

**CUPPAD REGIONAL COMMISSION
EXECUTIVE COMMITTEE MEETING
Meeting Minutes**

November 18, 2021
Escanaba MI
2:00 p.m. EDT

CUPPAD Office, 2950 College Ave.,
Conference call option

PRESENT

J. Doucette, Alger County
Ray Anderson, Dickinson County
G. Corkin, Marquette County
J. Beaudou, Hannahville Indian Community
P. Kleiman, Menominee County Townships
A. Kilar, Schoolcraft County
J. Malnar, Delta County

ABSENT

E. Buckman, City of Gladstone

OTHERS PRESENT

Dotty LaJoye, Executive Director, CUPPAD, Michelle Viau, CFO Michigan Works

CALL TO ORDER

The meeting was called to order at 2:10 p.m. by Chairperson G. Corkin. Roll call was taken, and a quorum was present.

APPROVAL OF AGENDA

G. Corkin called for any changes or additions to the agenda. Hearing none, **G. CORKIN MOTIONED TO APPROVE THE AGENDA, SUPPORTED BY P. KLEIMAN MOTION CARRIED.**

ACCEPTANCE OF THE MINUTES

MOTION TO APPROVE THE MINUTES FROM THE OCTOBER 22, 2021 QUARTERLY REGIONAL COMMISSION MEETING WAS MADE BY P. KLEIMAN, SUPPORTED BY J. MALNAR; MOTION CARRIED.

TREASURER'S REPORT

Jill Beaudou reported that this is the first budget for fiscal year 22. All expenses are in line with where they should be except payroll is a little higher. The reason is due to a health insurance payment. Already, within the first month, we have added some contracts that will add to the fund balance. As mentioned last time we need to make sure we have the staff to be able to get these projects done. We need to keep an eye on whether we can get it all done at the end of the year to collect the projected revenue. **G. CORKIN MOTIONED TO ACCEPT THE TREASURER'S REPORT, SUPPORTED BY J. DOUCETTE, MOTION PASSES.**

UNFINISHED BUSINESS

NONE

EXECUTIVE DIRECTOR REPORT

D. LaJoye reported that her email account was hacked that morning, so she was not able to bring her Executive Director Report to the meeting. D. LaJoye reported that all projects discussed during the previous meeting are ongoing. However, one project has become a legal problem which is the City of Escanaba Façade project. CUPPAD was contracted by the City of Escanaba to be the Certified Grant Administrator for the CDBG funded portion of the project. The project was originally initiated by the architect who solicits interest from downtown building owners by telling them that if they hire her to do the architectural work to improve their building, she will help the city apply for a grant to help pay for their building improvements.

Two separate building owners participated in the City of Escanaba Façade project. The interior work for both buildings, was paid for by the building owners and counted as matching funds for the City's CDBG grant. Both building owners hired the architect to do the architectural drawings, cost estimates, bids and project management for the interior and exterior portions of their building improvements. The building owners were required to place their matching funds for the interior work with the City. The City placed their matching funds in separate escrow accounts. The City was responsible for issuing payments to the contractor when provided with a payment request. Payment requests were initiated by the architect for payment to the contractor and were required to be approved by the contractor, the architect, the building owner, the DDA Director, and CUPPAD. In the case of the Spindler Financial Building, the architect submitted a pay request for advance payment of materials needed for the exterior or façade portion of the project (a CDBG eligible expense). The contractor received a check for the materials but never provided evidence that the materials were ever purchased. In the meantime, the building owner became so frustrated with the poor job performance of the contractor on the interior portion of the building that he hired a lawyer to break his contract with the contractor. Basically, the contractor took the money for materials and the City of Escanaba had to pay the money back to the MEDC because those material were a CDBG eligible expense.

That same contractor did basically the same thing with the second building, known as the Nyman Jewelers building. The architect submitted a pay request for an advance on materials. This time the materials were for interior work that included electric and mechanical. The City issued a check to the contractor from funds from the escrow account that came from the long-term tenant and owner of Nyman's Jeweler's. The contractor never provided evidence of purchasing the materials, never pulled the permits and did not do any of the work. The owner of Nyman's Jewelers want's the city to give her the money back that they paid to the contractor. MEDC has discontinued the grant with the city without judgement, so the city will still qualify for future CDBG grants, and the city has their detective involved to determine wrong doing.

A.Kilar asked if Schoolcraft County contacted CUPPAD to do their master plan. D. LaJoye mentioned thar she was in the process of reviewing a grant opportunity for Michigan Coastal Communities that are specific to master plans and zoning ordinances in communities impacted by flooding and erosion. CUPPAD is only beginning to figure the details of the grant.

G.Corkin questioned why the master plans CUPPAD is contracted to do are taking so long. He is wondering if the delay is because of the community or if CUPPAD staff is not able to get all their work done. D.Lajoye explain the workflow challenges CUPPAD is often confronted with such as having to maintain a smaller staff

with a full workload and being an organization that needs to respond to new issues that come up all the time throughout the region. These emerging issues often pull staff off their contracted projects. G. Corkin wants D. LaJoye to regularly report on the completion of projects and provide updates on any projects that are completed prior to the next CUPPAD meeting in January 27th so the CUPPAD Executive Committee can be informed.

MOTION TO FILE THE DIRECTORS REPORT AS PRESENTED WAS MADE BY G. CORKIN, SUPPORTED BY P. KLEIMAN, MOTION CARRIED.

NEW BUSINESS

NEXT MEETING AND PLACE

The next meeting will be January 27, 2022, at 2:00 PM.

ITEMS FROM THE EXECUTIVE COMMITTEE

R. Anderson informed the Executive Committee that Lenard Ball from Norway Township passed away and his services will be at the Ortman Funeral Home in Norway. G. Corkin remembered Lenard as being a very good community leader and appreciated him for long time support for CUPPAD. CUPPAD Director will send condolences on behalf of the CUPPAD Board of Commissioners.

A.Kilar reported that Gulliver Lake has trouble with a dam and it has to be repaired. The dam was originally built by residents and now it needs thousands of dollars of repairs. No one owned it and the taxes were not being paid so it went out for auction. A person from Detroit bought it for \$1,400.00. The County will proceed with getting the dam fixed even though it is privately owned because the County wants to prevent the dam from failing completely and creating serious consequences for the surrounding property owners. The County is going forward with the development of a special assessment district which will create a separate fund for dam repairs. Also, the Township of Germfask needs a new water tower.

ADJOURNMENT

The meeting was adjourned by the Chair at 3:10 P.M.

Minutes prepared by D. LaJoye