

**Building Grounds and Jail, Legislative and Natural Resources and
Information Technology Committee
Meeting Minutes
February 9, 2023**

A regular meeting of the Chippewa County Board of Commissioners' Building, Grounds and Jail, Legislative and Natural Resources and Information Technology Committee was held on Thursday, February 9, 2023, at the Chippewa County Building in Sault Ste. Marie, Michigan. Chairman Traynor called the meeting to order at 10:00 a.m. with a quorum present.

MEMBERS PRESENT: Robert Savoie, Scott Shackleton and Jim Traynor

MEMBERS ABSENT: None

OTHERS PRESENT: Holly Henderson, Tim Moher, Kevin Kalchik, Mike Bitnar, Damon Lieurance (10:24 a.m.), and Kelly Church

Additions/Deletions and Approval of the Agenda

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

Public Comments

Tim Moher addressed the Committee regarding the agenda item – MyMichigan – lease/land appraisal; Mr. Moher expressed his opinion that Commissioner Shackleton has a conflict of interest and that he needs to resign from the County Board. Mr. Moher addressed the County Commissioners fiduciary duty regarding the County's interest in the hospital and the need for a public hearing. He indicated that MyMichigan currently has an audit with material violations with regards to COVID monies.

MyMichigan President Kevin Kalchik spoke about the history of the War Memorial Hospital extension and the lease in 2011; which was an extension of the 1988 lease; and that the County had spun off the hospital to an independent non-profit corporation (501c3) in 1988. He answered the question about the audit brought up by Mr. Moher and indicated there that he is mistaken, there is no such audit.

Before the first agenda item, Commissioner Shackleton indicated that he will not be participating or voting on the MyMichigan topic, as he does have a conflict of interest; as he is also a Regional Director with MyMichigan Corporate, a volunteer position with no salary.

Agenda Items

Building and Grounds

MyMichigan – Lease/Land Appraisal

The Committee briefly reviewed the history of this proposal of selling the property associated with the current MyMichigan – Sault campus. MyMichigan President Kevin Kalchik reviewed the hospital's plans for the campus with estimated costs for projects that will have MyMichigan investing \$70 million dollars over the next seven years. Potential projects include investment in roof, window, water filtration, laboratory renovations, elevator replacement, surgery and pharmacy expansions, inpatient psych relation/renovation, parking lots and long-term care. Mr. Kalchik indicated that no County money has been used since 1988, that MyMichigan employs over 900 employees. He then reviewed the campus boundaries and the County and Hospital owned sheet; and explained that MyMichigan would like to have ownership of the property before they would

make such a large investment. Commissioner Savoie indicated that it's time to get the information on the land and its value and to decide so that MyMichigan does not relocate. The Committee wants the best health care possible for Chippewa County and the surrounding area. The proposal is to get two types of appraisals, to fact gather; one appraisal would be a bricks and mortar for the current market value for commercial property and the other would be an appraisal that is a conceptual value that takes in the value of the 60-year lease into account. There would be no financial obligation for the cost of the appraisals, as MyMichigan has agreed to pay for them. The County's only financial obligations would be for legal counsel costs. Integra Realty Resources and Northern Michigan Real Estate Consultants; who have experience with hospitals and knowledge of the MyMichigan – Sault campus have been contacted.

It was moved by Commissioner Savoie, supported by Commissioner Traynor, to authorize seeking two appraisals for the County owed portion of the MyMichigan – Sault campus. A conceptual appraisal and a bricks and mortar appraisal. On a voice vote, the motion CARRIED 2-0. (Commissioner Shackleton abstained)

Sheriff's Department – Storage Building

The Committee and Sheriff Bitnar reviewed the storage problem that has been an issue for many years; the Sheriff's Department needs dry heated storage with running water, to store, clean and repair equipment; including vehicles, boats, trailers and snowmobiles. The Sheriff brought the Committee three options to alleviate the storage issue 1) to upgrade the current leased building would be 1.7 million plus the cost of building 2) to build a new building 2.8 million plus property, if not already County owed, or 3) to purchase 128 E. Portage Avenue, SSM, MI (the former Lynn Auto Building). The property is currently for sale and has approximately 16,500 of usable space with some parking; the Sheriff has an estimate of 1.4 million to purchase and renovate the building, adding the needed amenities, water, heat, dry storage. The proposal also includes an area 32 x 40, which would help alleviate the County's needed storage. Discussion of the property history; including maintenance and inspection, as well as the pros and cons of having the equipment location moved, were discussed.

The next step was discussed and the Sheriff indicated he could set up an informal walk-through; for Committee members and Administration to see the property.

Animal Shelter Renovation

The Committee was updated and reminded of the proposed Animal Shelter Renovation; which was prompted by a substantial private donation. The Board of Commissioners previously approved Dynamic Design Group, Inc. to complete a two-phase design and engineering project; which is completed. The estimated cost of the project is 1.2 million; before any alterations, additions, or deletions, it would be a multi-phase project as the shelter still needs to be operational during the renovation. Shelter Manager reviewed funding; the fund currently has over \$800,000 in the donations special fund, with known continued donations annually over the next fifteen years. She spoke about the millage special fund briefly; indicating that those funds are specifically for direct animal care; but the past year, due to increased veterinary services; that fund balance of \$20,000 was used for FY2022. The millage is due to expire and she will be seeking an increase of the current 0.01 mills. Discussion followed; including the conditions of the current building, that is 20 years old and was not big enough from the first day of opening and that on average, 800 animals come through the shelter.

It was moved by Commissioner Shackleton, supported by Commissioner Traynor, to authorize and support releasing a Design Development/Build RFQ for the Shelter's renovation. On a voice vote, the motion CARRIED.

Committee and Chairman's Comments

Commissioner Savoie noted that no county monies have been used at this point for the Animal Shelter Project. Sheriff Bitnar returned with a time to walk through 128 E. Portage Avenue, Friday at 10:00 a.m.

Adjourn

It was moved by Commissioner Shackleton, seconded by Commissioner Savoie, to adjourn the meeting. On a voice vote, the motion was CARRIED.

Chairman Traynor declared the meeting adjourned at 11:08 a.m.



Kelly J. Church, Recorder

Jim Traynor, Committee Chairman