

THE BENZIE COUNTY BOARD OF COMMISSIONERS
September 13, 2016

The Benzie County Board of Commissioners met in a regular meeting on Tuesday, September 13, 2016, 448 Court Place, Government Center, Beulah, Michigan.

The meeting was called to order by Chairman Roger Griner at 9:00 a.m.

Present were: Commissioners Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke
Excused: Commissioner Carland

Chairman Griner stated he had a couple of orders of special business to mention – Senator Booher is here to give an update and stated that Dawn Olney, County Clerk, was named 2016 County Clerk of the Year by the Michigan Association of County Clerks – congratulations to her.

The invocation was given by Commissioner Griner followed by the pledge of allegiance.

Agenda:

Motion by Walterhouse, seconded by Sauer, to approve the agenda as presented. Ayes: Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke Nays: None Exc: Carland Motion carried.

Minutes:

Motion by Sauer, seconded by Walterhouse, to approve the regular session minutes of August 23, 2016 as presented. Ayes: Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke Nays: None Exc: Carland Motion carried.

9:02 a.m. Public Input

Eric VanDussen, Benzonia, spoke regarding depositions held on August 28 and his lawsuit against the County.

Thor Goff, taxpayer in Benzie County, stated that he understands we are falling short on revenue; we are one of the greatest counties in the state with property off the tax role – churches, state, federal, conservancy, we are subsidizing all of this; we are providing services that we can no longer afford; Maples – we need to look for a buyer for that – that is private sector; the bus service is wonderful for the few people that it serves – as a county perhaps you should look at Uber; school system – we don't need two high schools in Benzie County; we need to look at combining the school systems.

Senator Booher gave the board and public an update on the State Budget – thru the end of July, the General Fund budget is approximately \$150 million to the good and the school aid fund is \$104 million to the good; the Flint Water issues; Medical Marijuana – 5 bills are circulating now; 213,000 people are carrying the medical marijuana cards in the State of Michigan with Benzie County having 284 patients and 84 care givers at the end of 2014, and that number has grown since then; Resolution 19 passed by the Senate – release \$100 million for roads; Energy Bills aren't finalized yet; Revenue Sharing is up about 1.2% over last year; Land Use plans have not release taking the cap off DNR purchasing land; Unemployment is at 4.5% state-wide; Water – he is a member of the Great Lakes Water Commission and they met recently in Wisconsin – called a meeting of the DNR to look at the condition of the Great Lakes.

9:28 a.m. Public Input Closed

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2016-17 Budget Review – Mitch Deisch, County Administrator

The good is that we have seen about 1% revenue increase; departments have stepped up and reduced their costs; MERS increase will be next year; Benchmark Benzie has helped us see the future; we offer a strong benefit package; all six union contract are up this year.

The bad is that there have been no raises to employees for the past couple of years and this year they are proposing a 2% increase; longevity is still at \$32,000 for some employees; wages are falling further behind and not being addressed; Headlee rollback – we are at 3.4919 mills now; collecting about \$2,000 less in taxes than last year; Joint Courts.

Future challenges – we will see further Headlee rollbacks in the future; the expenses continue to escalate much faster than revenue; for the second year, we are using fund balance to balance the budget; health insurance increased 33% and with negotiations we are seeing 8.5% to keep us below the hard cap; MERS expenses will skyrocket next year; we amended the Emergency Manager budget; increased FCCAA by \$2,000; \$176,631 of fund balance was used. No mandated services were cut; no employee reductions; the only way to tackle the MERS issue is to reduce the benefit for current and/or future employees and to increase the contribution for current and/or future employees. The Public Hearing will be held today; you will set the budget today and adopt on September 27.

Commissioner Comments on Budget:

Comm Walterhouse stated that Mitch covered it well.

Motion by Bates, seconded by Walterhouse, to enter into a Public Hearing for the 2016-17 Fiscal Year Budget. Roll call. Ayes: Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke Nays: None Exc: Carland Motion carried.

OPEN PUBLIC HEARING

Chairman Griner says we have been talking about MERS – in the 1980s he was a Commissioner in Grand Traverse County and we were getting 11% interest on our investment in MERS at that time.

Art Jeannot, Lake Township, stated that are a lot of services to look at; what does it look like in 4 – 5 years ahead; we need a plan in place.

No further public input.

Motion by Bates, seconded by Sauer, to close the public hearing. Roll call. Ayes: Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke Nays: None Exc: Carland Motion carried.

Motion by Walterhouse, seconded by Warsecke, to set the 2016-17 budget and place on the County Clerk's counter for further public comment. Roll call. Ayes: Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke Nays: None Exc: Carland Motion carried.

ELECTED OFFICIALS & DEPT HEAD COMMENTS:

Craig Johnson, Emergency Medical Services, reported that they have received a tribal grant for two LUCAS CPR machines; he called to purchase and they said they had a newer and better machine; Craig viewed it and for the funds received from the tribe, they got 3 machines for \$30,000 rather than

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2; call volume is up and has caused major mechanical issues – on the holiday they had four trucks out and three broke down.

Frank Post, Emergency Management, reported on his August 2016 monthly activity report; presents the MMRMA grant requests.

Motion by Walterhouse, seconded by Warsecke, to approve the grant application to MMRMA for \$725.00 as a reimbursement of 50% of the cost of Stun Vest and authorize the County Clerk to sign. Roll call. Ayes: Bates, Griner, Sauer, Walterhouse and Warsecke Nays: Tucker Exc: Carland Motion carried.

Hazardous Mitigation Property Acquisition Grant: Motion by Walterhouse, seconded by Griner, to Accept the Hazard Mitigation Grant Program Grant; authorize the Benzie County Grant Administrator (County Treasurer, Michelle Thompson) sign the grant agreement documents on behalf of the county and authorize the Benzie County Grant Administrator to excuse all documents and enter into the agreements specified in the grant documents. Roll call. Ayes: Bates, Griner, Sauer and Walterhouse Nays: Tucker and Warsecke Exc: Carland Motion carried.

Motion by Sauer, seconded by Bates, to enter closed session to consult with our attorney regarding trial and settlement strategy in connection with the case of VanDussen vs Benzie County Board of Commissioners and Benzie County Sheriff Ted Schendel, file number 16-10329-CZ, pending in the Circuit Court for the County of Benzie pursuant to Section 8C of the Open Meetings Act since discussion in an open meeting would have a detrimental financial effect on litigating and settlement position of the county. Roll call. Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke Nays: None Exc: Carland Motion carried.

Motion by Sauer, seconded by Bates, to include the County Administrator, Sheriff and the County Clerk in closed session. Ayes: Bates, Griner, Sauer, Tucker, Walterhouse and Warsecke Nays: None Exc: Carland Motion carried.

10:50 a.m. Re-enter open session

Motion by Sauer, seconded by Bates, to authorize our attorney to respond to Plaintiff's settlement demands as discussed in closed session. Roll call. Ayes: Griner, Sauer, Walterhouse and Warsecke Nays: None Exc: Bates, Carland and Tucker Motion carried.

10:53 a.m. Break

Comm Bates and Tucker excused

10:59 a.m. Reconvene

DEPARTMENT HEAD COMMENTS CONTINUED

Kyle Rosa, Undersheriff, commented on the Empire bank robbery and they are looking to see if it is tied with the Lake Ann bank robberies; they are actively working on it.

David Shaeffer, Recycling Coordinator, provided a report of the 2016 Household Hazardous Waste and Electronics Collections of which 479 people were served; over 65 tons of tires were collected; he provided a letter from Sarah Archer, President of Iris Waste Diversion Specialist – they are working on a grant to perform a study for interest in a regional resource recovery site; he is working with

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SWAC to see if they would adopt the recommendation to ask the BOC to adopt a resolution; he is working with the DNR on illegal dump sites.

11:16 a.m. Lisa Vogler, Tax Payers for the Maples

She stated that she is sorry we lost some members of the board because we have a number of things to talk about – we have some goals, we need to open the Maples and hold the companies or individuals accountable for the roof issues. Last four months – additional spending totaling \$250,000; says change orders 19, 20, 21 and 22 have not been seen by the public. With the additional spending, this takes the construction account down below \$200,000. There has been no action to hold the architect or the contractor accountable; Mr. Roy has been talking about mediation – mediation is unless.

Inspection by Ed Hale – still don't know if CMS has been communicated with.

Vacancy on the Building Authority board – Norm Campbell's resignation – she feels the other two members continuously vote with each other and a new member would not have a voice – they are in protective mode.

She says the chair of the building authority stating to the media that this isn't my job.

She stated that she and others of the group were directly told that Comstock knew of the combustible materials. The architect who admitted culpability. Mr. Roy – she is very concerned about his actions. She feels Mr. Roy has a conflict of interest if he reviewed the contracts entered into with the architect and Comstock. We are still in the middle of this mess.

There has been no oversight or leadership from the board to the building authority. You have an oversight responsibility day in and day out.

She has reviewed some statutes with relation to the Board of Commissioners -- MCL 46.11(l)(n) says a majority of the Board of Commissioners can remove members of the building authority.

There is the ability of taxpayers to seek relief – we hesitate to take that action because we choose to come back to this board and say let us see you exercise your leadership. Now that you have seen the building authority fail now it is time to act – Norm Campbell resigned – 2 members that remain you ask them to voluntary resign if not, you remove them for cause then replace the three individuals on the building authority by reaching out to this community where there is a wealth of knowledge and experience. If we do nothing, we condone and we are not willing to do that.

11:24 a.m. AES Update

Betsy Evans, of AES, states that they are nonprofit Economic Development Agency here to help Benzie County. Three components to our agency: Community Development, Resource Development and Business Development. They provided a report highlighting the projects that they have been working on.

Tamara Buswinka – Community Development – commented that the M-22 will become a part of the Pure Michigan Byway Initiative – happy to say that we have received that designation and Benzie County will be a part of the Pure Michigan Byway; Broadband Initiative.

Tim Ervin, Resource Development – Resource Development – in the process of assisting a large company in Benzie County with a \$10 million expansion; Explore the Shores; Frankfort City beach and large company involving a number of parties that will be an acquisition of a key piece of land that will be developed for recreation. AES Board appointments from Benzie County at this time: Commissioner Roger Griner, Josh Mills, Karen Thorr, Courtney Gillison and Doug Rodriguez. Spending a fair amount of time on housing – workforce and senior. Short Term Priorities: Port

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Options/cruise ship; US 31 Corridor Strategy; Natural Gas Extension; Development of County Board Strategic Plan; and Workshops on Economic Development Incentives and USDA Rural Development Grants, Loans and Programs.

Betsy Evans, Business Development – Workforce Development and developing the skilled trades that employers are seeking – working with Baker College / Grow Benzie / Benzie Central High School; Business Assistance and business visits; Business Plans.

COMMISSIONER REPORTS

Comm Walterhouse has nothing additional.

Comm Sauer reported that they will be pouring concrete at the Veterans Memorial Park and will have a ceremony on November 11, 2016 at 2 p.m.; still working on SWD issue with the farmers and cherry farmers.

Comm Warsecke reported that Inland Twp will have a new well operational on October 1; received a FEMA grant for firetruck; he will not be present at the September 27 BOC or HR meetings – he will be out of town; regarding the 1 year review for Mitch, he would propose to move it to February 2017. Chairman Griner says he likes the idea of waiting. Mitch is also in agreement.

Comm Griner reported that yesterday's meeting with AES was very positive and exciting regarding the cruise ships; regarding the Airport Authority, he has been told that we could have a Port Authority for Airport Authority, Benzie Transportation Authority – there might be a mechanism to have this.

COUNTY ADMINISTRATOR'S REPORT – Mitch Deisch

TPOAM Contract: Motion by Walterhouse, seconded by Warsecke, to approve a two-year TPOAM contract and to authorize the County chair and elected departments to sign and executive the agreement. Roll call. Ayes: Griner, Sauer, Walterhouse and Warsecke Nays: None Exc: Bates, Carland and Tucker Motion carried.

Budget At A Glance: Mitch provides a copy of what is proposed; he will have some printed up and stated that they would be available for the BOC to hand out at their township meetings and at various other places around the county. This is for the public to better understand the budget.

FINANCE

Bills: Motion by Walterhouse, seconded by Warsecke, to approve payment of the bills from August 23, 2016 to September 13, 2016 in the amount of \$455,765.81, as presented. Roll call. Ayes: Griner, Sauer, Walterhouse and Warsecke Nays: None Exc: Bates, Carland and Tucker Motion carried.

Michelle Thompson, County Treasurer, presented a Cash Summary by Fund report to the board; she also stated that September 14 summer taxes are due to the townships; September 15 village taxes are due to the villages; she asks to authorize the County Treasurer to transfer \$1 million as needed.

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Motion by Sauer, seconded by Walterhouse, to authorize the County Treasurer to inter-fund borrow up to \$1 million to balance cash in all funds for FY 2015-16. Roll call. Ayes: Griner, Sauer, Walterhouse and Warsecke Nays: None Exc: Bates, Carland and Tucker Motion carried.

ACO/Tribal Agreement: Motion by Walterhouse, seconded by Warsecke, to enter into agreement for the Grand Traverse Band for Animal Control Services, authorizing the chairman to sign. Roll call. Ayes: Griner, Sauer, Walterhouse and Warsecke Nays: None Exc: Bates, Carland and Tucker Motion carried.

HR AND PERSONNEL – None

COMMITTEE APPOINTMENTS – None

ACTION ITEMS – None

CORRESPONDENCE

- Little Platte Lake and Crystal Lake Elevation Reports for August, 2016 received.
- Parks & Recreation minutes of June 27, 2016 received.
- Road Commission minutes of August 11, 2016 received.

NEW BUSINESS – None

12:00 p.m. Public Input – None

Motion by Warsecke, seconded by Sauer, to adjourn until the September 27, 2016 Regular meeting or the call of the chair. Ayes: Griner, Sauer, Walterhouse and Warsecke Nays: None Exc: Bates, Carland and Tucker Nays: None Motion carried

Roger L. Griner – Chair

Dawn Olney, Benzie County Clerk

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1. Approved the agenda as presented.
2. Approved the regular session minutes of August 23, 2016 as presented.
3. Public Hearing for the 2016-17 Fiscal Year Budget held.
4. Approved to set the 2016-17 budget and place on the County Clerk's counter for further public comment.
5. Approved the grant application to MMRMA for \$725.00 as a reimbursement of 50% of the cost of Stun Vest and authorize the County Clerk to sign.
6. Accepted the Hazard Mitigation Grant Program Grant; authorize the Benzie County Grant Administrator (County Treasurer, Michelle Thompson) sign the grant agreement documents on behalf of the county and authorize the Benzie County Grant Administrator to excuse all documents and enter into the agreements specified in the grant documents.

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7. Entered closed session.
8. Authorized our attorney to respond to Plaintiff's settlement demands as discussed in closed session.
9. Approved a two-year TPOAM contract and to authorize the County chair to sign.
10. Approved payment of the bills in the amount of \$455,765.81.
11. Authorized the County Treasurer to inter-fund borrow up to \$1 million to balance all funds for FY 2015-16.
12. Approved to enter into agreement for the Grand Traverse Band for Animal Control Services, authorizing the chairman to sign.