

**Cheboygan County Board of Commissioners
Committee of the Whole Meeting
March 27, 2018**

The Committee of the Whole meeting of the Cheboygan County Board of Commissioners was called to order in the Commissioners Room by Chairperson John Wallace at 9:30 a.m.

Roll called and a quorum present.

PRESENT: Commissioners Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski, John Wallace and Robert Bolinger.

ABSENT: Commissioner Karen Johnson (Excused)

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

Motion by Commissioner Sangster, seconded by Commissioner Gouine, to approve the agenda with the addition under "New Business - F. Inverness Townships Request for the Commercial Rehabilitation District". Motion carried with 6 yes, 0 no and 1 absent.

CITIZENS COMMENTS

Chuck Beckwith citizen of Benton Township and MTA Chair commented on the articles in the newspaper, which referenced Meijer Project negotiations between the Cheboygan County, Inverness Township and the City of Cheboygan and requested a continuance of negotiations for the betterment of Cheboygan County. Mr. Beckwith commented on an item on the agenda regarding the road millage stating it was a positive thing for Cheboygan County and he would like the Board to look favorably on this as it would be a big asset.

SCHEDULED VISITORS/DEPARTMENT REPORTS

Sheriff Dale Clarmont presented the history of the incident on December 5, 2017, which Deputy Runstrom responded to. Sheriff Clarmont introduced civilian Charles Woollard and Scott Doherty who was at the scene of the accident. A Civilian Life Saving Award was presented to Mr. Woollard and Mr. Doherty and a Cheboygan County Life Saving Award was presented to Deputy Jeremy Runstrom by Undersheriff Tim Cook and Sheriff Dale Clarmont. Deputy Runstrom thanked Charles Woollard and Scott Doherty for being there to assist him in this action and the victim and his family for being there today.

Cheboygan County Road Commission Engineer and Manager Bret Shank gave a power point presentation on the Cheboygan County Road Commission Road Millage. Mr. Shank stated in 2014, the county's primary road system, along with even the local road system was in pretty poor conditions. For years the county road commission has been rating the roads in the county on a scale of one to 10. Anything below a four (4) was considered poor. In 2014, the average road in the county was rated at a 3.78 on this scale on a paved, primary road. With several years of inadequate funding from the state starting in 2004 led to the decline in the road quality because the road commissions did not have the proper funding to repair the roads. He stated in the fall of 2014, the voters passed a one (1) mill tax to fix the primary roads with a list of roads attached to that millage request as follows: a section of Riggsville Road; Levering Road; East Mullett Lake Road; two (2) sections of South Straits Highway; Mullett-Burt Road and Townline Road and Orchard Beach Road would finish out the four (4) year millage work to be done. He

stated to finish out the millage, with almost \$183,000 from bid saving, they plan on working on a section of Twin Lakes Road, near the Dirty Duck. The Road Commission was going to put a bunch of their money into it also, to complete a road segment so as to not be leaving in the middle of it between intersections. It has become clear that money raised from the millage and spent on roads has had a big impact on the roads throughout the county. The average road rating had started to have an upwards trend. He stated that the county has about 133 miles of primary roads. The road projects were typically between a mile and a half and two miles of road at a time. This was going to be a slow road to recovery for them, but so far the money that has been invested has actually had a fairly quick impact on the road ratings. To date, the Road Commission has collected about \$4.7 million through the millage. The total cost of expenditures for road repairs done equals just under \$5 million and they may go over with the projects this year. The Cheboygan County Road Commission wanted to return every bit of the money voters gave them to spend, plus a little extra, completing roads to their expectations. A total of 10 projects were completed through the millage fund, including two (2) additional projects which were done through good bid savings and good project management. The Cheboygan County Road Commission would be asking for a renewal of the millage in the 2018 Primary Election. A new list of roads has been developed as part of a five (5) year plan for Primary Road improvement to begin in 2019 as follows: a portion of Mann Road and a piece of South Straits Highway again down in Indian River; in 2020, a piece of East Burt Lake Road to Birchwood, in conjunction with Burt Township's next phase of their bike trail project and a section of VFW Road, from Riggsville Road to South Straits Highway; in 2021, a section of South River Road, from Walsh Road to Black River Road, which would also be done with federal aid, increased fuel tax revenue and registration money and in 2022, a piece of Riggsville Road, a piece of Topinabee Mail Route and a piece of Black River Road from Butler Road to Meyer Pit Road. Asset Management was also used to try to spend their money wisely while getting the most return with the roads and projects they spend their money on. This was also how the road commission spent their federal aid funding. Once the work was done on these roads, they would be a Class A road and would not need any maintenance for approximately 25 years. Commissioner Sangster questioned what amount of money the fuel tax brought in. Mr. Shank stated that they should see approximately a \$3 million increase in the road commission's budget by 2021. It should almost double the budget from 2014.

Commissioner Gouine questioned the timeline of the specs being used on the roads. Mr. Shank stated that the road commission had a 25 year design life on the pavement, with the pavement projects being designed the same way as the federal aid roads. The road commission could spec the asphalt for a longer life, but if they use proper preventative maintenance on them, then they would get that long life where they wouldn't have to tear them back up and repave. They could start with crack sealing and move on to either seal coating or ultrathin overlays to add life back to those pavements. This was part of their asset management principles.

ADMINISTRATOR'S REPORT

Administrator Jeff Lawson reported on information regarding Black Lake Water Levels. He stated that the Drain Commissioner has been communicating with property owners, lake association members and the owner of the Alverno Dam (BRLP) over the past year concerning the 1964 court designated lake levels assigned to Black Lake and the seasonal high water and flooding that has occurred in the spring over the years. Black Lake property owners/associations have also been communicating with the owner of the Alverno Dam to take measures to try and mitigate high water levels that occur in the spring while adhering to the court order lake levels. A study conducted in 1965 identified that the Smith Rapids located approximately half way between the Alverno Dam and Black Lake restricts the ability of the dam

to control lake levels when inflow of water into the lake increases greater than 900 cfs. Both the lake associations and the owners of the dam believe that a new hydraulic study needs to be completed to review the 1965 study and again in the 1980's and review current factors to confirm the impact that the Smith Rapids has on the dam's ability to control lake levels as well as identify best practices within the watershed above the Dam to control lake levels in the future to reduce high water levels and flooding. The Army Corps of Engineers has grant funding under the Small Flood Risk Management Project Program up to \$100,000 per project to complete this type of study. The grant required that the State or County be the grant administrator and recipient. The dam owner and lake associates would like to request that the County apply for the grant and be the grant administrator and recipient to complete the study. The Drain Commissioner reviewed this topic as part of his October annual report to the Board and would have a notice of intent to apply for grant funding for the April 10, 2018 meeting packet for the Boards consideration to pursue the study.

Commissioner Sangster asked who would have the rights to determine the control of the water level. Mr. Lawson stated if the study confirmed that the Smith Rapids has been the cause of the issue with the water levels, there were only a few options of how to alter that area, including the removal of rock, to help more water flow through the area, to allow the dam to have any sort of effect. That would require federal approval to actually dredge the river. The study would either prove or disapprove this claim. If the dam were to become more of a control mechanism, as the owner of the dam was stating, according to the original court orders, the county should look at whether they would accept ownership of the dam. Mr. Lawson stated that this was not practical. The main issue was to confirm if Smith Rapids was the issue based on the information obtained in the past studies and the new study. Also the technology has changed since the first studies were done and the ways the restrictions were measured have become more advanced. The mission now was to pursue the federal funding and see if the county could receive these funds. If not, the county would have to look at other avenues for funding this study, which would be a policy decision.

OLD BUSINESS - None

NEW BUSINESS

Administrator Jeff Lawson presented the Marina Commercial Slip Use - Nautical North Family Ventures. He stated that Nautical North Family Ventures was requesting to operate a glass bottom boat tour from the Marina for the 2018 season. This required a review and approval from the State of Michigan Waterways Commission to permit this use within the Marina. The State Waterways Meeting was scheduled for April 25, 2018. This request must be submitted as soon as possible. This request has been supported by the Cheboygan County Waterways Commission and was recommending approval of the Board of Commissioners. Mrs. Robydek was present to answer any questions. Discussion was held regarding the rate.

Motion by Commissioner Sangster, seconded by Commissioner Gouine to submit to the Michigan Waterways Commission to request operation of the glass bottom boat tour by Nautical North Family Ventures for the 2018 season and approve the use of a Marina Commercial Slip. A roll call vote was taken. Motion carried 6 yes, 0 no and 1 absent.

Administrator Jeff Lawson presented the Fairground Event Agreement - Cheboygan County Firefighters Association. He stated the Cheboygan County Fire Association would like to use the Fairgrounds Midway area for firefighter training on April 7, 2018. All of the participants would be required to sign a waiver of liability form. Each of the firefighters was covered by liability

insurance and workman's comp of the sponsoring fire agency. Discussion was held regarding the materials being used. Coordinator Charles Beckwith stated a live burn facility would be coming up from Oakland County, contained in a trailer. There was no retardant or any water that was going to be used and there would be no contamination.

Motion by Commissioner Gouine, seconded by Commissioner Bolinger to approve the Fairground Event Agreement with the Cheboygan County Firefighters Association as presented, authorize the Chair to sign and also approve Administrator Lawson's request to approve this request in the future without this being brought before the Board. A roll call vote was taken. Motion approved 6 yes, 0 no and 1 absent.

Finance Director James Manko gave an update on a budget adjustment – Sheriff Department. He stated on March 1, 2018, the Sheriff's Department received a Medical Marijuana Operation and Oversight Grant award from the State of Michigan, Bureau of Professional Licensing to be used for education, communication and enforcement of the Michigan Medical Marijuana Act. Sheriff Clarmont reminds the Board that this grant was 100% funded by the State. This grant was not included in the original budget as it wasn't applied for until after December 12, 2017 under the Sheriff's signature. Mr. Manko stated that the Sheriff's department wanted to order supplies with the funding prior to the next Board of Commissioners meeting of April 10, 2018, so that was why this budget adjustment was being presented today. This has been approved in the past and was a fairly routine thing. This grant was 100% reimbursable – no local match was required. This budget adjustment raises the State Grant revenue line item and Equipment – New Expenditure line item by \$6,314.

Sheriff Dale Clarmont stated that the department intended on replacing some of the weaponry, the older weapons that the department had with this grant. It was 100% funded through the state.

Motion by Commissioner Newman, seconded by Commissioner Matelski to approve the budget adjustment as presented to raise revenue and expenditures by \$6,314. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Administrator Jeff Lawson presented the AIA Contracts with Kujawa Construction, Inc. and BCI Construction, LLC – Jail Project/Storage Building. He stated that the requests for bids were received for the completion of the jail addition construction and storage building construction. Three (3) bids were received for the jail addition and five (5) bids for the storage building portion of the project. After review by the architect of bid information and company qualifications, it was recommended by the architect that the Jail Addition project be awarded to the low bidder, BCI Construction, LLC of Grand Rapids, MI and the Storage Building project be awarded to the low bidder, Kujawa Construction, Inc. of Gould City, MI. The Board of Commissioners awarded the bids as recommended to Kujawa Construction, Inc. and BCI Construction, LLC at the March 13, 2018 meeting. The recommendation was to approve the AIA Contract Agreements with Kujawa Construction, Inc. and BCI Construction, LLC to complete these projects. This was a standard AIA Agreement and it has been reviewed by Legal Counsel with a couple of provisions modified. He stated that the companies want to order supplies and to begin construction in May. A preconstruction meeting would be scheduled to get all of the final details worked out.

Motion by Commissioner Sangster, seconded by Commissioner Gouine to approve the AIA Document A010-2007 Standard Form Agreement in the amount of \$496,800 with Kujawa Construction, Inc. for the Cheboygan County Jail New Storage Building and to approve the AIA Document A010-2007 Standard Form Agreement in the amount of \$2,020,200 with BCI

Construction, LLC for the Cheboygan County Jail Addition and Renovation, authorize the 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 Gold Front Demolition Contract Bid Award. He stated requests for bids were sought for the demolition of buildings located at 417 N. Main Street and 418 N. Huron Street, Cheboygan, Michigan. Three (3) bids were received as follows: Dore and Associates, Bay City, MI - \$222,100; Pitsch Co., Grand Rapids, MI - \$246,000 and Bierlein Companies, Midland, MI - \$373,400. Timing was critical as the project must be completed by August. Mr. Lawson stated that the Board was given the bid packets on this project for review. The staff also reviewed the bids, along with Legal Counsel to establish some background on the different organizations, so as to know more about who the bid was being awarded to. In the past, Dore and Associates have had some legal actions taken against them and were a fairly large company, compared to Pitsch Company. After discussing this with Legal Counsel, he was told this was not something that was unusual with demolition companies. The staff simply wanted the Board of Commissioners to know this information and that it had been reviewed. The two lowest bids were fairly close. The Pitsch Company had the experience with the removal of the Woolworth's Building, which was where Festival Square was now located. After the bid award, the county would then have an AIA Agreement and the contract agreement would then be reviewed and approved by the county board at the April meeting. Mr. Lawson stated he did confirm with all of the contractors that they would be back-filling the demolition site with sand instead of primarily debris. The county would be responsible for paying anything over the amount of funding provided from the state for the demolition of the building and also were responsible for any restoration work on either side of the building, with some weatherproofing. Discussion was held on the bids.

Motion by Commissioner Wallace, seconded by Commissioner Sangster to award the demolition of buildings project to Pitsch Company in the amount of \$246,000, subject to legal counsel review and prepare contract documents for Board approval. A roll call vote was taken. Motion carried with 5 yes, 1 no (Commissioner Gouine) and 1 absent.

Administrator Jeff Lawson presented the Inverness Township Commercial Rehabilitation Request. He stated that the County received correspondence from Inverness Township who was taking action to establish a commercial rehabilitation district within the township on property owned by Ford Land, LLC. (Fernelius Ford Dealership) at 10459 North Straits Highway for a commercial development project. A resolution was signed at the Inverness Township's regular meeting of the Board of Trustees on March 6, 2018. He stated that a commercial rehabilitation district provided for a tax exemption for a term of 1-10 years as determined by the local unit of government. If the County had any objections, they needed to respond by April 6, 2018.

Motion by Commissioner Gouine, seconded by Commissioner Sangster to approve the Inverness Township Commercial Rehabilitation Request. Motion carried with 6 yes, 0 no and 1 absent.

BOARD MEMBER MATTERS FOR DISCUSSION

Commissioner Newman stated that the MTA approached him and asked if negotiations would still continue with Inverness Township and the City regarding the Meijer Project. He would like to see negotiations continue with the parties if at all possible. Administrator Lawson stated a City Official had requested to move forward with the next phase, which had to do with the sewer contract. The County was a participant regarding the sewer issues and it would need to be

addressed one way or another. Timing has been an issue between all the parties regarding the scheduling of the next meeting. If they agree, then we would coordinate the next meeting of the two parties and let them continue on their discussion. There have been articles in the newspaper as far as the mediations being an open or closed session. It was up to the two parties to decide and identify that. If the units choose to have a closed meeting, this was not violating any open meetings act. The units have different position on the 425 USA and they have different positions on the existing sewer agreements that were in place. The County placed the township as the agent for the sewer, but at the end of the day the bonds were still under the County's name until they were paid off. Commissioner Sangster stated that the County should continue to move forward. Mr. Lawson stated the County did not have any leverage over the policy of the water issue.

Commissioner Wallace questioned where the county was at with possible candidates for the Planning and Zoning position. Administrator Lawson stated that an interview was held with a candidate last Friday and some background check needs to be done. Also there might be another possible candidate that he was looking at. A decision might be made this next week to get someone on board.

CITIZENS COMMENTS

Carl Muscott citizen of Tuscarora Township commented regarding the NEMCOG agreement and requested that the NEMCOG minutes be included in the board packet as well as the billing of Legal Counsel. Mr. Muscott stated that Inverness/City/Meijer Project meetings were public meetings and should not be round table closed session meetings and requested that the County no longer participate in mediation since Petitions for Recall had been filed.

BOARD MEMBER COMMENTS - None

Motion by Commissioner Wallace seconded by Commissioner Newman to adjourn to the call of the chairperson. Motion carried with 6 yes, 0 no and 1 absent. Meeting adjourned at 10:41 a.m.

Dawn Reo
Chief Deputy Clerk/Register

John B. Wallace
Chairperson