

**THE BENZIE COUNTY BOARD OF COMMISSIONERS**  
**December 19, 2017**

The Benzie County Board of Commissioners met in a regular meeting on Tuesday, December 19, 2017, 448 Court Place, Government Center, Beulah, Michigan.

The meeting was called to order by Chairman Coury Carland at 4:00 p.m.

Present were: Commissioners Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke

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

**Agenda:**

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

**Minutes:**

Motion by Jeannot, seconded by Roelofs, to approve the regular session minutes of December 5, 2017 as corrected. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

Motion by Sauer, seconded by Walterhouse, to approve the closed session minutes of December 5, 2017 as presented. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

4:07 p.m. Public Input – None

**ELECTED OFFICIALS & DEPT HEAD COMMENTS:**

Doug Durand, Benzie Senior Resources, presented his monthly written report and stated that he was out delivering Christmas bags today; there are a lot of lonely people out there.

David Schaffer, Recycling Coordinator, reported that all sites have been turned over to 10 yard dumpsters; there is a 6-month lease agreement with Xpert Fulfillment under Action Items for bin storage rental, this has been drafted by legal counsel.

Comm Sauer asked if we are going to hold on to the bins in case this doesn't work out; David stated that we will expedite the process to enter into a 3-5 year contract extension with American Waste. Comm Griner asks that David advertise to sell the 30 yard bins to the general public – David indicated that after we enter into contract with American Waste, he will put it out to bid. Comm Jeannot asked if monies were budgeted for bin storage.

Dawn Olney, County Clerk, asked for authorization to contact legal counsel for some housing projects payments which are delinquent.

Motion by Walterhouse, seconded by Jeannot, to allow the County Clerk to contact legal counsel for delinquent housing matters. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

**COMMISSIONER REPORTS**

Comm Roelofs reported he only had one meeting – Buildings & Grounds, and stated that we see this happening, that departments come to a certain committee and then they have to go to another and

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sometimes come back to the first committee before it gets to the board; we need to short cut the meeting times. This is a vast waste of time and money. This would help everyone out. Chairman Carland stated that we have talked about streamlining this by going to a committee of the whole and one regular BOC meeting; Mitch suggested Finance on the tail end.

Comm Walterhouse reported that he had just one meeting – Parks & Recreation last night. They reviewed the Betsie Valley Trail where they are at regarding the Lighthouse project and the committee approved it.

Comm Griner stated that we have young board of commissioners with good ideas.

Comm Jeannot stated he has attended 8 meetings since our last board meeting: 12/7 Opioid matter & Lake Township; 12/11 Almira Township – their Winterfest is February 3, 2018; 12/13 attended the EMS interviews; 12/14 NMCAA and they just finished their audit, they are a not-for-profit agency and run very well; 12/15 EDC – they still need 2 members. Also, Mitch will be meeting with AES to avoid a disconnect on the contract interpretation; 12/15 sat with Mitch and his designee and talked about the finance director position; 12/19 attended the Building Authority interviews.

Comm Sauer reported on Buildings & Grounds and the discussion on the water valves; attended the EMS director interviews and had good candidates; HARP property in Honor is now fully funded for the purchase; Road Commission had their local road group meeting and decided on the list for 2018 projects, with one project being the resurfacing of a bridge in the Weldon area. He also attended Curt VanderWall's coffee hour and talked about OPEB.

Comm Warsecke attended the Inland Township and Colfax Township meetings; the Village of Thompsonville would like him to start attending their meetings, however they are on the same night as the Inland Township meetings; he also went to one of the school board meetings and that also is the same night as Inland Township; he attended the committee meeting regarding Opioid; attended both EMS interviews and the BA interviews.

Comm Carland attended the Networks Northwest bi-monthly special meeting which was Elaine Wood's last meeting; she has worked 42 years for Networks Northwest; Sara Lucas gave an update on Planning and it sounds like the Governor is trying to make the prosperity zone his legacy. The Planning Commission met last Thursday with the seven new members. We have three more applications for the planning commission. Spent last Friday plowing snow at the airport – it was the first time he did that. Attended the BA interviews and will make a recommendation in January 2018. Also attended Centra Wellness where they discussed the opioid litigation.

### Buildings & Grounds Consent:

Comm Sauer removes item #5.

Motion by Jeannot, seconded by Roelofs, to approve the December 13, 2016 Buildings & Grounds consent calendar items 1-4 as presented. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

#5: Comm Sauer asked why we don't put a lock on the closed session meeting room to make it secure as well.

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Motion by Sauer, seconded by Griner, to authorize Frank Post to apply to MMRMA for security windows & three (3) door locks as requested. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

### **COUNTY ADMINISTRATOR'S REPORT** – Mitch Deisch

- OPEB Legislation; the state doesn't do a good job when they try to pass legislation for everyone.
- Happy with IT Right and the way things are going.
- EMS Interviews – 4 interviews; they have a candidate and have started background checks, criminal checks and will also have a pre-employment drug test.
- Opioid Litigation – will have that discussion later in the meeting.
- Provided a list of 2017 -- What did we do?

### **FINANCE**

**Bills:** Motion by Walterhouse, seconded by Warsecke, to approve payment of the bills from December 6, 2017 to December 19, 2017 in the amount of \$300,802.03, as presented. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

Michelle Thompson, County Treasurer, thanked this board and everyone in this building for the support to her in this difficult time.

Troy Lamerson explained the need for action on the Sheriff Dept Backup due to their cloud storage contract ending the end of the year – IT Right has presented a quote for \$5,108.96 for back up to both the Sheriff Dept and Government Center but will be placed at the Sheriff Dept; from that server they will back up the critical data to the cloud; we pay for the hardware and they will pay for cloud storage.

Motion by Carland, seconded by Walterhouse, to approve payment of \$5,108.96 for CTERA C800 8-Bay Cloud Storage Gateway and Backup from IT Right, from 101-286-970.00 as requested. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

5:00 p.m. Thelma Novak, OMA Violation

Ms. Novak says thank you for this opportunity to appear before you tonight; on November 27 she filed an OMA complaint against the Building Authority with the Prosecuting Attorney and a copy to the Board of Commissioners because you should be aware of what she was doing and why. Apparently after receiving that copy, someone directed the county attorney review that decision to make the quorum of the board. Under FOIA, I received a copy of that letter from the attorney and feel that the opinion is flawed and the two members of the BA and Mr. Roy are manipulating. The County Clerk has established that the BOC has adopted Roberts Rules of Order. The BA has not officially adopted those, but unofficially adopted and they are required to follow those at meetings. September 29 this board amended the BA Articles of Incorporation to change the members from 3 to 5. On October 24 this board was asked the question how many were required for a quorum on the BA. The board chair responded that 3 members were required. That was conveyed to the BA by one of its members and they were aware of the decision. On November 22 the BA met and decided to

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have a meeting with just two members present and the third excused. The attorney felt that the amendment to the 5 member board was still not legal and therefore not legal to require a 3 member quorum. Two of those members did proceed. There is a habit with this BOC that you start something but you do not follow through with it. This causes a lot of confusion and costs a lot of money that could be spent on the Maples rather than its attorney. She refers and reads from Mr. Figura's letter. This BOC is the parent body and the BA cannot appoint its own members and you are the ones that have the right to establish the quorum. Then Mr. Figura quotes from a blog site. She asked if this board really read the opinion over or just went to the last paragraph. On September 12 you made a motion to remove two members from the BA and you did that incorrectly. You never had a hearing on it. Then on September 26 you made a motion to rescind and Robert's specifically states you cannot rescind a motion to remove members. Today there is still no real understanding if Marcia Stobie and Tom Longanbach are still on the BA, yet in the interview process today, you want to reappoint these people to the board. The sad part is, you are starting to drag employees and official down that have done well in their positions, trying to back you up. The Prosecuting Attorney lied to my face about sending her complaint to the Sheriff Office. I have had other employees and officials make mistakes that they never have before. People are in limbo. She feels Mr. Roy has doubled his charge to the BA. The two members have been violated the OMA. After court they, with Mr. Roy, go into a closed room – why not the third member?

Chairman Carland questions the comment regarding quorum being made by the Board – he stated that he said 3, not by BOC motion. Don't know that that makes it an official policy of the board. Comm Jeannot stated that he can certainly see where you could interpret it as definitive. I am supportive of your activities. Mr. Jeannot stated that he is limited to what he can say, but with regard to the hearing to remove members, the board did not ignore that. We took it under advisement.

5:23 p.m. Recess

5:30 p.m. Reconvene

Laura Galbraith, Executive Director of Venture North Funding

Bob Boylan of Xpert Fulfillment is also present.

Public Hearing for Xpert Fulfillment; there are 10 people present. This is a \$330,000 CDBG loan; which is used to either eliminate blight or create jobs. This will create 10 full-time positions over the first 2 years and of those employees 51% are low and moderate income levels. On December 4, 2017 the loan committee unanimously approved this loan. Representatives from Benzie County on the loan committee were Coury Carland and Mitch Deisch was also present.

They have been in operation since 2008 and have seen steady growth.

Next step: Brief description of the public hearing, date, number of people, comments; county pass a resolution.

Commissioner Comments:

Comm Jeannot asked if there was credit analysis that looks at the project as well. Yes

Art also asked that they look at the ability to repay and look for other sources of repayment and to make sure the loan is compliant as well. Yes they do.

Comm Jeannot asked Mr. Boylan to give overview: simplest way to explain is that selling on line they deal with a number of different areas; they handle the physical portion so the individuals can concentrate on marketing. The product is send to us, and they send out. Very streamlined and efficient.

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Growth: Is there concern about being able to find people to work? Some, but there were 450 people working at the 115 site at its peak.

### PUBLIC HEARING

Motion by Carland, seconded by Sauer, to open the public hearing for Xpert Fulfillment CDBG loan. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

Mary Hoyt, Benzonia Township, stated that she has been involved in the Chamber of Commerce and EDC; the concept of a business park has been tossed around for years. You are following through with a concept that was never able to be fully put together before. This is fantastic.

Motion by Roelofs, seconded by Warsecke, to close the public hearing. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

Motion by Sauer, seconded by Griner, to adopt resolution 2017-037 Authorizing Community Development Block Grant Loan Fund Application – Xpert Fulfillment, authorizing the chairman to sign. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

Motion by Sauer, seconded by Jeannot, to approve the CDBG Loan Program Application for Xpert Fulfillment, authorizing the chairman to sign. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

### Finance Consent:

Comm Jeannot removes #2 and #6.

Motion by Jeannot, seconded by Warsecke, to adopt items 1, 3, 4, 5 and 7 of the December 5, 2017 Finance Consent Calendar as presented. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

#2: Comm Jeannot asks if this is general fund money that is being used. Dawn Olney, County Clerk, responded that no, the funds would be taken from the Juvenile Court budget for recording services, they will not be seeking additional wages for CPL.

Motion by Jeannot, seconded by Walterhouse, to approve the Deputy County Clerk wage increases for court recording, contingent upon receipt of a memorandum of Understanding with the TPOAM union. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

#6: Comm Jeannot inquired regarding the MCF Debt fund in the amount of \$947,300 – asked for a breakdown of what makes that number. Property Tax collection, miscellaneous revenue and budgeted use of fund balance; expense is bank fees, refunds/rebates, principal and interest on bonds.

Motion by Roelofs, seconded by Warsecke, to adopt the MCF Debt fund 312 budget in the amount of \$947,300 as presented. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.



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### Budget Amendment EMS:

Motion by Sauer, seconded by Carland, to approve the budget amendment for fund 214 EMS as follows:

Increase:

214-000-691.00	Budgeted Use of Fund Balance	\$169,200.00
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Decrease:

214-655-940.00	Purchase of a Vehicle	\$169,200.00
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Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None  
Motion carried.

6:00 p.m. Lisa Leedy, Executive Director, AES

Lisa provided the board with information on herself so they know her qualification to be Executive Director. She has been with AES for just 70 days and has been working on: Explore the Shores; working with Homestead Township on development of 52 acres on the Platte River; Frankfort Lake Michigan Beach Service Center project; Crystal Lake Township Park, Canoe and Kayak; Betsie Valley Community Center; Xpert Fulfillment project; feasibility study for a sewer project for the Village of Benzonia; Village of Thompsonville is looking to do some infrastructure improvements. Changes at AES are reducing the board membership from 17 to 9 members; they are working on new Bylaws.

Comm Jeannot stated that Comm Griner will be the member there at AES.

### Finance Continued – Budget Amendment – Housing:

Motion by Carland, seconded by Sauer, to amend the 2017-18 535 Housing budget as follows:

Decrease:

535-000-691.00	Budgeted Use of Fund Balance	\$70,000.00
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Increase:

535-000-800.00	Contracted Services	\$60,000.00
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535-000-815.40	Admin Fees – NMCAA	\$10,000.00
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Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None  
Motion carried.

**HR AND PERSONNEL** – No Report.

### **COMMITTEE APPOINTMENTS**

Veterans: Motion by Roelofs, seconded by Jeannot, to extend the terms of Phil Hoyt and Kirt Giddis to 4 years, expiring on December 31, 2021. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

EDC/BRA: Candidate has withdrawn her name.

### **ACTION ITEMS**

Recycling Storage Lease: Motion by Warsecke, seconded by Roelofs, to enter into a lease with Xpert Fulfillment for a six-month lease for storage of the recycling bins, authorizing the chairman to sign.

Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None  
Motion carried.

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FY 2018 Snowmobile Grant Agreement: Motion by Warsecke, seconded by Roelofs, to enter into the FY 2018 Snowmobile Grant Agreement between Benzie County and the Department of Natural Resources, authorizing the chairman to sign. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

Resolution 2017-036 Opioid Litigation & Retainer Agreement: Comm Jeannot stated that he was assigned to a committee to review this; when he read the retainer agreement, a couple of things surfaced that we wouldn't have thought about talking about in the group; it is not urgent and we should table and take a further look at it.

Chairman Carland stated that he is comfortable moving forward but if the rest of the board is not, he would not object to tabling. He stated that enough other eyes have looked at this and several other counties for approved it.

Comm Jeannot stated there is new information, just because other counties have agreed to waive their rights away, we are potentially locking future boards to an expense that they don't even know about; there are risks involved. He handed out additional information he has gathered.

Motion by Jeannot, seconded by Griner, to table this matter.

Mitch stated that he provided this information to Mr. Figura on Monday and has not received a response yet.

Comm Sauer stated he would like to get an opinion from Mr. Figura before we proceed.

## **CORRESPONDENCE**

- Crystal Lake elevation report for November 2017 received.
- Little Platte Lake elevation report for November 2017 received.
- Veterans Affairs minutes of November 6, 2017 received.
- Donation request received from Goodwill of Northern Michigan.
- Information received from the Benzie-Leelanau Health Dept regarding Northern Michigan Public Health Emergency Preparedness – information.
- Benzie Transportation Authority November 2016 to October 2017 Financial Statements received.

Comm Griner asked about the idea of the committee of the whole.

Chairman Carland stated that we could have a full day to cover technology, personnel, buildings & grounds and finance at the end.

Motion by Carland, seconded by Warsecke, to enter closed session for continuation of the County Administrator's annual performance evaluation and discussion of the terms and conditions of the employment agreement be conducted in Closed Session in accordance with the Open Meetings Act Section X Closed Session, MCL 15.268(a) to consider periodic personnel evaluation. There is potential for the Board of Commissioners to take action following the closed session. Roll call. Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

6:36 p.m. Enter Closed Session

7:24 p.m. Re-enter Open Session

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### UNFINISHED BUSINESS – None

### NEW BUSINESS – None

7:25 p.m. Public Input

Mary Hoyt, Benzonia Township, spoke regarding 2017 accomplishments and that the Maples did get opened but there was not a ticker tape parade; we got in by the seat of our pants. We were over budget and there were a lot of mistakes being made. Some of you need to be reminded, a lot of what is happening, is that there is some glaring bias against getting off center with the old problems and moving on. It does us no good to continue to hover. We need to recoup what was lost. Get out of the old ways. The project came in way over budget and way overdue. Let's start 2018 fresh. Your client is the taxpayers.

7:33 p.m. Public Input Closed

Motion by Roelofs, seconded by Sauer, to adjourn until January 2, 2018 Organizational Meeting.

Ayes: Carland, Griner, Jeannot, Roelofs, Sauer, Walterhouse and Warsecke Nays: None Motion carried.

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Custer C. Carland – Chair

Dawn Olney, Benzie County Clerk

### INDEX

1. Approved the agenda as presented.
2. Approved the regular session minutes of December 5, 2017 as corrected.
3. Approved the closed session minutes of December 5, 2017 as presented.
4. Approved to allow the County Clerk to contact legal counsel for delinquent housing matters.
5. Approved the December 13, 2016 Buildings & Grounds consent calendar items 1-4 as presented.
6. Authorized Frank Post to apply to MMRMA for security windows & three (3) door locks as requested.
7. Approved payment of the bills from December 6, 2017 to December 19, 2017 in the amount of \$300,802.03, as presented.
8. Approved payment of \$5,108.96 for CTERA C800 8-Bay Cloud Storage Gateway and Backup from IT Right, from 101-286-970.00 as requested.
9. Public hearing held for CDBG loan for Xpert Fulfillment.
10. Adopted resolution 2017-037 Authorizing Community Development Block Grant Loan Fund Application – Xpert Fulfillment, authorizing the chairman to sign.
11. Approved the CDBG Loan Program Application for Xpert Fulfillment, authorizing the chairman to sign.
12. Adopted items 1, 3, 4, 5 and 7 of the December 5, 2017 Finance Consent Calendar as presented.
13. Approved the Deputy County Clerk wage increases for court recording, contingent upon receipt of a memorandum of Understanding with the TPOAM union.
14. Adopted the MCF Debt fund 312 budget in the amount of \$947,300 as presented.



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15. Approved the budget amendment for fund 214 EMS as presented.
16. Approved to amend the 2017-18 535 Housing budget as presented.
17. Approved extending the terms of Phil Hoyt and Kirt Giddis to the Veterans Affairs Committee to 4 years, expiring on December 31, 2021.
18. Approved to enter into a lease with Xpert Fulfillment for a six-month lease for storage of the recycling bins, authorizing the chairman to sign.
19. Approved to enter into the FY 2018 Snowmobile Grant Agreement between Benzie County and the Department of Natural Resources, authorizing the chairman to sign.
20. Resolution 2017-036 Opioid Litigation & Retainer Agreement: Tabled
21. Entered closed session to continue the County Administrator's annual performance evaluation and discussion of the terms and conditions of the employment agreement.

## **BUILDINGS & GROUNDS**

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Motion by Jeannot, seconded by Roelofs, to approve the Buildings and Grounds Consent Calendar as follows:

- 1. To accept the proposal for conversion to natural gas and additional requirements at Station 2 (669 site), in the amount of \$7,000.**
- 2. To authorize \$13,479.00 to fix the 12-zone system for roof top units with Hurst, and with funds to come from building maintenance.**
- 3. Accepted all bids for epoxy flooring and referred to committee of Bob Roelofs, Bob Hawkins, Mitch Deisch, Kyle Rosa, and come back with a recommendation to this committee.**
- 4. To authorize the Correctional facility water value replacement project as presented, in the amount of \$52,150.23, with funds to come from the Jail Maintenance Fund.**
- 5. Removed from Consent Calendar.**

Motion by Jeannot, seconded by Warsecke, to approve the Finance Consent Calendar items as follows:

1. To adopt the 535 Housing budget as presented.
2. Removed from Consent Calendar.
3. To approve the budget amendment for EMS fund 214, in the amount of \$7,000 as presented.
4. To pay \$169,118.79 to pay off the 2017 McCoy Miller Ambulance from line 214-655-940.00.
5. To transfer \$8,400.00 from Family Foster Care to Independent Living in the Child Care Fund as requested.
6. Removed from Consent Calendar.
7. To approve a Budget Amendment for department 131 Circuit Court, adding \$3,500 to 101-131-865.00 from Budgeted Use of Fund Balance.