

Kalkaska County Board of Commissioners  
Special Meeting Minutes  
November 28, 2018  
(UNAPPROVED)

Meeting called to order by Chair McKinnon at 5:30 PM, Commissioner Chambers, Administration Building, 605 N Birch Street, Kalkaska, MI. Present Commissioners Truman Bicum, David Comai, Patty Cox, Craig Crambell, Kohn Fisher, Stuart McKinnon and James Sweet and County Clerk Deborah Hill. Pledge of Allegiance by all.

**Public Input:**

Juanita Persons: Persons addressed Board noting her concerns and her constituents are not in favor of further financial investment with Kaliseum; noted concerns with Notice of Intent to obtain bond without input from the voters.

Sue Vowels: Reserved time.

Robert Murray: Murray addressed Board noting concerns with current Point of Sale Program noting the issues effecting the sale of properties.

Steven Karas: Karas addressed Board regarding concerns with current Point of Sale Program and issues effecting property sales.

**Purpose of Meeting:**

DHD #10 Lease Agreement: Present Kevin Hughes and Christine Lopez from DHD #10. Discussion regarding the lease agreement and in-kind service contribution for value. **Motion** by Cox to approve the proposed Lease Agreement with District Health Department #10, effective 1-1-2019 through 12-31-2021. Supported by Fisher. Discussion. Roll call vote: Cox, yes; Fisher, yes; Bicum, yes; Comai, yes; Crambell, yes; Sweet, yes; McKinnon, yes. 7 yeas. 0 nays. **Carried.**

AT&T Billings: Fisher noted proposed letter from the IT Committee to notify AT&T of the county's position regarding the AT&T billings. Discussion. **Motion** by Fisher to authorize the IT Committee to send the proposed letter to be sent to AT&T addressing the county opinion of bill balance. Supported by Crambell. Roll call vote: Fisher, yes; Crambell, yes; Bicum, yes; Comai, yes; Cox, yes; Sweet, yes; McKinnon, yes. 7 yeas. 0 nays. **Carried.**

Non-Union Lump Sum Wage Review: Fisher noted a review of lump sum and % increases to county union employees left further review by the Negotiating Committee. **Motion** by Fisher to approve the non-union full time employees that fall under the budgets that are overseen by the Board of Commissioners, who received the 2% wage increase effective 9-30-2018, to also be approved the \$500.00 lump sum, less the value of the 2%, ending 12-31-2018. Part-time employees will receive \$150.00 lump sum less the 2% value ending 12-31-2018. Full time employees must meet the criteria of having worked 1040 hours in the anniversary year and works 30 hours per week or more. Part-time employees must have worked 1040 hours in their anniversary year. Supported by Comai. Roll call vote: Fisher, yes; Comai, yes; Bicum, yes; Cox, yes; Crambell, yes; Sweet, yes; McKinnon, yes. 7 yeas. 0 nays. **Carried.**

**Court Wage Line Item:** Fisher noted the request from the Circuit Judge for an increase in an administrative wage. **Motion** by Fisher to increase the wage line item for the court of \$8,400.00 for 2019 budget. Supported by Cox. Roll call vote: Fisher, yes; Cox, yes; Bicum, yes; Comai, yes; Crambell, yes; Sweet, yes; McKinnon, yes. 7 yeas. 0 nays. **Carried.** **Motion** by Fisher to send a letter to the Circuit Judge and authorize the Chair to sign. Supported by Cox. 7 yeas. 0 nays. **Carried.**

**BCB Payroll Assist:** Fisher noted in the process of returning payroll in house with BS&A, the assistance of BCB was requested. Discussion. **Motion** by Fisher to approve BCB to assist with payroll at \$2,700.00 for one year. Supported by Bicum. Roll call vote: Fisher, yes; Bicum, yes; Comai, yes; Cox, yes; Crambell, yes; Sweet, yes; McKinnon, yes. 7 yeas. 0 nays. **Carried.**

**Point of Sale:** Discussion. DHD #10 representative and Chair noted history of Point of Sale in 2007. **Motion** by Crambell to request that Kalkaska County be removed by Chapter 11 requirements of the District Health Department #10 Sanitary Health Code and request the DHD hold a public hearing. Supported by Comai. Roll call vote: Crambell, yes; Comai, yes; Bicum, yes; Cox, yes; Fisher, yes; Sweet, yes; McKinnon, yes. 7 yeas. 0 nays. **Carried.**

Chair called for recess at 6:20 PM. Reconvene at 6:31 PM.

**Kaliseum Upgrade Review (Apex, Bond and Finance Attorney):** Present Bond counsel Eric McGlothlin, Financial Advisor Paul Stauder and Ameresco representative James Horton. Chair McKinnon noted past several months' of research and requested Mr. Horton give an overview of the information. Horton noted initial figures were projected at \$4.6 million range for Kaliseum upgrades; the pool issues then surfaced with the estimated costs of \$515,000 to \$710,000; prior to this meeting the figures were 5.3 to 5.9 million; now estimated figures are \$6 to 7.5 million. Chair McKinnon noted as the Board commenced the inspection, research and information provided, the Board proceeded with obtaining a Financial Advisor and Bond Attorney necessary for the project. McKinnon also noted the Notice of Intent was necessary should the Board proceed with bonding for the pool repairs prior to the other structural needs, in an effort to re-open the pool. McGlothlin addressed the Board regarding bonding options, noting the Notice of Intent would allow the County to borrow the funds and would repay noting options. The intent was to fund with the bond without going to the voters for new taxes. Chair noted 2 prior Public Forums were held (2017) presenting needed repairs at that time with an energy savings plan, along with capital improvements that would not fall under the energy savings, but were needed (ie: air conditioning, bathroom upgrades, etc.); noted the public in attendance supported moving forward with the energy upgrade; the Board proceeded to request RFP's from companies for an engineering study; RFP's were reviewed and the Board accepted Ameresco. Chair noted the added structural concerns following the pool area failure led to the Kaliseum Committee to meet with Ameresco to review options. Horton noted revisiting the mechanical going from a full building to separate local thermostats areas would reduce costs. Chair noted review of millage operational funds less pool expenses were calculated with budget for Kaliseum still showing a deficit; noted Notice of Intent was for pool area repair only to allow re-opening as there were no other county fund options; noted energy savings options changed; noted further mechanical failure would require closure; further repairs would go to a millage vote in May 2019.

Chair noted with total repair with pool area and operational over 20 years estimated at \$16 million, would now offset by estimated \$10,000 energy savings per year.

**Public Input:**

Juanita Persons: Requested costs to demolish the Kaliseum.

Discussion, Chair noted approximate \$1 million is still owed on the prior building bond.

Steven Karas: Noted need for the Kaliseum in the community and expansion of pool for competition would increase revenue.

Board noted review of initial documents from when the Kaliseum was built, advised then that the pool could not support itself and other funding would need to be generated from the other Parks and Recreation county grounds; noted continued changing and reduction/waiver of fee schedules continues to decrease the revenue and it's intentions from the Fairgrounds.

Public attendee: Noted need for pool and increase in size would generate more user groups. Discussion with all regarding options for phases of repairs, costs and financing; noted concern if the public does not support the millage after the repair, the initial repair will not be needed; options for phases of repair and costs. Chair noted if the Board decides not to do any repair at this time, the Kaliseum continues as is with review of a millage along with determining how the millage should be presented. Chair noted the Board needs to determine whether to make repairs to pool now and go to voters for the balance of the repairs or wait to go to voters for entire project; Board members noted the townships they represent for the attendees.

Chair called for recess at 7:27 PM. Reconvene at 7:40 PM.

Chair noted a Financial Advisor and Bond Attorney is needed for the County to move forward with the Kaliseum project, regarding whether to repair or not and funding options.

Chair called for Financial Advisor Paul Stauder to address the Board.

Financial Advisor Paul Stauder: Stauder reviewed options for the county to obtain funding through bonds and/or millage for repairs; along with the County Board's obligations. Discussion regarding request of separate millages; Stauder noted the request should be under one millage. Discussion regarding County SEV, Taxable Value, Headlee roll-back, periodic requests for funding; future Kaliseum needs; lack of preparation for addressing the current concerns; noted current partial-operational millage.

Bond Attorney Eric McGlothlin: McGlothlin reviewed his position is to work with the Board, County Administration and Financial Advisor to determine what legalities for financing are best for the county needs and of the lowest cost; noted bond options and maintaining Federal and State laws involved in the process.

Chair McKinnon noted the Board needs to determine whether to move forward with partial repairs as discussed and pay for from a bond if bowered; use limited funds from the tax revolving fund; or do nothing and go straight to a millage request. Discussion regarding options for a new Notice of Intent should a bond over the \$1 million previously noticed, if deemed to be necessary. Discussion regarding continued energy savings options. Discussion noting the Notice of Intent for \$1 million bond was for the repair of the structure in the west side with some

funding for capital improvements of the pool repairs for safe operations. Fisher noted that the energy savings portion of the project was re-prioritized due to the pool repair needs. Continued discussion regarding various options and needs if no repairs are made.

**Motion** by Comai to release the total dollar figures only, for projected Kaliseum building removal costs from Apex document dated 11-28-2018. Supported by Crambell. Roll call vote: Comai, yes; Crambell, yes; Bicum, yes; Cox, yes; Fisher, yes; Sweet, yes; McKinnon, yes. 7 yeas. 0 nays. **Carried**. Chair McKinnon advised the estimated costs provided by Apex for the removal of the west wing of the Kaliseum is \$593,000.00 and the estimated figures for removal of the entire structure would be \$1,080,000.00. Discussion. Board noted the remaining approximate \$1,000,000.00 owed on the structure. (Various public input) discussion regarding Notice of Intent; millage options and current repair needs to continue use of structure; changes from initial energy savings plan. Discussion regarding past investment over 20 years; need to repair or the facility will not be operational.

Discussion regarding continued communication with the public; noted lengthy research by this Board to obtain the necessary information to make the correct decisions; concern to make the necessary repairs to maintain the investment the tax payers have already vested in the Kaliseum; concern with past negligence of maintenance and noted need for appropriate marketing. Discussion; noted some repair may encourage more support when the funding goes to an election. Discussion regarding campaigns to assist in informing the public.

Chair requested if the Board would want to set another meeting soon to evaluate. Discussion regarding appropriate ballot language. Discussion, consensus that the Board will be proposing a millage request; determine phases and the dollar amount. Stauder advised that the millage will need support from all users.

Chair McKinnon noted appreciation for the Financial Advisor, Bond counsel and Ameresco representative for attending and assisting with information.

Chair called for recess at 8:45 PM. Meeting reconvened at 9:00 PM.

**Accountant 2019 Budget Review:**

Chair called for review of any budgetary matters for the 2019 budget. Fisher noted need for review of staffing in the Treasurer's office due to her recent notifications/lists of relinquished functions, in addition to those the Board removed; noted the staffing hours would decrease with the decrease in the work due to her notification; Fisher noted he reviewed current job descriptions of the staff which include many of the items the Treasurer addressed in her third and prior lists; noted the list addressed by the Board, the additional lists provided by the Treasurer and review of the historical functions prior to the absence of a Controller; noted that the budget funds will follow the work to another department or contractual service to be performed. Chair noted the need to address the Elected Department Heads statutory duties for clarification due to the Treasurer's notification of functions that she and her staff will not be responsible for; this will assist for future as other Elected officials may decline certain work. Discussion. Chair noted in addition to the removal of the stipend, as other work is relinquished within job descriptions of the staff, the funding for staff needs to be re-assessed. Crambell

noted his understanding of problems of communication with the Treasurer and Board; noted the Board addressed their concerns with her hiring her husband; the handling of county property; noted he has spoken with her about these concerns.

Chair noted the stipend review occurred with the Sheriff when wages were evaluated due to the added functions of Dispatch and Animal Control that the Sheriff is not required to perform. Personnel Chair Crambell noted he will communicate with Treasurer for her to re-consider her elimination of the added functions that she emailed. Chair noted the matters with the Treasurer were not Board generated, as they stem from the Treasurers failure to follow county policies. Discussion regarding calculation of work and expense with Finance committee and Accountant.

**Motion** by Fisher to have the Finance Committee work with the necessary Department Heads to establish a value of the non-statutory functions in the Treasurer's office for budgetary purposes to establish the hours to perform such work; and to affirm salary of Elected Department Heads including the Prosecutor, Register of Deeds and Treasurer. Supported by Crambell. 7 yeas. 0 nays. **Carried.**

Request to Clerk to prepare proposed Budget Resolution for review before Budget Hearing 12-3-2018, pending figures from Accountant. Noted possible scheduling of the Organization Meeting for January 2, 2019.

Noted Budget Hearing 12-3-2018, followed by Committee meeting 12-12-18.

Discussion regarding rescheduling a meeting to review Kaliseum project; consider 12-19-18 before Regular Meeting. Discussion and review of current meeting information regarding the options for the Kaliseum; needs for the structure, past investment and future needs; need to inform the Advisor and Bond counsel as to Board's direction soon; review of millage and bond options. Consensus necessary communication to the public; postcards, survey, forums, information, election date options, etc.

**Public Input:**

Deb Hill: Hill noted her concern of assumptions that the community will not support the Kaliseum; noted the community support since it was built, the investment of all tax payers for 20 years; requested Board to support the immediate pool area, the importance for the community and that improvements now would assist in more support for a millage later.

**Motion** by Comai to adjourn at 10:11 PM. Supported by Crambell. 7 yeas. 0 nays. **Carried.**

Respectfully submitted:

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Deborah Hill, Kalkaska County Clerk and  
Clerk of Board of Commissioners

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Stuart McKinnon, Chair of  
Kalkaska County Board of Commissioners

These minutes are not official until they are approved at the next Regular Board of Commissioners meeting.