

**CHEBOYGAN COUNTY BOARD OF COMMISSIONERS
FINANCE/BUSINESS MEETING
AUGUST 12, 2014**

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

Absent: None

Commissioner Wallace gave the invocation and ~~Commissioner Matelski~~ (9-9-14) led the Pledge of Allegiance.

Commissioner Matelski requested that Item 5 - F *Circuit Court – Byrne Justice Assistance Grant – Drug Court* be pulled from the Consent Agenda and moved to New Business. Commissioner Redmond requested adding *Mileage and Reimbursement Rates 2015 - 2016* to Item 4 under Board Appointments and Procedures Committee. Commissioner Gauthier requested that Item I - 1 *Finance/Business Meeting of July 8, 2014* be pulled from the Consent Agenda and also moved to New Business.

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

Motion by Commissioner Gouine, seconded by Commissioner Allor, to approve the amended consent agenda as follows:

- A. Approve Monthly Finance Claim (Finance Total = \$66,813.09; Prepays Total = \$1,042,167.30)
- B. Budget Adjustments
- C. Investment Report
- D. Fair Contracts
 1. Thumb Tractor Pulling Association
 2. Animal Oasis
 3. EUP Antique Equipment Association
 4. Michigan Horsepulling Association
 5. International Rock and Wrestling Xperience
 6. North Central Security
- E. Fairgrounds Usage Kiwanis Club – Northern Michigan Sports Expo
- F. ~~Circuit Court – Byrne Justice Assistance Grant – Drug Court~~ (Moved to New Business)
- G. State of MI – Bureau of Construction Codes Approval – Inland Lakes Schools
- H. Correspondence
 1. Alpena County Resolution Opposing the Development of an Underground Nuclear Waste Facility
 2. Antrim County Resolution Opposing HB 5097 and SB 850
 3. Eaton County Resolution Opposing the Development of an Underground Nuclear Waste Facility
- I. Minutes
 1. Committee of the Whole Meeting of June 24, 2014, ~~Finance/Business Meeting of July 8, 2014~~ (Moved to New Business) and Committee of the Whole Meeting of July 22, 2014
 2. Health Board – 6/17/2014
 3. Michigan Northern Counties – 6/6/2014
 4. NEMCSA – 6/6/2014
 5. NLEA July-August 2014 Newsletter and July 2014 President's Report
 6. Board Appointments and Procedures Committee – 7/23/2014

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7. Cheboygan County Fair Board – 6/2/2014
8. Cheboygan County Road Commission – 7/2/2014
9. Cheboygan City Council – 6/24/2014, 6/30/2014, and 7/2/2014
10. Planning Commission – 5/7/2014, 6/18/2014 and 7/2/2014
11. ZBA Minutes – 6/25/2014

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

CITIZENS COMMENTS

Roger Gauthier, a citizen of Benton Township, is the Chairperson for Restore Our Water International, a non-profit group which promotes the maintenance of natural resources around the Great Lakes region. Mr. Gauthier expressed support for the resolution in opposition of underground waste storage and in support of HCR 31 that the Board will consider today.

Leonard Page, a citizen of Grant Township, expressed his concern regarding the two resolutions – opposition of underground waste storage and support of HCR 31 – that the Board will be considering and the importance of protecting the water resources of Cheboygan County.

Ken Paquet, a Cheboygan County Road Commission member, thanked the Board for their support in getting the Road Millage passed in the Primary Election. He stated that the Road Commission plans to redo 15 miles of road in the next 4 years. Commissioner Socha asked if the Road Commission has been working with Greg Williams from Emergency Management regarding expenses incurred as a result of the weather last winter. Mr. Paquet stated that Mr. Williams has been working with the Road Commissioner on that. Commissioner Gauthier asked whether prospective bike paths would be separate from the roads or would be extensions on the sides of the road. Mr. Paquet stated they would be extensions to the road. Commissioner Matelski asked if the 8 roads that were proposed for improvement from the Road Millage are the roads that will be improved; the only difference would be their order in time. Mr. Paquet confirmed that.

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, 2014. She reported total year-to-date revenue of \$2,152,885.17, or 18.97% of budget, compared to \$2,066,203.49, or just under 20% of budget last year at the same time. Ms. Kortz reported expenditures year-to-date of \$4,896,403.46, or 43.15% of budget, compared to \$4,821,787.47, or 45.81%, last year as of the end June. Finance Director Kortz also presented a Quarterly Fund Balance, a Categorized Expense Report, Summarization of Budget Adjustments Posted Report and a Cash Fund Balance Report as of June 30, 2014. Discussion was held regarding the Building Department.

ADMINISTRATOR'S REPORT

Administrator Lawson credited the Department Heads and employees for working on keeping budgets in hand throughout the year and updated the Board on several projects: The departments are in the process of submitting budget figures and the finance department will be processing that input. Discussion was held regarding the effect of revenue sharing on accounting. The Reid building roof project has been completed. There is a directional signage plan being developed for the County building and the Reid building. Installation will be completed this year. Information is being prepared to inform employees about the transition in health insurance plans from Blue Cross Blue Shield to a Blue Care Network "Glide Path" plan.

Commissioner Gauthier asked if there was any development regarding fairground property ownership. Administrator Lawson stated that it is likely to be resolved before the end of the year.

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Commissioner Allor asked if Administrator Lawson foresees a need for a human resource individual with the upcoming change in health care plan support for employees. Administrator Lawson stated that BKC will provide support.

COMMITTEE REPORTS

Commissioner Redmond reported on the last Board Appointments and Procedures Committee meeting.

The Board Appointments and Procedures Committee recommended the re-appointment of Donald Ramsey as the County Medical Examiner.

Motion by Commissioner Redmond, seconded by Commissioner Gauthier, to accept the recommendation from the Board Appointments & Procedures Committee to reappoint Donald Ramsey, D.O. as County Medical Examiner for a term commencing August 1, 2014 and expiring July 31, 2018. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Gouine, to accept the recommendation from the Board Appointments & Procedures Committee to maintain the compensation package for the 2015-2016 term for County Commissioners for salary, health insurance, dental and vision insurance, retirement, and life insurance at the same level. Discussion was held regarding maintaining health insurance for County Commissioners or eliminating it and increasing the salaries for County Commissioners. A roll call vote was taken. Motion carried with 4 yes, 3 no (Commissioners Matelski, Allor and Socha) and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Wallace, to accept the recommendation from the Board Appointments & Procedures Committee to raise the per diem reimbursement amount to \$40 for a ½ day (up to 2 ½ hours) and \$80 for a full day (over 2 ½ hours or an out-of-county meeting) to commence January 1st, 2015. Discussion was held regarding objections to the increase. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Matelski) and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Gouine, to accept the recommendation from the Board Appointments & Procedures Committee to maintain the compensation package for the Cheboygan County Road Commission term commencing January 1, 2015 including salary, fringe benefits, and life insurance, with the exception of the retirement plan employer contribution rate being subject to resolution; per diems to be \$40 for a half day (up to 2 ½ hours) and \$80 for full day or out of town meeting for the entire Board of Road Commissioners. Discussion was held regarding Road Commissioner terms. A roll call vote was taken. Motion carried with 6 yes, 1 no (Commissioner Matelski) and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Wallace to establish the per mile mileage reimbursement rate for the Cheboygan County Board of Commissioners for 2015-2016 to be the I.R.S. allowable rate. Discussion was held regarding what the rate is. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Redmond attended a District No. 4 Health Board meeting. He stated that there is still concern regarding home health services. He attended a Waterways Commission meeting, an informational D.N.R. meeting, a Board Appointments and Procedures Committee meeting, a Straits Regional Ride meeting, and a L.E.P.C. meeting.

Commissioner Gauthier attended several city council meetings, an N.L.E.A. meeting, a monthly N.E.M.C.S.A. meeting, a Planning Commission meeting and a M.S.U. Extension meeting. Commissioner Gauthier suggested eliminating a commissioner board liaison to M.S.U. Extension.

Commissioner Gouine attended a Straits Regional Ride meeting and the fair.

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Commissioner Matelski attended two Planning Commission meetings, two Township meetings, a Waterways Commission meeting, a Zoning Board of Appeals meeting, and a Michigan Townships Association meeting.

Commissioner Allor attended a Nunda Township, Walker Township, and Wilmot Township meetings, a District No. 4 Health Board meeting, a Community Mental Health meeting, a Cheboygan County Area Agency on Aging meeting, and an informational D.N.R. meeting. She stated that the home health care program with the health department has been questionable. She stated there was a presentation by Dave Schneider at the ~~Community Mental Health~~ (9-9-14) Michigan Northern Counties meeting regarding a new program called Sims.

Commissioner Wallace attended a Tuscarora Township meeting, an ambulance meeting, a C.C.E. 9-1-1 meeting, and a NMSAS meeting. He stated there still some hot spots for radio connections for emergency calls.

Commissioner Socha attended a SANE meeting, an Emergency Management meeting, an Airport Authority meeting, a Hebron Township meeting, a L.E.P.C. meeting, an informational D.N.R. meeting. She stated that there are changes being made to SANE. She stated that there is \$6 million of available funds from the State regarding the freeze damage from last winter but it is accompanied with a lengthy application process. She stated that there is a practice drill for an emergency oil spill situation that the commissioners are invited to participate in.

OLD BUSINESS - None

NEW BUSINESS

Administrator Lawson presented the Northern Michigan Regional Entity Agreement for Substance Use Disorder Services Coordination. This is an agreement between Northern Michigan Regional Entity and Cheboygan County and requires the County to appoint one person to serve on the new entity.

Motion by Commissioner Allor, seconded by Commissioner Redmond, to approve the agreement for Substance Use Disorder Services Coordination between Northern Michigan Regional Entity and Cheboygan County and authorize the Chairperson to sign the agreement. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Allor, seconded by Commissioner Matelski. to appoint Commissioner John Wallace to Substance Use Disorder Oversight Board, effective immediately. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Matelski, seconded by Commissioner Gouine to adopt Cheboygan County

**RESOLUTION 14-13
IN SUPPORT OF HCR 31**

WHEREAS, the U.S. Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps) have released a 371-page draft regulation for Definition of Waters of the U.S. under the clean Water Act; and

WHEREAS, both agencies are seeking a rule change to give the federal government more authority by expanding the definition of “navigable waters” in the Clean Water Act; and

WHEREAS, the rule change proposed by the EPA and the Corps would subject almost all physical areas with a connection to downstream navigable waters, including features such as ditches, natural or man-made ponds, and flood plains, to the jurisdiction of the Clean Water Act; and

WHEREAS, the proposed rule change, if adopted, will cause significant harm to local farmers, stall the development of businesses, take control of land used for sustainable food production out of our local providers’ hands and negatively impact county-owned and maintained infrastructure such as roadside ditches and county drains; and

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WHEREAS, the cost to our farms, municipalities, and taxpayers will be enormous; and

WHEREAS, HCR 31 calls for the EPA and Corps to withdraw their proposed rule expanding the definition of “waters of the United States” under the Clean Water Act; now

THEREFORE, BE IT RESOLVED that the Cheboygan County Board of Commissioners supports HCR 31 calling for the U.S. Environmental Protection Agency and the Army Corps of Engineers to withdraw their proposed rule expanding the definition of “waters of the United States” under the Clean Water Act; and

BE IT FURTHER RESOLVED that copies of this Resolution be forwarded to all Michigan Counties, National Association of Counties, Michigan Association of Counties, Governor Rick Snyder, U.S. Senator Carl Levin, U.S. Senator Debbie Stabenow, Congressman Dan Benishek, State Senator Howard Walker, State Representative Peter Petallia, State Representative Frank Foster, the U.S. Environmental Protection Agency and the Army Corps of Engineers.

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

Motion by Commissioner Gauthier, seconded by Commissioner Redmond, to adopt Cheboygan County

RESOLUTION 14-14 OPPOSING THE DEVELOPMENT OF AN UNDERGROUND NUCLEAR WASTE FACILITY

WHEREAS, a Canadian power company is proposing to develop an underground nuclear waste facility near Kincardine, Ontario; and

WHEREAS, the proposed facility would be situated less than one mile from the Lake Huron shoreline; and

WHEREAS, storing low and intermediate level waste so close to Lake Huron, which constitutes 21% of the world's fresh water supply, jeopardizes the fragile ecosystem and is a risk that cannot be afforded; now

THEREFORE, BE IT RESOLVED that the Cheboygan County Board of Commissioners hereby opposes the development of an underground nuclear waste facility near Kincardine, Ontario because of the risk of polluting the Great Lakes and upsetting the ecosystem; and

BE IT FURTHER RESOLVED that a copy of this Resolution be distributed to all Michigan Counties, President Barack Obama, Governor Rick Snyder, U.S. Senator Carl Levin, U.S. Senator Debbie Stabenow, Congressman Dan Benishek, State Senator Howard Walker, State Representative Peter Petallia, State Representative Frank Foster and the Province of Ontario.

Discussion was held. A roll call vote was taken. Motion carried with 5 yes, 2 no (Commissioner Matelski and Commissioner Wallace) and 0 absent.

Finance Director Kari Kortz presented Amendment #5 to the 2014 Salary and Wage Resolution. She stated that there were employment contract changes that affect rates of pay and required hours for positions in the Building Department and a contract change for the Administrator.

Motion by Commissioner Matelski, seconded by Commissioner Redmond, to adopt Amendment #5 to the Cheboygan County 2014 Salary and Wage Resolution Non-Union General Employee #13-027 to be effective July 9, 2014, authorize the Chairperson to sign the resolution and approve the necessary budget adjustments. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Administrator Lawson noted that having advertised for bids, similar proposals for vehicle repair and maintenance were received from Wheelers Motors and Fernelius Ford and Lincoln, Inc. The recommendation is to contract with both companies and split the County's fleet between the two. He stated tires will be purchased from Auto Center Pit-Stop of Sault Sainte Marie, a Good Year dealer and state contract distributor.

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Motion by Commissioner Gouine, seconded by Commissioner Gauthier, to approve the Vehicle Maintenance and Repairs between Cheboygan County and Wheeler Motors, Inc. and between Cheboygan County and Fernelius Ford Lincoln, Inc. Motion carried with 7 yes, 0 no and 0 absent.

Motion by Commissioner Redmond, seconded by Commissioner Allor to ratify the Vandalay Music Concert agreement as signed by the Chairperson. Motion carried with 7 yes, 0 no and 0 absent.

Clerk Mary Ellen Tryban presented the Remonumentation Peer Group appointments. She stated that contracts were approved with the members of the Remonumentation Peer Group in January, however, the State now requires appointments of each individual member.

Motion by Commissioner Matelski, seconded by Commissioner Wallace, to appoint Ronald Brand, Carl Kiiskala, Brian Fullford, Alan Granger and Jeff Ecker to the Remonumentation Peer Group for 2014. Motion carried with 7 yes, 0 no and 0 absent.

Finance Director Kari Kortz presented the County Purchasing Policy 300-2 Revision. The changes included are: Permit Administrator and Finance Director to approve expenditures up to \$15,000. Require Board approval for all expenditures above \$15,001. Creates Bidding process for Capital Improvement Projects. Permits Capital Improvement projects to be construction managed by the County by separating the project into project bid components, subject to bidding requirements under the direction of the Administrator and Finance Director to obtain the best pricing for construction services and materials to complete the project in the most cost effective manner with the intent to obtain the best product or service.

Motion by Commissioner Wallace, seconded by Commissioner Allor, to adopt the revised Cheboygan County Purchasing Policy 300-2 to become effective August 12, 2014 and authorize the Chairperson to sign the policy. A roll call vote was taken. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Matelski addressed the Circuit Court – Byrne Justice Assistance Grant for Drug Court. Commissioner Matelski stated he objected to the tone of the article written by Honorable Judge Scott Pavlich about the Commissioner's discussion of the Drug Court Program and grant applications at the last Board meeting.

Finance Director Kari Kortz stated that the full \$22,500 that the county allocates for the Drug Court program could be spent but there has not been a need (based on grant funding and program participants) to spend all of the amount allocated. Discussion was held with Judge Pavlich about the newspaper article written in response to Board meeting discussion.

Motion by Commissioner Gauthier, seconded by Commissioner Redmond, to approve the Byrne Justice Assistance Grant Drug Court application and authorize Judge Pavlich to submit using Web Grants Online Grant Management System. Furthermore, authorize the Chairperson to sign any forthcoming agreements or required documentation upon review and approval of the Finance Director and Legal Counsel, if applicable and authorize Court Administrator to submit any future reporting requirements on behalf of the County using Web Grants Online Grant Management System upon review and approval of the Finance Director and Legal Counsel, if applicable. Discussion was held regarding future documents needing online submission. Commissioner Gauthier stated he supported Judge Pavlich's article. Motion carried with 7 yes, 0 no and 0 absent.

Commissioner Gauthier requested several changes be made to the July 8, 2014 Finance/Business Meeting Minutes. He would like the Administrator's evaluation not to be referenced as "glowing" in the minutes and on page three of the minutes would like reference to the pipeline to be stated as "preventative measures" as opposed to how it reads as "preliminary measures". Commissioner Socha would like the minutes changed under Committee Reports in the fourth paragraph where Commissioner Matelski stated he attended a "tax allocation board meeting" he actually attended a "millage appropriation meeting".

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Motion by Commissioner Gauthier, seconded by Commissioner Allor to approve the Finance/Business Meeting minutes of July 8, 2014 as amended. Motion carried with 7 yes, 0 no and 0 absent.

CITIZENS COMMENTS

Scott Swanson, editor of the Straitsland Resorter, supported the notion that commissioner discussion should take place in an open forum so everyone gets the same information.

BOARD MEMBER COMMENTS

Commissioner Allor referred to Fair Board minutes regarding an issue with damage caused by an entity that used the fairgrounds. She asked if there is a deposit requirement for such companies. Administrator Lawson stated that a \$100 could be collected, but he will have to look into it.

Commissioner Allor commented that she believes Community Mental Health may be shutting down the Beacon Center. She will inform the Board with more information as it comes.

Commissioner Matelski asked what happens with manure from the fair. Board members are unsure and the administrator will check with the Fair Manager.

Commissioner Gouine stated that many people are against all of the regulations put on private property.

Commissioner Socha said she wanted the Judge to see how the Board deliberates on many matters so did not move the Byrne Grant for Drug Court up on the agenda.

Commissioner Wallace stated that there still is another NMSAS meeting before he attends the new Northern Michigan Entity meetings.

Administrator Lawson stated he regularly relays information and questions to Department Heads from the Board when the Board specifically requests it to be done.

Motion by Commissioner Wallace, seconded by Commissioner Allor to adjourn this meeting to the call of the chair. Motion carried with 7 yes, 0 no and 0 absent. Meeting adjourned at 12:55 p.m.

Mary Ellen Tryban
Cheboygan County Clerk/Register

Linda Socha
Chairperson