

OFFICIAL PROCEEDINGS  
KEWEENAW COUNTY BOARD OF COMMISSIONERS  
October 19, 2016

The regular monthly meeting of the Keweenaw County Board of Commissioners was held on October 19, 2016 beginning at 7:05 p.m. following the Keweenaw Mountain Lodge meeting, at the Courthouse, Eagle River, MI.

Commissioners present: Randy Eckloff, Bob DeMarois, Don Piche, Ray Chase, Del Rajala.

The meeting was posted in the Courthouse on the bulletin board and the agenda for the meeting was posted on the door of the Courthouse.

Motion by Eckloff supported by Rajala and unanimously carried to approve the agenda with one addition under New Business, item i) to establish salaries for elected officials for 2017.

Motion by Chase supported by Eckloff and unanimously carried to accept the minutes from the September 21, 2016 regular monthly meeting, the October 11, 2016 budget meeting and the October 12, 2016 special meeting as presented.

The Treasurer, Sheriff and Mine Inspector reports were received.

Time was allowed for public comment.

Motion by Eckloff supported by Rajala to pay the approved and audited bills in the following amounts; General Fund=\$139,533.85 Construction Codes Fund=\$2,348.08 911 Fund=\$11,965.70 Law Library=\$0 Child Care Fund/Basic Grant=\$0 County Veterans Trust Fund=\$4,851.16 Medical Care Fund=\$1,192.62 Courthouse Improvement Fund=\$1,300.00 Board polled. Ayes: Eckloff, DeMarois, Chase, Rajala, Piche. Nays: None. Motion carried.

Motion by DeMarois supported by Chase and unanimously carried to approve the Apportionment Report for 2016 as presented.

Ann Gasperich presented information regarding the Land Use Plan and had a list of the changes to be considered. She will come back to the Board in November with a final plan after the Planning Commission considers the changes.

Motion by Chase supported by Rajala and unanimously carried to hire Chris VanArsdale as the new Emergency Services Coordinator. Chris will replace Jack Dueweke who will retire on October 31<sup>st</sup>.

Motion by Rajala supported by Eckloff to adopt the following resolution for buying one year of MERS (Municipal Employees' Retirement System) time in the amount of \$13,678 for Sheriff Ron Lahti who will retire on December 31<sup>st</sup>. This decision is based on closing a chapter of legacy of the sheriff and the sheriff department as any future sheriff will not live on the premises so this decision is not setting precedence. This is a merit based decision and will not have to be repeated again. The resolution is as follows: "As provided by the MERS Plan Document and in accordance with the Employer's policy there under, the additional credited service described above is hereby granted this Member by Resolution of the Governing Body of Keweenaw Co, at its meeting on October 19, 2016. The Employer understands this is an estimated cost, calculated using actuarial assumptions approved by the Retirement Board. Any difference between the assumptions and actual experience will affect the true cost of the additional service. For example, changes in benefit programs through adoption or transfer of the affected employee to a division with "better" benefits; increases in wages other than 4.5% per year; and changes to the anticipated date of termination, will affect the actual cost of the additional service (increase or decrease). Thus, actual future events and experience may result in changes different than those assumed, and liability different than that estimated. The Employer understands and agrees that it is accountable for any difference between estimated and actual costs." Board polled. Ayes: Eckloff, DeMarois, Chase, Rajala, Piche. Nays: None. Motion carried. (#16-8)

There was a lot of discussion about the next move with Rural Development regarding the KML Revenue Bonds. A letter will have to be written to Rural Development by County Civil Counsel Charles Miller with the County's decision. Rural Development extended the response time by one week. After several items of discussion, motion by Eckloff to tell Rural Development to either forgive the debt or to put KML into receivership. Motion died for lack of support with plenty more discussion to follow. Motion by Chase supported by Eckloff and unanimously carried to have Charles Miller draft a letter to Rural Development with the following items:

- The County Board is not willing to resolve the revenue bond debt by issuing new general obligation bonds supported by a millage
- The County will contest Rural Development's ability to transfer the bond debt to the U.S. Treasury Department for collection

- The County will consent to the appointment of a receiver subject to conditions set out in the October 12<sup>th</sup> meeting (See the minutes from 10/12/16 to view conditions)
- The County has three other options that they are willing to discuss with Rural Development to resolve the debt. (1) a short sale of KML in satisfaction of the debt, (2) a surrender of KML in satisfaction of the debt, and (3) a long-term lease of KML. These options also had conditions that were set out at the October 12<sup>th</sup> meeting with an additional condition that the County will seek an advisory opinion from the Michigan Attorney General that the County may resolve the debt with sources other than KML's net revenues.

Motion by Chase supported by Rajala and unanimously carried to set a public hearing to adopt 2017 budgets on Wednesday, November 16, 2016 at 6:00 p.m. at the Courthouse prior to the Keweenaw Mountain Lodge meeting.

Motion by Rajala supported by DeMarois to approve the OHM Professional Services Proposal in the amount of \$9,400 for lighting upgrades for the Courthouse to LED lighting. Board polled. Ayes: Eckloff, DeMarois, Chase, Rajala, Piche. Nays: None. Motion carried.

Motion by Chase supported by Rajala and unanimously carried to approve and sign the engagement letter for the County audit with Susan Sanford, CPA PLLC for the next three years, 2016, 2017 and 2018 in the amount not to exceed \$14,400 for each year.

Motion by Rajala supported by DeMarois and unanimously carried to set the elected officials salaries for 2017 at the following: Clerk/Register of Deeds=\$49,722, County Commissioner-\$6,000, Mine Inspector=\$6,150, Probate Judge=\$52,948, Prosecuting Attorney=\$48,426, Sheriff=\$56,074 and Treasurer=\$45,645.

There being no further business, motion by Rajala to adjourn at 8:20 p.m. Meeting adjourned sine die.

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Donald Piche, Chairman

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Julie A. Carlson, Clerk