

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE MEETING
October 26, 2010**

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

Roll called and a quorum present.

PRESENT: Commissioners Socha, Makima, Redmond, Mushlock, Page, Wallace and Bolinger

ABSENT: None

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

Chairperson Socha requested additions to the agenda of Item 6D, HR Director Tim Gengle regarding Health Care Reform and under New Business Item 9C, Mackinac Island Ferry Issue.

Motion by Commissioner Mushlock, seconded by Commissioner Makima, to approve the agenda with the above additions. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS - Kathy Bricker noted that the recycling volunteers are satisfied with the recycling program. She said the expansion of the program this summer was good as well as the reduction from \$24 to \$20 per household. She said recycling volunteers continue to seek additional ways to reach more people and also expand business participation in the program. Ms. Bricker thanked the board for its support.

SCHEDULED VISITORS/DEPARTMENT HEAD REPORTS

Housing Director Shar Grawey presented an update on the Housing Department which included Program Funding & Project History, MSHDA funds, USDA funding, a recap of projects one since 1995, project timeline guidelines, and the administrative net cost to the County. Chairperson Socha said it has never been the intent of this Board to end the housing program, but they have only been looking at other operational possibilities. Administrator Overton said there several potential possibilities of restructuring the housing department with presentations on each to be scheduled at upcoming commissioner meetings. Chairperson Socha said the board is aware there is a need for housing assistance in this county and the board intent is to provide as much grant money as possible and serve as many people as possible. She said any possible change in the housing program would not eliminate local contractors and would still have an office for citizens.

Building Official Kevan Flory presented the 3rd Quarter Report for the Department of Building Safety. The report shows an increase of 99 permits issued in 2010 over 2009, with 2010 revenue up \$6,167.41 through the end of September as compared to 2009 for the same period, however income for the remaining months this year are expect to fall short of last years monthly totals mainly due to the 2009 \$25,000 anomaly in revenue generated from The Brook assisted living facility and some other bigger projects that were included in 2009. Mr. Flory reported the department has continued with closeout of expired permits with the main focus on closing out sub-trade permits linked to building permits that have been approved but were waiting on sub-trade approval to issue the final certificate of occupancy. He said in an effort to prevent current open permits from becoming old expired permits new procedures are nearing completion which will provide efficient tracking and follow-up to ensure deficiencies are corrected, inspected and the permits are close out properly. He also reported a plan review system has been implemented to perform plan reviews using the BS&A permit software which will eliminate a substantial amount of paper work and repetitive actions to provide a time savings over the current process. Discussion held on certificates of occupancy and the importance of property owners being able to obtain permits in a timely fashion. Chairperson Socha said the board is conscious of the obstacles to overcome in getting the work done.

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Recycling Coordinator Dan O' Henley presented a report on the recycling program with comparables from 2008, 2009 and 2010. Figures were provided for each quarter of those three years on the number of bins hauled, processed recyclables by volume yards, processed recyclables by % composition, and processed recyclables by weight in tons. Commissioner Wallace said he would be interested in seeing the cost of the program and other financial figures. Mr. O'Henley said they may have to look at raising commercial fees as there appears there are businesses using recycling without permits. Chairperson Socha said the goal is to maximize recycling without making a profit.

Maintenance Director Tim Mason and Administrator Overton presented for discussion the cost to purchase a recycle bin transport truck. The administrator said this has matter information was sought as a way to reduce costs of hauling as the cost of Republic transport has been going up each year due to additional sites, commercial recycling and increasing interest in the program. He said costs are at a point now that it may be beneficial to purchase a truck at an approximate cost of \$98,000 to haul the bins to the Emmet County Recycling site. Discussion held on the county purchasing a truck and hauling recycling to Emmet County. Administrator Overton said revenue does meet expenses at this time, but over time it will not. Commissioners voiced concern with this change in the recycling program' and directed the administrator to rebid the recycling hauling.

HR Director Tim Gengle spoke regarding National Health Care Reform. He noted that with the upcoming elections things could change dramatically. He reviewed changes that have already taken effect, and pointed out the change for coverage of dependents up to age 26 which took effect on September 23, 2010. He said to date, 7 of the 12 eligible employees for this coverage, have opted for it at a cost to the County of \$34,000. He said he has stayed on top of the health care reform issue, and given the length of time this is spread out, nothing is solid right now and there are a lot of unknowns; but plans a proactive stance rather than reactive. Administrator Overton said we can put this information on the website.

Chairperson Socha read a memo from the Office of Emergency Management regarding the potential for a high wind storm that's scheduled to arrive this afternoon with expected wide spread wind damage.

ADMINISTRATOR'S REPORT - None

NEW BUSINESS

District Coordinator for MSUE Patrick Cudney presented a one year Memorandum of Agreement regarding the refilling of the 4-H program coordinator role position in Cheboygan County. This position is a paraprofessional position within the MSUE structure and is currently vacant in Cheboygan County. This agreement is for one year rather than an open agreement as in the past. He said MSUE is working towards a new standardized memorandum which should be available for discussion in January of 2011. This agreement coincides with the county's fiscal year, it changes the position to a paraprofessional position and changes funding to 100% county funded position rather than a shared funding position. He said with this change it there is a recommended reduction in support staff positions in Cheboygan County. MSUE said they need resources focused on program rather than support staff. Financially the county will realize a savings of approximately \$28,600. Commissioner Page said these programs are very important to the county. Chairperson Socha said civil counsel has reviewed this agreement. Mr. Cudney said the 4-H program coordinator position will be posted locally in December to start in January. Administrator Overton said one of the current two county positions will be eliminated. Mr. Cudney said all other staff in the office are university employees and will be remaining.

Motion by Commissioner Page, seconded by Commissioner Mushlock, to approve the Memorandum of Agreement between Cheboygan County Board of Commissioners and Michigan State University Extension, a one year memorandum, effective January 1, 2011 through December 31, 2011, and authorize the Chairperson to sign. Motion carried with 7 yes, 0 no and 0 absent.

Mr. Knudney said county commissioner training is scheduled for November 23rd in Grayling with a letter to be forthcoming. Materials will be available to the county. Commissioner Page said this training is very helpful and there may be some new commissioners in the audience.

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Chairperson Socha requested approval to waive the confidentiality of attorney-client privilege attached to a memo dated October 6, 2010 from Civil Counsel Bryan Graham regard the Drain Commissioner's Annual Report in order to discuss this matter.

Motion by Commissioner Page, seconded by Commissioner Wallace, to waive the attorney-client privilege attached to the memo from the County's Civil Counsel dated October 6, 2010 regarding the Drain Commissioner's annual report. A roll call was taken. Motion carried with 7 yes, 0 no and 0 absent.

Chairperson Socha pointed out that all references to MCL 380.31 in the memo should read 280.31. Commissioner Page said he has concerns and questions regarding the statement that the Drain Commissioner will start maintenance on these 15 existing county drains, where are these drains, who are the effected property owners, and if they have been abandoned for 60 years or more why do we need action now?

Motion by Commissioner Mushlock, seconded by Commissioner Makima, to accept annual report of the Cheboygan County Drain Commissioner dated October 1, 2010 as submitted, although that report did not contain a full financial statement of each drainage district and did not include a debt and credit balance of the district fund for each drainage district, as required by Section 31 of the Drain Code of 1956, MCL 280.31. Discussion, Chairperson Socha noted that the requirement by law is that the Drain Commissioner submits an annual report, but it is to the Board of Commissioners, not to everyone. A roll call vote was taken. Motion carried with 7yes, 0 no and 0 absent.

Chairperson Socha directed the clerk to attach any correspondence on this matter to the minutes of this meeting. Discussion held on assessment of drainage fees. She said the Drain Commissioner office is autonomous and the board has no control over the office other than fiduciary matters.

Chairperson Socha provided copies of a letter from Emmet County to Mackinac Island City Council regarding the Mackinac Island Ferry Boat Issue. She suggested the Board direct the administrator to draft a letter to the City Council stressing concern with the economic impact this would have on the whole region.

Motion by Commissioner Wallace, seconded by Commissioner Makima, to direct the Administrator to draft a letter on Board letterhead to be signed by the Board Chair on behalf of the Board to the Mackinac Island City Council expressing concerns with the Mackinac Island Ferry Service issue. Motion carried with 7 yes, 0 no and 0 absent.

Discussion held, Chairperson Socha said the island's concern is that none of the ferries going to the island are filled; the dock now is owned by the company that bought Arnold Line; the island is concerned with ferry service during the off season as it is not profitable to run ice-to-ice and island residents are concerned. She said the Board's letter should only focus on economics.

Motion by Commissioner Wallace, seconded by Commissioner Redmond, to go into closed session pursuant to Section 8(c) of the Open Meetings Act, being MCL 15.268(c), for the purpose of a strategy session connected with the negotiations of a collective bargaining agreements as authorized by Section 8(c) of the Open Meetings Act, being MCL 15.268(c). A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Adjourned to closed session at 12:00 p.m.; returned to open session at 1:00 p.m., following a short break for lunch.

BOARD MATTERS FOR DISCUSSION

In the last review of the budget Ms. Kortz said the Clerk/Register's budget was skipped over. Clerk/Register Mary Ellen Tryban addressed the proposed elimination of one of the two positions in the Register of Deeds area of her office. She presented rationale as to why this position should not be eliminated as well staff numbers for comparable counties, and plans to expand the online access to property records. Lengthy discussion held on this position. Chairperson Socha asked the

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administrator where some of the other proposed cuts that disappeared went; and stated the need to have some idea where health insurance costs are going prior to acting on this budget. She said she would not support any personnel cuts without detailed, substantial rationale on the cuts. The consensus of the board was the position in the Register of Deeds will not be eliminated.

Lengthy discussion held on the process that was used to reduce departmental budgets.

Finance Director Kortz said the budget review would commence where the discussion ended at the last meeting. The review and explanations of the budget continued.

Pg. 43 - Stonegarden Grant – have not received dollar amount awarded

Pg. 47 - Jail Food Budget over budget approx \$40,000 this year; will leave 2011 with conservative number as issue that caused 2010 shortage has been eliminated

Pg. 53 – have not received final numbers from District 4 Health Dept.

Pg. 55 – Medical Examiner - \$7200 changed to \$8400 with approve wage increase; autopsies are just an approx.

Pg. 60 – MSUE fringe reduce by 12,558; full time reduced by \$27,155 based on earlier discussion today

Pg. 65 – Appropriations to Other Funds – Jaws of Life will go back up to \$3,500 per year with memo going out; GED program will not be funded; Drug Court budget not final but maximum same as 2010; DARE eliminated 1200 because does not take

Pg. 82 & 83 – have not received grant amount

Pg. 87 Road Commission – waiting for millage proposal approval will change based on election

Pg. 104 – Recycling – Transportation and processing lines looked substantially short; now have repaid and on plus side, no subsidy from general fund; still need to get hauling bids

Pg. 106-109 – CCE 9-1-1 will be finalized at next CCE meeting

Chairperson Socha OEM budget is not set yet either.

Pg 131 Law Library – eliminated Law Librarian 1200 savings; discussed hard copies for law library all available online – Sheriff have to allow inmates access – additional license and monitoring of computer access would have to be considered

Pg. 154 Revenue Sharing Reserve – number has not been published yet

Pg. 156 Cheboygan Social Services – lowered to \$16,000 from \$24,000 because never spent the entire budgeted amount

Childcare fund is never done until December, numbers may change a little

Pg. 170 – Soldiers Sailors Relief – VA Counselor agreed to \$5,000 which had been \$10,000

Pg. 175 COA Special Services – will be \$25,000

Commission Makima presented a proposed new fee schedules for the Food Service Program and Water Program from District Health Department #4. He said the Health Department plans on implementing these fees for 2011 and requested presentation of the proposed fees to each Board of Commissioners in the district. Discussion held.

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Motion by Commissioner Makima, seconded by Commissioner Bolinger, to relay to District #4 Health Board that the Cheboygan County Board of Commissioners wishes no fee increases for 2011. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Overton said the MERS Retiree Benefit “E” which has been approved for the last several years was received. He said if approved this year it would cost the County \$51,448. He asked if the Board want this resolution to be presented this year for approval. The consensus was this cannot be done this year due to revenue shortfalls.

Chris Bednark, a remodeling contractor, from Presque Isle County addressed the regarding the Cheboygan County Housing Department issue. He said he was surprised that the county is considering eliminating the position of county housing director and utilizing a non-profit management system. He said Presque Isle County had problems the first non-profit management group they contracted with for housing, and now has NEMAH. He said the communication within the Presque Isle County program is slow. Mr. Bednark stated that Cheboygan County Housing Director Shar Grawey runs the program very well and he would be happy to give a more detailed perspective if necessary.

Pg. 183 Court House Preservation – spending of fund equity will be built into the budget

Pg. 189 County Marina – This budget presented is \$15,000 short and Waterways Commission agrees with eliminating seasonal – Commissioner Redmond said these were discussed at length by the committee and essentially the harbormaster was the one to make these decisions; hoping state will change the zone of the marina which would make dockage rates more competitive

Pg. 198 Fair – see note also requests of increase for Treasurer and President(?) 2:35 p.m.; eliminated \$600 in directors’ salaries due to decrease in number of director’s

Chairperson Socha questioned on Pg. 23 why cell phone costs have increased so much – Ms. Kortz said 2008 was not the full year so it appears to be high.

Ms. Kortz said she will update the budget with all the changes discussed and get it out early in November. Chairperson Socha suggested waiting until closer to the middle of November. Commissioner Mushlock suggested the report only include department totals to conserve on the amount of paper.

Discussion held on changing the November Committee of the Whole Meeting to November 30, 2010 rather than on November 23 since Administrator Overton will be on vacation then. Housing proposal presentations are to be scheduled for the Nov. 9th meeting.

Chairperson Socha asked if the county has been paying LEIN fees to State, Ms. Kortz said no. Chairperson Socha said need to study this more as it may cost more in the end if they are not paid; MAC is recommending counties pay.

Commissioner Page said he attended the local tea party meeting last week and discussed the budget shortfalls. The group presented the following recommendations: privatizing the fair and fair grounds; county employees did not need family health coverage; and people in rural areas don’t need broadband because they choose to live there.

Commissioner Redmond commented on the millage allocation proposal and the need to explain this better to the public. Clerk Tryban said she wrote an explanation of the proposal and it is posted on the county’s website. Commissioner Page said he wrote a letter to editor advocating both proposals. Chairperson Socha wished all luck in the election next week.

Commissioner Mushlock requested Ms. Kortz include the proposed savings in health insurance by changing plans. Administrator Overton said he came up with a \$275,000 shortfall before this meeting started assuming the change in health insurance. This included using \$300,000 health insurance savings, a \$75,000 housing savings, staff change savings of \$30,000.

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Commissioner Bolinger said two counties in thumb area share a manager for the road commissions.

Motion by Commissioner Wallace, seconded by Commissioner Redmond, to adjourn to the call of the Chair. Meeting adjourned at 3:00 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson