

**COUNTY BOARD OF COMMISSIONERS  
FINANCE/BUSINESS MEETING  
May 8, 2018**

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

Roll called and a quorum present

**Present:** Commissioners Karen Johnson, Richard Sangster, Michael Newman, Cal Gouine, Roberta Matelski, John Wallace, and Robert Bolinger.

**Absent:** None

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

**Motion** by Commissioner Sangster, seconded by Commissioner Gouine, to approve the agenda adding MSUE Senior Millage Appropriation Agreement First Amendment under New Business 12 G. Motion carried with 7 yes, 0 no and 0 absent.

**Motion** by Commissioner Sangster, second by Commissioner Newman, to approve the consent agenda as follows:

- A. Approve Monthly Finance Claims (Finance Total = \$45,000; Prepaid Total = \$1,037,561.81.
- B. Budget Adjustments as follows:  
2018 Raise Revenue and Expenditures
  1. Fund 101 Total Budget Increase of \$8,818
  2. Fund 267 Total Budget Increase of \$203
- C. Fairgrounds Event Agreements
  1. Cheboygan Area Schools – Mud Run
  2. The Heritage Draft Horse Organization - Horse pulling Event Contract
  3. 4-H Kountry Kids Horse Riding/Meetings
- D. Correspondence
  1. Alger County Resolution Opposing Amendatory Legislation to Michigan Public Act 93 of 2013
  2. Antrim County Resolution Opposing Amendatory Legislation to Michigan Public Act 93 of 2013
  3. Charlevoix County Resolution Opposing Amendatory Legislation to Michigan Public Act 93 of 2013
  4. Roscommon County Resolution Opposing Amendatory Legislation to Michigan Public Act 93 of 2013
  5. Cheboygan County Road Commissions 2017 Annual Report
  6. Menominee County Resolution Opposing Amendatory Legislation to Michigan Public Act 93 of 2013
  7. NLEA President's Report – April 2018
- E. Minutes:
  1. Finance/Business Meeting of April 10, 2018, Committee of the Whole Meeting of April 24, 2018
  2. City Council Minutes – 3/20/18 & 3/27/18
  3. County Road Commission Minutes – 3/22/18, 4/5/18 & 4/17/18

4. NEMSCA – 4/6/18
5. Fair Board – 3/5/18
6. District Health Dept. #4 –2/20/18 & 3/20/18
7. CCCOA Special Meeting – 4/19/18
8. Zoning Board of Appeal – 1/24/18
9. Planning Commission – 3/21/18

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

### **CITIZENS COMMENTS**

Carl Muscott citizen of Tuscarora Township commented on the increase of fringes from the Summary of Expenses by Category and asked for clarification during the Finance Director's Report. He touched on the solar farm issue stating that it has been a month since the Board was invited to the presentation, which was held at Grant Township. Commissioner Matelski was the only commissioner that attended. He requested that that Board table the Planned Unit Development and move ahead with the solar ordinance because there was a \$60 million potential project.

Anthony Beckett citizen of the City of Cheboygan and owner of the building next door to the Gold Front/Festival Square commented on the lack of communication with the City of Cheboygan and the County. He also disagreed with the property lines. These two entities need to understand that before the Rivertown Cargo Store came down his basement never flooded and now it floods. Also the outside wall of his building was damaged. He was told by the City that it would be repaired and it has never happened. If he chose to repair it, he was told he would be ticketed. There were some concerns.

Chad Socolovitch citizen of the City of Cheboygan and tenant was concerned with some of the Gold Front Building being on the property line after the survey was done. An email was sent to some of the Board, with no response received. He stated he has been maintaining the back area since he has been there and Mr. Beckett's family has been maintaining it for over 15 years. He stated that he had contacted an attorney to address this issue. There has been a lack of communication and he was concerned with the time frame of having to close down his business. Commissioner Wallace stated that the contact person would be Administrator Jeff Lawson and to get in touch with him.

Vince Lumetta citizen of Beaugrand Township commented that the solar project was very important to the community and he would like to see it shuffled to the top.

### **SCHEDULED VISITORS - None**

### **Finance Director's Report**

Finance Director James Manko presented the Revenue and Expenditure Report for the General Fund for the month ending March 31, 2018. He reported total year-to-date revenue of \$945,519.28, or 6.01% of the budget, compared to \$1,053,862.88, or 8.70% of the budget last year at this same time. He reviewed each line item number that was fluctuating greater or less than \$10,000. Mr. Manko reported expenditures year-to-date of \$ 2,581,743.73 or 16.40% of the budget, compared to \$2,441,802.48 or 20.16%, last year as of the end of March 2017. He reviewed each department that was fluctuating greater or less than \$10,000. Mr. Manko stated

the Cash Summary by Fund Cash and Investment Report for March 2018 would not be presented as 2017 adjusting entries were still being posted and beginning cash balances could be affected. An explanation of the Quarterly Fund Balance Report for Cheboygan County was \$23,730,668 as of 3/31/2018 and the Summary of Expenses by Category was given. He reported the year-to-date revenues of \$6,570,722, year-to-date expenditures of \$5,750,631, year-to-date fund balance of \$24,550,759 and a net change in fund balance of \$820,091. Each of the departments that were fluctuating with a negative fund balance was reviewed. Mr. Manko stated that the Auditors would be taking place next week.

Finance Director James Manko addressed Mr. Muscott's question regarding an increase in fringe. Last year the fringe accounted for a total of 51% and this year, it increased slightly to 53% because of an increase in health insurance and Municipal Employment Retirement Service.

### **Administrator's Report**

Administrator Jeff Lawson reported that at the Planning Commission's May 2, 2018 meeting, the Planning Commission reviewed a slide presentation concerning the development of solar development zoning regulations. The Planning Commission has directed staff to provide sample language from existing units that have developed standards for review and development of draft language.

Administrator Jeff Lawson reported the State Treasurer released information this week proposing a major change in the assessing and equalization process in Michigan. Equalization Director Zabik received a five page "Assessing Reform Proposal Summary" on Thursday and was attending a meeting on Friday, May 4, 2018 to obtain additional information. There was also a two page summary by the MTA concerning the proposal. The proposed changes as outlined would result in a major change to the assessing and equalization structure within the County. Staff would continue to gather information on the proposal and analyze the potential financial and staffing impact this proposal would create. Commissioner Sangster stated that he would like the staff to write a letter opposing this to the State Treasurer. It was the unanimous consensus of the Board. Administrator Jeff Lawson stated that the staff would prepare a letter.

Administrator Jeff Lawson gave an update on Recycling stating that in the Board's packet the County had received signed renewal agreements from participating units. Mullett Township had identified that they have voted not to renew the agreement at this time. He requested permission to attend a future township meeting to discuss this with the Township Board.

Walker Township had agreed to participate in the program for the first time. Staff was discussing with the Township the ability to locate two containers at the Township Hall, which would better serve residents in the area.

Administrator Jeff Lawson gave an update on the Black Lake Army Corps Proposal. The Drain Commissioner had submitted to the County's a Notice of Intent to pursue funding to study the Black Lake watershed to determine the impact that the Smith Rapids had on the Alverno Dam's ability to control water levels on Black Lake. The County was contacted by the owner of the Alverno Dam, Black River Limited Partnership to inquire about the notice of intent, scope of study, possible timing of grant application if approved for submittal and study timeline. This information was provided to Black River Limited Partnership by phone.

Administrator Jeff Lawson gave an update on the jail expansion stating that there was a construction meeting scheduled for this Thursday. The geo-foam was delivered to the site and was ready to be installed for the jail expansion. The grades for the storage building were being set right now and will be reviewed on Thursday with the architect.

## **COMMITTEE REPORTS**

Commissioner Sangster reported attending a NEMCSA Meeting and all was going well. An exploratory committee was looking at addressing possible housing as there was a demand for housing in the area.

Commissioner Gouine reported attending a Zoning Board of Appeals Meeting, an Inverness Township Meeting, a Fair Board Meeting and a County Road Commission Meeting.

Commissioner Newman reported attending his usual meetings and a SANE Meeting where they presented their annual report and wanted the Board to know if they wanted them to make their annual presentation, they would be happy to come. Commissioner Wallace asked the staff to contact them and to put them on the agenda.

Commissioner Matelski reported attending a Planning Commission and the Grant Township Meeting with the topic being the solar development. She stated that the presentation was very good over view.

Commissioner Johnson reported attending a Planning Commission Meeting. She wanted to reiterate the importance of getting an ordinance out to the public, so that the discussions could start regarding on how it was going to be affected by zoning. There were a lot of assumptions floating around with the public because there wasn't anything. It needs to be done sooner than later!

Commissioner Wallace commented that the Annual Tri-County CCE 911 Meeting was coming up on Thursday, May 23 at 12:00 P.M. to be held at the Headlands Waterfront Event Center in Mackinaw City.

## **OLD BUSINESS**

Administrator Jeff Lawson presented the resolution to support the Cormorant Control Act U.S. House Bill 4429, which calls for reinstating effective cormorant management to protect natural resources and our Great Lakes fisheries.

**Motion** by Commissioner Gouine, seconded by Commissioner Sangster, to adopt and authorize the Chair to sign: **Resolution 18-03**

**WHEREAS**, State and Federal natural resource agencies tracked migratory bird populations in the Great Lakes area beginning in the 1900's and annual bird counts documented that the number of Double-crested cormorants (cormorants) appeared to have peaked in the 1940s, with about 6,000 birds. By the mid-1970's there was concern over the decline of most migratory birds in the Great Lakes region due to the effects of contamination (i.e., DDT), and cormorant numbers were estimated to be less than 100 birds; and

**WHEREAS**, Cormorants migrate from the Gulf of Mexico to the Great Lakes region for the breeding season, spending approximately 150 days along the coastal island areas such as provided by Saginaw Bay. The diet of cormorants is almost exclusively fish and they depend on their surrounding waters to sustain both the breeding adults and their young once they hatch. An adult cormorant will eat 1.3 pounds of fish each day; and

**WHEREAS**, throughout the 1980-1990's protections were afforded to migratory birds and their numbers began to increase, persistent chemicals were banned, and extensive environmental clean-up projects were undertaken. During this same period, state, federal and tribal fisheries managers instituted extensive fish stocking programs to restore a better balance to the Great Lakes food web; and

**WHEREAS**, today the Great Lakes supports several important fisheries Including commercial, recreational, and tribal, which are collectively valued at more than \$7 billion annually and support more than 75,000 jobs. Yellow perch in particular is a key staple of the cormorant diet but also the centerpiece of Michigan's recreational fishery, Friday dinner fish fry's and an important economic draw; and

**WHEREAS**, Resource managers in the Great Lakes now estimate that cormorant numbers have peaked at about 115,000 breeding pair and at these numbers their fish consumption is estimated 77 million pounds each year. In conjunction, there has also been a drastic decline in yellow perch harvest from a high of 375,000 fish to just 695 fish by the year 2000. Bait shops, fishing resorts, and fishing related service Industries declined or closed in some communities by up to 40%; and

**WHEREAS**, in 1998 and again in 2003, the U.S. Fish and Wildlife Service developed orders to allow for state level management of cormorant populations for the benefit of fish, and when implemented, the numbers of yellow perch and other game fish rebounded. However, the orders were rescinded in 2016 by the U.S. District Court until the U.S. Fish and Wildlife Service can reissue an Environmental Assessment to show the effect of the orders allowing lethal control on cormorant populations. In Saginaw Bay the effect of two years without any cormorant control was easily seen last summer when the sky was blackened by such high numbers of the distinctive birds flying low over the horizon in continuous unbroken miles and miles of long lines of cormorants; and

**WHEREAS**, the State of Michigan has gone on record in support of U.S. House Bill 4429, for reinstating effective cormorant management, applied in the same collaboratively way that we use to protect our other natural resources, to support our important Great Lakes fisheries valued at more than \$7 billion annually and more than 75,000 jobs.

**THEREFORE**, be it that the Cheboygan County Board of Commissioners hereby supports the "Cormorant control Act" House Bill 4429 directing the reissuance of a rule relating to extension of the expiration dates for double-crested cormorant depredation orders.

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

## **NEW BUSINESS**

Administrator Lawson presented a proposal to purchase a new tractor for the Fairgrounds to replace the old White tractor. This tractor was used to work up the areas, mow grass and do general grounds maintenance. The tractor was a 1988 model and was frequently in need of repair. Several sealed bids were received. All of these six (6) bids meet or exceed the specifications.

**Motion** by Commissioner Sangster, seconded by Commissioner Gouine, to award the bid for a new Tractor to Ginop Sales in the amount of \$27,587. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the Interlocal Agreements County Recycling Surcharge. The County must renew its Interlocal Agreements with participating municipal units to collect a recycling surcharge fee to fund the County's recycling program as authorized by Resolution #18.01, which authorized the County to collect up to \$25 a year per household. This surcharge fee would be charges on an annual basis until March 2023.

**Motion** by Commissioner Johnson, seconded by Commissioner Matelski, to approve the Interlocal Agreements regarding County Recycling Surcharge with Aloha, Township, Beaugrand

Township, Hebron Township, City of Cheboygan, Inverness Township, Munro Township, Burt Township, Tuscarora Township, Koehler Township, Waverly Township, Mentor Township, Ellis Township and Walker Township and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the AIA Agreement with Demolition Contractor Inc., d/b/a/ Pitsch Companies, Pitsch Wrecking. Requests for bids were sought for the demolition of buildings located at 417 N. Main Street and 418 N. Huron Street, Cheboygan, MI The Board of Commissioners awarded the bid to d/b/a Pitsch Companies at the March 27, 2018 meeting. Discussion was held on the timeline. Mr. Lawson stated he sent the initial agreement back to the contractor and they will give us a demolition schedule, but was targeting to get the job done by the end of July. Although he had talked with the County Treasurer Buffy Weldon asking for a short extension of the grant to make sure there was enough time frame. In the next couple of weeks, there would be a structural engineer here to view the structure and he would like to have communication with the property owners next door to allow them in their buildings to look at their structures.

**Motion** by Commissioner Newman, seconded by Commissioner Matelski to approve the AIA Document A 101-2007 Standard For Agreement in the amount of \$246,000 with Demolition Contractors Inc. d/b/a/ Pitsch Companies, Pitsch Wrecking for the demolition of buildings at 417 N. Main and 418 N. Huron Street, Cheboygan, MI and authorize the Chairperson to sign and authorize any necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented Resolution 18-04 Approving the Fiscal Year 2019 Community Corrections Grant Application of the Northeast Michigan Council of Governments. Discussion was held on the benefits of Community Corrections.

**Motion** by Commissioner Sangster, seconded by Commissioner Johnson, to adopt:

**Resolution No. 18-04**

**WHEREAS**, the Northeast Michigan Council of Governments (NEMCOG) serves as the Fiscal Agent and Program Manager for the Northeast Michigan Community Corrections Advisory Board (NMCCAB), 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 FY 2019 Grant Application for the NEMCCAB, and

**WHEREAS**, the FY 2019 Community Corrections Grant Application has been prepared by NEMCOG in the amount \$312,000 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, FY 2019 Grant Application prepared by NEMCOG for Community Corrections funding in the annual amount of \$312,000 for Programs and Services.

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

Administrator Jeff Lawson presented the Senior Millage Renewal which expired December of 2017. The proposed resolution and ballot language will place the question of millage renewal on the August 7, 2018 ballot. These moneys are primarily used by the Cheboygan County Council on Aging and the Wawatam Area Senior Citizens Organization to provide meals, transportation assistance, home care services, etc... in Cheboygan County. Each organization applies yearly providing detailed information identifying the need for requested funds and how they would be spent. The request was traditionally placed on the August 7, 2018 Ballot as requested by the Cheboygan County on Aging to provide time to implement the millage for December tax bills if required.

**Motion** by Commissioner Sangster, seconded by Commissioner Newman, to adopt:

Resolution No.18-05

A RESOLUTION TO APPROVE THE BALLOT LANGUAGE FOR A MILLAGE PROPOSITION TO PROVIDE FUNDS FOR SENIOR CITIZEN SERVICES AND TO SUBMIT THE PROPOSITION TO THE ELECTORATE AT THE AUGUST 7, 2018 PRIMARY ELECTION

Recitals

- A. Act 39 of the Public Acts of 1976, as amended, expressly authorizes the Board of Commissioners for the County of Cheboygan to appropriate funds for the purpose of providing services to the older persons, being individuals sixty (60) years of age or older, within the County.
- B. The County of Cheboygan currently provides funds for services for senior citizens within the County.
- C. The funds to provide these services for senior citizens were provided in part by a millage of .5 mills previously approved by the county electors.
- D. The millage previously approved by the county electors expired in December, 2017.
- E. The Cheboygan County Board of Commissioners, therefore, desires to obtain voter approval to renew the .5 mills to provide funds for senior citizen services within the county.
- F. Because a county-wide primary election is scheduled on August 7, 2018, the Cheboygan County Board of Commissioners finds it appropriate to submit this millage proposition to the electorate at this primary election.

Resolution

NOW, THEREFORE, THE CHEBOYGAN COUNTY BOARD OF COMMISSIONERS  
HEREBY RESOLVES that:

- 1. The following proposition, the language of which is hereby approved by the Cheboygan County Board of Commissioners and certified to the Cheboygan County Clerk, shall be submitted to the electors of Cheboygan County for a vote at the August 7, 2018 primary election:

BALLOT LANGUAGE

CHEBOYGAN COUNTY

Proposal to Renew Senior Millage

## Finance/Business Meeting – May 8, 2018

This proposal reestablishes the ½ mill senior millage previously approved by the electors that expired after the December, 2017 levy. Specifically, the proposal renews the previously authorized .4993 mills and restores the .0007 mills rolled back by the Headlee Amendment.

Shall the tax limitation imposed under Article IX, Section 6 of the Michigan Constitution on the amount of ad valorem taxes which may be levied by the County of Cheboygan, State of Michigan, against taxable property in the County be increased by up to .5 mills (\$.50 per \$1,000 of taxable value) for a period of four (4) years, 2018 through 2021, inclusive, for the purpose of providing funds for senior citizen services within the county, and shall the Cheboygan County Board of Commissioners be authorized to levy such millage for this purpose? If approved and levied in its entirety, this millage would raise an estimated \$717,622 for Cheboygan County in 2018.

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

Administrator Jeff Lawson presented the Wage Budget Adjustment-Wage Classification Review AFSCME Veterans Service Officer. He stated under the County's Labor Agreement with AFSCME, an employee with Union approval may ask for a position and/or wage classification review. AFSCME requested this position to be reclassified to the \$19.83 wage classification level. The agreement identifies that a classification review consists of a review of job duties as well as a market rate review. A classification review was not based on the work performance of an employee. The Assistant Veterans Service Officer's current job description was reviewed and an update list of job duties was completed. The review identified that the position was currently processing claims based on the employee obtaining their Veteran's Service Officer Accreditation, which was the goal of the County to provide better service to Veterans pursuing claims for benefits. Accreditation and the processing claims resulted in a change to current job duties and position level responsibilities. A review of wage comparable

**Motion** by Commissioner Sangster, seconded by Commissioner Matelski, to adopt Amendment #5 to the 2018 Wage and Salary Resolution – Non-Union General Employee #17-009 to be effective April 11, 2018 and authorize the Chair to sign. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Jeff Lawson presented the MSUE Senior Millage Appropriation Agreement First Amendment. In November 2017, the Board of Commissioners voted to appropriate \$8,000 to MSUE Project Fresh. MSUE has requested an amendment to the agreement identifying the County was paying the Michigan Department of Health and Human Services \$7,250 for the Senior Market Fresh Coupons and \$750 to United Way for postage. The amendment has been reviewed by Legal Counsel.

**Motion** by Commissioner Johnson, seconded by Commissioner Matelski, to approve the First Amendment to the Agreement for the Senior Millage Appropriation with Michigan State University Extension and authorize the Chairperson to sign the agreement. A roll call vote was taken, Motion carried with 7 yes, 0 no and 0 absent.

### **CITIZENS COMMENTS**

Cynthia Kress introduced herself as a candidate for County Commissioner District #6. She suggested that MSUE should have a brief presentation on the solar project at a Board meeting so that the Board of Commissioners could benefit from that presentation. She also addressed the issue of blighted property and abandoned property that was falling down. Said properties were

unsanitary, unsafe, and bring down the surrounding property values. In addition, potential residents were discouraged from investing in the County. Citizens of the County feel powerless. She stated she has been told that Cheboygan has no ordinance to address blight. This issue really needs to be addressed. Civil Counsel Bryan Graham agreed that there might be a need for a regulation, but please understand that the County does not have the legal authority to enact blight ordinances. Those ordinances need to come from the local municipalities such as the townships, the cities or the villages. Commissioner Sangster commented that this was discussed at the Planning Session and maybe the County could help facilitate. Sheriff Clarmont commented that he has been dealing with this for 20 years. The issue with blight at the township level is enforcement. The Township has to set up their own enforcement officer, prosecutor and a Board to be the judge. There have been Townships in the past to attempt that, but the cost was just prohibited. He concurred that if there was a way that the County Board could help/assist to set up something. The top ten complaints that the Sheriff Department gets was blight. He would certainly support this if something could be figured out.

Carl Muscott citizen of Tuscarora Township commented on the blight ordinance in Tuscarora Township and there was an excellent police force. He commented on the consensus from the Board to write a letter to the State Treasurer on this Reformed Proposal for assessing. It was an ambitious program, but there were issues that had to be dealt with. Every Township has their own assessor and this was a duplication of services.

Gil Archambo citizen of Grant Township commented on the water levels stating he knew that Black Lake was not the only area that was concerned. He stated that he was getting an unbelievable amount of calls and felt that applying for the grant was a very good thing. He commented on the solar project and the importance of getting an ordinance out to the public, so that the discussions could start. There were negative people and false information was being put out there.

## **BOARD MEMBERS COMMENTS**

Commissioner Matelski commented she visited the Humane Society and the renovation was really coming along. The parts that were finished were just beautiful.

Commissioner Sangster commented on a letter received from the Mackinaw City Planning Commission. This was pretty intriguing as the Board talks about economic development. This was kind of a breath of fresh air. He would like to get more information on this. Administrator Jeff Lawson commented if the Board would like someone to attend and give a presentation on this, but he hadn't had a chance to talk with Civil Counsel on it.

Commissioner Newman wanted to echo Mr. Archambo's comments on the solar project regarding the Board really needing to drive on. He stated that he had spoken with the Administrator on it on many an occasion. It was a golden opportunity for the County and we need to put everything we can into it. He stated he also went to the Humane Society and came home with a puppy.

Commissioner Wallace reminded the Board about the handout on SUD Admissions Detail Report for dates during the time period between 10/1/17 and 4/15/18 that was on the desks.

Finance/Business Meeting – May 8, 2018

**Motion** by Commissioner Sangster, seconded by Commissioner Bolinger, to adjourn to the call of the Chair. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 11:00 a.m.

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Karen L. Brewster  
Cheboygan County Clerk/Register

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John B. Wallace  
Chairperson

