

Leelanau County Board of Commissioners
Regular Session – Tuesday, July 19, 2016
Approved 10/11/2016 – Meeting Recorded

(Proceedings of the meeting are being recorded and are not the official record of the meeting; the formally approved/accepted written copy of the minutes will be the official record of the meeting.)

Meeting called to order by Chairman Carolyn Rentenbach at 7:02 p.m. Today's meeting is being held at the Government Center, 8527 E. Government Center Drive, Suttons Bay, Michigan.

Chairman Rentenbach asked that all cellular telephones be turned off for the duration of the meeting.

The Pledge of Allegiance to the Flag of the United States of America was led by Chairman Rentenbach, followed by a moment of silence.

Roll Call:	District #1 – Vacant	
	#2 – Debra L. Rushton	PRESENT
	#3 – William J. Bunek	PRESENT
	#4 – Ty Wessell	PRESENT
	#5 – Patricia Soutas-Little	PRESENT
	#6 – Carolyn Rentenbach	PRESENT
	#7 – Melinda C. Lautner	PRESENT

Guests present.

Communications, Proclamations, Presentations and Awards:

Elaine Wood, Chief Executive Officer, Networks Northwest. Wood reviewed the annual report saying everything falls under three general categories – Talent Development, Business Development, and Community Planning and Development. The agency is held accountable to many federal and state performance standards. She began with the Talent Development section that falls under the name of Northwest Michigan Works! She then moved on to business Development – Northwest Michigan PTAC (Procurement Technical Assistance Center) – Government Contracting Expertise, Community Planning and Development and the Northern Michigan Health Coalition. Wood also reviewed the Financial Summary of Operations of Networks Northwest. Wood presented a very comprehensive presentation of the Annual Report for Fiscal Year 2015 that was before the Commissioners and also responded to questions.

Commissioner Wessell commented that the report is very good, but it doesn't include all of the help that is received from staff at no charge to local jurisdictions. Wood appreciates the comments and the staff is really working hard.

Approval of Minutes —

Regular Session, May 17, 2016:

#188-07192016 Regular Session

**MOTION BY BUNEK TO APPROVE THE COUNTY BOARD OF COMMISSIONERS
REGULAR SESSION MEETING MINUTES OF MAY 17, 2016, AS PRESENTED.
SECONDED BY WESSELL.**

Discussion – none.

AYES – 6 (Bunek, Lautner, Rentenbach, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

Executive Board Session, June 14, 2016:

#189-07192016 Regular Session

**MOTION BY RUSHTON TO POSTPONE THE APPROVAL OF THE EXECUTIVE
BOARD SESSION MEETING MINUTES OF JUNE 14, 2016, UNTIL AUGUST 2016.
SECONDED BY LAUTNER.**

Discussion – none.

AYES – 6 (Rushton, Soutas-Little, Wessell, Bunek, Lautner, Rentenbach)

NO – 0

MOTION CARRIED.

Regular Session, June 21, 2016:

Chairman Rentenbach noted that the June 21, 2016, minutes had not been distributed and would be added to the August 2016 meeting agenda.

Executive Board Session, July 12, 2016:

Commissioner Wessell requested that on page 9, where it states that Commissioner Wessell stated he supports this motion, but he will be abstaining from voting since he is a member of AAANM, it should read “a member of ShareCare.”

#190-07192016 Regular Session

**MOTION BY WESSELL TO APPROVE THE EXECUTIVE BOARD SESSION
MEETING MINUTES OF JULY 12, 2016, AS CORRECTED. SECONDED BY
RUSHTON.**

Discussion – none.

AYES – 6 (Wessell, Bunek, Lautner, Rentenbach, Rushton, Soutas-Little,)

NO – 0

MOTION CARRIED.

Agenda Additions or Deletions:

Chairman Rentenbach noted that a request received for a late addition from the Planning Department regarding the Cedar Recycling Site and she suggested adding this as Action Item #6c.

#191-07192016 Regular Session

MOTION RUSHTON TO APPROVE THE AGENDA AS AMENDED. SECONDED BY WESSELL.

Discussion – none.

**AYES – 6 (Rushton, Soutas-Little, Wessell, Bunek, Lautner, Rentenbach)
NO – 0
MOTION CARRIED.**

Public Comment:

► Bruce Price of Lake Leelanau. Price commented on reading the *Leelanau Enterprise* where once again he was vindicated after another cost of \$12,000.00 - \$15,000.00 from Leland Township taxpayers. Leland Township has a lawyer on the Board plus two other lawyers, perhaps he (Price) is a little sharper than they are. Price wanted to touch on reading that same article, and he was here when it was said – and this is what happens when people want power. He is glad Commissioners okayed the audit. He read where the Board Chairman asked the County Treasurer a question and the response / comment by the County Treasurer, a person he calls “not yet dry behind the ears,” made the statement “because I can” and that is what started the problems. If the problems were allowed to continue, the audit could have cost an additional \$40,000.00. Price continued that if he were running a campaign against the Treasurer, he would sure use the statement “because I can” and it is not a very professional answer to give to anyone.

► Cathy Hartesvelt, Suttons Bay Township Treasurer. Hartesvelt read from a prepared statement – on file in the Clerk’s Office. “I would like to address the comments, information and representations made to you last Tuesday and over the course of the last few months regarding the remaining 29 Bayview parcels and chargeback to the taxing units on those unsuccessfully auctioned properties. I am increasingly distraught and disappointed when I hear or read misleading and deflative statements regarding Bayview and the DTR chargeback. Recent comments by Administrator Janik and Treasurer Gallagher, then mirrored in the recent editorial of the *Enterprise* have done a disservice to township treasurers and assessors and have misled you and the public as to how assessing, taxation and collection work. Mr. Janik’s statement that Suttons Bay Township is somehow at fault regarding some of the issues surrounding Bayview and that the Township sets the tax rate is inaccurate and misleading and the editorial comment is also misleading. I have to address this.”

“Tax rate and millages are voted by the people. As Treasurers we respond to certified documents sent to us by all taxing authorities in our jurisdiction as those tax authorities set their tax rates as voted by people and allowed by law. Local level treasurers levy those tax rates in summer or winter billings as directed against taxable value, warrants are generated and tax bills are sent to tax payers and collection begins. After the due date, the delinquent roll is turned over to the County Treasurer for collection. Leelanau County has created a Delinquent Tax Revolving Fund (DTR) allowed by law and taxing units are made whole on real property taxes that are uncollected. Once township and

Village Treasurers turn over their roll annually to the County Treasurer, the County Treasurer is solely in charge of those real parcels to pursue collection from the owner/taxpayer or put the property into a very regimented and step-by-step foreclosure procedure."

"As for assessing, all property has value. Value is determined at the local level by local assessors. Local assessors are licensed and supervised by the State. The State reviews annual assessments to determine if the values are appropriate, high or low, and apply equalizing formulas to same; therefore, State Equalized Values [SEV] result. Taxable value is reflective of SEV unless protected by Proposal A of 1993, where incremental increases in property value toward the SEV are capped at 5% of taxable value or annual cost of living whichever is less."

"Vacant land has value and with regard to Bayview, the condominium development plan determined and defined these 29 parcels for buildable use and subsequently determines the "valuation" type of those properties. Assessors respond to the official document (condo development plan in this instance) and assess on best use which in this case were and still are buildable parcels. The parcels also share a proportionate value of the common areas of the development such as the driveways, road systems, infrastructure, tennis courts, etc. Valuations of property, once set and equalized can only be challenged by property owner utilizing local board of review or the Michigan Tax Tribunal. To my knowledge, neither Suttons Pointe Development nor Flathead ever petitioned the Suttons Bay Township Board of Review for a valuation adjustment as the owners, nor did owner/developer change the governing document for the condominium development adjusting or redefining the use of those parcels to anything but what was originally proposed."

"The term 'air condo' is not a legal assessing term and I cannot begin to describe how misleading that term has become in an effort to deflect your attention from facts. The 29 parcels in Bayview are vacant land; improved vacant land defined for specific use by a governing document and were, are and will be assessable and taxable. The only reason those 29 parcels reflect -0- SEV and -0- taxable value in 2016 is because they are now held as tax exempt for 2016 under Leelanau County Treasurer for Leelanau County as owner."

"Those of us who work in assessing and treasury take oaths of office or hold licenses to uphold those statutes to the best of our ability and we take great pride in our work and accept our applicable statutory responsibility as we represent the people who elect or hire us. The statutory, methodical and regulated process of handling the delinquent Bayview "29" is the responsibility of the County Treasurer and attempts to discredit, blame or deflect onto those at township and assessing levels inferring we're at fault for challenging issues surrounding his responsibilities is irresponsible and offensive."

► John O'Neill of Cedar. O'Neill noted that he wished to comment on two topics – one is the Informational Technology that the County is looking at for backup regarding the new 9-1-1 system, which he believes is improving the 9-1-1 system. O'Neill continued that he spoke to the person who is working on that as the Contractor. In light of the survey you received last week from the Foundation that is interested in Economic Development, Wi-Fi, or access to the internet, has been identified by many businesses as a limiting factor in the development of their businesses. The fellow that is working with you on 9-1-1 said that there might be some savings if the two issues were approached at the same time. Commissioners may or may not do that, but O'Neill encouraged them to investigate what those savings might be if combined.

O'Neill stated he would not comment on his second topic, which as a resident of Cedar as he previously mentioned, the Cedar recycling site is very important to our township. It is also very important to the region. It is the second most used recycling site in the County. He wanted to first thank each Commissioner for voting in favor of the \$25,000.00 for maintaining that site. As Commissioners know, Solon Township is coming back again and asking for more funds. He is not sure that it will be approved, but wanted to encourage Commissioners that even if they turn down the request to take a cooperative approach or a collaborate approach on this. O'Neill's sense is if the funds are turned down by the County, that Solon Township has the option of altering the scope of work they have for the improvement of the site and could include the lighting and camera they are very interested in obtaining. The other possibility is that they could raise money from additional areas. O'Neill would hope that Commissioners would encourage the Planning Department to work cooperatively with them to look at both options. Even if the Commissioners turn down the request for increased funds, Solon Township should realize that they do have a partner in this to help with altering the request for bids and what can be included reasonably. He concluded that it is very important to keep this site open and thanked Commissioners.

Review of Financials:

County Clerk Michelle L. Crocker responded to questions from Commissioners.

Action Items:

Sheriff – Acceptance of Donation for Purchase of Gas Mask Canisters:

#192-07192016 Regular Session

MOTION BY RUSHTON TO APPROVE AND ACCEPT THE \$1,312.50 DONATION FROM AN ANONYMOUS DONOR FOR THE PURCHASE OF GAS MASK CANISTERS FOR THE SHERIFF'S OFFICE. FUNDS TO BE DEPOSITED INTO #701-000.000-285.015. SECONDED BY LAUTNER.

Discussion – none.

AYES – 6 (Rushton, Soutas-Little, Wessell, Bunek, Lautner, Rentenbach)

NO – 0

MOTION CARRIED.

Treasurer – Payment in Lieu of Taxes (PILT):

#193-07192016 Regular Session

MOTION BY LAUTNER THAT LEELANAU COUNTY DISTRIBUTE THE 2015 PAYMENT IN LIEU OF TAXES (PILT), SECTION 6902 FUNDING, IN THE AMOUNT OF \$103,323.00 AS FOLLOWS: CENTERVILLE, CLEVELAND, EMPIRE, GLEN ARBOR, KASSON AND LELAND TOWNSHIPS, 75%; ROAD COMMISSION, 15%; AND LEELANAU COUNTY 10%. SECONDED BY WESSELL.

Discussion – none.

AYES – 6 (Lautner, Rentenbach, Rushton, Soutas-Little, Wessell, Bunek)

NO – 0

MOTION CARRIED.

Information Technology – Back-up Server Storage:

#194-07192016 Regular Session

MOTION BY WESSELL TO APPROVE THE PURCHASE OF ADDITIONAL STORAGE AND LICENSES FROM DELL CORPORATION FOR OUR BACKUP SERVER WITH COSTS NOT TO EXCEED \$11,000.00; FUNDS TO COME FROM THE DATA PROCESSING FUND #636. SECONDED BY SOUTAS-LITTLE & LAUTNER.

Discussion – none.

AYES – 6 (Wessell, Bunek, Lautner, Rentenbach, Rushton, Soutas-Little)

NO – 0

MOTION CARRIED.

Emergency Management – Resolution allowing Peninsula Fiber Network the Right to Pursue Fiber Connectivity:

#195-07192016 Regular Session

MOTION BY BUNEK TO PASS A RESOLUTION TO ALLOW PENINSULA FIBER NETWORK TO PURSUE FIBER CONNECTIVITY TO THE LEELANAU COUNTY 9-1-1 DISPATCH CENTER, PENDING APPROVAL FROM CORPORATE COUNSEL. SECONDED BY WESSELL.

Discussion – none.

Roll Call: Bunek – YES; Lautner – YES; Rentenbach – YES; Rushton – YES; Soutas-Little – YES; Wessell - YES.

MOTION CARRIED.

**Leelanau County Resolution #2016-008
Peninsula Fiber Network Right to Pursue Fiber Connectivity**

Whereas, the Leelanau County Board of Commissioners (“Board”) is authorized under Michigan’s Emergency Telephone Service Enabling Act, 1986 PA 32, as amended (“Act”) and under authority provided by its Emergency Telephone Services Plan (“911 Plan”) to make administrative findings regarding among other things, the service suppliers providing 9-1-1 services within the 911 Plan’s Service District;

Now, Therefore, Be It Resolved, that the Board hereby makes an Administrative Finding that Peninsula Fiber Network, LLC and or its affiliate PFN NextGen 911 Services LLC, shall be the primary 9-1-1 service supplier, employing a common network that enables all other service

suppliers within the 911 Plan's Service District to be selectively routed and otherwise access the 9-1-1 system and the primary PSAPs identified in the Plan;

Be It Resolved, that all service suppliers shall cooperate with Peninsula Fiber Network, LLC or its affiliate PFN NextGen 911 Services LLC in order to facilitate the switchover to its common network, Next Generation Selective Router and other Next Generation 911 services, features and offerings as may be applicable or required herein;

Be It Further Resolved, that Peninsula Fiber Network, LLC and or its affiliate PFN NextGen 911 Services LLC is authorized and directed to work with the 911 Plan's service suppliers, the Michigan Public Service Commission, State 911 Committee and State 911 Director and any other state, federal or local authority in order to effectuate and implement the provisions of this Administrative Finding, including but not limited to the identification for a specific date and time for the switchover to the Peninsula Fiber Network's or its affiliate's common network;

Be It Further Resolved, that this Resolution shall augment, supersede, modify or replace any inconsistent prior resolution or motion;

Be It Further Resolved, that this Resolution does not, however, extend to incurring costs that will need to be paid directly from Leelanau County funds rather than being billable to and paid from MPSC Wireless and Wireline Technical Surcharge pools. For goods and services which may be billable to and paid from Leelanau County funds, Peninsula Fiber Network, LLC, or its affiliate, must obtain specific written authorization from the 911 Authority prior to incurring said cost on the 911 Authority's behalf. Such written authorization shall include the not to exceed cost that Peninsula Fiber Network, LLC is authorized to incur on 911 Authority's behalf;

Be It Further Resolved, that the County Clerk shall send a copy of this resolution and its Administrative Findings to PFN and to each PSAP, and emergency service provider as it deems necessary within the County.

Emergency Management – Communication Task Force Update:

Administrator Chet Janik wanted to update Commissioners, as Emergency Management Director Matt Ansorge is on a well deserved break. Janik reported on the progress that has been made and that the Committee is in agreement. There is agreement between all parties on the technical equipment needed. They are looking at a 10 year plan so as to not continually be coming back to the Board. They will be looking at funding options this Friday. The minutes that the Commissioners will receive of the Communication Task Force are very detailed.

Commissioner Wessell commented that he is looking forward to the meeting on Friday.

Commissioner Lautner stated that she is looking forward to the meeting on Friday. Lautner continued that she has a residual concern on how fast this is moving and that there is an urgency as to what it represents; however, when Commissioners were looking at \$1 million to be spent on the building, we said let's bring in an expert to get the best price, product and the right activity. She continued that this project is up to

\$3.4 million and what we have is all inner expertise. Every time they meet it seems to go up, it hasn't been looked at objectively, and it is making her nervous. So a decision could be made in August on a radio system and an outsider hasn't even looked at this to say that this is our only option. The problem is time, she understands that, but a lot of the Task Force is the fire departments and they are not sitting at this table accountable for the \$3.5 million, the Commissioners are.

Administrator Janik commented that there are some things that can be pieced out.

Commissioner Lautner questioned why isn't this being done the same as the Jail? Why isn't an expert being brought in to walk us through it?

Commissioner Rushton commented that Commissioner Lautner does bring up a good point. This Board did see fit to hire an outside company to give an objective look at costs on the Jail, determine the problem, and then a solution to the problem. The Company retained by the County is working very hard for Leelanau County to keep the costs as low as possible, while giving us the quality and the long term picture. In her personal opinion, we are looking at \$3.4 million and it is hurry up and get it done. Rushton does not think that this is a new issue. It has been brewing and as Commissioner Lautner said, it was proposed a couple months back at \$800,000.00. She continued that all of a sudden it is \$3.4 million and she also feels uncomfortable about the speed and the lack of objectivity for the Community and Taxpayers. That is her comment today.

Commissioner Bunek commented that in that process (the Jail roof) we actually interviewed half dozen companies before the Commissioners even selected one. There were several experts who told the Commissioners how to approach the issue and what would be better. Commissioner Lautner may have a valid point in that the County isn't bringing in an expert. He does not know how expert the people involved are. There are companies – engineers or someone – that could look at this, especially with the topography of the County. Bunek continued an example is the cell phones for the Sheriff's Department. They were going to go with Verizon and once it was all in place, it was determined that reception could not be had in the Government Center and a switch was made to go with AT&T. It is a valid point to be concerned about the finances and what is available.

Commissioner Wessell commented that he feels the same sense of urgency – the same sense of urgency that he felt when the Sheriff said that the gas masks were 10 years out of date. This is a serious issue and there are lots of areas in the County that are not connected. He understands the issues, but there is a sense of urgency.

Chairman Rentenbach commented that there is urgency when parts have to be obtained through eBay. Rentenbach briefly commented that she does believe that the Department of Emergency Management did its due diligence prior to this and they did

research and look around at different systems. There will be more on that after the next Task Force meeting.

Commissioner Lautner commented that there have been a couple of vendors at the meeting and of course every time they say that they want to pad this, the vendor says that they can do that.

Chairman Rentenbach commented that they are getting input from the fire chiefs. Lautner responded that fire chiefs are looking at it as fire chiefs should and do; but these same fire chiefs don't want to ask for a millage and want the County to do it. Brief comments by Lautner continued regarding the project, experts, and costs.

Commissioner Rushton concurred with Commissioner Wessell, there has been a sense of urgency about this and we all recognize the importance of communication in the area of emergency services; however, she wanted to remind this Board, for the last four years, while she has been on the Board, we have been dealing with the decision that was made by a prior Board with the same sense of urgency - and she is referring to the Leland property. It was like "bulls in a china shop" moved forward on that project without proper due diligence.

Administrator Janik commented that Director Matt Ansorge is not here to respond, but when he (Director Ansorge) appeared before Commissioners in April, the real urgency is the radios and that was expanded to look at the big picture. That \$3.4 million is a lot more than radios so you do have the option to break it out over the next 10 years and there are a lot of options.

[Clerk's note: Motion #196-07192016 Regular Session was not utilized and therefore is voided as no motion was made on the above topic.]

Senior Services – Contract with ShareCare for Care Coordinator Nurse, RN:
#197-07192016 Regular Session

MOTION BY SOUTAS-LITTLE TO APPROVE THAT LEELANAU COUNTY SENIOR SERVICES ENTER INTO A CONTRACT WITH SHARECARE OF LEELANAU, INC., TO PROVIDE UP TO 20 HOURS OF CARE COORDINATION NURSING SERVICES AT \$53.00 PER HOUR BEGINNING AUGUST 1, 2016. SECONDED BY LAUTNER.

Discussion – Commissioner Rushton commented/questioned if this is available to everyone. ShareCare President Vina Mikesell and Senior Services Finance Coordinator, Cathy Hartesvelt responded to Commissioners, as requested, and confirmed that it is available to everyone. Administrator Janik added that this service was bid out.

AYES – 5 (Soutas-Little, Bunek, Lautner, Rentenbach, Rushton)

NO – 0 ABSTAIN – 1 (Wessell)

MOTION CARRIED.

Planning – Roll-off Recycling Containers Purchase from Contract Welding of Bellville:
#198-07192016 Regular Session

MOTION BY LAUTNER TO WAIVE THE COUNTY’S BID POLICY AND AUTHORIZE THE PLANNING DIRECTOR AND COUNTY ADMINISTRATOR TO PURCHASE TWO – 30-YARD ROLL-OFF CONTAINERS FROM CONTRACT WELDING IN BELLVILLE, MICHIGAN, AT A COST NOT TO EXCEED \$16,000.00; FUNDS TO COME FROM FUND #230. SECONDED BY SOUTAS-LITTLE.

Discussion – none.

AYES – 6 (Lautner, Rentenbach, Rushton, Soutas-Little, Wessell, Bunek)

NO – 0

MOTION CARRIED.

Planning – Repair of 10 Recycling Containers:

#199-07192016 Regular Session

MOTION BY LAUTNER TO WAIVE THE COUNTY’S BID POLICY AND APPROVE WHEELOCK & SONS WELDING INC. TO SANDBLAST, REPAINT, AND WELD A MAXIMUM OF TEN (10) OF THE COUNTY’S RECYCLING CONTAINERS AT A COST NOT TO EXCEED \$1,750.00 PER CONTAINER, WITH COSTS TO COME FROM THE RECYCLING FUND #230. SECONDED BY BUNEK.

Discussion.

AYES – 6 (Lautner, Rentenbach, Rushton, Soutas-Little, Wessell, Bunek)

NO – 0

MOTION CARRIED.

Recycling Site in Cedar:

Chairman Rentenbach said that this is a late addition. Rentenbach commented on the summary of recent events regarding the recycling site in Cedar:

- May 3 – Emailed notification to the Melinda Lautner, Chet Janik, Bill Perkins, Ron Novak, Shirley Mikowski, and Joan Gauthier regarding the Executive Committee meeting and county's attorney was working on Addendum to the Agreement. Email stated a representative from Solon Township should be present at meeting to present the request.
- May 4 – Emailed 1 page Addendum to Agreement which was prepared by Corporate Counsel, to all of the above.
- June 22 – Sent email to Melinda Lautner, Chet Janik, Ron Novak, Joan Gauthier, Shirley Mikowski notifying them the County Board approved a motion 6/21 to accept the Addendum to Agreement, for an amount up to \$25,000. Motion passed 4-2. Board Chair will sign the Addendum and then it will be sent to Solon Township for consideration. *(Confirmation of email delivery received)*
- July 6 – Sent email to above – notifying them I had an email from American Waste state they would designate \$3,170 toward the Cedar site. *(Confirmation of email delivery received)*

- July 14 – Solon Township Board meeting.
- July 15 - Received email from SWC Vice-Chair Marcia Harris regarding the Solon Township Board meeting of July 14, and forwarded it to all SWC members and County Board members, per Marcia's request.
- July 18 – Received letter (attached) in email from Solon Township Clerk. Sent email confirmation back that I had received the letter. Letter shared with SWC Chair Bill Perkins, Vice-Chair Marcia Harris, and Chet Janik.

The attached letter from Solon Township is requesting changes to the agreement, and the Township Board passed a motion to allow the residents to use the recycling site temporarily until the next Solon Township board meeting on August 4, 2016. A rough estimate on a surveillance camera is \$100-\$500 for a trail cam (depending on quality), and \$600.00–\$1,000.00 for a surveillance camera installed (dependent on the location of the electrical source).

Based on the 180 day extension that was provided in the letter of January 21, 2016 from the Township Board, and the Addendum to the Agreement not yet accepted by Solon Township, it is my understanding there is no Agreement in place for the recycling site in Cedar.

Please be advised if the County Board would like a recommendation from the Solid Waste Council with regard to this issue.

Commissioner Lautner commented that this is great information starting May 3. She wished to back up further and stated that perhaps it is not clear to the Board, but Solon Township has had a lot of problems with the site going back years. Lautner said she had in hand an agreement going back to July 2013 and the addendum. She stated that the Township Board had no problem with the addendum, but the agreement is outdated. Solon Township wants an agreement that is factual to go with the addendum. Knowing the wheels of government move slow, they (Solon Township) thought it should come sometime after the approval of the \$25,000.00. There are things such as site size location, number of containers, glass collection – which is no longer there, and County monitoring. Lautner said that the County said it would purchase equipment and have staff oversight and explained what she was referring to. Lautner referenced a meeting in September 2013, and that Solon Township has reached a level of frustration. Lautner continued that the agreement does not talk about lighting or increased monitoring as well as the engineering request that went out at that time by the Township. They (Solon Township) have every intention of signing a new agreement that is current and up to date. Solon Township also committed to paying the engineer for oversight of the project to make sure it is done right, which will cost them several hundred dollars and shows their commitment. Lautner continued that they (Solon Township) have had to use their own camera the last several years as one has not been

placed there and could easily be done for \$100.00–\$200.00. They were able to see who was dropping off – the light, the township also committed to pay the monthly electrical cost for the light and it wouldn't cost that much to install it. It would be a small fee for the County and if that is done and there is electricity right to the site and it will be paid for by the Township once installed.

Commissioner Lautner continued that the monitoring of all sites is done two to three times a week. It is a problem at all the sites, not just Solon. It can look great one minute and then it looks like a dump; she has driven by the site to see what the problem is. The Township Officials have been going down and cleaning up the site for years. The agreement expired last fall and the County has graciously extended it three times. Lautner referred to a meeting which was held last fall where it was outlined what needed to be done to the site and nothing happened until May of this year. Comments continued by Lautner and she indicated that the Township Clerk and the Planning Director could get together and write a new agreement, then the appropriate parties could meet and the Commissioners could look at it, if it has to come to the County Board. Then Solon Township could act on this August 4, which they intend to do if the contract is cleaned up.

Commissioner Wessell commented that he believes the contract does need to come back to the County Board. He also referenced page two of the handout and that there has been a request from Elmwood Township for \$14,000.00 so Commissioners must be cautious in whatever we do, we have to be willing to do it as many times as expected. If we are going to provide a camera for one, it needs to be for all. The same with lights, \$28,000.00 and he doesn't know where it ends. This needs to come to the County Board and there needs to be some discussion regarding parameters and he would be very anxious to get a recommendation from the Solid Waste Council. This has been messy; we need to make sure all are on board with where this is going. What is done this month by Commissioners, you need to be willing to do for all.

Mr. Ron Novak (Solon Township Trustee) was asked to come to the table. Novak agreed and stated that he is exercising his first amendment rights and is not representing the Township in any way.

Chairman Rentenbach commented that this County Board has moved along with good faith and approved the \$25,000.00; we are simply talking about an agreement that needs to be fine tuned. It is a piece of paper that needs to be cleaned up and she questioned if that was his understanding.

Novak responded that it was his understanding of the Board and he didn't think it was that big of deal — only the "i's" needed to be dotted and the "t's" crossed. Then the cameras got tossed in and he is sure in the letter of January 21, 2016, that was never in the project. They do want it. The Solid Waste Council had indicated that all would get cameras and lights, and he is willing to wait. He doesn't think they need to ask for

too much more. It is his understanding if the site closes prior to 2021 Solon Township would pay back 100% of the funds, not a pro-rata amount. Novak continued that when everything is completed, they would like to work on a new contract. If a new contract cannot be made, Solon will need to pay all the money back.

Chairman Rentenbach responded that what she is hearing is that there is not really a reason to hold a special meeting of the Solid Waste Council or the Board of Commissioners and all can move ahead and proceed with the way things are going. Novak would agree except to appease his fellow Board members, as Commissioner Lautner said – fine turn it a little. He feels confident it will pass when brought back. Novak agreed that the parties are working in good faith. Brief comments continued that Solon Township wants the site built to their specs – they want their engineer involved and do not want the same problems the County has experienced with facilities.

Commissioner Soutas–Little thanked Mr. Novak for being present and she recognizes that he is here as an individual. What is being suggested is to move ahead with the small changes in the contract, i.e., that the number of bins is accurate, that glass is no longer accepted. The camera is not part of the contract. She continued that Novak stated that he believes that they were led to believe that all sites would be given a camera. Novak commented that Soutas-Little is correct. He would like to see the first and second most used sites to get the option first. Novak commented that they are honorable people on the Solid Waste Council, they all work well together, and they are doing a great service for us.

Chairman Rentenbach commented that the letter from Mrs. Mikowski (Solon Township Clerk) indicates that lighting and a surveillance camera are necessities for the site and need to be integrated into the agreement. Rentenbach indicated that that may need to be a negotiating point. If all are proceeding in good faith maybe that can be worked out.

Commissioner Rushton commented that she is not quite sure where she wants to start with this. She thinks that we have a problem across the County with the recycling program. As she looks at the contract with Solon Township, under the County Requirements it states: the County will purchase equipment and provide staff oversight of the site, and will be responsible of use, maintenance and serving of the recycling containers. All materials left at the site will be removed by County Authorized Contractors. Rushton continued that then you go down and there is other language, on Site Host Requirements – it talks about the site host providing specific size and so on and so forth and then we get down to maintenance and it states in the contract that Solon Township did sign: The Site Host will provide adequate maintenance of the site to allow for safe use of the containers; examples, seasonal plowing, pavement repairs, etc. The problem here is that the agreement that we have between the County and the Recycling Centers really does not spell out, doesn't have enough detail, so here we are bouncing back and forth about what we are going to pay and what they are going to do.

Rushton reminded Commissioners that Elmwood Township came to this Board and asked for \$35,000.00 to upgrade its site. The Solid Waste Council gave zero dollars to Elmwood. It was the waste company that provided the \$11,000.00 to Elmwood Township; Solid Waste had zero financial participation in that. Here we are, Leelanau County Commissioners granted, and the Board approved, \$25,000.00 to go to Solon Township and now Solon Township is back at the bench for more money and that is bothersome for her, very bothersome. She would suggest that somehow this get cleaned up before we go any further because Elmwood Township will hold us hostage in two years – the number one site in the County - and they will hold the County hostage in two years for any upgrades that they may want and they will have more than one leg to stand on. Rushton continued that we need to pay attention to this now and get it cleaned up. She said this is going to be nothing but a problem down the road. Maybe the compensation should be removed and we say that this is what we are going to do and this is what you are going to do, and spell it out. She doesn't know of any other way. She does recognize that the people in that community want recycling, but they also have some responsibility at the sites, as far as properly placing the materials in the recycling bins. How do you get the community to do that? Perhaps the newspaper can help with that.

Commissioner Lautner commented that she certainly understands Elmwood Township's frustration; but not every site is apples to apples and the County is going to have to spend more money on one site than on another. Some areas just work better than others.

Commissioner Rushton interjected that Elmwood Township asked for \$35,000.00 and received nothing. Chairman Rentenbach stated that Commissioner Lautner had the floor.

Commissioner Lautner continued that she does understand Elmwood's frustration. This has been a long time coming and Solon Township has reached a level of frustration with the site and they believe it is a dump in their words. A lot needs to be done. There is improved signage. Lautner continued that the County tonight should be able to obtain a camera for a couple of hundred dollars for that site. Solon Township has asked for the camera before, even before the Lake Leelanau/Health Department site. This is a growing and gradual thing. There is nowhere else for this site and we are at a pickle here. The County can both clean up the agreement and put the language in that Solon Township wants, or you can quibble over the language and stop the site from moving forward. Nobody wants the site and nobody wants it on their property, but they all want to recycle. It is the same problem and a lot of people in the County are weighing in on the site, but no one wants it. This is why there is a real problem with the sites and she sees this going on in the future. This funding/agreement would take care of the Solon Township site until 2021. Lautner continued to comment.

Chairman Rentenbach commented that Solon Township has been awarded \$25,000.00 in funds through Solid Waste Council and American Waste is coming up with another \$3,160.00. The money is settled and now the agreement needs to be cleaned up. She is not sure that more meetings are needed as all are continuing on good faith.

Commissioner Rushton questioned that if a camera actually is installed, who is going to do the monitoring of the camera? Novak said their understanding is that it will be a full circle and be transferred to a website. If someone sees something thrown out, they will be able to go back and look at the film. He referenced Thompsonville and how clear it is, but there is a camera. Rushton commented that cameras will make people more accountable. Brief comments regarding the camera.

Commissioner Bunek commented that he doesn't know why this is back on our desks. The funds have been authorized, \$25,000.00 from the County and \$3,000.00 from American Waste. It is the matter of resolving how the contract is to be signed. If the camera can be fit into the budget or anything else can be fit in the budget, then it can be done. He does not understand. What concerns him more is the request for \$14,000.00 more for Elmwood Township, which everyone knew would happen as soon as this was raised to \$25,000.00. The Elmwood site cost a lot more than this. Next Northport will look at theirs. He doesn't know why the contract is here. If it is \$200.00, Solon Township can figure that out for themselves.

Chairman Rentenbach said both entities are proceeding in good faith.

Administrator Janik commented that it was his understanding that the agreement was \$25,000.00; now Solon Township wants the money plus the camera and other costs. Novak agreed that was his understanding. Discussion ensued. County Clerk Crocker asked for clarification as she does not have the documents being discussed to follow in the minutes.

Commissioner Lautner commented that there was a termination letter/notice sent to the Solid Waste Council and they received a notice of termination in November for 90 days. Solon Township has graciously extended beyond the days and the current contract is no longer valid.

MOTION BY LAUTNER TO AUTHORIZE TRUDY GALLA TO SIGN THE AGREEMENT BETWEEN LEELANAU COUNTY AND SOLON TOWNSHIP FOR THE RECYCLING PROGRAM/RECYCLING SITE THAT SOLON TOWNSHIP WILL GET TO HER BEFORE AUGUST 4, 2016. SECONDED BY BUNEK.

Discussion – Commissioner Lautner stated that Solon Township will rewrite the agreement for the site as she stated earlier and clean it up. She does not think the lighting is an issue; if it comes down to the camera – she can take the comments made tonight. Even though this has been delayed, there is a chance that the contractor could come in at less, but she doesn't know as he has been extending his contract. Lautner

continued Solon Township understands from that, then they would be getting a camera and monitoring at the site. She believes that the wording can be worked out between Galla and the Township. The term good faith has been tossed out tonight several times, and she believes that this can be solved in good faith. If Galla is authorized to sign an agreement that Solon Township is happy with, then there is no need to have any special meetings.

Commissioners Rushton and Bunek both responded at the same time that there is no dollar amount. Chairman Rentenbach commented that a dollar amount has been approved — \$25,000.00.

Commissioner Wessell voiced that he continues to be uncomfortable with different contracts for different sites. He understands that different sites have different needs, but contracts should be the same across all sites. He continued that if Commissioner Lautner's motion is approved, then we would want Galla to revise all contracts. Otherwise the County is offering a continuing cycle to renew and renegotiate.

Commissioner Soutas-Little commented that there is the \$25,000.00 that this Board authorized; but as noted in Galla's review of actions, Solon Township also has the money that Perkins negotiated with American Waste for \$3,170.00. So we are actually talking about \$28,000 +. The \$25,000.00 was based on the ability to cut back that pad and also other changes – given that re-beautification was the goal, as there was nothing structurally wrong with the site, unlike in Elmwood Township where it was seeking into the asphalt/pavement. Re-beautification is justifiable, as it is the entrance to Cedar and it should look attractive. The problem here is the wording to authorize Galla to sign an agreement that Solon is happy with – she would like to see that word changed to something that is factual or accurately reflects what was promised on the County's side and the Township's side; this is not about who is happy and who is not happy.

Commissioner Lautner restated her motion. Lautner continued that after Solon Township writes the contract, which will ensure recycling is continued at that site. You can take out happy all you want, but it has to be something that Solon Township will approve and keep recycling at that site.

Chairman Rentenbach commented that by policy a Department Head is not allowed to sign a contract, so it will need to be signed by the Chairman.

Commissioner Bunek commented that he seconded the motion for discussion and he won't support the motion. The County has agreed to the \$25,000.00, which he disagrees with and believes it is too much. Commissioners are seeing the results of it already through what Elmwood Township has decided. Bunek continued that it is already out there; if the County wants to rescind since Solon Township wants more or if it can be worked out in to the contract with the money authorized and if it can't be

worked out, the Solon Township will close it down. Bunek thinks that the County has been more than adequate and everyone keeps forgetting about the \$1,875.00 which was already paid out and violates the contract. Now they are getting more than the \$6,250.00 which was authorized as a maximum. They could come back and say that they want \$15,700.00 next time a contract needs to be renewed. Commissioners are creating a nightmare. Bunek commented that he agrees with Wessell that maybe a camera should be included, as one was installed at the Benzie Leelanau Health Department. This is not black mail as he knows they are honest and true, but he does get that feeling.

Discussion continued.

Motion and support withdrawn.

#200-07192016 Regular Session

MOTION BY LAUTNER TO AUTHORIZE THE CHAIRMAN SIGN THE NEW AGREEMENT BETWEEN LEELANAU COUNTY AND SOLON TOWNSHIP FOR COUNTY RECYCLING PROGRAM RECYCLING SITE. SECONDED BY SOUTAS-LITTLE.

Discussion - Commissioner Lautner asked Commissioners to not let the site go away. There is no place else in that area to go for recycling. There is nowhere else to go, they have tried. This is more than beautification, although beautification is a part of it. That site is a very difficult site. The only reason that it is there as it was built and as the borings were done, it is not soil – there are logs and other stuff like what you would find in a swamp and it is a wet site. What needs to be done here is not something Solon Township pulled out of a hat. Solon Township did obtain an Engineer and the County reimbursed them, as Solon Township went to get an engineer and Solon Township did it without knowing the County's procedure. Solon Township was told to go out and get it, which they did. We are so close; we get this agreement cleaned up, get the understanding in there that was understood and it probably will be a template for a lot of the sites from here on out. Now the structure is done and the cost of the project is behind us. This is an agreement that can be used for any township. There has not been a problem at the Lake Leelanau site since there are cameras there, so it is a very clean site. The Health Department was actually opposed to recycling going in there as they thought it would be a dump like a lot of the other recycling sites and that is why they insisted on the camera. Fortunately it was already blacktopped and all that had to be done was add the camera. They are happy with it and approved an extension on it.

Commissioner Wessell asked Mr. Novak instead of supporting Commissioner Lautner's motion would it be possible to ask Solon Township to be patient for another month while the Solid Waste Council looks at a template for the contract, with the understanding that it would be a template for future contacts? You, Solon Township, have already seen the money, so why not go back and ask the Solid Waste Council to

do their due diligence that would work for all of their sites? Wessell will not support the motion.

Commissioner Soutas-Little commented that she was over at the Lake Leelanau site and did not see the camera. Response received as to the camera location. The biggest expense on the Solon Township proposal is the pad, about \$19,000.00, and she understands the desire for the pad. The site has been there since 1988. It is compacted earth. The pad would certainly make it easier to keep it clean and she can go along with that, she continued that the question comes in as Lautner has reworded her motion, it is mutually agreement, she will support.

Commissioner Lautner addressed Commissioner Wessell saying she understands where he is coming from and this cannot be muddied. The contractor quote was only good until the end of June 2016 and he has graciously extended. We are now into August, and if this is put off until September or October, it cannot happen this year. Lautner indicated that site work has been scheduled to begin on August 5, 2016, immediately after the Township knows that they have the money and the contract is signed.

Commissioner Rushton will not support the motion for several reasons. We have approved \$25,000.00, which she did not vote for although it was approved by the Board. Maybe in the details of beautifying the lot, you could look at instead of replacing a tree; Solon Township could look at the cost of a camera. She thinks it may be a better option to look at the whole program that the Township has to see where some changes could be made to accommodate the things that are needed.

Commissioner Soutas-Little said that Commissioner Rushton had a good point and when we talk about mutually agreement in the contract, not increasing the funds and she does not support increasing the funds. With \$28,000.00 Soutas-Little commented she is sure that there should be \$200.00 there to buy a camera.

Commissioner Bunek commented that this has been discussed enough.

Chairman Rentenbach commented that she is comfortable working with the Planning Department and trying to find a mutually agreeable contract and will do everything she can before August 4. If it doesn't happen, she doesn't want to take full responsibility for the Board saying we wouldn't work with them (Solon Township). She is a little uncomfortable with the motion the way it stands. She has said from the beginning that the dollar amount has been agreed on; and if all are proceeding in good faith, the deadline needs to be removed. She will do all possible to meet the deadline, but is not comfortable about having a date in there.

Commissioner Rushton questioned the motions and who will be writing the contract.

Crocker responded that the motion does not say a date and re-read the motion:
Motion by Lautner to authorize the Chairman sign the new agreement between Leelanau County and Solon Township for County Recycling Program Recycling Site.

County Clerk Michelle Crocker confirmed that there is no deadline.

Commissioner Rushton asked if the contract would go before legal. Crocker said that is standard procedure and Administrator Chet Janik responded that all contracts are required to be approved by the Board. Crocker expressed concern that this motion is to approve and sign a contract that has not been drafted or reviewed by counsel. Rushton asked for further clarification that we are authorizing a contract that hasn't been approved. Janik responded.

Commissioner Lautner commented that the only choice would be then to get a contract prior to Thursday and everyone could see it before the scheduled budget meeting because if the August 4 deadline is not met, it would be mid-September before it could go to Solon Township again.

Commissioner Wessell asked for the motion to be amended and Lautner refused. Discussion ensued.

Commissioner Soutas-Little asked if Solon Township would call a Special meeting once approved? Commissioner Lautner cannot speak to that. Mr. Novak said it was a great possibility. Soutas-Little commented that then the County could follow its own procedures. Then if Solon called a special meeting, they could get on with it. Lautner countered, provided Solon Township will go along with it. Novak commented that the Solon Township Board asked if by August 4 that we know this and if it is not going to be possible, he would hope that the Township Board would agree to an extension and hope for the very best. Chairman Rentenbach responded that that is working in good faith. Novak can certainly understand working by your policies.

AYES – 1 (Lautner)

NO – 5 (Rentenbach, Rushton, Soutas-Little, Wessell, Bunek) MOTION FAILS.

Administrator – Workers' Compensation Insurance Renewal, Peterson McGregor:
Dennis Muth, Account Executive of Peterson McGregor and Associates was present regarding the County's Workers' Compensation Insurance Renewal. Muth said throughout the years, Leelanau County has been in various plans and explained the history. Right now the current plan does not have a dividend as the upfront cost was so accurate. Your premium development is based on your payroll from July to July and then it is taken to carriers. There are not a lot of carriers that will insure law enforcement. The long and short outside of payroll, the other promulgation is the

experience modifier and he referred to the handouts in front of Commissioners. The current experience modification factor is .72, which compares Leelanau County to all others like it in the State. This Experience Modifier is the number tracked by the State of Michigan. Every time you as an employer have a claim, it is filed on your behalf, you carrier reports it to the State of Michigan – loosely – the State of Michigan then tracts that activity and provides every employer in the State of Michigan with an Experience Modifier, which is a factor in the premium. After Muth is provided the estimated payroll, he then takes the manual rates associated with each class code and a premium is established and then the Experience Modification becomes a factor. The .72 represents a 28% credit for your history, which is a phenomenal number. History for 2015 was reviewed. The reflection of claims is over a three year window and he also reviewed the previous Experience Modification factor. Employees are to thank for the great Workers Compensation rate that Leelanau County has and it would be paraded down to other counties. Payroll has gone up, experience model went up, but it is a lower premium because of the history and discretion that can be exercised because of the history. Hats off to what the employees are doing. Muth responded to questions from Commissioners. Workers Compensation is required in the State of Michigan. There is 100% of medical and it provides an after tax benefit of 80%. If you take a look at where the County has been and the rates are close to what was paid eight years ago. Brief comments and discussion ensued.

201-07192016 Regular Session

MOTION BY WESSELL TO APPROVE THE 2017 WORKERS COMPENSATION INSURANCE POLICY RENEWAL WITH THE ACCIDENT FUND THROUGH PETERSON MCGREGOR AND ASSOCIATES IN THE AMOUNT OF \$66,592.00. SECONDED BY SOUTAS-LITTLE.

Discussion – none.

AYES – 6 (Wessell, Bunek, Lautner, Rentenbach, Rushton, Soutas-Little,)

NO – 0

MOTION CARRIED.

Administrator – Area Agency on Aging of Northwest Michigan:

#202-07192016 Regular Session

MOTION BY WESSELL TO APPROVE LEELANAU COUNTY BOARD OF COMMISSIONERS RESOLUTION #2016-009, FISCAL YEAR 2017-2019 MULTI-YEAR PLAN OF THE AREA AGENCY ON AGING OF NORTHWEST MICHIGAN. SECONDED BY BUNEK.

Discussion – none.

Roll Call: Wessell – YES; Bunek – YES; Lautner – YES; Rentenbach – YES; Rushton – YES; Soutas-Little – YES;

AYES – 6 NO – 0

MOTION CARRIED.

**Leelanau County Board of Commissioners
Resolution #2016-009**

BE IT RESOLVED that the Leelanau County Board of Commissioners have reviewed the Fiscal year 2017-2019 Multi Year Plan of the Area Agency on Northwest Michigan and believe that the plan addresses the needs of the aging population in Region 10.

BE IT FURTHER RESOLVED that the Leelanau County Board of Commissioners approves the Fiscal year 2017-2019 Multi year Plan of the Area Agency on Aging of Northwest Michigan.

Administrator – Law Enforcement Center Contractor Bids recommendation:

Kirstin Policastro, Project Manager/Business Analyst – E3 Inc was present. Policastro referred to an email and handout from July 12, 2016 and asked if there were any questions on the document. She responded to a question on the dollars and potential reduction on the price and Policastro said she has a high degree of confidence that they believe that they can bring the price lower and they are requesting approval with not to exceed language. She indicated that they are hoping that they can reduce #1 – the mechanical contractors' installation by approximately \$30,000.00 and they expect to be able to find a similar savings between the testing and balancing and the electrical contractor. At this point, although she has a high degree of confidence she believes that they will have reductions, but at this point would like to avoid having to come back to the Commissioners for approval of items that they may have overlooked. They will be able to find additional savings and expects to have a demonstration that will show that this project will save the County roughly 40% in its operating costs once it is complete. For 2017 not only will you not have that maintenance figure you have been watching increase, you are also going to save money to operate the building overall. Roughly the County is spending \$91,000.00 for heating, cooling, electric and gas electricity. They are expecting the figure once the modifications/repairs are made; they are looking at expenses to come in right around \$54,000.00.

Chairman Rentenbach commented that she has one citizen that is asking about solar and why the County isn't looking into that. Policastro responded that they would be happy to put together a proposal on that and concurred with Rentenbach that it is outside of the scope of what they were engaged to do, which was to find and fix the problem with what the County has. Team members with Policastro commented that for solar, the upfront costs are high and the payback is way far it – probably a minimum of 15 years.

Brief discussion between E3 team and Commissioners on solar and cost containment.

Policastro and team responded to questions from Commissioners regarding costs and what has been proposed and where cost savings may be reduced.

Commissioner Bunek expressed concern about reduction of installation and different types. Explanation given by the team and the cost effectiveness of the proposals and different products and methods. They also referenced what was used at the Surgery Center in Traverse City. Discussion regarding the original installation was more temperature dependent and the other methods proposed get us away from the same needs and gets you an R value of 11. Both products being considered have a good history. Discussion followed on installation, the time of year, providing adequately for what is needed, and history of the products. Policastro emphasized that they are planning for contingency and looking for good solid installation due to many factors. Concern expressed for savings and not going backwards in the process. Brief discussion ensued.

#203-07192016 Regular Session

MOTION BY BUNEK TO HIRE/CONTRACT SHEREN PLUMBING & HEATING OF TRAVERSE CITY, MICHIGAN, TO PROVIDE MECHANICAL CONTRACT MATERIALS AND LABOR FOR THE SUM OF \$690,000.00 AS RECOMMENDED BY E3 INC., WITH FUNDS TO BE TRANSFERRED FROM THE DTR FUND #516 TO CAPITAL PROJECTS/BUILDING FUND #470. SECONDED BY RUSHTON.

Discussion – none.

AYES – 6 (Bunek, Lautner, Rentenbach, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

#204-07192016 Regular Session

MOTION BY BUNEK TO HIRE/CONTRACT SHORELINE POWER SERVICES, INC., OF WILLIAMSBURG, MICHIGAN, TO PROVIDE ELECTRICAL CONTRACT MATERIALS AND LABOR FOR THE SUM OF NOT TO EXCEED \$221,172.00 AS RECOMMENDED BY E3 INC., WITH FUNDS TO BE TRANSFERRED FROM THE DTR FUND #516 TO CAPITAL PROJECTS/BUILDING FUND #470.

Discussion – Commissioner Bunek wanted to guarantee that these prices are not to exceed. Policastro commented that these are the County's contracts and that they can make sure that that language is included. Commissioner Rushton questioned "not to exceed" language being included.

AYES – 6 (Bunek, Lautner, Rentenbach, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

#205-07192016 Regular Session

MOTION BY RUSHTON TO INCLUDE THE WORDS "NOT TO EXCEED \$690,000.00" REGARDING HIRING SHEREN PLUMBING & HEATING OF TRAVERSE CITY TO PROVIDE MECHANICAL CONTRACT MATERIALS AND LABOR FOR THE SUM OF \$690,000.00 AS RECOMMENDED BY E3 INC., WITH FUNDS TO BE TRANSFERRED FROM THE DTR FUND #516 TO CAPITAL PROJECTS/BUILDING FUND #470. SECONDED BY BUNEK.

Discussion – none.

AYES – 6 (Rushton, Soutas-Little, Wessell, Bunek, Lautner, Rentenbach)

NO – 0

MOTION CARRIED.

#206-07192016 Regular Session

MOTION BY BUNEK TO HIRE/CONTRACT INTEGRITY TEST & BALANCE TRAVERSE CITY, MICHIGAN TO PROVIDE TESTING, ADJUSTING AND BALANCING MATERIALS AND LABOR FOR THE SUM OF NOT TO EXCEED \$51,000.00 AS RECOMMENDED BY E3 INC., WITH FUNDS TO BE TRANSFERRED FROM THE DTR FUND #516 TO CAPITAL PROJECTS/BUILDING FUND #470. SECONDED BY SOUTAS-LITTLE.

Discussion – none.

AYES – 6 (Bunek, Lautner, Rentenbach, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

Chairman Rentenbach commented on the due diligence and miscellaneous items such as debris. Policastro commented that when E3 was doing its due diligence there was a couple of miscellaneous items and referenced the American Waste document. The construction debris for the mechanical contractor, they asked a bunch of questions. Sheren was the only one that would actually bring a crane, take the old equipment off the roof, take it to a dumpster and take the dumpster away. So we do not need a demolition bid and there is not much construction debris. You cannot unhook the existing system until the current system is hooked up. Comments continued. The remaining debris costs would be a fraction and when we do a contractor kick off, so everyone is on the same page, Pat Klein from American Waste will probably be sitting in the room – the handout outlines the roll off pricing. Sizes, debris items and costs explained. There is going to be packaging and pallets that come with this stuff, rigging and material. She continued that there just won't be that much other stuff so it is not as big of a cost as anticipated. Administrator Janik indicated that no action is required as it falls within policy but wanted to make sure that Commissioners were aware of this. The other thing is outhouses and it was determined that the County would also handle that. It is estimated at a cost of \$500.00 from Northern Fire and Safety to come back and retest the fire alarms. Responses by Policastro and team to Commissioner questions. Policastro commented they will be holding a contractors kick-off meeting within the next week.

Commissioner Bunek commented that he was a little disappointed with the lack of things that could be reduced, which could mean that you did a good job to start with. He was just hoping more ways would be found. Policastro commented that things could be removed from the project, but they are being guided by the framework of the maintenance staff and what is needed to fix this. If pieces start to be removed, it will affect how this works together. They want to be judicious with the taxpayers' money, but she thinks that the recommendations are strong. Commissioner Rushton said she does not think that Commissioners want to sacrifice quality this time around. Discussion on potential rebate dollars that will be available and as well as capital credit.

Administrator – Officer Delegate to the 70th Annual MERS Conference:

#207-07192016 Regular Session

MOTION BY BUNEK TO APPROVE THE APPOINTMENT OF ADMINISTRATOR CHET JANIK AS THE OFFICER DELEGATE TO ATTEND THE 70TH ANNUAL MERS CONFERENCE AND TO APPOINT MICHELLE CROCKER AS THE ALTERNATE OFFICER DELEGATE, SHOULD THE OFFICER DELEGATE NOT BE ABLE TO ATTEND. FUNDS TO COME FROM THE BOARD OF COMMISSIONERS TRAVEL LINE ITEM. SECONDED BY WESSELL.

Discussion – none.

AYES – 6 (Bunek, Lautner, Rentenbach, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

Amendments and Transfers:

#208-07192016 Regular Session

MOTION BY LAUTNER TO APPROVE FISCAL YEAR 2016 AMENDMENT #16-010 AND #16-011. SECONDED BY LAUTNER.

Discussion – none.

AYES – 6 (Lautner, Rentenbach, Rushton, Soutas-Little, Wessell, Bunek)

NO – 0

MOTION CARRIED.

#209-07192016 Regular Session

MOTION BY LAUTNER TO APPROVE FISCAL YEAR FUND TRANSFER #16-004. SECONDED BY BUNEK.

Discussion – none.

AYES – 6 (Lautner, Rentenbach, Rushton, Soutas-Little, Wessell, Bunek)

NO – 0

MOTION CARRIED.

Claims and Accounts:

#210-07192016 Regular Session

MOTION BY LAUTNER TO APPROVE CLAIMS AND ACCOUNTS IN THE AMOUNT OF \$138,460.99. SECONDED BY RUSHTON.

Discussion – none.

AYES – 6 (Lautner, Rentenbach, Rushton, Soutas-Little, Wessell, Bunek)

NO – 0

MOTION CARRIED.

Post Audit Claims and Accounts:

#211-07192016 Regular Session

MOTION BY LAUTNER TO APPROVE POST AUDIT CLAIMS AND ACCOUNTS IN THE AMOUNT OF \$1,456,533.70. SECONDED BY RUSHTON.

Discussion – none.

AYES – 6 (Lautner, Rentenbach, Rushton, Soutas-Little, Wessell, Bunek)

NO – 0

MOTION CARRIED.

Special Reports by Staff, Commissioners, Elected Officials, and Affiliated Agencies:

None.

Commissioner Comments – Reports on Committee/Commission Appointments:
None.

Public Comment:

► Cathy Hartesvelt, Suttons Bay Township Treasurer. Hartesvelt requested to read her email of July 15, 2016 into the record. "Dear Commissioners, Please note the e-correspondence from County Treasurer John Gallagher to Chris Nelson of Suttons Bay Public Schools, LeAnn Eustice of Suttons Bay Public Schools, Rich Bahle as President of Suttons Bay Bingham Fire & Rescue Authority, Wally Delamater, manager of Village of Suttons Bay, Lorrie DeVol Treasurer of Village of Suttons Bay and to me, treasurer of Suttons Bay Township."

"It is my understanding that to date, the taxing authorities who paid the "Bayview 29 parcel chargeback" for 2008-2014 to the County DTR in full are as follows: Suttons Bay Township; Suttons Bay Township – Fire & Rescue Building Debt Fund; BATA; TBA-ISD; Leelanau County (by journal entry); Recycling (journal entry); Senior Services (by journal entry); State of Michigan Education Fund (by journal entry)."

"It is my understanding that as of this week, the taxing authorities who paid only the base tax and have outstanding chargeback obligation to the County DTR are as follows: Village of Suttons Bay; Suttons Bay Bingham Fire & Rescue Authority; Suttons Bay Public Schools."

"I do not know the status of the County Road Commission chargeback obligation at this time."

"I was available Tuesday, 7/12 to hear the presentation by Treasurer John Gallagher and Administrator Chet Janik regarding the Treasurer's capability to put some of the 29 Bay View parcels back on the market. This was good news. In light of the recent legal opinion allowing discretion for the application of those proceeds, the treasurer's comments to the Board of Commissioners on Tuesday, July 12th was that he would return those proceeds (on successful sales) to the taxing units and I believe Chairman Rentenbach requested an affirmation of his statement by asking, "All units?" and Treasurer Gallagher replied "yes"."

"Supervisor Rich Bahle, at the township board meeting on 7/13 gave a fire board report as he is President of the Suttons Bay Bingham Fire & Rescue Authority and stated that he (as President of the F&R and not representing the township), Wally Delameter from the Village, Chris Nelson of Suttons Bay Schools, Chet Janik and John Gallagher met and stated that it was recommended by the county that the village, school and fire authority only pay the base tax leaving the interest, foreclosure costs and penalties as outstanding chargeback obligation which is evidenced by where those units are today. Bahle stated it was his understanding that if there were sales, the proceeds would be

applied to the remaining outstanding chargeback obligation; i.e., the school, village and fire & rescue.”

“I spoke following Bahle’s comments at our township board meeting to challenge his understanding since I attended the Tuesday 7/12 BOC meeting and reiterated what I thought I heard Treasurer Gallagher state that if he (Treasurer Gallagher) became successful in selling parcels that he would distribute the available sales proceeds across all taxing units.”

“Please recall that the options for taxing authorities to pay chargeback obligation to the DTR were outlined by county auditors for the BOC; payment in full, payment arrangements/installments with interest on base, or direct charge against future settlements which would be this October for the village and next March for other authorities. Suttons Bay Township opted to pay in full at their June 8th board meeting as did TBA-ISD, BATA and the Leelanau County departments as those were the options presented to us. I would like to point out that Treasurer Gallagher did not direct his e-correspondence below to either the TBA-ISD, BATA, County or Road Commission.”

“I find the closing section of his e-correspondence stating that he will apply sales proceeds to the “outstanding chargeback obligations” concerning and confusing given his statements to you on 7/12 and certainly hope that this can be clarified so we all share the same understanding. The only units with outstanding chargeback obligations to my knowledge are the school, village and fire & rescue authorities that he had meeting(s) with.”

“Given Treasurer Gallagher’s earlier decision/intent to hold harmless all units by his attempt to write-off a chargeback to the taxing units by presenting a sizeable journal entry to the auditors in March, I’d like to believe his “concern for all” will continue to guide his thinking in the manner he chooses to dispense any earnings from the sale of properties to all units. To do anything contrary could be perceived to be discriminatory.”

“I thank you for your public service and any guidance you can give the county treasurer in this issue. If I can be of assistance, please feel free to contact me.”

► John O’Neill of Cedar. O’Neill commented that this whole discussion on the Solon Township recycling site, was hampered by the unwillingness to amend a motion to limit it to the amount of money already allocated and it simply could have been taken care of tonight, sent to the appropriate spots where the language could be worked out to mutually agreeable and then sent to the County’s legal counsel and you could have reviewed it in a timely fashion and then forward it to Solon. O’Neill said he is deeply disappointed on that and he thinks we all know where the responsibility lies. This is very much wanted by the people and the Board has made this possible and seems that we are tripping over a couple pairs of feet and he is sorry about that. The people will continue to work on this so the site remains open to serve the residents and future

generations as it is important to recycle material. O'Neill concluded by commenting that he also appreciates the concern that there is an agreement that serves all of the sites; but also believes that could have been taken care of in tonight's process.

Adjourn:

#212-07192016 Regular Session

MOTION BY BUNEK TO ADJOURN. SECONDED BY LAUTNER.

AYES – 6 (Bunek, Lautner, Rentenbach, Rushton, Soutas-Little, Wessell)

NO – 0

MOTION CARRIED.

Meeting adjourned at 9:48 p.m. by Chairman Rentenbach.

Carolyn Rentenbach, Chairman
Leelanau County Board of Commissioners

Michelle L. Crocker, Leelanau County Clerk
Clerk, Leelanau County Board of Comm.