

CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
April 12, 2011

The regular meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Vice-Chairperson Pete Redmond at 9:30 a.m.

Roll called and a quorum present.

Present: Commissioners Don Horrocks, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor

Absent: Commissioner Linda Socha (excused)

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

Civil Counsel Bryan Graham requested the addition of a Closed Session regarding an attorney/client memo. Commissioner Wallace requested Item 5B Budget Adjustments be removed from the Consent Agenda and placed under New Business on the regular agenda as Item 12I. Commissioner Matelski requested Item 5A-Monthly Finance be removed from the Consent Agenda and placed under New Business on the regular agenda as Item 12J..

Motion by Commissioner Horrocks, seconded by Commissioner Matelski, to approve the agenda with the above items moved from the Consent Agenda to the regular agenda and with the addition of a Closed Session. Motion carried with 6 yes, 0 no and 1 absent.

Motion by Commissioner Wallace, seconded by Commissioner Redmond, to approve the consent agenda as follows:

- A. ~~Approve Monthly Finance Claims (moved to New Business Item 12J)~~
- B. ~~Budget Adjustments (moved to New Business Item 12I)~~
- C. Correspondence:
 - 1. Cheboygan Life Support Systems Letter Re Land and Building on Bunker Road
 - 2. 2010 Straits Area Services, Inc. Annual Report
 - 3. DNR Response Letter – Cross Country Ski Trail Grooming
 - 4. Public Notice of Proposed 5/3/11 Oil & Gas Lease Auction (Complete list available in Clerk's Office)
 - 5. Cheboygan County Farm Bureau Rural Urban Dinner Invitation
 - 6. Bay County Resolution Regarding Federal Healthcare Reform and Resolution Against State Taxing Senior Pensions
 - 7. Jackson County Resolution Approving Jackson County's Legislative Agenda
 - 8. Livingston County Resolution in Support of 2008 Funding Level of Federal Community Service Block Grant
- D. Minutes:
 - 1. Commissioners Finance/Business Meeting of March 8, 2011 and Committee of the Whole Meeting of March 22, 2011
 - 2. Health Board – 2/15/11
 - 3. North Country Community Mental Health Board – February 10, 2011
 - 4. Northern Michigan Substance Abuse Services Board of Directors – January 10, 2011
 - 5. C.C.E. 9-1-1: Board Minutes of 1/19/11; Director's Report; Monthly Finance Report January 2011; Detailed Financial Reports Available in County Clerk's Office
 - 6. Cheboygan County Fair Board – February 7, 2011 and March 7, 2011
 - 7. Cheboygan County Airport Authority –February 3, 2011
 - 8. Board Appointments & Procedures – March 16, 2011
 - 9. Cheboygan County Road Commission – February 3, 2011, February 17, 2011 and March 3, 2011
 - 10. Cheboygan City Council – February 15, 2011, February 22, 20/11, February 23, 2011, February 24, 2011, March 8, 2011 and March 16, 2011
 - 11. Planning Commission Meeting – March 2, 2011 and March 16, 2011

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

CITIZENS COMMENTS – Rick Kolb asked if the Board was aware of the Construction Code Board of Appeal's meeting last week and if transcripts have been made available to them. He requested the minutes be made available. Administrator Overton said the minutes will be prepared by that office and submitted to the board.

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 February 28, 2011. She reported total year-to-date revenue of \$574,634.13 versus \$419,685.50 last year at this time. Ms. Kortz reported expenditures year-to-date were \$1,414,790.51, or 13.43% of budget, compared to \$1,478,288.12 last year as of the end of February.

ADMINISTRATOR'S REPORT – Administrator Overton brought the state's proposal to close rustic campgrounds to the board's attention. He said he was advised by Representative MacMaster's office that there's a bill that would allow townships or counties to take over ownership of those sites to keep them open.

Motion by Commissioner Horrocks, seconded by Commissioner Gouine, to forward a letter to the Michigan Department of Natural Resources relative to the closure of rustic state parks in our area. Motion carried with 6 yes, 0 no and 0 absent.

Discussion held. Sheriff Clarmont said his department handles the majority, if not all, of patrol and complaints regarding the campground in Grant Township. He said it is a busy campground and would benefit the area to keep it open.

COMMITTEE REPORTS

Commissioner Redmond presented a recommendation from the Board Appointments & Procedures Committee on an appointment to the 2011 Cheboygan County Tax Allocation Board.

Motion by Commissioner Matelski, seconded by Commissioner Wallace, to accept the recommendation from the Board Appointments & Procedures Committee to appoint Alice Mushlock, to the 2011 Cheboygan County Tax Allocation Board for a one year term commencing January 1, 2011 through December 31, 2012. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Redmond attended a M.A.C. worker's comp meeting and reported fund has been doing well with no anticipated increases in costs. He also attended the M.A.C. Legislative Conference, a Fair Board meeting, Benton Township meeting, and a LEPC meeting. He said Benton Township has been discussing building a new fire hall. He said the Board Appointments & Procedures committee was not aware at their recent meeting that Chairperson Socha was named as a member of the County Tax Allocation Board.

Commissioner Horrocks attended the M.A.C. Legislative Conference at reported it is very clear where the governor stands on collaboration of government services. He also reported the City of Cheboygan has hired a new City Manager.

Commissioner Wallace attended meetings of NMSAS, CCE 9-1-1 Board of Directors, Board Appointments & Procedures and the Ambulance Board.

Commissioner Allor also attended the M.A.C. Legislative Conference and agreed that the governor is pushing hard for consolidation. She reported that all of the townships she represents have expressed concern with the talk of a community swimming pool.

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Commissioner Gouine reported attending township meetings, a fair board meeting, a meeting of the airport authority, planning and trail ways meetings. He said the airport still has the tree trimming issue.

Commissioner Matelski attended two planning commission meetings, two road commission meetings, three township meeting, a Board Appointments & Procedures, a 9-1-1 tour, a ZBA meeting and the MTA meeting. He said the road commission has already used 40% of their fuel budget for the year at the end of February because the price is so high; and they can't figure out why they used \$130,000 more worth of salt. It looks like they will have to layoff people because they are still \$200,000 to \$300,000 short.

OLD BUSINESS – None

NEW BUSINESS

Straits Regional Ride Director Mike Couture presented a Specialized Services Operating Assistance Program Third Party Contract 2007-0191/Z17/S1. This is the annual Contract provided by MDOT to assist in paying for the Cheboygan County Council on Aging senior transportation services. The county of Cheboygan functions as the pass through for the specialized transportation services operating assistance monies.

Motion by Commissioner Allor, seconded by Commissioner Horrocks, to approve the Specialized Services Operating Assistance Program, Agreement No. 2007-0191/Z17/S1, between the County of Cheboygan and sub-recipient Cheboygan County Council on Aging, and authorize the Chairperson to sign. Motion carried with 6 yes, 0 no and 1 absent.

Maintenance Director Tim Mason presented a proposed recommendation to terminate the contract with Republic for recycling bin hauling and purchase a truck for that purpose. He said back in December the Board voted to go with Republic for hauling our recycling bins; however, we still do not have a signed copy of the contract from Republic, but they have continued to haul under the old contract which costs the County more. The cost of having Republic transport recycle bins has been going up each year due to the addition of recycling sites, commercial recycling and fuel costs. This has increased the number of bins they are hauling. He said costs are at a point now it would be beneficial to purchase a truck and haul our own bins. The 2011 budget is at a break even point, if cost continues to go up in the future at the same rate as they have in the past we will not be able to balance the budget. Included this proposal are use of drivers from Straits Regional Ride to drive truck when needed; no additional employee would need to be hired. Mr. Mason said by purchasing a new truck and hauling our own bins the County will save approximately \$37,000 per year in transportation cost. At that rate the truck would be paid for in just over three years. If demand and fuel cost continue to rise, the County's savings will too. Lengthy discussion ensued.

Motion by Commissioner Matelski, seconded by Commissioner Horrocks, to terminate the recycling hauling contract with Republic, purchase a truck and approve necessary budget adjustments. A roll call vote was taken. With 5 yes, 1 no (Commissioner Wallace) and 1 absent.

Commissioner Horrocks said he would like to consider looking into relocating the recycling bins to the fair grounds as the truck traffic has been hard on the driveways in the back, plus the bins are not attractive. Commissioner Redmond noted the investment that was put into the area around the bins last year.

Motion by Commissioner Wallace, seconded by Commissioner Allor, to approve two Fair Ground Event Agreements between Cheboygan County and the American Cancer Society Relay for Life for the use of the grandstands on May 22, 2011 and the Quonset barn, midway and two other barns from June 8, 2011 through June 12, 2011 to hold fundraising events. Motion carried with 6 yes, 0 no and 1 absent.

Terry Newton, Director of Harbor Hall, said legislation is coming to take away the county's right to select coordinating agencies, such as NMSAS for residential and detox services, and place that right in the State. Cheboygan County through NMSAS has used Harbor Hall for many years. Commissioner Wallace said the NMSAS Board of Directors is made up of commissioners from the 30 participating counties. NMSAS provided a position paper on integration opportunities in an evolving health care environment.

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Motion by Commissioner Wallace, seconded by Commissioner Matelski, to adopt the following resolution:

RESOLUTION 11-10 NMSAS POSITION STATEMENT

WHEREAS, the Cheboygan County Board of Commissioners is a member of the Northern Michigan Substance Abuse Services (NMSAS), and

WHEREAS, NMSAS is the Coordinating Agency (CA) for the development of treatment and prevention services, technical assistance to communities and provider services related to prevention, out patient, and inpatient services for the abuse of alcohol, drugs, and gambling, and

WHEREAS, the Michigan Department of Public Health (MDCH) plans to eliminate Coordinating Agencies and transfer the administration of substance abuse disorder services into the Prepaid Inpatient Health Plans (PIHP), and

WHEREAS, by law (Public Health Code) counties must approve designation of the CA for their county and MDCH with this action would remove the authority from the county, and

WHEREAS, NMSAS is effectively and efficiently fulfilling its statutory and contractual responsibilities for its clients, and

WHEREAS, the PIHP boundary issues are minimized in the current configuration of the 30 counties served by NMSAS, and

WHEREAS, it is the position of NMSAS that when there comes compelling evidence that the integration of NMSAS into other organizations would result in significant administrative savings and improvement in access to care and enhanced quality of care for clients, NMSAS would actively engage in a process to explore such integration, and

WHEREAS, it is the position of NMSAS that if, despite objective evidence to the contrary, the State of Michigan were to forcibly reassign the NMSAS functions to other organizations, NMSAS would work with these organizations and other community stakeholders to continue the mission of NMSAS to maximize their success in continuing the mission of NMSAS

NOW THEREFORE BE IT RESOLVED, that the Cheboygan County Board of Commissioners, as a county member of the NMSAS Board of Directors, strongly supports the mission and position of the NMSAS Board of Directors and urges careful consideration of the potential for increased cost and reduced service prior to splitting the NMSAS region or altering other elements of the service provided to clients for Cheboygan County.

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

District Court Judge Maria Barton addressed the board regarding personnel changes and provided a detailed outline of those changes. She said with the retirement of Char Kosanke effective May 27, 2011, she plans to reorganize the court staff with a goal of providing efficient public service while saving money for the taxpayers if Cheboygan County,. Judge Barton said her proposed staff changes would result in an annual savings of wage and fringe totaling \$11,766.89.

Motion by Commissioner Horrocks, seconded by Commissioner Wallace, to adopt Amendment #3 to the Cheboygan County 2011 Salary and Wage Resolution, authorize the Chair to sign and approve the associated inter-budget transfer. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Human Resources Director Tim Gengle presented a proposed change in wages for the Building Official position in order to help attract a qualified candidate for this position. The adjustment would bring Cheboygan County within range of the bottom end of comparable wages for building officials in the region. A comparison shows that the average building official wage of our peer counties is \$54,231. The proposed wage would increase from just over \$42,016 to \$47,500. Discussion held.

Motion by Commissioner Wallace, seconded by Commissioner Horrocks, to adopt Amendment #4 to the Cheboygan County 2011 Salary and Wage Resolution, authorize the Chair to sign and approve the associated inter-budget transfer. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Mr. Gengle presented proposed revisions to the following county personnel polices: Legal Services, Donated Leave and Fairgrounds Usage & Fees. He said the proposed changes to the Legal Services Policy reflect revised language proposed by Bryan Graham in response to the County's request that he review the policy which had not been done since its origination on January 14, 2003. Current Donated Leave policy stipulated that employees could voluntarily donate vacation or sick leave to other County

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employees who were disabled due to a non-compensable illness, impairment, injury, or physical or mental condition. The policy change being requested would expand the current language to also allow the donating of vacation or sick leave to an employee who is not disabled themselves but rather is off work due to the disablement, illness, impairment, injury, or physical or mental condition of one of their immediate family members (spouse, child, mother or father). The maximum allowable leave time an employee would be able to receive for an approved event in this scenario would be (30) days. The proposed change to the Fairgrounds Usage & Fees policy reflects revised language (note red type on page 2 of policy, 'Insurance Requirements' section) proposed by Bryan Graham given his recent review of the policy at the request of the Board of Commissioner's.

Motion by Commissioner Matelski, seconded by Commissioner Gouine, to approve revised personnel policies #100-11 Legal Services, #500-2 Donated Leave, and #800-1 Fairgrounds Usage & Fees as presented. Motion carried with 6 yes, 0 no and 1 absent.

Equalization Director Joe Lavender presented the 2011 County Equalization Report. The equalized value for the county has decreased 6.10% from the 2010 equalized values.

Motion by Commissioner Wallace, seconded by Commissioner Matelski, to adopt the 2011 Cheboygan County Equalization Report as submitted reflecting a County Equalized Value of Real Property Value of \$1,656,390,945 and Personal Property of \$46,656,900 for a total 2011 County Equalized Value of \$1,703,047,845 (Copy of the 2011 County Equalization Report on file in the office of the Cheboygan County Clerk/Register). Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Wallace said when the Housing Department was dissolved we were told there would be no costs for administration and the budget adjustment presented seems to go against that. Administrator Overton said this is the administration fees, which we agreed to give them. He said you will see routinely when these are paid; it is not tax dollars.

Motion by Commissioner Matelski, seconded by Commissioner Wallace, to approve the inter-budget transfer of payroll related NEMAH start-up administration fees totaling \$7,300; and to approve Raise Revenues and Expenditures: Fund 211 Community Projects \$300; Fund 266 D.A.R.E. \$1,000; Fund 561 Cheboygan County Fair \$100; and Fund 588 Straits Regional Ride \$1,495. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Matelski questioned payments to the Drain Commissioner. Finance Director Kortz explained the following check #143058 in amount of \$18.50 was to County Clerk for video/audio tape; #143059 in amount of \$30.00 was township meeting; #143060 in amount of \$30.00 was constituent meeting; and #143063 in amount of \$50.00 was deposit for FIOA request totaling \$100.00. Discussion was held.

Motion by Commissioner Matelski, seconded by Commissioner Horrocks to approve the Monthly Finance Claims totaling \$19,378.43 and the Prepays totaling \$668,004. excluding checks #143058, #143059, #143060 and #143063. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

CITIZENS COMMENTS – Scott Swanson of the Straitsland Resorter asked what the Closed Session pertained to. Civil Counsel Bryan Graham it's basically to give legal advice.

BOARD MEMBER COMMENTS – Commissioner Wallace said he distributed the county's health ratings in state. He drew attention to excessive drinking and number of primary care providers with Cheboygan County's ranking being so much higher than the national average. He noted on the good side air pollution in this county.

Commissioner Matelski said the Drain Commissioner has offered to resigned contingent upon a couple of expectations.

Commissioner Allor said she spoke with three individuals from downstate, who spent a couple of days in Cheboygan County and also visited in Alpena and Presque Isle counties. The individuals had nothing good to say about this area. They stated there's nothing but crime and drugs, and not a place to do any investing. She said there were taken around with someone from northern Michigan, and she was very

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frustrated to know these individuals left here with these ideas. Commissioner Horrocks he has heard basically the opposite from visitors in the area, and that people want to come here but transportation access is a negative. Discuss held. Administrator Overton said we could show them just the opposite.

Motion by Commissioner Wallace, seconded by Commissioner Matelski, 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 April 11, 2011, 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 6 yes, 0 no and 1 absent.

Following a short break, entered closed session at 11: 15 a.m. Returned to open session at 12:02 p.m.

Motion by Commissioner Horrocks, seconded by Commissioner Matelski, to continue to require that the Cheboygan County Drain Commissioner Dennis G. Lennox, II fully comply wit the subpoena issued on March 4, 2011 by the chairperson of the Cheboygan County Board of Commissioners and appear as required on Tuesday, April 26, 2011 at 9:45 a.m. to report under oath to the Cheboygan County Board of Commissioners on the subjects connected with his duties as the Cheboygan County Drain Commissioner as specified in the subpoena. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Motion by Commissioner Matelski, seconded by Commissioner Horrocks, to adjourn to the call of the Chair. Meeting adjourned at 12:08 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Pete Redmond
Vice-Chairperson