

Leelanau County Board of Commissioners
Special Session – Tuesday, June 7, 2022
Approved 04/18/2023

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=2351#video>

Meeting called to order by Chairman Ty Wessell at 1:00 p.m. Today's meeting is being held at the Government Center, 8527 E. Government Center Drive, Suttons Bay, Michigan.

Chairman Wessell led the Pledge of Allegiance to the Flag of the United States of America, followed by a moment of silence.

Roll Call:	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

Public Comment:

The following individuals spoke in person: Mike McMillian.

Commissioner Comment:

- Commissioner Rushton asked McMillian if he is in this business for an opinion on Points Broadband?
- Commissioner Wessell said we will get those answers to your questions Mr. McMillian.
- Commissioner Soutas-Little said she wants to address Mr. McMillian's questions. He was a member of LIFT for a little bit and then dropped out fairly recently and is in disagreement with the balance of the LIFT team in terms of approaches and that. Soutas-Little added that all of you should know that having Tom Stevenson on the LIFT committee and an active member and has talked with the major internet service providers that have the ability to take on this major project before the point project. He did a lot of due diligence and wanted to add and thanked Mike for coming in.
- Commissioner Rushton asked if we have one citizen in the county that has a concern because an RFP process was not completed, maybe there are other people who have concerns about spending \$5,000,000.00 without the RFP process.

Purpose of Meeting – Discussion/Potential Action:

Public Hearing Request, June 21, 2022 – Brownfield Redevelopment Authority:

Planning Director Trudy Galla present on behalf of the Brownfield Redevelopment Authority and is requesting a Public Hearing on June 21, 2022.

#162-06072022 Special Session

MOTION BY LAUTNER THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS HOLD A PUBLIC HEARING ON JUNE 21, 2022, AT 6:30 P.M. REGARDING THE BROWNFIELD REDEVELOPMENT AUTHORITY. SECONDED BY RUSHTON.

Discussion – Galla responded to questions regarding postings for the meeting.

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

NO – 0

MOTION CARRIED.

Points Broadband, LLC, Proposed Contract:

Chris Scharrer, Consulting ICT/AV Engineer Founder and Managing Member of DCS Technology Design, LLC, was present via Zoom present to review and answer Commissioner questions.

Administrator Janik gave opening comments regarding the contract he was asked to prepare and turned the topic over to Scharrer to review and answer Commissioner questions.

Commissioner Lautner said the “cabinet” schedule is how the County will pay for the project. Lautner asked we don't pay until the work is done and we have received a bill, is that correct? She continued from what she read in the contract that Scharrer will be in charge of the project and signing off each cabinet per the schedule for payment and he confirmed. This is good and we will be able to follow process better.

Scharrer said the method we're using protects the County because they don't get paid until the homeowner can sign up for the service. It's based entirely on getting the work done and then getting it validated. We will be validating the areas are complete before we get payment.

Commissioner Lautner said so you will be providing permits and anything that is required. Lautner asked then who in the County will keep those files?

Administrator Janik said he will be working with Scharrer. Janik will be keeping those records and Scharrer will be providing Janik with communications to pay the invoices. Janik stated that it did go back and forth and fulfills the agreement.

Commissioner Rushton asked for review of the funding. The \$3.2 million ARPA funds is already approved funding, but what about the \$1.8 million?

Administrator Janik replied that the County has not made that decision. We have hired a consultant to work on that. The odds are very good that there will be other funding, but there's no guarantee. There are no specific plans for the \$1.8 million at this point.

Commissioner Rushton asked if we have enough money if the County has to come up with that \$1.8 million?

Administrator Janik replied yes, we had a Board update a couple months ago on that. He has also talked to State Representatives and the Governor and we've hired a consultant to get those funds either from public or private sources and he is working on it as we speak.

Commissioner Rushton said she would like to know what the bottom line is and if the County has the money.

Commissioner Allgaier asked does anybody know if the consultant has been able to get any of that money yet?

Administrator Janik replied he is starting the process of doing it.

Scharrer said it is very straight forward. We've got a lot of people looking at it. We've got a lot of good comments and we will move forward. They will finish the engineering in 60 days, and permits are being done with the Road Commission and supported by them. Permits from Cherryland Electric and Consumers Energy are in process. He had a conversation with Consumers Energy and they are looking forward to supporting this in areas where it could attach to their poles. The wheels are ready to start turning, we just need the go ahead.

Chairman Wessell said he's very appreciative of the work Scharrer has done with the updates and working together with Consumers, Cherryland, and the Grand Traverse Band.

Commissioner Allgaier said thank you to Scharrer for your provenance.

Scharrer said he is really just getting started, there's a ways to go. It is going very well.

Commissioner Lautner asked Scharrer how realistic is two years.

Scharrer replied it's very realistic. They have the personnel and resources. Barring a bad winter, they will get running in the Spring of 2023 and it's a reasonable timeline, a good timeline, and it can be met.

Commissioner Rushton asked what happens if we run into supply chain issues?

Scharrer replied most materials have been secured by Point Broadband. Once they get this into their queue, they will start to backfill their supply chain with future orders and he doesn't see it as a big problem with this project. It would be a concern in the industry if we had to order the materials today. We have been assured they have them in stock.

Commissioner Rushton asked did we address the company as to if they are borrowing the funds and have they secured them?

Scharrer replied that's a good question. He is not entirely sure if they are set with funding and he can get you an answer on that if Commissioners could give him a few minutes, he can get the answer.

Administrator Janik said the key point is that the company doesn't get paid until the work is done. If they don't have funding, they won't get the work done and they won't get paid from us.

Commissioner Rushton said in the interest of the County, if we're going to move ahead with this the customers want the service and if we're going to engage in something this large, we should be aware if the funding is available to that company and what other hiccups there might be so that we're not disappointing them.

Administrator Janik said with past contracts, the County has never asked before about a company's financing. They don't get paid unless the work gets done.

Commissioner Rushton asked if she could finish.

Scharrer had confirmed there is funding for the project from Point Broadband and we are all set.

#163-06072022 Special Session

MOTION BY SOUTAS-LITTLE TO MOVE THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE THE AGREEMENT BETWEEN LEELANAU COUNTY AND POINT BROADBAND FIBER HOLDING, LLC, FOR THE CONSTRUCTION OF A BROADBAND FIBER OPTIC NETWORK, AS PRESENTED, PENDING COUNSEL REVIEW AND APPROVAL. SECONDED BY ROBBINS.

Discussion – Commissioner Soutas-Little thanked Scharrer. Commissioner Lautner questioned the map of the 160 pages that was emailed to Commissioners. Scharrer responded.

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

NO – 0

MOTION CARRIED.

Non-Union Pay Scale Options:

Administrator Janik and Human Resources Director Darcy Weaver were present for the Agenda item.

Administrator Janik informed Commissioners that the last time a job study was done was in the late 90's. Janik stated that last year the scale had some legitimate issues with it and the Register of Deeds was pushing with discrepancies in the Non-Union Wage Schedule. Janik explained that it will be a tough task with changing Board members. Janik wants permission for he and Weaver to do an RFP and authorize a wage consultant. First part of July and August and pick a consultant in the fall and changes ready for January of 2023. Comments on how to do a wage study internally. Janik continued to explain that if you're going to do that, you really need a neutral third party.

Weaver quoted from Grand Traverse County and that if you're not interested in increasing wages, the worst thing to do, other than doing a wage study, is doing one and not doing anything. Weaver continued that some of them discussed the wage study and stopped because they don't want to go through the process. Those who are going through with the wage study said it's a rough thing and to be prepared. If you're not serious about it, it's better not to do it.

Commissioner Allgaier asked rough in what way?

Weaver replied you get the wage study done, published, and then you don't follow through t you have employees saying I'm worth this but you're not recognizing it.

Commissioner Rushton said we need to take a look at what is going on in our economy. Our first quarter growth was a 1.5% growth and we have a declining economy. If we don't look at everything as a whole, we will make the wrong moves.

Administrator Janik said the first step is an RFP request and that isn't going to cost us anything. He doesn't know how much it could cost. The study could be \$10,000.00 or could be \$50,000.00. He continued that he thinks it was \$90,000.00 for Grand Traverse County. Janik requested to at least start the process. Internally it's a big issue. The Commissioners made changes on some positions and now people are asking when is it my department.

Commissioner Allgaier said what you're talking about makes sense and is long term. If we don't do a wage study then we have to look at these ourselves because there are some huge inequities. We can correct those inequities ourselves and then do a wage study. It is very important to correct the inequities no matter what we do. She thinks we have two issues. One is the inequities that are obvious and the other is the question if we're going to be looking at all of them. She thinks we can do both.

Commissioner Soutas-Little said she thinks the RFP is the way to go and leave the decision to the new Board and County Administrator. The comment from Commissioner Rushton about the economy is a good one. Right now we've had the strongest job market with the highest number of jobs created and held. We were talking at Networks Northwest that recruitment and retainment will be the most important. In order to retain people you have to value them. She appreciate fixing the problems and fixing this as a whole.

#164-06072022 Special Session

MOTION BY SOUTAS-LITTLE THAT THE LEELANAU COUNTY BOARD OF COMMISSIONERS APPROVE PERMISSION FOR ADMINISTRATOR JANIK AND HUMAN RESOURCES DIRECTOR WEAVER TO CREATE AN RFP FOR A WAGE STUDY. SECONDED BY ALLGAIER.

Discussion ensued on the pros and cons of doing a wage study. It will be perceived as winners and losers, competition, but those that have gone through this know how difficult this is. The last time Leelanau County did this, it wasn't implemented and Grand Traverse County did not implement either. It doesn't matter how you do this; it will create controversy. It is like recycling, something you want but not in my back yard. Everyone wants affordable housing, but not in their backyard. Comments ensued. Commissioner Rushton wanted to discuss the Planning Director and questioned if the duties in Leelanau County are the same as what a Planning Director does in other jurisdictions? Commissioner Rushton would like to see it broken out a little bit. Janik responded to duties, how a consultant would handle this, and he would think you would want someone with County experience. Discussion ensued.

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

NO – 1 (Rushton)

MOTION CARRIED.

Administrator Janik commented on updating the web page and he is as frustrated as the Commissioners. He said that he had a "Come To Jesus" today with LIAA who hosts our website. He has been told for the last several weeks that it is being worked on and Janik said he was

very blunt that nothing has changed at the County. Our firewalls have been checked by Safety Net and something is blocking us and LIAA needs to attend to this and find out what is causing the problems on their end. Planning Director Trudy Galla has been doing what she has been able to, but there have been no changes here.

Public Comment:

None.

Commissioner Comments:

- Commissioner Allgaier thanked the LIFT Committee for all their hard work as well as Commissioners Wessell, Soutas-Little and Commissioner Lautner who has now joined the effort. This is a huge move for our County.
- Commissioner Soutas-Little offered her thanks to everyone regarding Broadband as well.

Adjournment:

Chairman Wessell adjourned the meeting at 1:48 pm.

Ty Wessell, Chairman
Leelanau County Board of Commissioners

Jennifer L. Zywicki, Chief Deputy County Clerk
for Michelle L. Crocker, Leelanau County Clerk