborations between business, workforce, education (K-12 and post-secondary), communities, economic development and regional planning organizations, and

WHEREAS, these collaborations have brought together diverse groups which have, together, increased the understanding of what is required to enhance prosperity in each of the State's unique regions, and

WHEREAS, funds that have been invested in the 10 Prosperity Regions of the State of Michigan have had a significant return on investment resulting in strategies implemented that assisted in new business development and retention, talent attraction and retention, K-12 and post-secondary career education initiatives; community and economic development projects, and

Finance/Business Meeting – May 14, 2019

WHEREAS, the State of Michigan has invested \$4 million annually to the Regional Prosperity Initiative to support the Prosperity Plans created within each region,

WHEREAS, Northeast MI has utilized the RPI funds to leverage assets in order to support a vision of thriving, connected communities resulting in new business development as well as many community and school benefits throughout the region, and

WHEREAS, Momentum that has been created from the RPI and the resulting collaborations among public, private, and non-profit sectors will be significantly affected,

NOW THEREFORE BE IT RESOLVED, that the Northeast MI Council of Government's Board of Directors respectfully requests reinstatement of funds for the Regional Prosperity Initiative.

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

Finance Director James Manko presented the 2019 Salary & Wage Resolution-Non-Union General Employees #18-23-Amendment #2 Fair – Adjustment returning Laborer position from \$11 per hour to \$12 per hour based on experience; Recycling – Adjust returning Laborer position from \$11 per hour to \$12 per hour based on experience and SRR – Multiple position changes. The original Salary & Wage Resolution identified Seasonal Assistant Laborer position in both Recycling and Fair. Amendment states ability to rehire returning employee up to \$12.00 per hour based on experience. The original 2019 Salary & Wage Resolution identified two Dispatcher position for Straits Regional Ride. Due to the increase volume of calls from customer's related current routes and to the expansion of routes in Emmet County, the amendment increases the number of positions to three (3). The amendment also increases the number of Senior Drivers from two (2) up to five (5) as well as increases the Full Time Swing Drivers from one (1) up to two (2). The amendment creates a new Full Time Driver (chauffer) classification for drivers that operate vehicles transporting less than 15 passengers. Drivers in this classification will be trained to obtain a full passenger license to fill available full time drive position. Financial Impact: Fair \$983.35; Recycling \$265.21 and Straits Regional Ride \$26,847.11 to be covered by revenue primary from the Emmet County contract, State and Federal funding.

Motion by Commissioner Newman, seconded by Commissioner Gouine, to adopt Amendment #2 to the 2019 Salary and Wage Resolution – Non-Union General Employee #18-23 to be effective May 15, 2019, authorize any necessary budget adjustments and authorize the Vice-Chairman to sign.

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

Board Matters for Discussion

Commissioner Gouine questioned with the lack of employees being out in the offices of Planning and Zoning and Construction Code has this issue been resolved. Administrator Lawson stated that the Construction Code employee was back from leave and the Planning and Zoning employee was back part-time. An employee who retired last year, came back to help us out with inspections. He stated he has been working with the staff to get the work completed and, hopefully, in the next couple of weeks, things will get back to normal. Commissioner Gouine questioned the amount of applications coming into Planning and Zoning. Administrator Lawson commented that three (3) had been received and put on the agenda for tomorrow. There were also a few others that needed legal review, but he wouldn't say that their volume was down. It was normal volume.

Commissioner Newman commented that he would like to bring the Board up to speed regarding SRR. Mr. Manning was here this morning and made some comments. He wanted the Board to know that the investigation continues to be ongoing with hopes to have a lot of the information wrapped up within the next couple of weeks. Then there would have to be some decisions made and the Board would be kept abreast of what's happening.

Commissioner Gouine commented on the Veteran's Park stating that the brick has been ordered for the arch and the committee was being aggressive in getting this project done.

CITIZENS COMMENTS

Louis Vallance commented on SRR transition and he believed that they need to look at the future. SRR needs to look at combining the SRR facility with a bus stop for the Indian Trail Bus service. Also new bus routes/transfers need to be looked at with the office change. Mr. Vallance suggested looking into renting porta johns for the fairgrounds instead of adding a new facility and keeping up with the maintenance on them.

Administrator Assistant Kathy Morrow reminded the Board of Commissioners of the NLEA luncheon on Friday at Bay Harbor.

BOARD MEMBERS COMMENTS

Commissioner Gouine commented on the possibility of increasing the parking lot for the SRR busses at the new office space. Administrator Lawson stated that the long term financial numbers would need to be looked at. At the Inverness Township Meeting there was discussion held regarding flooding on Foote Road. Brent Shank was going to check into it. Commissioner Warfield stated he would follow up on this with Mr. Shank for a plan of action.

Commissioner Warfield commented that he contacted the Road Commission regarding Rick Martin's issue with ditching on Hebron Mail Route Road. He directed Mr. Martin to contact Mr. Shank from the Road Commission directly and he wanted to compliment the Road Commission on their quick plan of action. Within hours of communication with them, the problem had been resolved. The second situation was on Brady Road in Forest Township and he was continuing with his efforts to start a dialog between the Road Commission and Forest Township. Currently two crews were out ditching at an aggressive pace.

Motion by Commissioner Sangster, seconded by Commissioner Warfield, to adjourn to the call of the Chair. Motion carried with 6 yes, 0 no and 1 absent. Meeting adjourned at 11:17 a.m..

Karen L. Brewster
County Clerk/Register

Richard B. Sangster
Vice Chairperson