

Leelanau County Board of Commissioners
Regular Session – Tuesday, July 19, 2022
Approved 5/16/2023

Proceedings of the meeting are being recorded (audio and video). The video of the meeting can be found at the following link: <https://www.leelanau.gov/meetingdetails.asp?MAId=2364#video>

Meeting called to order by Chairman Ty Wessell at 7:00 p.m. Today's meeting is being held at the Government Center, 8527 E. Government Center Drive, Suttons Bay, Michigan.

Pledge of Allegiance/Moment of Silence:

The Pledge of Allegiance to the Flag of the United States of America was recited, followed by a moment of silence.

<u>Roll Call:</u>	District #1	Rick Robbins	PRESENT
	#2	Debra L. Rushton	PRESENT
	#3	Lois Bahle	PRESENT
	#4	Ty Wessell	PRESENT
	#5	Patricia Soutas-Little	PRESENT
	#6	Gwenne Allgaier	PRESENT
	#7	Melinda C. Lautner	PRESENT

Approval of Minutes:

#185-07192022 Regular Session

MOTION BY RUSHTON TO APPROVE THE MINUTES OF THE EXECUTIVE SESSION, TUESDAY JUNE 14, 2022 MINUTES; REGULAR SESSION, TUESDAY, JUNE 21, 2022; AND PUBLIC HEARING, TUESDAY, JUNE 21, 2022. SECONDED BY ROBBINS AND ALLGAIER.

Discussion – none.

AYES – 7 (Rushton, Soutas-Little, Wessell, Allgaier, Bahle, Lautner, Robbins)
NO – 0 **MOTION CARRIED.**

Commissioner Rushton would like to hold the Executive Session from Tuesday, July 12, 2022, until next month.

Approval of Agenda / Late Additions or Deletions:

Chairman Wessell commented that he would like to have several changes to the agenda and reviewed them. Wessell asked if anyone wished to remove items from the Consent Agenda and received no response. Wessell requested to move the Audit discussion until after those that are here to make reports; so the first would be the Drainage District that Commissioner Lautner has requested be added to the agenda; then Action Item #8, Area Agency on Aging of NW Michigan (AAANM) – FY 2023 Annual Implementation Plan Resolution; remove, at the request of Planning & Commissioner Development Director Trudy Galla, Action Item #9, Brownfield Redevelopment Authority – Maple City Crossing/Habitat for Humanity Brownfield Plan Update; then take the Drain Commissioner Resolution off the agenda at the request of the Drain Commissioners; then add Action Item #12, Late Addition #1, Acceptance of Donation, Animal Welfare League of Benzie County; (Action Item #13) Late Addition #2, Event Tracker Software Purchase, SafetyNet; then (Action Item #14) Late Addition #3, September Regular Session Meeting Date

Change; then go back to Administration and end with Late Agenda Item #4, regarding Community Mental Health.

#186-07192022 Regular Session

MOTION BY SOUTAS-LITTLE THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE THE AGENDA AS AMENDED. SECONDED BY ROBBINS.

Discussion – none.

AYES – 7 (Soutas-Little, Wessell, Allgaier, Bahle, Lautner, Robbins, Rushton)

NO – 0

MOTION CARRIED.

Public Comment:

Chairman Wessell called for public comment and the following individuals addressed the Commissioners: Ann Schlueter; Kerry O'Non; Bill Wiesner; Nancy Popa; Alan Campbell; Linda Shimek; Steve Mikowski; and Jim Kobberstad.

The written comments and handouts can be found at the following link:

<https://www.leelanau.gov/meetingdetails.asp?MAId=2364#handouts>

Commissioner Comments:

- Chairman Wessell thanked Commissioner Rushton for being back.

Communications, Proclamations, Presentations:

- Administrator Janik recognized Commissioner Robbins on his birthday today.

Consent Agenda Items:

Chairman Wessell read the following statement: The purpose of the Consent Agenda is to expedite business by grouping non-controversial items together to be dealt with by one motion without discussion. Any Commissioner may ask that any item on the Consent Agenda be removed and placed elsewhere on the agenda for full discussion. Such request(s) will be automatically respected and will not need a second.

#187-07192022 Regular Session

MOTION BY RUSHTON THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE THE CONSENT AGENDA AS PRESENTED. SECONDED BY ALLGAIER AND ROBBINS.

Proposed Letter of Agreement – Leelanau County, County Sheriff and FOPLC-Corrections Unit:

#188-07192022 Regular Session

- **APPROVE THE LETTER OF AGREEMENT REGARDING ARTICLE VII (WORK WEEK) AND ARTICLE XXV (OFF DUTY WEAPONS MAINTENANCE) BETWEEN THE COUNTY OF LEELANAU, THE LEELANAU COUNTY SHERIFF, AND THE FRATERNAL ORDER OF POLICE LABOR COUNCIL (FOPLC) CORRECTIONS UNIT, AS PRESENTED.**

Monumentation/Remonumentation – Surveyor Services Agreements with O’Non Land Surveying, Holmberg Land Survey, Grand Traverse Surveying, and Leelanau Land Surveying:

#189-07192022 Regular Session

- **APPROVE THE SURVEYOR SERVICES AGREEMENTS WITH O’NON LAND SURVEYING, HOLMBERG LAND SURVEY, GRAND TRAVERSE SURVEYING, AND LEELANAU LAND SURVEYING AS PREPARED BY CORPORATE COUNSEL, WITH COSTS TO COME FROM THE REMONUMENTATION PROGRAM [FUND 101-475245].**

Monumentation/Remonumentation – Peer Group Agreements with O’Non Land Surveying, Holmberg Land Survey, and Grand Traverse Surveying:

#190-07192022 Regular Session

- **APPROVE THE MONUMENTATION/REMONUMENTATION PEER GROUP AGREEMENTS AS PREPARED BY CORPORATE COUNSEL, WITH O’NON LAND SURVEYING, HOLMBERG LAND SURVEY, AND GRAND TRAVERSE SURVEYING, WITH COSTS TO COME FROM THE REMONUMENTATION PROGRAM [FUND 101-475275].**

Monumentation/Remonumentation – Peer Group Agreement (including County Representative Services) with Leelanau Land Surveying:

#191-07192022 Regular Session

- **APPROVE THE MONUMENTATION/REMONUMENTATION PEER GROUP AGREEMENT WITH LEELANAU LAND SURVEYING AS PREPARED BY CORPORATE COUNSEL, WITH COSTS TO COME FROM THE REMONUMENTATION PROGRAM, FUND [101] 475245.**

Prosecuting Attorney – West Law/Thomson Reuters Renewal:

#192-07192022 Regular Session

- **APPROVE THE WEST LAW/THOMSON REUTERS CONTRACT TO PROVIDE LAW BOOKS TO THE PROSECUTING ATTORNEY’S OFFICE FOR A FIVE-YEAR PERIOD UPON SIGNING THE CONTRACTS, AS PRESENTED.**

Prosecuting Attorney – MDHHS Title IV-E Contract Amendment #4:

#193-07192022 Regular Session

- **APPROVE AMENDMENT #4 TO THE CONTRACT BETWEEN LEELANAU COUNTY AND THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES (MDHHS), WHICH EXTENDS THE CONTRACT TO SEPTEMBER 30, 2023, INCREASES THE CONTRACT BY \$15,000.00 TO \$145,000.00 AND REPLACES SECTION 2.12 BILLING.**

Information Technology – ESRI Software Renewal, Multiple Departments:

#194-07192022 Regular Session

- **WAIVE COUNTY POLICY ON BID REQUIREMENTS AND APPROVE THE MAINTENANCE CONTRACT WITH ESRI IN AN AMOUNT NOT TO EXCEED \$6,350.00; FUNDS TO COME FROM DATA PROCESSING FUND #636.**

Information Technology – Dell Work Stations Purchase:

#195-07192022 Regular Session

- **APPROVE THE PURCHASE OF 15 NEW DELL WORKSTATIONS FROM DELL AT A COST OF \$22,303.30, WITH FUNDS TO COME FROM DATA PROCESSING FUND #636.**

Maintenance – Otis Elevator Contract Renewal:

#196-07192022 Regular Session

- **WAIVE THE BOARD POLICY ON BIDS AND APPROVE A FIVE (5) YEAR CONTRACT EXTENSION BETWEEN LEELANAU COUNTY AND OTIS ELEVATOR COMPANY FOR MAINTENANCE AND REPAIRS AS PRESENTED; FUNDS TO COME FROM FUND #631 CONTRACTUAL SERVICES.**

Administration – Annual MERS Conference Delegates:

#197-07192022 Regular Session

- **APPROVE THE APPOINTMENT OF ADMINISTRATOR CHET JANIK AS THE OFFICER DELEGATE TO ATTEND THE 76TH ANNUAL MERS CONFERENCE AND TO APPOINT COUNTY CLERK MICHELLE CROCKER AND DARCY WEAVER AS CO-ALTERNATE OFFICER DELEGATES AT A COST OF \$205.00 PER PERSON. FUNDS TO COME FROM BOARD OF COMMISSIONERS TRAVEL LINE ITEM #101.100.101.860.000 AND BOARD OF COMMISSIONERS EDUCATION LINE ITEM #101.100.101.960.000.**

Discussion – none.

**AYES – 7 (Rushton, Soutas-Little, Wessell, Allgaier, Bahle, Lautner, Robbins)
NO – 0 MOTION CARRIED.**

Action Items —

Area Agency on Aging of NW Michigan (AAANM) – FY 2023 Annual Implementation Plan Resolution:

#198-07192022 Regular Session

MOTION BY ALLGAIER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE COUNTY RESOLUTION #2022-009, FISCAL YEAR 2023-2025 MULTI-YEAR IMPLEMENTATION PLAN OF THE AREA AGENCY OF AGING OF NORTHWEST MICHIGAN. SECONDED BY SOUTAS-LITTLE.

Discussion – none.

**ROLL CALL: Allgaier – YES; Bahle – YES; Lautner – YES; Robbins – YES;
Rushton – YES; Soutas-Little – YES; Wessell – YES.
AYES – 7 NO – 0 MOTION CARRIED.**

**Leelanau County Resolution #2022-009
Fiscal Year 2023-2025 Multi-Year Implementation Plan
of the Area Agency on Aging of Northwest Michigan**

Be it resolved that the Leelanau County Board of Commissioners has reviewed the Fiscal Year 2023-2025 Multi Year Plan of the Area Agency on Aging of Northwest Michigan and believe that the plan addresses the needs of the aging population in Region 10.

Be it further resolved that the Leelanau County Board of Commissioners approves the Fiscal Year 2023-2025 Multi Year Plan of the Area Agency on Aging of Northwest Michigan.

Late Addition #1 – Acceptance of Donation, Animal Welfare League of Benzie County:
Undersheriff James Kiessel was present regarding the donation that was received and commented that it is a generous donation. He requested the Board allow the acceptance to be placed in a special account.

#199-07192022 Regular Session

MOTION BY RUSHTON THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE THE RECEIPT OF A \$5,000.00 DONATION FROM THE ANIMAL WELFARE LEAGUE OF BENZIE COUNTY FOR THE ANIMAL CONTROL DIVISION OF THE SHERIFF'S DEPARTMENT. FUNDS TO BE PLACED IN AN ACCOUNT TO BE DETERMINED BY THE FINANCE OR TREASURER'S OFFICE FOR USE SPECIFIC TO THE ANIMAL CONTROL DEPUTY. SECONDED BY LAUTNER.

Discussion – none.

**AYES – 7 (Rushton, Soutas-Little, Wessell, Allgaier, Bahle, Lautner, Robbins)
NO – 0
MOTION CARRIED.**

Late Addition #2 – Event Tracker Software Purchase, SafetyNet:

IT Technician Liana Wilson, Undersheriff James Kiessel and Jeffrey Fulton with Safety Net were present. Fulton said that before Commissioners is a request to replace a piece of software that was purchased in 2020 to meet CJIS (Criminal Justice Information Services). The software handles threat detection, log collection, monitoring and alerting for IT and has a Managed Operation Center. In 2021, the Company was sold and the company Qualys had the product and discontinued it. He continued that they have other customers and they have worked a half a year for a suitable replacement. That product is called Event Tracker. The issue here is that we budgeted \$10,500 per year in the 2020 budget. We haven't spent anything in 2021 because we didn't have a product and the new product is \$21,000.00. It is paramount for threat detection, provides 24 x 7 x 365 Security Operation Center that they monitor everything coming through. It is installed on every device and it will actually shut a device off or turn its processes off should it see a threat. Fulton said that this is the recommendation through Safety Net. He said that they are doing the same thing for our banks, the Department of Homeland Security, and other clients.

Commissioner Lautner said that this is going to cost the County twice as much and asked if there are any other vendors and is it worth going out for bids? Fulton responded there are other vendors and they are much higher. This new vendor is a standard with Safety Net and we know how to support it as they have other clients with it. Fulton continued that they are recommending this as a standard now going forward. It is also a problem that the County is out of compliance by not having a product with us. He wishes there was a cheaper solution, but there isn't.

Commissioner Lautner asked if we are currently using NetWatcher. Fulton replied no, that no longer works. Lautner said so we have nothing that's working right now.

Commissioner Rushton asked for clarification if it is it specific to CJIS or can be used in the Government Center and Fulton responded that it is used all over; the CJIS puts the needs down, but your whole network is in scope; the law enforcement center and everything in between and not just for the criminal justice system. Rushton asked what if it is breached.

Fulton replied that the State of Michigan and CJIS will cut us off with the services that they provide.

Undersheriff Kiessel said if there is a breach everything gets shut down, the jail cannot communicate, there's nothing we can access. Kiessel said he can tell you if we are not in compliance, it is not a fun couple weeks. We had several different audits and everything that Sheriff does and everything that Dispatch does is affected by this. Kiessel said that we endorse the recommendation fully.

Commissioner Rushton asked what does our Data Processing Fund look like financially? Administrator Janik stated he thinks we will be ok, if we need extra funds, we will ask for a budget transfer.

Commissioner Soutas-Little asked when the NetWatcher stopped functioning. Fulton responded that in 2021 they called for service and at that time, the transfer was made and they fired all of the engineers that supported that product. Effectively, they were trying to get everyone that bought into that product, to buy into their product. Soutas-Little asked if the County was continuing to pay the monthly cost of \$875.00? Fulton said there was a year where you did not pay for anything.

Commissioner Allgaier asked Wilson if she supports this as well. Wilson replied that she does.

Brief comments/discussion ensued.

Commissioner Lautner questioned that NetWatcher was pushing Qualys. Fulton responded that Qualys purchased NetWatcher. Discussion ensued on costs. Lautner said this will be three times as much and voiced that her frustration is that we have no choice as it has to be done for the safety of everyone. She continued that it would have been nice to have this information a few months ago. Fulton replied that Qualys purchased the product NetWatcher and they proceeded to fire the engineering staff. Safety Net has been researching it and trying to find a solution the past few months.

Administrator Janik added comments about what they have been doing for research and Commissioner Lautner responded that the County is not doing their own research. Commissioner Rushton questioned how soon it can be in place. Fulton stated we had a pilot run on about 20 machines and that pilot has been running and we estimate about 1 to 1.5 months. Everything was configured for the pilot and now we can push it forward. Rushton said it would have been helpful to know at the beginning of the discussion that the product you are recommending has been in use and we have seen some positive results from this. Fulton said that we found out that your web server was actually getting hit from Czechoslovakia. Rushton continued that we have to have your trust.

#200-07192022 Regular Session

MOTION BY ALLGAIER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS WAIVE COUNTY POLICY ON BID REQUIREMENTS AND APPROVE THE IMPLEMENTATION AND PURCHASE OF THE EVENT TRACKER PRODUCT/SERVICE IN AN AMOUNT NOT TO EXCEED \$21,000.00 ANNUALLY WITH FUNDS TO COME FROM THE COMPUTER FUND #636. SECONDED BY RUSHTON.

Discussion – Commissioner Bahle questioned the track record of this product, and will it be around and not disappear in three years? Fulton responded to the question and noted that the landscape changes constantly. When they look for tools that will work, it is a game of IT whack-a-mole. Comments continued.

Commissioner Soutas-Little offered comments that we have seen that when you try to log-in to the computer that there is a pop up that comes up asking if you want the free service or do you want to pay for it. Wilson stated that it's because we switched to a new maintenance vendor and it is fixed.

Commissioner Soutas-Little stated this Board needs to know when there is a problem.

AYES – 7 (Allgaier, Bahle, Lautner, Robbins, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

Commissioner Lautner – Late Addition for the Drain District:

Drain Commissioner Steve Christensen, P.E. Brian Cenci, and Attorney Doug Kelly of Clark Hill were present before Commissioners.

Administrator Janik commented about the concern Commissioner Lautner had about the fees associated with the Drainage District. Janik commented on the complex issue and process and stated that Christensen and Cenci met with the Township Supervisor last week regarding the Township fee. At that time the County was notified that there would be a substantial fee that would be assessed to the County. We were also notified that it can be paid over a 20-year period. Part of the fees assessed to the County can be passed to the Road Commission.

Janik continued that Commissioner Lautner's concern, as well as other County and Township Officials, was we were under the impression, correctly or incorrectly, that the fees would be covered by the people associated in the district by those property owners. But the fees for the County could be \$100,000 or more and for the Township \$100,000 or more. Janik continued that he thinks that amount is quite a surprise to the Township officials as well as the County officials. Janik continued that he doesn't think at any point here we talked about the fees. Janik continued that he knows the Notice of Assessment will be going out and he believes there's a hearing the 28th of July. Commissioner Lautner and Janik got a legal opinion and understand that you (Christensen) as a Drain Commissioner have the authority to set up these fees. You follow the legal process and have legal assistance and have Cenci with you. I think the surprise was the amount of the fees associated to the local units of government including the Township and the County. I don't think at any point, and maybe you didn't know then, did you mention there would be a \$100,000 assessment to the Township and the County. Janik said that he thinks that's the issue and why Commissioner Lautner asked for the late agenda and asked Lautner if that was correct.

Commissioner Lautner said that this is a real concern for her. Lautner continued that we hired the engineer as recommended by Christensen. Someone told her "You guys waive your bid process way too often". This is the engineer who Christensen said is the expert on this so we could have Cenci. She continued that here we are and asked several times throughout who will be paying and it started with the Schomberg Drain mostly. We were told repeatedly that's who would pay for it. Never once did you say that the Township or County would have to pay for this. Lautner stated that her Township has no extra money and did not budget any extra

money. She commented on the bills that have been coming through and she has asked repeatedly and was told that these would be charged back. Lautner commented on a discussion with the Solon Township Supervisor who said he did not want to pay for this. She represents two Townships and this is \$100,000 in a new district. Christensen responded to Lautner that there are four districts; this could potentially cost the County around \$500,000.00 and how is that going to benefit all of the citizens in the County. Lautner asked why we weren't told.

Attorney Kelly responded and stated it benefits whoever uses the roads. There are County Roads. Whenever there is a County road within the district, the County will receive the benefit. Lautner said that this is a private road and Kelly responded further.

Christensen wanted to apologize for any lack of clarity to this group or the Townships. The bills would go to the Road Commission, the Township and Home Owners involved. Christensen talked about entities at large – the Township, the County and anybody involved in that District, those are part of the district. Christensen apologized again for lack of clarity to this group or the Township group. After the Board of Determination and handed out service, that in and of itself is the notification that your Township is part of the District. Christensen said that when Supervisor Jim Lautner received the service, this was saying to him that you are part of the District. Comments continued.

Cenci commented that this was not the first time that the County and/or Townships knew of this. We (Cenci and Christensen) have been before the Commissioners several times to give updates and even back in December. Cenci said the question was asked and he explained it to Commissioners and said that the County would be paying a percentage and the Road Commission pays half of that percent. When it deals with Apportionment, that is what you're dealing with.

Commissioner Allgaier commented that all of the fees are over spread over 20 years.

Cenci said yes or they can pay it up front or finance it or pay part of it; all of the district. Cenci stated we've explained these are the at-large and this is not abnormal at all, if anything, the Township and County are on the low end of what is normally assessed for these projects.

Commissioner Soutas-Little said that she believed that it has been very clear and for her she doesn't have any question as she understood clearly that the Townships and the County would have a portion. She thanked them for the clarity and the question was asked, is the formula set up and the question was asked about gas tax money. Cenci stated typically the County's percentages are smaller, 10-12%, and it was explained.

Commissioner Lautner said that she repeatedly asked as the bills came through and was told they would be refunded by the other Districts.

Chairman Wessell stated that there was a question that came up about the possibility of creating an assessment district and passing more of this on to the homeowners in the district. Cenci stated there are only 24 properties in this particular district. There are other properties paying the other 70% because they have use of the drains because of rainfall, etc. Wessell asked if there is an option to pass the costs through an assessment.

Christensen said that this is the Special Assessment District and allows him to get the lowest interest rate he can over 20 years. This allows an entity to go out for that type of money and stretch out payments for a fix of a very expensive thing. This drain system came apart and there aren't a lot of properties there. The County is able to pass ½ of that along to the Road Commission.

Commissioner Lautner went back to this is a private road that benefits 24 home owners, not a county road. Lautner asked for the benefit.

Cenci stated about an acre of Fouch Road drains into the County Drain System. That is the benefit. Commissioner Lautner said she does not understand because there are no problems. Cenci commented on frequently asked questions - why am I being assessed? – that is very typical, they do not have problems because their property is higher or their water runs off on different properties. A Drain Code is set up so that the four or five parcels that are affected in a 100-parcel district have just as many rights as the other 95 parcels that have no problems. A project would proceed forward at the Board of Determination if those four or five people show up and have flooding, even if the others don't want it. It is not done by a majority of lands and you are normally dealing with a smaller number of parcels that do have an issue. Just because you do not have a problem, doesn't mean that you are not receiving the benefit of your water being taken off of your property by your neighbors and into the drain.

Commissioner Lautner asked when the first bill is due from the County.

Cenci stated that it goes on the Winter tax bills for the at large. The County makes a bond payment around the same time the taxes are due, so you are not getting a tax bill February 14. Kelly stated that the payments are due every winter before February 14. It will be dependent on the borrowing and if you want to pay over time.

Cenci said it is hard to budget for townships and counties with these drains because you don't know the cost until the end of the project. We had a bid opening on Friday and we have worked since Friday to get the costs down and it is very fluid process. It is not like we know it is going to cost \$500,000 in the beginning. The purpose of meeting with the Township Supervisor was to give him an idea of what is being considered.

Commissioner Allgaier said it would be helpful if you briefly explain again why residents need this. She knows the Lake Bluff neighborhood was having drainage problems, but what was it doing.

Christensen stated the water was taking the soil and running it everywhere. The ruts 6, 8, 10, 12" deep and the ability to get up and down the road was hindered. Some rescue vehicles were not able to get down the road after a big rain. There was lots of money to bring gravel in, basically a gravel road through the hills with some ditch lines and while the ditch lines held and kept together during the dry years. We have been doing band aid fixes and then when it was really wet it totally blew up. A resident asked what the process was to get the Drain Commission involved. Once the Drain Commissioner received the Petition, it went to the Board of Determination to see if there was a need or not. Once the Board of Determination states there is a need, the project must proceed forward.

Commissioner Allgaier stated we all don't like big assessments, but sometimes the community needs to pull together to make the community work. If we all lived on 100 acres we wouldn't have this problem. Since we all choose to live together, this is called being in community.

Commissioner Soutas-Little said the biggest benefit is having a draining system that works. All of the water is coming from all over. There isn't an adequate drainage system so that water flows and the situation is alleviated so you are building one. There won't be flooding in homes, but it is a benefit to the community and a benefit to the County and improves the draining system and that is the benefit she sees. Even though she is high and dry, her neighbors are not because of everyone's water flowing down. You are benefiting the County.

Cenci said you need to look at these drains like a utility, like water and sewer and treat it the same way. It is a necessary infrastructure. This one is the worst of the districts. The other ones are much easier.

Commissioner Rushton commented that she heard that this is the first of four districts and asked for a timeline of the other three districts. Christensen responded – correct. He thinks one more next year and the other two in 2024. Rushton said the reason for her question, although you did mention, is that this particular one may be the most expensive but time will tell. Cenci stated it is the most difficult. Rushton said that at least this is looking out the front windshield instead of the rear windshield for budget. She also thought that the dollars would be allocated to the property owners. She is disappointed with the presentation and not clarifying what we were looking at. Rushton said you may have mentioned appropriations. She understands preliminary costs, but may be our costs opposed to what she is hearing now. There has been confusion all around.

Cenci said he was asked directly and responded that the County would be paying a portion of the cost. Commissioner Rushton thought the money the County put in before the assessment was the money that "we" were putting in. Cenci responded it all comes at the end. Rushton continued that future boards may have another \$100,000 for each one of these other districts and God knows how many more we're going to create. Cenci responded that it is not Drain Commissioner Steve Christensen that creates them. Every landowner has the ability to make an application. Commissioner Rushton said I get it, I get it – he has a job to do. Cenci responded it is not up to him to make that determination whether it goes forward or not. It is up to the Board of Determination.

Chairman Wessell commented we don't like the news; but we thank you for presenting to us.

Commissioner Lautner said she called former Commissioner Bunek and Bunek stated that they paid all this money up front and he thought we would be reimbursed and that was our understanding. Lautner continued -- every time she questioned it and looked at the bills each month and we questioned them. Christensen responded that the County would be reimbursed as soon as the money gets borrowed, it comes back to the County and on the flip side what you didn't understand is that there would be an assessment. Lautner said it was not clear enough. Lautner continued and will look forward to budgeting. So when we see these homes being built on hill tops creating these problems. She knows that Leland Township is just as surprised they will have to pay a portion of this. She knows that some planning commissions are now looking into not allowing communities on hill tops if that is going to be the case.

Attorney Kelly spoke and said that is common around the state. Townships allowing building where maybe they shouldn't. Commissioner Lautner interjected comments. Kelly said that he has a drain project in the middle of the state and the remedy was to tear down 13 homes. The Townships need to take a long look at projects that are occurring.

Chairman Wessell thanked Christensen for coming tonight. Administrator Janik would like Treasurer John Gallagher and Christensen to set up a process to collect the money so there are no problems down the way.

Commissioner Rushton doesn't think that how the funds will be collected was addressed – who collects the funds and how is it accounted for. Cenci said that they go on the tax bills to the Townships and it will show up as a line item.

Administrator Janik asked when will we get the assessment notice. Cenci stated it was sent out yesterday.

Brief comments continued.

FY 2022 Audit – Acceptance of Audit:

#201-07192022 Regular Session

MOTION BY LAUTNER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS ACCEPT THE 2021 YEAR END FINANCIAL STATEMENTS AND AUDIT. SECONDED BY ROBBINS.

Discussion – none.

AYES – 7 (Lautner, Robbins, Rushton, Soutas-Little, Wessell, Allgaier, Bahle)

NO – 0

MOTION CARRIED.

FY 2022 audit – Review of Material Finding:

Commissioner Lautner gave an update on the material finding. Treasurer John Gallagher and the Finance Committee met to discuss the findings. This is a bank account that has been in existence since 1975. Normally the number is very low and last year there was a bond for \$150,000.00, which is very unusual for this account. The Auditors saw this for the first time and are very concerned about it and had to have an answer for it. That is why we have a Material Finding. In a way, it's a good thing because while investigating it, the account has a tax ID number for Grand Traverse County and per the Auditors, it should have a tax ID number for Leelanau County. Gallagher thought since it had a Grand Traverse County ID number, they would be auditing it in Grand Traverse County. The number has been a low threshold number, under \$4,000, so it didn't trigger an alarm for him.

Chairman Wessell stated we clearly heard and commend the Treasurer and Chief Deputy County Clerk (former Finance Director) Jen Zywicki and HR Director (Interim Finance Director) Darcy Weaver for the discussion with the Finance Committee. Wessell thought Principal at Rehmann, Stephen M. Peacock, CPA, was helpful. When Wessell asked Peacock if he was comfortable and confident that this will be corrected for next year, he said absolutely. There was good news with it too. Finances and Audit are in really good shape. Gallagher, could you pass out to all of the Commissioners, the Audit findings because four of you were not there. If you look over the two material findings. One is the bond financing, Mr. Peacock said that is a very complicated process and it's common errors occur. We did find out on this other one that

the account was open in 1975. It's a three-county court district. Mr. Peacock and Gallagher are confident this won't happen again. Something we should be celebrating is we found out our MERS payments are some of the best in the State of Michigan. That was recorded and we are confident on that. We're at 91%. We are in the top quartile in the State. Overall, our finances are in good shape and we added to our fund balance last year.

Commissioner Robbins didn't know what to think after this came out and feels confident that it will not happen again. From what he sees on his end, he is not pointing any fingers, it was a lack of communication. I think if we all work together in the future, we won't see this again. Robbins thinks we have to concentrate on what Chairman Wessell said. We have a retirement system. We are in good shape. We have a whole bunch of positive things out of this that we should be sharing with the taxpayers and everybody. We have a great crew here; we have great employees.

Commissioner Rushton wanted to point out that Peacock stated that this particular account was not in the General Ledger. At the Finance meeting, he rescinded that statement. Even though the minutes from that meeting reflect that statement, she wanted the general public to know that he rescinded that statement. That that account was in our General Ledger. Number two, it is more of a question for Gallagher, if this bank account has a tax ID number for Grand Traverse County, does that account have to be closed and new account opened? Gallagher stated he is working on that right now. Rushton asked, in regard to the bank account, who puts money into that account, is it the Courts? Gallagher stated that the Court takes care of the revenues; but his staff physically puts it into the account. Rushton asked if the money can come from Leelanau County and Grand Traverse County. Gallagher replied that he cannot answer that. County Clerk clarified that the money comes from just Leelanau County 86th District Court and in the 70's everything for the Courts was ran through Grand Traverse. Rushton thanked the Clerk for her clarification and stated that that needs to be rectified whether we close that account and open a new one. Gallagher was asked to report that to the Board of Commissioners when he takes care of it.

Commissioner Soutas-Little stated that she did listen to the audio of the Finance Committee meeting and it was clear on the bond issue that Peacock was urging the Treasurer's office to reach out in advance because it is complicated. Soutas-Little was very pleased to hear that the Treasurer plans to do that in the future and accept the assistance so that it shouldn't happen ever again. The other issue in terms of the account is that it wasn't that it wasn't in the General Ledger. It was that the amounts that normally are deposited are small that had been deposited by the Court before and it didn't raise any red flags. When they saw a \$150,000 deposit that hasn't been rectified that flagged their concern. She thinks that the Treasurer is aware of this and is taking care of adjusting the reflection of our account.

Chairman Wessell would also suggest that everybody read Mr. Peacock's memo that he gave the Finance Committee and also the memo prepared by the Treasurer because that adds quite a bit of information to what was presented last week.

MOTION BY LAUTNER THAT BOARD OF COMMISSIONERS ACCEPT THE 2021 FINANCIAL STATEMENTS AND AUDITS. SECONDED BY ROBBINS.

Discussion – none.

AYES – 7 (Allgaier, Bahle, Lautner, Robbins, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

Administration – Vehicle/Equipment Auction Update:

Administrator Janik gave an update on the auction process and bids received.

#202-07192022 Regular Session

MOTION BY ALLGAIER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE THE SALE OF THE FOLLOWING RETIRED FORD POLICE INTERCEPTORS, COVERED 6'X10' TRAILER, SOME OF THE FAMILY COURT KAYAKS AND THE RETIRED FAMILY COURT KAYAK TRAILER AS LISTED:

Vehicle A (Vin #1FM5K8AR0GGB97437), to the Conservation District, in the amount of \$9,850.01;

Vehicle B (Vin #1FM5K8AR7GGB97435), to Jill Plamondon of Suttons Bay, in the amount of \$8,451.00;

Vehicle C (Vin #1FM5K8AR7HGB93484), to John Michrina of Southfield, Michigan, in the amount of \$8,200.00;

1999 Haulmark Trailer, to Saad Shamoo of Warren, Michigan, in the amount of \$860.00;

Kayak Trailer, to James Metcalf of Suttons Bay, in the amount of \$860.00;

Kayak 1, to James Metcalf of Suttons Bay, in the amount of \$560.00; and

Kayaks 2 & 3, to James Metcalf of Suttons Bay, in the amount of \$300.00 each for a total of \$600.00 for both.

All winning bidders must pay an additional 5% buyers' premium to the County, and if not tax exempt, 6% sales tax to the Secretary of State. Funds to be deposited in the accounts as presented.

SECONDED BY ROBBINS.

Discussion – none.

AYES – 7 (Allgaier, Bahle, Lautner, Robbins, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

Administration – MAC Dues:

#203-07192022 Regular Session

MOTION BY LAUTNER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE THE 2022-2023 MICHIGAN ASSOCIATION OF COUNTIES (MAC) DUES IN THE AMOUNT OF \$10,930.26. FUNDS TO COME FROM BOARD OF COMMISSIONERS MEMBERSHIPS DUES AND FEES #101.100.101.807.000. SECONDED BY RUSHTON.

MOTION BY ALLGAIER TO AMEND THE MOTION TO REFLECT \$12,900.00.

Commissioner Allgaier addressed her amendment, which died due to lack of support.

Chairman Wessell called for a vote on the original motion.

AYES – 6 (Lautner, Robbins, Rushton, Soutas-Little, Wessell, Bahle)

NO – 1 (Allgaier)

MOTION CARRIED.

Commissioner Lautner offered comments on how the MAC dues are calculated and the unfairness in the calculation. Lautner asked Clerk Crocker for assistance in the explanation and Lautner continued with the history of the dues calculation.

Administration – Administrator Search Update:

Administrator Janik stated that he has the binder for Commissioners and it contains 328 pages regarding the 69 applicants. Of the applicants, 67 are public and two are confidential. Janik thanked Human Resources Director Darcy Weaver, Executive Assistant Laurel Evans and others that compiled the binders. He directed Commissioners to the side that contains a rating sheet for Commissioners to use for rating the applications as previously discussed. The "A" would indicate that yes you want to interview the individual; "B" would indicate that you may want to interview; and "C" is thank-you for applying. Janik continued with suggestions on how to do the review and once he receives the information back, he will compile the information. Janik encouraged Commissioners to take their time. All information will run through him. Janik requested that the information not be shared and to direct questions to him.

Late Addition #4 – Northern Lakes Community Mental Health Board:

Administrator Janik offered comments on the topic. Stated that this is a very controversial topic. Grand Traverse County has taken the lead and has been very vocal on the potential change in leadership and the offer given to the Interim Director. They have made changes on their delegation because of how people voted. There is some potential to find common ground. We can solve these problems without dissolving the six County partnerships. If we dissolve the partnerships, legally it is a very complicated process. Assets have to be sold including the building as well as who is going to pick up the MERS pension liability. We have to guarantee employment for two years and issue a report to the state how services are going to continue. We think we can resolve these issues by changing some of the bylaws and Articles of Incorporation. It is all in the dialogue stages. If the current Interim Director is offered the Director position, Grand Traverse County will ask for the partnership to be dissolved. If any of the six counties ask for it to be dissolved, it needs to be dissolved.

Chairman Wessell offered comments on the NLCMHB. We need to redesign the Authority as well as how the board operates. It's a very hands-off model right now and he believes there needs to be a change of leadership. Wessell continued that they have been looking for a CEO for 10 months and provided an offer to our first choice that was not accepted. We then offered, with less than a majority of our Board members present, a contract to the Interim CEO and that has been under negotiation for four months. The contract has not been accepted and he has offered a motion to rescind and open the search to start again. Wessell offers this motion with a hope Commissioners direct him to rescind the current offer that is in the hands of the current CEO that has not been signed. There are issues of salary, severance, contract language. It is significant that there have been four months and there is still not a contract.

#204-07192022 Regular Session

MOTION BY WESSELL THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS RECOMMENDS TO THE NORTHERN LAKES COMMUNITY MENTAL HEALTH BOARD TO RESCIND THE UNSIGNED CONTRACT OFFER WITH CURRENT INTERIM CHIEF EXECUTIVE OFFICER (CEO) JOANIE BLAMER AND REOPEN THE SEARCH PROCESS FOR A CEO. SECONDED BY RUSHTON.

Discussion – Chairman Wessell responded to questions from Commissioner Rushton. Wessell said Blamer is a valuable member of the staff and has done a great job. He hopes that they can find a leader that will take them to the next step. Administrator Janik also said that appointing a full-time Director, not knowing what the future of the agency is, will be an issue.

Brief comments ensued.

AYES – 7 (Wessell, Allgaier, Bahle, Lautner, Robbins, Rushton, Soutas-Little)

NO – 0

MOTION CARRIED.

Administrator Janik will give an update at the August meeting and maybe a letter of agreement. Brief discussion ensued after the motion.

Review of Financials:

Interim Finance Director Darcy Weaver responded to questions from Commissioners.

Late Addition #3 – September Regular Session Meeting Date Change:

Administrator Janik said that several Commissioners have requested and/or expressed interest in going to the MAC Conference and it concludes on the morning of September 21, 2022, and that makes it difficult to attend the full conference with the Board of Commissioners meeting on September 20, 2022. Discussion on possible dates to consider.

#205-07192022 Regular Session

MOTION BY RUSHTON THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS MOVE THE REGULAR BOARD OF COMMISSIONERS MEETING DATE FROM SEPTEMBER 20, 2022, TO SEPTEMBER 21, 2022, AT 7:00 P.M. SECONDED BY ALLGAIER.

Discussion – none.

AYES – 7 (Lautner, Robbins, Rushton, Soutas-Little, Wessell, Allgaier, Bahle)

NO – 0

MOTION CARRIED.

Special Reports by Staff, Commissioners, and Affiliated Agencies:

- Commissioner Lautner stated that the new playground set is up at Old Settlers Park.
- County Clerk Michelle Crocker gave an update regarding elections. She just finished her 5th training today.
- Commissioner Wessell thanked Crocker for the update and speaking at Rotary, which was very well received.
- Commissioner Soutas-Little updated on Broadband Project which is moving right along.

Public Comment:

Chairman Wessell called for public comment and the following individuals addressed the Commissioners: Jennifer Zywicki; and Jerry Steffens.

Commissioner Comment:

- Commissioner Rick Robbins commented to Public Speaker Jennifer Zywicki and he knows it was directed to her, but he was not picking on her and it is directed to anyone to document. Robbins also said that the other thing that he wants to share is that he has been asked out in the community quite a bit about the new Chairman and he (Robbins) has been saying and wanted to let Chairman Wessell know that he has been doing a great job the last three months.

• Commissioner Soutas-Little commented that this has been a very difficult period. She thanked Jen Zywicki and the County Clerk for all of the work they do. Soutas-Little said that she is assuming Commissioner Robbins' comment was an apology to Zywicki for misjudging because she just produced the documents. Robbins said, "I guess, yeah." Soutas-Little continued that this has been a lot of bitter pills and not just for the personal assault and things that have not been done appropriately. Hopefully we can find a way to move forward and gain some confidence in this Board and that the problems can be addressed.

Approval of Financials —

Amendments & Transfers:

#206-07192022 Regular Session

MOTION BY LAUTNER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE FY 2022 AMENDMENT #22-006. SECONDED BY RUSHTON.

Discussion – none.

AYES – 7 (Lautner, Robbins, Rushton, Soutas-Little, Wessell, Allgaier, Bahle)

NO – 0

MOTION CARRIED.

Miscellaneous Fund Transfers and Amendments:

None.

Claims and Accounts:

#207-07192022 Regular Session

MOTION BY LAUTNER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE CLAIMS AND ACCOUNTS IN THE AMOUNT OF \$115,025.62. SECONDED BY RUSHTON.

Discussion – none.

AYES – 7 (Lautner, Robbins, Rushton, Soutas-Little, Wessell, Allgaier, Bahle)

NO – 0

MOTION CARRIED.

Post Audit Claims and Accounts:

#208-07192022 Regular Session

MOTION BY LAUTNER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE POST AUDIT CLAIMS AND ACCOUNTS IN THE AMOUNT OF \$1,668,102.80. SECONDED BY RUSHTON.

Discussion – none.

AYES – 7 (Lautner, Robbins, Rushton, Soutas-Little, Wessell, Allgaier, Bahle)

NO – 0

MOTION CARRIED.

Adjournment:

Chairman Wessell adjourned the meeting at 9:27 p.m.

Ty Wessell, Chairman
Leelanau County Board of Commissioners

Michelle L. Crocker, Leelanau County Clerk
Clerk-Leelanau County Board of Commissioners