

# FINANCE, CLAIMS AND ACCOUNTS COMMITTEE MEETING MINUTES

June 12, 2023

A regular meeting of the Chippewa County Board of Commissioners' Finance, Claims and Accounts Committee was held on Monday, June 12, 2023 at the Chippewa Courthouse in Sault Ste. Marie, Michigan. Chairman Savoie called the meeting to order at 4:48 p.m. with a quorum present. The meeting was available via Zoom.

**MEMBERS PRESENT:** Robert Savoie, Jim Martin, Scott Shackleton, Damon Lieurance and Jim Traynor

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Ken Talsma, Tim Moher, U/S Larry Hough, Kevin Kalchik, Tom Swanson, and Kelly Church with two attendees via Zoom Calvin Carter and Suzanne Lieurance.

## **Approval of the Agenda**

**It was moved by Commissioner Shackleton, supported by Commissioner Martin, to approve the agenda as presented. On a voice vote, the motion CARRIED.**

## **Public Comment**

No public comment was offered.

## **Correspondence and Informational Items**

The Committee reviewed the Investment Report, the VISA billing, and travel requests. No action required.

## **AGENDA ITEMS**

### **County – Audit Presentation and Approval FYE 12/31/2022**

Ken Talsma from Anderson, Tackman and Company provided a presentation of the Chippewa County draft audit and financial statements for the fiscal year ending December 31, 2022. The audit indicates that the financial statements and reports follow the government auditing standards and is classified as an unmodified opinion, a clean audit. There were no findings and the Committee reviewed the various graphs presented.

**It was moved by Commissioner Lieurance, supported by Commissioner Traynor, to approve the Chippewa County Draft Audit FYE 12/31/2022 and not released until final approval of Administration and to publish and release where necessary at that time. On a voice vote, the motion CARRIED.**

### **Health Department – Deferred Comp – Empower – Notice of Plan Termination #340120-01**

The Committee reviewed a Notice of Plan Termination addressed to Empower for plan #340120-01; this termination is due to lack of current or former enrollees; and will eliminate any services charges in the future.

**It was moved by Commissioner Shackleton, supported by Commissioner Traynor, to approve and authorize the Chippewa County Health Department terminating the Empower Deferred Comp Plan #340120-01, as presented. On a voice vote, the motion CARRIED.**

### **Treasurer's Office – Investment Policy (Bi-annual review – Resolution to Full Board)**

No action was necessary as the Investment Policy will be voted on by resolution during Regular session; this is a bi-annual review with no changes this year.

## **Register of Deeds – MOU’s Electronic Recording Payments**

### **Corporate Service Company**

#### **Simplifile**

The Committee was updated on the e-filing project in the Register of Deeds Office with these MOU’s being the next step to providing electronic recordings and the payments; the new vendors chosen by ROD Gigi Ferro were Corporation Service Company and Simplifile.

**It was moved by Commissioner Shackleton, supported by Commissioner Martin, to approve, and authorize the MOUs for Corporation Service Company and Simplifile to provide electronic recordings and payments to the Chippewa County ROD’s Office. On a voice vote, the motion CARRIED.**

## **Sheriff’s Department – Storage Building – Architectural & Engineering Services \$159,000.00**

The Committee reviewed information from U.P. Engineers & Architects, Inc. regarding providing professional services for the design, bidding, and construction administration services for a new 180’ x 60’ storage facility building for the Chippewa County Sheriff’s Department. Discussion followed including how the Committee would like to see the bidding; so that they can building the building with or without certain items and wanting to know the pricing for each. The Committee discussed the need for the storage building which has been talked about for the past forty plus years; especially with the grant provided equipment that has been procured through grants.

**It was moved by Commissioner Shackleton, supported by Commissioner Lieurance, to authorize the \$159,000.00 agreement presented by U.P. Engineers and Architects, Inc. to provide design, bidding, and construction administration, as directed by the Committee; with a breakdown in cost for each item and so that the BOC can build the project based on the pricing of each alternate for the different aspects of the building. Payment to be from the County’s fund balance. On a voice vote, the motion CARRIED.**

## **Sheriff’s Department – Stonegarden Purchases**

- **2023 Can Am Four-Wheeler \$11,861.00**
- **Polaris Ranger SXS ATV \$32,952.00**
- **Marine Electronics & Lights \$6,159.00**

The Committee previously approved the purchase of a Can Am Four-Wheeler and Polaris Ranger SXS ATV for \$11,861.00 and \$32,952.00 of which Stonegarden covered all but \$11.00 for the Can Am Four-Wheeler and \$2,932.00 for the Ranger SXS ATV will be paid from the ORV grant, after approval from the SOM; a budget amendment will be necessary. Additionally, Stonegarden monies have been reallocated to purchase marine electronics and emergency lights in the amount of \$6,159.00.

**It was moved by Commissioner Lieurance, supported by Commissioner Traynor, to authorize the additional \$11.00 and \$2,932.00 for the Can Am Four-Wheeler and the Ranger SXS ATV to be paid from the ORV grant; and to make a budget amendment for \$2,943.00 and to authorize the \$6,159.00 purchase for marine electrical equipment and lights for OPSG purchased boat. On a voice vote, the motion CARRIED.**

## **Sheriff’s Department – Equipment – Approval to release to Auction**

The Committee reviewed a requested to approve the sale via auction of various Sheriff’s Department equipment including: three (3) Four-wheelers (1997 Honda 300 TRX, Yamaha Green 4x4 and Artic Cat 400), a watercraft (18’ Crestliner 1850 Sportfish), three (3) trailers (8’x10’ Karavan Clam, 8’x10’ Karavan Open 2013 8’x12’ Interstate enclosed), a SXS (2012 Polaris Ranger) and a Snowmobile (2010 Skidoo GTX); It was requested that some of the revenue from the sale of the SXS go into purchasing additional lights for the new SXS; the Committee previously approved proceeds from the sale of the Crestliner for lights and electronics on the new boat; with the balance of the revenue going to the general fund. There was a brief discussion on minimum bids.

**It was moved by Commissioner Traynor, supported by Commissioner Shackleton, to authorize the request of the Sheriff's Department to offer through public sale, excess equipment. Each item listed with a minimum bid and will be awarded to the highest bidder via sealed bids and to utilize some of the proceeds to purchase lights and electronics, as referenced above. On a voice vote, the motion CARRIED.**

**Chippewa County Animal Control – Finish Design & Building Services**

The Committee was giving an update on the Animal Control project and the request that was sent out to bid; the bid sought to provide a guaranteed maximum price for the project; four companies had shown interested, with two submitting bids; only one bid met the specifications. The Committee discussed how rebidding would be unfair to the contractor that met the requirements. Arbic Construction, Inc. offer a gross maximum price of \$1,238,000.00, included the preliminary schedule and breakdown for each of the expenses.

**It was moved by Commissioner Traynor, supported by Commissioner Martin, to approve and authorize Arbic Construction, Inc. to complete the Chippewa County Animal Control Shelter Expansion and Renovation at a price not to exceed \$1,238,000.00 per bid dated June 7, 2023. On a voice vote, the motion CARRIED.**

**Office of Emergency Services – Soo High Tower Antenna Replacement - \$9,738.84**

The Committee reviewed information from Director Postma about a communication issue with the Soo High Tower Antenna which serves the Sault Fire and EMS and other area agencies. Director Postma received a quote from ELCOM of \$9,738.84 which includes \$1,000.00 of possible needed additions and possibly shipping; he also asked that the County's purchasing policy be waived due to ELCOM's history and knowledge of the County's infrastructure.

**It was moved by Commissioner Shackleton, supported by Commissioner Lieurance, to approve the quote from ELCOM to replace the Soo High Tower at a price not to exceed \$9,738.84 to be paid from Fund 212 and to waive the County purchasing policy. On a voice vote, the motion CARRIED.**

**Administration – MyMichigan Property Transfer**

**Conceptual Understanding for Hospital transfer Agreement (consider)**

**Opinion on Conflict of Interest and Resignation (information)**

**Northern Michigan Real Estate Appraisal Report (information)**

**Property maps and descriptions (information)**

**Amended Lease 9/9/2011; First Addendum 9/9/2011 and Second Addendum 11/18/2022 (information)**

**Resolution 2023-11 Tentatively Approving Conceptual Understanding for the transfer of Hospital Facilities, and providing an Opportunity for Public Input prior to Consideration of Final Approval (no action necessary, will be considered at the Regular Board Meeting June 13<sup>th</sup>)**

The Committee after a motion passed to approve the Conceptual Understanding for the Hospital Transfer Agreement discussed the property transfer at length; they were presented with a draft Agreement that has been reviewed and adjusted based on prior information, discussion, and negotiations with MyMichigan and the County's Legal Counsel. MyMichigan will pay \$2 million for the conveyance of the hospital property; will commit to keeping the MyMichigan Primary Medical Campus within the City of Sault Ste. Marie for a minimum of 10 years; will be timely in investing a minimum of \$70,000,000 in facilities, equipment, and technology advances for healthcare services within Chippewa County; both items have failure to comply liquidated damages, to be paid to the County. MyMichigan will guarantee to maintaining their non-profit statues for ten-years from the date of the signed agreement; currently we do not have any such guarantee. Commissioner Martin addressing his many adverse reasons, for not being on board with the transfer nor understanding its necessity currently; Commissioner Martin addressed prior media releases that were released prior to the Board officially amending the lease, he addressed the War Memorial Hospital name being removed entirely; which was not his understanding of the merger. Commissioner Savoie added that he thought every safety net, the county could add was added and that the negotiations addressed all the concerns he was aware of. Commissioner Savoie also discussed utilizing the monies from the sale, to help cover the unfunded liabilities of the Health Department, as Home Health and Hospice numbers are declining. Commissioner Lieurance

addressed the 10-year guarantee of the non-profit status and the 70 million investment that the County holds recourse, if not met. There was discussion on the difference of transferring the property to MyMichigan – Sault Campus or MyMichigan Corporate brought up by Commissioner Traynor; legal counsel will be asked to clarify.

**It was moved by Commissioner Savoie, supported by Commissioner Lieurance, to approve the Conceptual Understanding for Hospital Transfer Agreement between Chippewa County and MyMichigan Health, as presented and negotiated, with clarification regarding transferring to the Corporate MyMichigan. On a voice vote, the motion CARRIED. (4-1 with Commissioner Martin voting no)**

**Finance - Claims and Accounts – May – County and Health Department**

**It was moved by Commissioner Martin, supported by Commissioner Lieurance, to recommend the approval of May County bills and payroll: general claims \$346,997.74, other fund claims \$1,170,494.49, payroll \$590,653.86, and Health Department claims \$311,712.31 and payroll \$228,294.46 total claims \$2,648,1552.86. On a voice vote, the motion CARRIED.**

**Committee Comments**

A brief thank you was given for the Committee listening to everyone's personal points of view.

**Chairman Comments**

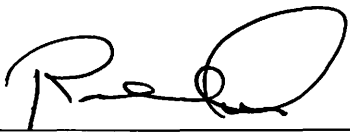
Chairman Savoie, asked for a moment of silence for Chippewa County retiree and friend to everyone he met Jack Horka, who passed on June 8, 2023. Jack served the County for over thirty years.

**Adjourn**

**It was moved by Commissioner Traynor, supported by Commissioner Lieurance to adjourn.**

The meeting adjourned at 5:33 p.m.

  
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Kelly J. Church, Recorder

  
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Robert Savoie, Chairman.