

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
JULY 8, 2014**

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 Bruce Gauthier, Pete Redmond, Cal Gouine, Tony Matelski, John Wallace, and Sue Allor.

Absent: Commissioner Socha (excused)

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

Commissioner Matelski requested that Item D - 3 *Huron County Resolution in Support of HCR 31* be pulled from the Consent Agenda and moved to Item D - New Business. Commissioner Allor requested that Item E - 1 *Finance Business Meeting of May 13, 2014 and Committee of the Whole Meeting of May 27, 2014* be pulled from the Consent Agenda and moved to Item E - New Business. Commissioner Allor requested that Item E - 13 *Planning Commission 5/7/14, 5/21/14 and 6/4/14* be pulled from the Consent Agenda and also moved to Item E - New Business. Commissioner Gauthier requested that Item D - 4 *Lake County Resolution Opposing Development of an Underground Nuclear Waste Facility* be pulled from the Consent Agenda and moved to Item F – New Business.

Motion by Commissioner Matelski, seconded by Commissioner Allor, to approve the agenda as amended. Motion carried with 6 yes, 0 no and 1 absent.

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

- A. Approve Monthly Finance Claim (Finance Total = \$17,736.51; Prepays Total = \$801,246.62)
- B. Budget Adjustments
- C. Fairgrounds Usage Agreement – Clio Boy Scouts
- D. Correspondence
 1. Barry County Resolution Regarding National Anthem
 2. Huron County Resolution in Opposition to HB 5097 and SB 850
 3. ~~Huron County Resolution in Support of HCR 31 (Moved to New Business)~~
 4. ~~Lake County Resolution Opposing Development of an Underground Nuclear Waste Facility (Moved to New Business)~~
 5. Oceana County Resolution in Support of Community Stabilization & Personal Property Tax Reform
 6. Michigan Department of Treasury Regarding Convention Facilities Tax & Liquor Tax
 7. NEMCOG Regional Project Review June 2014
 8. Security Order – County Building
- E. Minutes:
 1. ~~Finance/Business Meeting of May 13, 2014 and Committee of the Whole Meeting of May 27, 2014 (Moved to New Business)~~
 2. Health Board – 4/15/14 and 5/20/14
 3. Michigan Northern Counties – 5/19/14
 4. North Country Community Mental Health – 5/15/14
 5. NEMCSA – 5/9/14
 6. CCE 9-1-1 Board of Director's 5/14/14, Monthly Financial Reports March 2014 and April 2014, and Director's Report 6/18/14

Finance/Business Meeting – July 8, 2014

7. NLEA May-June 2014 Newsletter, June-July 2014 Newsletter, June President's Report, Minutes 3/20/2014
8. Cheboygan County Fair Board – 5/3/14
9. Board Appointments and Procedures Committee – 6/19/14
10. Millage Appropriation Committee – 6/24/14
11. Cheboygan County Road Commission – 5/22/14, 6/5/14 and 6/19/14
12. Cheboygan City Council – 5/13/14, 5/27/14 and 6/10/14
13. ~~Planning Commission – 5/7/14, 5/21/14 and 6/4/14 (Moved to New Business)~~
14. ZBA – 4/23/14

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

CITIZENS COMMENTS – None

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 May 31, 2014. She reported total year-to-date revenue of \$1,419,484.73, or 12.51% of budget, compared to \$997,791.16, or 9.5% of budget, last year at the same time. Ms. Kortz reported expenditures year-to-date of \$4,185,463.96, or 36.90% of budget, compared to \$3,993,196.41, or 38%, last year as of the end May. Finance Director Kortz also presented the Cash Summary by Fund Report for the month of May ending May 31, 2014.

ADMINISTRATOR'S REPORT

Administrator Lawson updated the Board on several projects: The final paving has been completed of the north and south lot at the county building. The other parking lot project this year is around the Doris Reid Building and that will be completed once the roof is completed. The preliminary floor plans for the Animal Control Building project have been reviewed by the Humane Society. The target for this year is to complete the storage building, move the septic field, and begin the kennel remodel next spring. Requests for quotes have been sent out for the Sand Road Senior Center septic system. Written quotes are expected back by July 11, 2014. The county knows of two companies that are interested. A recommendation will follow. The new Cheboygan County website is up and active. There is more information needed in some areas. The intent is to add links to partner agencies in the near future.

COMMITTEE REPORTS

Commissioner Redmond attended a Board Appointments and Procedures Committee meeting where they discussed the Administrator's — evaluation. The Board Appointments and Procedures Committee recommended several changes to the Administrator's contract and salary including a raise in salary, a 3-year contract agreement (July 9, 2014 – July 10, 2017) and authorization for Administrator to participate in the MERS Retirement System.

Commissioner Allor noted a potential error in the contract that states "from the balance of 2011". Administrator Lawson stated that it can be left in the contract as a reference point for vacation time accumulation. Legal counsel affirmed that the questionable portion of the sentence referencing 2011 is not legally material. The term of the contract is three years, beginning July 9, 2014 and ending July 10, 2017.

Motion by Commissioner Redmond, seconded by Commissioner Matelski to approve the County Administrator's Contract and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Redmond attended Fair Board meetings, a Benton Township meeting, a guided tour of Griswold Mountain, a District No. 4 Health Board meeting, Waterways Commission meetings, and Board Appointments and Procedures Committee meetings. Commissioner Redmond attended a MAC Regional

Finance/Business Meeting – July 8, 2014

Summit meeting in Gaylord. Commissioner Redmond noted from the MAC meeting that there is a new initiative called the *Regional Prosperity Initiative* that consists of 11 counties. It is about a 5-year plan for economic development.

Commissioner Gauthier attended a guided tour of Griswold Mountain, a City Council meeting, a monthly NEMCSA meeting, and a Tip of the Mitt Pipeline Symposium. Commissioner Gauthier stated that the emphasis of the Symposium was clean up after an oil spill and he stated concern over the lack of preliminary preventive measures being taken considering the age of the pipeline. Commissioner Wallace stated the pressure going through the pipeline has been decreased to extend the life of the pipeline.

Commissioner Gouine did not have anything to report.

Commissioner Matelski attended two Planning Commission meetings. He noted the Planning Commission meetings have been well attended due to controversy over tents and campers on personal property. Commissioner Matelski attended two township meetings, two Road Commission meetings, and a Waterways Commission meeting. Commissioner Matelski is wondering why it has not been advertised that there are fishing charter boats out of Cheboygan. He also attended a Millage Appropriation Committee meeting where the Senior Citizens Centers application for funding was discussed. Commissioner Matelski wanted to know if they will be deducted the cost of the septic system replacement from the millage funds. Administrator Lawson stated that there has been discussion in the past about setting aside an amount for infrastructure, but that there is currently a balance in the account that could cover that cost. Commissioner Matelski also attended a ZBA meeting and a MTA meeting.

Commissioner Allor attended 8 township meetings, 1 village meeting, a MAC Conference, a Michigan Northern Counties Association meeting, 2 MTA meetings, a MAC Conference and 2 District No. 4 Health Department meetings. Commissioner Allor noted that at one of the Forest Township meetings that concern was raised over a Planning Commission survey that circulated regarding a desire to reign in county wide planning and zoning efforts and redirect funding to other ventures. A letter entailing those concerns was sent to the Planning Commission and given to Commissioner Allor. The Northern Michigan Counties Association meeting had a presentation about changes occurring with Substance Abuse Treatment efforts with the close of a NEMSAS regional entity. Home health care services are still of concern for the District No. 4 Health Department.

Commissioner Wallace attended a 9-1-1 meeting. He stated that the 9-1-1 Board is trying to predict the restrictions on narrow banding in the near future. Commissioner Wallace stated that he is the Chairperson of the Work Force Development Board. This Board assists funding Michigan Works. He stated that Tom Moran has opened a Trade School in Onaway and that it is doing well. Commissioner Wallace attended a trail dedication in Indian River. Commissioner Allor asked if he had an updated on “kitchen incubators” from the NEMCOG meeting. Commissioner Wallace did not attend the last NEMCOG meeting.

OLD BUSINESS - None

NEW BUSINESS

Administrator Lawson presented a Fairground Event Agreement for the Black River Full Gospel Community Church. The agreement is for a concert and theatrical event in the Grandstand area on July 26th, 2014. There is no charge for the agreement because they are a non-profit organization.

Motion by Commissioner Gouine, seconded by Commissioner Wallace to approve the Fairground Event Agreement between Cheboygan County and Black River Full Gospel Community Church as presented and authorize the Chairperson to sign. Motion carried with 6 yes, 0 no and 1 absent.

Administrator Lawson presented a Building Official Employment Agreement for with Matt Cronk. Legal counsel had prepared an agreement. Mr. Cronk has been working for Cheboygan County as a Zoning Administrator since 2011 and has been doing inspections since 2012. He has a Bachelor's Degree in Construction Management, eight years of Construction Management experience and nine years of Contractor experience. The position will be reviewed in six months on performance and there will be

Finance/Business Meeting – July 8, 2014

regular Department Head reviews this year as well. The term of the agreement is three years beginning July 9, 2014 and ending July 8, 2017.

Motion by Commissioner Matelski, seconded by Commissioner Wallace to approve the Building Official Employment Agreement between Cheboygan County and Matthew Cronk and authorize the Chairperson to sign. A roll call vote was taken. Motion carried with 6 yes, 0 no and 1 absent.

Finance Director Kari Kortz asked what happens to the existing paid time off accrued for an employee that moves into a Department Head position. Administrator Lawson stated that Mr. Cronk's vacation time will start new with the new position, but his sick time accrued will carry over.

Commissioner Gouine asked if the County has ever terminated a Department Head or placed a Department Head on probation based on a performance review. Administrator Lawson stated that over the last three years since he has been working for the County there has not been. Discussion held. Administrator Lawson stated that performance evaluations are used for educational purposes and that if there are deficiencies, that the employee can correct those deficiencies. Commissioner Wallace asked if non-elected Department Heads are at-will employees. Administrator Lawson affirmed.

Commissioner Gouine asked if there were Housing Department projects that have come before the Board. Administrator Lawson stated that there were two emergency projects that were under the threshold limit that did not need to come before the Board.

Finance Director Kari Kortz presented the 2015 Budget Process Timeline. Ms. Kortz stated that the process is very similar to last year.

Motion by Commissioner Wallace, seconded by Commissioner Gauthier to accept the 2015 Budget Process Timeline as presented. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Matelski addressed the Huron County Resolution in Support of HCR 31. He would like a motion to draft a similar resolution relative to HCR 31 which is in opposition to increased E.P.A. regulations.

Motion by Commissioner Matelski, seconded by Commissioner Allor to have Administration draft a resolution in support of HCR 31. Discussion was held. Legal counsel suggested adding the E.P.A. and Army Corps of Engineers as receivers of the resolution. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Allor addressed the Finance/Business Minutes from May 13, 2014. She pointed out for clarification on page 10, 3rd paragraph, 2nd sentence should be changed to read as follows: "she stated that there were a lot of inconsistencies and inaccuracies in the Air North application and documentation provided by Mr. Muscott and she wanted to make it clear that the Board was not aware."

Finance Director Kari Kortz noted a correction to the same minutes on page 4, under *Finance Director's Report*, beginning of the 2nd sentence change "she" to "he"; and line 4 of the paragraph change Ms. Kortz to Mr. Manko and in the middle of line 5 change "February" to "March".

Motion by Commissioner Allor, seconded by Commissioner Gouine to approve the Finance Business Minutes of May 13, 2014 as amended and the Committee of the Whole Minutes of May 27, 2014 as presented. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Allor stated that the Planning Commission Minutes of May 7, 2014 are missing page 4 of 6. Kathy Morrow stated those minutes will be resubmitted at the next Commissioner's meeting.

Motion by Commissioner Allor, seconded by Commissioner Matelski to receive and file the Planning Commission Minutes of May 21, 2014 and June 4, 2014. Motion carried with 6 yes, 0 no and 1 absent.

Commissioner Gauthier would like to see Cheboygan County pass a similar resolution to the Lake County Resolution Opposing Development of an Underground Nuclear Waste Facility. Commissioner Gauthier

Finance/Business Meeting – July 8, 2014

stated that he would like to see Annabelle Dwyer, an expert in this field, present the resolution. Commissioner Wallace said he does not feel that the United States can tell Canada what to do with their land. Commissioner Allor said she would like to see both sides of the issue. Legal counsel said that perhaps information could be presented at a Committee of the Whole meeting.

Motion by Commissioner Gauthier, seconded by Commissioner Allor to receive and file the Lake County Resolution Opposing Development of an Underground Nuclear Waste Facility. Motion carried with 6 yes, 0 no and 1 absent.

CITIZENS COMMENTS – None

BOARD MEMBER COMMENTS

Commissioner Gouine asked what constitutes a contractor yard. Legal counsel responded that a contractor yard is a land use concept where people typically store operational items such as trucks and equipment. Commissioner Gouine asked if storing top soil could be considered a contractor yard. Legal counsel stated that it could but it depends on how it is defined. Commissioner Gouine stated he will talk with the Community Development department regarding this.

Motion by Commissioner Wallace, seconded by Commissioner Matelski to adjourn this meeting to the call of the chair. Motion carried with 6 yes, 0 no and 1 absent. Meeting adjourned at 10:35 a.m.

Mary Ellen Tryban
Cheboygan County Chief Deputy Clerk/Register

Pete Redmond
Vice Chairperson