

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE BUSINESS MEETING
AUGUST 9, 2016**

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

Roll called and a quorum present.

Present: Commissioners Chris Brown, Bruce Gauthier, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor

Absent: None

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

Commissioner Allor requested to pull Item 5-A *Approve Monthly Finance Claims* from the Consent Agenda. Commissioner Redmond placed item under New Business E.

Motion by Commissioner Allor, seconded by Commissioner Brown, to approve the agenda as amended. Motion carried with 7 yes, 0 no and 0 absent.

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

- A. ~~Approve Monthly Finance Claim~~ (*Moved to New Business, Item E*)
- B. Budget Adjustments
- C. Investment Report
- D. Fairgrounds Usage Agreement – Boy Scouts from Clio, MI
- E. Straits Regional Ride COP-ESD Regular School Contract 2016-2017 School Year
- F. Northern Michigan Independent Drug Screening LLC – Drug Court Contract
- G. Correspondence
 - 1. Letters Regarding DNR Request to Purchase Black River Marina (February & March 2016)
 - 2. Letters Regarding DNR Request to Purchase Black River Marina (August 2016)
 - 3. Allegan County Resolution Supporting SB 39
 - 4. Antrim County Resolution Regarding Dark Stores/Michigan Tax Tribunal
 - 5. NEMCOG Project Review – Notice of Intent by Northeast Michigan Community Services Agency (NEMCSA)
 - 6. NEMCOG Regional Project Review July 2016
- H. Minutes
 - 1. Finance/Business Meeting of June 14, 2016
 - 2. Health Board – 6/21/16
 - 3. NEMCOG – 6/16/16
 - 4. North Country Community Mental Health – 6/16/16
 - 5. Cheboygan County Road Commission – 7/7/16 & 7/21/16
 - 6. Cheboygan City Council – 6/28/16 & 7/12/16
 - 7. Planning Commission Meeting – 6/15/16 & 7/6/16

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

CITIZENS COMMENTS

John Kurczewski, a citizen of Tuscarora Township, noted that at the last meeting he addressed the Board regarding a resolution of support for Representative Chatfield's co-sponsored utility choice bill; a bill allowing utility customers to keep their analog meters. Mr. Kurczewski stated that Consumers Energy wouldn't have to worry about a small number of customers that would choose to keep their analog meters

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and that the cost to keep the meters is born on the customers who choose to keep them and pay to have the analog meters serviced and read.

Joseph Chimner, a citizen of the City of Cheboygan, stated that it was not his choice to go “off the grid” but that he was forced to and that his significant other has seen vast improvements in her health because they terminated their source of electricity. Mr. Chimner stated that he hopes the Board votes to support people’s choice bill.

Jamie Chimner, a citizen of the City of Cheboygan, stated that she needs an analog meter and she stated that it has been said that by 2018 a lot more people will have the health issues that she has. Ms. Chimner stated that she wants to remind everyone that the proposed resolution is in support of Representative Chatfield’s co-sponsored bill.

Dennis McKee, a representative from Consumers Energy, presented himself to the Board as available for questions. Mr. McKee stated that analog meters are older technology which makes them more susceptible to theft and fraud.

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 June 30, 2016. She reported total year-to-date revenue of \$2,113,405.83, or 17.71% of budget, compared to \$2,270,807.78, or 19.35% of budget last year at the same time. Ms. Kortz reported expenditures year-to-date of \$5,125,593.47 or 42.94% of budget, compared to \$4,909,116.97, or 41.82%, last year as of the end June. Finance Director Kari Kortz presented the Cash Summary by Fund Report for June 2016 and the Quarterly Fund Balance Report as of June 30, 2016.

ADMINISTRATOR’S REPORT

Administrator Lawson said the Tri-County Office of Emergency Management staff are meeting next Tuesday at 7:00 PM in the Cheboygan County Building to accommodate any member of the public that would like to offer comment on the local Hazard Mitigation plan. Mr. Lawson stated that the public can review the plan online.

Administrator Lawson stated the Rotary Club is no longer utilizing their building at the Fairgrounds; but the Rotary Club owns the contents of the building including the refrigeration, freezers and fryers in the kitchen area and offered to sell those contents at a cost of \$2,000 to the County. He said that he has provided the authorization to purchase the contents of the building to the Board to maintain the use of the building for organizations to use in the future. Commissioner Gouine commented that he looked at the equipment when he was at the Fairgrounds and that Administrator Lawson should take a look at the equipment again before the County purchases it. Administrator Lawson stated he has had the equipment looked at and the offer to the Rotary Club is \$2000 but that he will take a look again if the Board would like him to. Commissioner Matelski asked what groups would be permitted to utilize the building and the equipment. Mr. Lawson said it would be set up for a group to use as a restaurant again. Commissioner Redmond stated it could be available to non-profit or church groups. The Board consensus was to move forward and purchase the equipment.

Administrator Lawson stated that he has received notification that the State Grant funding for the replacement of fuel tanks and a portion of docking area at County Marina, in the amount of \$400,000 has been tentatively awarded to the County for allocation in 2018 and that a Grant Agreement will be provided by the State in November of 2017.

COMMITTEE REPORTS

Commissioner Gauthier attended an NLEA meeting and an NLEA presentation to the City Council, a City Council meeting, a Port Commission meeting, a Trails meeting and a monthly NEMCSA meeting.

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Commissioner Gouine attended an Airport Authority meeting and an Inverness Township meeting.

Commissioner Matelski attended two Planning Commission meetings, a ZBA meeting, a Waterways Commission meeting, an Aloha Township meeting, a Grant Township meeting, two Road Commission meetings, a DNR meeting regarding the Black Lake Marina and a MTA meeting.

Commissioner Brown attended several township meetings.

Commissioner Wallace attended a Cheboygan Life Support Ambulance meeting.

Commissioner Allor attended a Nunda Township meeting, an Ellis Township meeting, a Community Mental Health meeting, a LEPC meeting, and an Area Agency on Aging meeting.

Commissioner Redmond commented that there are currently two openings on the Board for the Economic Development Corporation. Commissioner Redmond stated there are two individuals that he would like to appoint to the EDC. Commissioner Redmond recommended appointing Stephen Wood and Linda Rogers to the EDC.

Motion by Commissioner Matelski, seconded by Commissioner Gauthier to appoint Stephen Wood to the County Economic Development Corporation to serve a term commencing today, August 9, 2016 through September 30, 2022, and also to appoint Linda Rogers to the County Economic Development Corporation to serve a term commencing today, August 9, 2016 through September 30, 2021, and also to appoint Commissioner Chris Brown to serve the remainder of the County Economic Development Corporation Director Steve Schnell's term until September 30, 2017. Discussion was held. Motion carried with 7 yes, 0 no and 0 absent. Administrator Lawson stated that the first meeting of the EDC probably will be scheduled for some time in September.

Commissioner Redmond attended a Waterways meeting, a District No. 4 Health Board meeting and District No. 4 Executive Health Board meeting regarding future planning, an Office of Emergency Management meeting, a Waterways Commission meeting, a Straits Regional ride meeting, and an LEPC meeting.

OLD BUSINESS

Commissioner Redmond presented Resolution 16-16 Digital Advanced Meter Installation; a resolution supporting House Bill 4916 which provides utility customers the ability to opt out of smart meter installation without penalty or monthly fees. Commissioner Redmond stated that the Board has received a significant amount of input from concerned citizens, reports, Consumers Energy and articles and that the Board requested for Administrator Lawson to draft a resolution based on the House Bill that has been introduced by Representative Lee Chatfield.

Commissioner Gauthier requested that the motion be read to the audience. Clerk MaryEllen Tryban read the motion into the record as follows:

Resolution 16-16

WHEREAS, Some utility companies supplying service to Cheboygan County residents have deployed digital advanced meter infrastructure to be henceforth known in this resolution as "smart meters";
and

WHEREAS, Utility companies desire these upgrades as a means of providing energy more efficiently; and,

WHEREAS, the Michigan Public Service Commission (MPSC) is the state government agency responsible for regulating services provided by investor-owned natural gas, electric and telephone utilities, and rural electric cooperatives in Michigan, and has issued several orders and documents regarding "advanced metering" authorizing their use while enumerating their benefits and minimizing any risk and,

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WHEREAS, several residents have expressed concerns to the governing and administrative bodies of the County regarding such meters; and,

WHEREAS, there has been concern expressed by some residential electric customers that smart meters are intrusive into their energy usage, and further question the security and usage of this information; and,

WHEREAS, some residential electric customers have concerns that smart meters may be negatively affecting their health; and,

WHEREAS, Michigan House Bill 4916 written to address the above mentioned concerns regarding smart meters, has been forwarded to the Committee on Energy Policy; and,

WHEREAS, the Cheboygan County Board of Commissioners recognize the advantages of the utilities smart meter deployment while also remaining sensitive to our residents' concerns, and

NOW THEREFORE, BE IT RESOLVED that Cheboygan County Board of Commissioners hereby supports the concepts of HB 4916 which allows customers to opt out of the smart meter program on their home without financial penalties or incurring monthly charges if the customer reads their own meter; and,

BE IT FURTHER RESOLVED that the Cheboygan County Board of Commissioners calls on the Committee on Energy Policy, and the Michigan Public Service Commission to undertake all regulatory procedures needed to investigate all the aforementioned concerns for the health and welfare of our citizens; and

BE IT FURTHER RESOLVED, that a copy of this Resolution be forwarded to Governor Rick Snyder, State Representative Lee Chatfield, State Representative Peter Pettalia, Senator Wayne Schmidt, and the Michigan Associations of Counties

Motion by Commissioner Gauthier, seconded by Commissioner Allor to approve Resolution 16-16; a resolution of support for House Bill 4916 which provides utility customers the ability to opt out of smart meter installation without penalty or monthly fees. Discussion was held regarding the status of the House Bill, comments on governmental input regarding utility company technology, and comments on the purpose of the digital meters to the electric companies. A roll call vote was taken. Motion failed with 2 yes (Commissioners Gauthier and Allor), 5 no and 0 absent.

NEW BUSINESS

Keith Cheli presented Resolution 16-17; a resolution that would support the DNR to receive grant money from the Michigan Natural Resources Trust Fund for the acquisition of a 4-acre parcel on the Black River known as the Black River Marina and the development of a boat launch. Mr. Cheli stated that there are no financial obligations imputed onto Cheboygan County for Resolution 16-17. Commissioner Redmond asked Mr. Cheli to address the site concept for a boat washing station. Mr. Cheli stated that in July there was a stakeholder-type meeting to have an open forum and dialogue for representative and property owners where questions like this were addressed. Mr. Cheli stated that there are several options including a mobile boat washing station. Commissioner Redmond asked how large of a boat may be launched at the potentially new boat launch. Mr. Cheli stated that it may be up to 26-foot boats. Discussion was held.

Resolution 16-17 reads as follows:

Resolution 16-17

WHEREAS, Cheboygan County Board of Commissioners supports the Department of Natural Resources (DNR) submission of an application titled, "Black River Marina" to the Michigan Natural Resources Trust Fund for acquisition of a 4 acre parcel known as the Black River Marina; and,

WHEREAS, the location of the proposed project is within the jurisdiction of Cheboygan County; and,

WHEREAS, with this resolution of support it is acknowledged that Cheboygan County is not committing to any obligations; financial or otherwise.

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NOW THEREFORE, BE IT RESOLVED that Cheboygan County hereby supports submission of a Michigan Natural Resources Trust Fund Application for the proposed acquisition of the 4 acre Black River Marina parcel by the DNR.

Motion by Commissioner Brown, seconded by Commissioner Gauthier to adopt Resolution 16-17 which would support the DNR to receive grant money from the Michigan Natural Resources Trust Fund for the acquisition of a 4-acre parcel on the Black River known as the Black River Marina and the development of a boat launch. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Straits Regional Ride Director Mike Couture presented Straits Regional Ride MDOT Contract 2012-0061/P14 – Section 5339 – Bus Formula Program.

Motion by Commissioner Gouine, supported by Commissioner Matelski to approve MDOT Contract 2012-0061/P14-FY 2016 Section 5339 Bus Formula Program and authorize the Chairperson to sign the contract and also authorize the Finance Director to make the necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented the Carpet Bid Award for the DHHS Building.

Motion by Commissioner Matelski, seconded by Commissioner Gouine to approve the bid in the amount of \$37,022.70 with Bartlett's Home Interiors which covers the removal of the existing carpet and laying new carpet in the DHHS Building. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson presented Policy Revision 500-38 regarding the residency standards of County employees based on state law.

Motion by Commissioner Matelski, seconded by Commissioner Wallace to approve Policy 500-38 Residency and authorize the Chairperson to sign. A roll call vote was taken. Motion was carried with 7 yes, 0 no and 0 absent.

Commissioner Allor addressed the Monthly Finance Claims regarding two checks (Check #166746 and Check #166949) issued from the Veteran's Trust Fund which are presented as being for "overdue rent" and "overdue mortgage". Finance Director Kortz stated that the checks were issued for two different people and that the state perimeters for the Veteran's Trust Fund allow the County to issue funds to veterans up to \$1500. Commissioner Allor addressed a series of checks (beginning with check #166988) which are presented as being for Straits Regional Ride bus expenses. Finance Director Kortz stated that there has been significant engine maintenance on the buses this year. Discussion was held.

Motion by Commissioner Allor, seconded by Commissioner Wallace to approve the monthly finance claims. Finance = none reported for June 2016 and Prepaids = \$1,090,373.40. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS

Carl Muscott, a citizen of Tuscarora Township, addressed the Board regarding their procedure for amending a County Policy. He stated that there should be an old policy with language that is stricken out or new language added to the old policy show how the policy is being amended. He said the land pursued by the DNR in their land acquisition application this morning should be offered to the Cheboygan Yacht Club for purchase.

Jaime Chimner, a citizen of the City of Cheboygan, addressed the Board to state that she was not surprised that the resolution of support for the citizens' choice for analog meters did not pass because Mr. McKee from Consumers Energy was present at the meeting. Ms. Chimner stated she is very disappointed in the Board.

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John Kurczewski, a citizen of Tuscarora Township, thanked the Board for considering the resolution of support for the citizens' choice for analog meters. Mr. Kurczewski stated that he is very disappointed in the Board's resolve to not support the resolution.

Joseph Chimner, a citizen of the City of Cheboygan, affirmed comments made by citizen John Kurczewski and stated that Smart Meters are not going to save money.

Dennis McKee, a representative from Consumers Energy, thanked the Board for allowing him to be present for questions and for allowing Consumers Energy to be available for the Board's deliberation of the citizens' choice for analog meter issue.

Julie Makimma, a citizen of Inverness Township, addressed the Board regarding the lack of information available for the Separate Tax Limitation Proposal that was up for election on August 2, 2016. Ms. Makimma asserted that the language of the proposal was not available statewide or on the county website and that she was not provided with the proper information to make an informed decision as a voter regarding the proposal.

BOARD MEMBER COMMENTS

Commissioner brown commented about the unaffordability of healthcare and in response to the results of today's meeting is that he views his responsibility as a public servant is to analyze both sides of the issue and to represent the majority of the citizens of the County.

Commissioner Wallace congratulated Commissioner Sue Allor on her victory in the August 2, 2016 Primary Election.

Commissioner Gauthier stated that he views that he represents everyone in his District not just the majority and that libraries are not overfunded.

Commissioner Allor thanked Julie Makimma for the information she provided to the Board.

Motion by Commissioner Matelski, seconded by Commissioner Gauthier, to adjourn to the call of the Chairperson. Meeting adjourned at 11:54 AM.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Peter Redmond
Chairperson