BOARD OF COMMISSIONERS MEETING

Carolyn Rentenbach, Chairman

NOTICE OF MEETING

The Executive Board Meeting of the Leelanau County Board of Commissioners will be held on Tuesday, June 14, 2016, at 9:00 a.m. in the Commissioner Meeting Room, Leelanau County Government Center, Suttons Bay, MI

(Please silence cellular/electronic devices)

(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.)

TENTATIVE AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE

ROLL CALL

COMMUNICATIONS, PROCLAMATIONS, PRESENTATIONS:

1. Administrator Update
2. Parks & Recreation Commission Update
3. Information Technology Update

AGENDA ADDITIONS OR DELETIONS

PUBLIC COMMENT

REVIEW OF FINANCIALS

ACTION ITEMS:	**PAGE #**
1. Apollo Engineering/E3 – Law Enforcement Center Update & Recommendation *(under separate cover).*	
2. Rehmannn Robson –	
a. 2015 Audit Report *(under separate cover).*	
b. 2015 Investigative Report *(under separate cover).*	
3. Northwest Regional Airport Commission – Consent & Nondisturbance Agreement.	2-123
4. Sheriff –	
a. 2016 Marine Safety Program Grant Agreement.	124-126
b. RAP Grant, Body Camera Purchase.	127-129
5. Community Corrections – FY 2017 Grant Request, Leelanau County Resolution.	130-154
6. Treasurer –	
a. Annual Report, Balance in Land Sale Proceeds Accounts.	155-156
b. BS&A Software purchase/training for Tax.Net and P.R.E. Audit.Net.	157-158
7. Planning & Community Development –	
a. Recycling Contract Amendment with the Benzie/Leelanau District Health Department.	159-160
b. EPA Extension Request for Revolving Loan Fund *(under separate cover).*	
8. Equalization – 2016 L-4029 Tax Rate Request.	161-163
9. Information Technology –	
a. New server purchase.	164-169
b. Adobe Acrobat software purchase.	170-171
10. Senior Services – Collaboration with BATA (Bay Area Transportation Authority), Mobility On Demand (MOD) Sandbox Program Grant Application.	172-177
11. Construction Codes Authority – Inspector Services Agreement.	178-190
12. Parks & Recreation Commission – Kubota RTV Track Purchase.	191-192
13. Prosecutor – Crime Victims Act, Grant Renewal Application.	193-206
14. Administrator –	
a. Leland Courthouse Property – Townhouse Purchase Offer *(advisory).*	
b. Communication Task Force Update *(no attachment).*	
c. 2017 Budget Process Schedule.	207-209
d. Myles Kimmerly Barn *(discussion).*	
e. Tenurgy – Consulting Services Agreement.	210-221
f. GTB 2% Allocation Award Requests:	222
i. Sheriff – Marine Division Tow Vehicle, Topper and Agency decals, $34,667.00.	223-235
ii. Prosecutor – Facility Dog Training, Bullying Prevention and Canine Safety Classes, $2,000.00.	236-253
iii. Probate/Family Court – LCN Neighborhood Assistance Ministry, $29,000.00.	254-259
iv. Land Bank Fast Track Authority – Blight Elimination Grant, $30,000.00.	260-264
v. Solid Waste Council – Recycling Container Purchase, $12,000.00.	265-268
vi. Equalization – Continuously Operating Reference Station (CORS), $15,090.00.	269-275
vii. Construction Codes Authority – Safety Equipment Purchase, $14,265.00.	276-290
viii. Administration/Veterans Affairs – Mid Michigan Honor Flight, $5,000.00.	291-295
ix. Board of Commissioners – Leelanau Peninsula History Network, $19,905.64.	296-301
15. Solon Township –	
a. Request for Closed Session to Discuss Potential Purchase or Lease of Property *(no attachment).*	
b. Request for Recycling Site Improvements *(no attachment).*	

SPECIAL REPORTS BY STAFF, COMMISSIONERS, AND AFFILIATED AGENCIES

PUBLIC COMMENT

AMENDMENTS & TRANSFERS

Miscellaneous Fund Transfers and Amendments

- Claims and Accounts
- Post Audit

ADJOURN

EXECUTIVE DOCUMENT SUMMARY

Department: Administration Contact Person: Chet Janik Telephone No.:	**Submittal Dates** ☒ Executive Board: 6/14/16 ☒ Regular Session: 6/21/16
Source Selection Method ☒ Select One ☒ Other: n/a	**VENDOR:** n/a Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☐ Select One ☒ Other Consent & Nondisturb. Agreement

☐ **Request to Waive Board Policy on Bid Requirements**

The Northwestern Regional Airport Commission approved a lease with Costco Wholesale Corporation on May 24, 2016. One of the contingencies set forth in the lease is that Grand Traverse and Leelanau Counties execute a Consent and Nondisturbance Agreement and approve a proposed draft resolution (see attached).

A copy of the lease with Costco is also attached for review.

Kevin Klein, Director of the Cherry Capital Airport, will be attending the June 21, 2016, Regular Session of the Board and will be available to answer any questions.

Suggested Recommendation: To recommend approval of the Consent and Nondisturbance Agreement between Grand Traverse County, Leelanau County, the Northwestern Regional Airport Commission and Costco Wholesale Corporation, as presented.

Department Head Approval: _____ Date: 6/8/16

Northwestern Regional Airport Commission

Traverse City, MI

Cherry Capital Airport - TVC

RECEIVED

JUN 0 8 2016

LEELANAU COUNTY
ADMINISTRATOR

May 31, 2016

Mr. Chet Janik
Leelanau County Administrator
8527 E. Government Center Dr., Ste. 101
Suttons Bay, MI 49682

Dear Chet:

The Northwestern Regional Airport Commission (NRAC) approved a lease with Costco Wholesale Corporation (Costco) on May 24, 2016. One of the contingencies set forth in the lease is that Grand Traverse County and Leelanau County execute a Consent and Nondisturbance Agreement. I am enclosing a copy of the Consent and Nondisturbance Agreement for consideration by the County as well as a proposed draft resolution for the County's adoption.

The Consent and Nondisturbance Agreement provides that the County consent to and approve of the lease to Costco by NRAC and the lease's terms. It also provides that in the event that the operating agreement and master lease between the Commission and the Counties is terminated or not renewed, the Counties will recognize Costco as a tenant on the Airport property and the Counties agree to continue Costco's tenancy under the same terms and conditions as set forth in the lease. It also authorizes the Counties to consent and agree to a reciprocal easement and operating agreement to be agreed to by Costco and NRAC (REA).

The REA will provide for the grant of necessary easements over or serving the Costco parcel and the larger 60 acre development parcel to ensure the right of access by Costco and the Airport on these parcels, terms for maintenance of the Common Access Drive, parking rights, and the restrictive covenant as set forth in the lease.

The restrictive covenant will limit the Airport from leasing its other non-aeronautical use property to tenants similar to Costco, such as Wal-Mart or Sam's Club, with exceptions. The exceptions include Whole Foods, Trader Joe's, department stores, and specialty stores, such as pet food stores, sporting goods, office supplies, and home goods.

This covenant does not apply to any portion of the terminal building, existing tenants, or auto dealerships. This covenant also does not apply to the Counties. It shall terminate upon termination of the lease.

Administrative Office: 727 Fly Don't Drive | Traverse City, MI 49686 | 231-947-2250 | Fax: 231-947-4329 | www.tvcairport.com

Additionally, it is important to note that the covenant does not affect the property leased by Costco or any of Costco's improvements to the property. This is not the "dark store" scenario where a restriction is placed on property currently being used as a warehouse store prohibiting future use of the property for any other competing uses. The restriction is intended solely to prevent the proximity of similar stores while Costco is leasing the property as a means to reduce nearby competition for Costco.

I have also attached a copy of the lease with Costco for the County's review. The lease provides that Costco will lease approximately 18.3 acres and will have the right to access Fly Don't Drive and the to-be-built Connector Drive for the purpose of constructing and operating a Costco, fuel facility, car wash and other related improvements. Additionally, a Common Access Drive will be created on the 60 acre parcel for access to the Costco parcel and future development parcels.

The term of the proposed lease is 20 years with a right to renew by Costco for eight successive periods of 5 years each, which is a total of 60 years if Costco exercises each right to renew. The right to renew is subject to NRAC's consent unless it is satisfactorily demonstrated that Costco's improvements have a useful life equal to or greater than the renewal period, there is no event of default on the part of Costco, and there will be no change in use during the renewal period.

The rent for the term of the lease is $0.21 per square foot for the first 20 years. At each renewal the base rent shall be increased by 7.5%. The total rent per year for the first 20 years is $167,401.08. The total rent for each subsequent renewal period is:

Renewal period 1:	$180,155.45
Renewal period 2:	$193,706.96
Renewal period 3:	$208,055.63
Renewal period 4:	$223,998.59
Renewal period 5:	$240,738.70
Renewal period 6:	$259,073.10
Renewal period 7:	$278,204.65
Renewal period 8:	$298,930.50

The total rent over the life of the lease is $12,762,339.48. Rent will begin to be paid to the Airport on the date that Costco opens for business.

The lease is subject to several contingencies. The Airport's contingencies include obtaining a release from the FAA allowing the property to be utilized for non-aeronautical uses. As indicated, the other Airport contingency is to obtain approval from Grand Traverse and Leelanau Counties to the attached Consent and Nondisturbance Agreement.

Another contingency is that NRAC and Costco negotiate and agree to Costco's site plan and the road construction agreement. Costco's contingencies include a determination that the project is feasible, review and approval of title to the property, surveys, and zoning approval for the project. As you are aware, the City recently amended the Transportation District to allow the Costco use by right. However, the site plan and design drawings will still need to be submitted to and reviewed by the City. Additionally, the NRAC has the right to review and approve Costco's schematic design drawings.

Other provisions of the lease include that Costco will be responsible for utilities and taxes for the property. While Costco will be responsible for maintaining the leased property, NRAC shall maintain and repair the shared access drives with reimbursement from Costco of 25% of those costs. The agreement also contains a buy back provision of Costco's leasehold estate in the event that FAA requires expansion of runways or the Airport. This provision, although in somewhat modified format, is contained in all Airport leases and serves to provide a standard for buy out in the event the FAA requires expansion of the Airport's facilities.

Thank you for bringing this matter to the Board of Commissioners for consideration. If you have any questions, please do not hesitate to contact me at 947-2250.

Sincerely,

Kevin C. Klein, A.A.E.
Airport Director

Enclosures

Resolution #2016-_____

LEELANAU COUNTY BOARD OF COMMISSIONERS

Costco Lease - Northwestern Regional Airport Commission

WHEREAS, the Leelanau County Board of Commissioners met in Regular Session on June ____, 2016; and

WHEREAS, Grand Traverse County and Leelanau County are owners of the property associated with the Cherry Capital Airport, a public airport (the "Airport"); and

WHEREAS, Grand Traverse County and Leelanau County (the "Counties")acquired the Airport from the City of Traverse City on July 6, 1990 on the condition that the property be used for public airport purposes; and

WHEREAS, pursuant to Chapter 7, Section 134 of the Michigan Aeronautics Code (MCL 259.134), the Counties jointly operate the Airport through the Northwestern Regional Airport Commission (NRAC); and

WHEREAS, pursuant to an Agreement Amending and Replacing Lease of May 1, 1973 and the Amended Joint Operating Agreement, both dated February 17, 1999 (the "1999 Agreements"), the NRAC is authorized to lease space, area, or improvements and grant concessions for aeronautical purposes, or purposes related to the operation of the Airport, subject to the provisions of the Michigan Aeronautics Code; and

WHEREAS, pursuant to Chapter 7, Section 133 of the Michigan Aeronautics Code, property within the Airport that may not be required for aeronautic purposes may be leased; and

WHEREAS, a 60 acre parcel within the Airport property has been designated on the Airport Master Plan as future Airport Industrial Park (the "60 Acre Parcel"); and

WHEREAS, NRAC has entered into a 20 year Ground Lease with Costco Wholesale Corporation ("Costco") for an approximately 18.3 acre site within the larger 60 Acre Parcel with options to renew for 8 consecutive 5 year terms (the "Lease"), and

WHEREAS, the proceeds of the lease shall be used for Public Airport purposes, which include the operation, maintenance, and development of the Airport in order to maintain a self-sufficient operation not requiring local taxes or contributions from Grand Traverse County or Leelanau County; and

WHEREAS, the term of the Lease, if all renewal options are exercised, extends beyond the initial term of the 1999 Agreements; and

WHEREAS as a condition of entering into the Ground Lease, Costco requires a Consent and Nondisturbance Agreement, attached hereto and made a part hereof, to be executed by the Counties; and

WHEREAS, Leelanau County acknowledges that the Lease is a Public Airport purpose for which the Airport may be used under the 1999 Agreements and wishes to consent to and approve the Lease; and

WHEREAS, the Lease is subject to an agreement to a Reciprocal Easement and Operating Agreement between NRAC and Costco, which will provide for the grant of necessary easements over or serving the property leased to Costco and other Airport property, maintenance of the Common Access Drive serving the leased property and the remaining portion of the 60 Acres, parking rights, and a restrictive covenant against the NRAC from leasing to various incompatible uses of the Airport during the term of the Lease and Leelanau County wishes to authorize execution of such Agreement as owner of the Property; and

NOW THEREFORE be it resolved as follows:

1. The Consent and Nondisturbance Agreement consenting to and approving NRAC's execution of the Lease and the Lease's terms is approved and that the Chair and Clerk be authorized to execute the Consent and Nondisturbance Agreement.

2. The Chair and Clerk are authorized to execute a Reciprocal Easement and Operating Agreement related to the Lease as agreed to by NRAC and Costco subject to approval as to substance by the Administrator and as to form by County Counsel.

Be it further resolved that the County Clerk is directed to forward this resolution to the NRAC.

Motion by:_____ Seconded by:_____

Roll Call Vote:	Aye	Nay
Melinda Lautner	_____	_____
Debra L. Rushton	_____	_____
William J. Bunek	_____	_____
Ty Wessell	_____	_____
Patricia Soutas-Little	_____	_____
Carolyn Rentenbach	_____	_____

State of Michigan
County of Leelanau

I, Michelle L. Crocker, Clerk of said County and Clerk of Circuit Court for said County, the same being a Court of record having a seal, do hereby certify that the above is a true copy of the Record now remaining in my office of the whole thereof. In testimony whereof, I have hereto set my hand and affixed the seal of the Circuit Court the _____ day of June, 2016.

_____
Michelle L. Crocker, Leelanau County Clerk

Filed for record at the request of
and after recording return to:

_____
_____
_____

COPY

GRAND TRAVERSE AND LEELANAU COUNTIES' CONSENT AND NONDISTURBANCE AGREEMENT

Grantor:	Grand Traverse County and Leelanau County, each a Michigan municipal corporation
Grantees:	Northwest Regional Airport Commission, a Michigan public airport commission Costco Wholesale Corporation, a Washington corporation

THIS CONSENT TO SUBLEASE AND NONDISTURBANCE AGREEMENT (this "**Agreement**") is made this __day of _____, 20___.

RECITALS

A. Grand Traverse County and Leelanau County, each a Michigan municipal corporation (the "**Counties**"), as owner, and Northwest Regional Airport Commission, a Michigan public airport commission ("**NRAC**"), as tenant/Tenant, have entered into an Agreement Amending and Replacing Lease dated May 1, 1972 dated February 17, 1999 with respect to the Cherry Capital Airport located in Traverse City, Michigan (the "**Master Lease**") for a term expiring September 30, 2040.

B. The Master Lease covers the entire Cherry Capital Airport which is owned in fee by the Counties (the "**Master Lease Premises**"), which premises are commonly described as 1330 Airport Access Road, Cherry Capital Airport (the "**Airport**"), Traverse City, Michigan 49686.

C. NRAC has entered into a ground lease (the "**Ground Lease**") with Costco Wholesale Corporation, a Washington corporation ("**Costco**"), as tenant, for the development, use and occupancy of an approximately 18.3 acre portion of the Airport for a term of twenty (20) years with Costco having the right to renew the term for eight (8) periods of five (5) years each (for a total of sixty (60) years). Pursuant to the Ground Lease, Costco has the right to develop, construct, operate and maintain, in accordance with Costco's requirements and on the conditions set forth therein, a wholesale and retail general merchandise facility, which facility also may

include, without limitation, a pharmacy, liquor sales, photo processing, butcher, deli and bakery services, optometry services, a tire sales and installation center, a vehicle fueling facility, a car wash, related office space, related parking and other improvements (the "**Improvements**"), all of which are to be located on a portion of the Master Lease Premises which is described on Exhibit A attached hereto (the "**Property**"), together with the rights to use certain defined common areas and facilities (all of which areas and rights are referred to herein collectively as the "**Ground Lease Premises**").

D. The Property is part of an approximately sixty (60) acre portion of the Master Lease Premises (hereinafter called the "**Development**") that NRAC is contemplating developing for various uses, including the Ground Lease Premises and in connection therewith, Costco and NRAC intend to encumber the Development with a Construction, Operating and Reciprocal Easement Agreement ("**COREA**"), the agreed upon form of which will be incorporated into the Ground Lease as an Exhibit and made a part thereof.

E. As a condition of entering into the Ground Lease, Costco requires a Consent and Nondisturbance Agreement from the Counties for Costco's use and occupancy of the Ground Lease Premises and for the COREA.

F. The Master Lease, among other things, requires the Master Lease Premises to be used only for certain purposes and the Counties' consent to certain assignments and subleases as defined in the Master Lease Section 21.

G. NRAC and Costco seek (a) acknowledgement from the Counties that the Ground Lease is permitted under the terms of the Master Lease; (b) the Nondisturbance Agreement from the Counties for Costco's use and occupancy of the Ground Lease Premises for the full term of the Ground Lease as provided below and (c) the consent of the Counties to the COREA.

H. The Counties find this Agreement to be consistent with the purposes, terms and conditions of the Master Lease and with the interests of the Airport.

NOW, THEREFORE, in accordance with and consideration of the foregoing recitals, The Counties, acting by and through its duly authorized officials, NRAC and Costco agree as follows:

1. CONSENT TO GROUND LEASE. Each of the Counties acknowledges that prior to the execution of this Agreement, the Counties have had the opportunity to examine the terms and conditions of the Ground Lease (including all exhibits thereto), and acknowledges that the Ground Lease is permitted under the provisions of the Master Lease, and consents to and approves the same. By acknowledging and consenting to the Ground Lease, the Counties are not waiving its rights pursuant to the terms of the Master Lease, to approve any subleases requiring the Counties' approval other than the Ground Lease.

2. CONSENT TO COREA. Each of the Counties consents to and approves the COREA, which is a part of and incorporated into the Ground Lease and understands and acknowledges that the COREA will be recorded against title to the Development.

3. NONDISTURBANCE. In the event (a) the Counties lawfully terminate the Master Lease following any applicable notice and cure period, or (b) the term of the Master Lease expires without the Counties and NRAC entering into a renewal or extension thereof or a new lease of the Airport, or (c) the Master Lease is otherwise terminated or cancelled by any means whatsoever without Costco's prior written consent, upon notice from the Counties of such termination or upon the occurrence of such termination or cancellation, (i) the Counties agree that (1) the Counties shall recognize Costco as the tenant of the Ground Lease Premises pursuant to the terms and conditions of the Ground Lease, (2) so long as Costco is not in default of its obligations under the Ground Lease beyond any applicable cure period, the Counties shall not disturb Costco (including any subtenants, licensees or assigns as permitted pursuant to the Ground Lease) in the possession and use of the Ground Lease Premises or in the exercise of any of its rights under the COREA and (3) the Ground Lease shall be deemed to be a direct lease between the Counties, as landlord, and Costco, as tenant, and (ii) Costco agrees so long as Costco's use and occupancy of the Ground Lease Premises are not disturbed and Costco's rights and privileges under the Ground Lease and the COREA are recognized as provided herein, (1) to pay directly to the Counties, as and when due under the Ground Lease, all rent, taxes, license fees, assessments and all other charges required to be paid by Costco under the Ground Lease accruing from and after the date of termination of the Master Lease (collectively, the "**Rent**"); (2) to pay when due as directed by the Counties the proportionate share attributable to the Ground Lease Premises of defined common expenses under the COREA; and (3) to comply with and be bound by all other terms and conditions of the Ground Lease and COREA applicable to the Ground Lease Premises. The parties agree to execute and record such further agreements as may be reasonably necessary and appropriate to effectuate the intent of this Section.

3. GENERAL PROVISIONS.

3.1 Notices. Any notice, demand or other communication given or served by a party to any other party shall not be deemed duly given or served unless in writing to the following respective address:

To Grand Traverse County:	Grand Traverse County Attn: Chairperson of the County Commission 400 Boardman Traverse City MI 49684
To Leelanau County:	Leelanau County Attn: Chairperson of the County Commission Courthouse Leland, MI 49654
To NRAC:	Northwest Regional Airport Commission Attn: Airport Director Cherry Capital Airport 1330 Airport Access Road Traverse City, MI 49686

To Costco: Costco Wholesale Corporation
Attn: Property Management / Legal Department
999 Lake Drive
Issaquah, WA 98027

or to such other respective address as any party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when property mailed.

3.2 Recording. NRAC agrees that it shall promptly cause this Agreement to be recorded in the official records of Grand Traverse County.

3.3 Successors and Assigns. Subject to the limitations contained in the Master Lease and the Ground Lease, this Agreement and the covenants herein shall be deemed to be covenants running with the land and shall be binding upon and inure to the benefit of the parties and their respective successors and assigns in such capacities. All references herein to the parties shall include the respective successors and assigns of such parties.

3.4 Modification. This Agreement shall not be modified, waived or terminated except by an agreement in writing executed by the party against whom enforcement of such modification, waiver or termination is sought.

3.5 Governing Law. This Agreement shall be governed by and construed with the law of the State of Michigan.

3.6 No Modification or Waiver of Master Lease. This Agreement does not constitute a change in the terms and conditions of the Master Lease which remains in full force and effect, provided that this Agreement shall govern the matters set forth herein. By executing this Agreement, the Counties are not otherwise waiving any of their respective rights pursuant to law or the terms of the Master Lease, including, without limitation, its right, pursuant to the terms of the Master Lease, to approve of any and all substitute tenants or transfer of interests or ownership of the Master Lease.

3.7 Reservation of Rights. The Counties and NRAC expressly reserve all rights under federal, state and local laws to operate the Airport and make all necessary decisions regarding safety and other issues and nothing in this Agreement is intended to affect or impair any of said party's operational rights and responsibilities.

[END OF TEXT. SIGNATURES APPEAR ON FOLLOWING PAGES.]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first above written.

GRAND TRAVERSE COUNTY:

GRAND TRAVERSE COUNTY, a Michigan municipal corporation

By: _____
Name: _____
Its: _____

STATE OF MICHIGAN

COUNTY OF GRAND TRAVERSE

ss.

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of GRAND TRAVERSE COUNTY, a Michigan municipal corporation, to be the free and voluntary act of such political subdivision for the uses and purposes mentioned in the instrument.

Dated this ___ day of _____, 2016.

_____
(Signature of Notary)

_____
(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Michigan, residing at

_____

My appointment expires _____

LEELANAU COUNTY:

LEELANAU COUNTY, a Michigan municipal corporation

By: _____
Name: _____
Its: _____

STATE OF MICHIGAN
ss.
COUNTY OF LEELANAU

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of LEELANAU COUNTY, a Michigan municipal corporation, to be the free and voluntary act of such political subdivision for the uses and purposes mentioned in the instrument.

Dated this ___ day of _____, 2016.

_____
(Signature of Notary)

_____
(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Michigan, residing at

_____

My appointment expires _____

NORTHWEST REGIONAL AIRPORT COMMISSION:

NORTHWEST REGIONAL AIRPORT COMMISSION

By: _____
Name: _____
Its: _____

STATE OF MICHIGAN

COUNTY OF GRAND TRAVERSE

ss.

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of NORTHWEST REGIONAL AIRPORT COMMISSION, a Michigan public airport commission, to be the free and voluntary act of such political subdivision for the uses and purposes mentioned in the instrument.

Dated this ___ day of _____, 2016.

_____
(Signature of Notary)

_____
(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Michigan, residing at

_____

My appointment expires _____

COSTCO:

COSTCO WHOLESALE CORPORATION, a Washington corporation

By: _____
Name: Richard J. Olin
Its: SVP/Asst. Secretary

STATE OF WASHINGTON
ss.
COUNTY OF KING

I certify that I know or have satisfactory evidence that Richard J. Olin is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the SVP/Asst. Secretary of COSTCO WHOLESALE CORPORATION, a Washington corporation, to be the free and voluntary act of such limited liability company for the uses and purposes mentioned in the instrument.

Dated this 18 day of May, 2016.

_____
(Signature of Notary)

Stefanie G. Parmenter
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at Sammamish

My appointment expires 5-29-17

STEFANIE G. PARMENTER
NOTARY PUBLIC
COMMISSION EXPIRES 5-29-17
STATE OF WASHINGTON

EAST\124621604.1

EXHIBIT A

LEGAL DESCRIPTION

Part of Section 18, Township 27 North, Range 10 West, City of Traverse City, Grand Traverse County, Michigan, described as: Commencing at the West corner of said Section 18 as the Point of Beginning; thence N87°17'57"E 333.91 feet along the East and West ¼ line of said Section; thence S04°32'35"W 598.37 feet to the Point of Beginning of this Description; thence N89°15'10" E 1187.24 feet; thence S02°17'19"E 619.15 feet to the Northerly Right of Way of South Airport Road; thence Westerly S87°42'41"W 1382.36 feet; thence N04°32'35"E 101.31 feet; thence N48°01'46"E 169.59 feet; thence N04°32'35"E 101.31 feet; thence N04°32'35"E 445.37 feet to the point of beginning of this description. Containing 18.30 acres.

GROUND LEASE

Tenant: Costco Wholesale Corporation

Landlord: Northwestern Regional Airport Commission

Facility: Traverse City, Michigan

COPY

Date: May 24, 2016
(for reference purposes only)

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GROUND LEASE

Facility: Traverse City, Michigan

THIS GROUND LEASE (the "**Lease**"), dated for reference purposes only as of the ____day of _____, 2016, is made by and between NORTHWESTERN REGIONAL AIRPORT COMMISSION, a Michigan public airport commission ("**Landlord**"), and COSTCO WHOLESALE CORPORATION, a Washington corporation ("**Tenant**"). This Lease shall become effective as of the Effective Date, as determined in accordance with Section 18.21 hereof.

Tenant desires to lease from Landlord, and Landlord agrees to lease to Tenant, certain real property located in Traverse City, Michigan, upon which Tenant may, for Tenant's account, develop, construct, operate and maintain, in accordance with Tenant's requirements and on the conditions set forth herein, a wholesale and retail general merchandise facility, which facility also may include, without limitation, a pharmacy, liquor sales, photo processing, butcher, deli and bakery services, optometry services, a tire sales and installation center, a vehicle fueling facility, a car wash, related office space, related parking and other improvements ("**Tenant's Intended Use**").

NOW, THEREFORE, Landlord and Tenant hereby agree:

SECTION 1
BASIC TERMS

1.1 Demise; Premises.

1.1.1 The Premises. For and in consideration of Tenant's covenant to pay the rental and other sums provided for herein, and the performance of the other obligations of Tenant hereunder, Landlord (a) leases to Tenant and Tenant leases from Landlord (i) that certain real property comprising approximately 18.3 acres, situated in the City of Traverse City, County of Grand Traverse, State of Michigan, legally described on Exhibit A attached hereto (the "**Property**") and depicted on Exhibit B attached hereto and (ii) the non-exclusive right to use all rights, privileges, easements, tenements, hereditaments, improvements, licenses, appurtenances and other rights and benefits appurtenant to said real property (the Property and Tenant's non-exclusive right to use the appurtenances and all Improvements now or hereafter located on the Property are hereinafter collectively referred to as the "**Premises**") and (b) grants to Tenant and its agents, customers, employees, guests and invitees a non-exclusive right of access, ingress and egress over Fly Don't Drive and the private road (hereinafter called the "**Connector Drive**") to be constructed that will connect the Premises to Fly Don't Drive (hereinafter sometimes collectively called the "**Private Access Drives**"). Notwithstanding the foregoing, there is hereby reserved to the Landlord, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Property. This public right of flight shall include the right to cause in said airspace, any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace for landing at, taking off from, or the operation of the Airport (as hereinafter defined).

1.1.2 Airport/Development/Landlord's Retained Property. The Premises are located within the Cherry Capital Airport, Traverse City, Michigan (the "**Airport**") which Landlord leases from the Counties of Grand Traverse and Leelanau, Michigan (hereinafter collectively the "**Counties**") pursuant to an Agreement Amending and Replacing Lease of May 1, 1972 (the "**Prime Lease**") dated as of February 17, 1999. The Premises form a part of an approximately sixty (60) acre portion of the Airport (the "**Development**") that Landlord is contemplating developing. The portion of the Development other than the Property is hereinafter called "**Landlord's Retained Property**". The Development is legally described on Exhibit C attached hereto and is depicted on Exhibit D attached hereto.

1.1.3 The Improvements. Subject to the conditions set forth in this Lease, Tenant may construct, maintain and operate on the Property, among other things lawfully permitted, improvements consisting of a building (including, without limitation, the sidewalks, loading docks, ramps, landscaping and curbing immediately adjacent to such building) to accommodate Tenant's Intended Use (collectively, "**Tenant's Building**"), Tenant's vehicle fueling facility (the "**Fuel Facility**"), Tenant's car wash (the "**Car Wash**"), parking, lighting, cart corrals, landscaping and all other improvements and facilities, appurtenant fixtures, machinery and equipment necessary for the operation of Tenant's Building, Fuel Facility and Car Wash, including utilities, and all alterations and additions thereto and substitutions therefor now or hereafter located on the Property necessary or desirable for Tenant's Intended Use of the Property (all improvements and facilities from time to time existing on the Property, collectively with Tenant's Building, the Fuel Facility and the Car Wash, the "**Improvements**").

1.1.4 Governmental Documents. As a consequence of the Property and Landlord's Retained Property falling within the Airport, those properties, as well as Tenant's leasing of the Property, are and shall be subject to the terms and conditions of the following documents (the "**Governmental Documents**"): (a) Deed from the United States of America to the City of Traverse City, recorded at Liber 177, page 363, Grand Traverse County Register of Deeds (the "**Register of Deeds**"); (b) Deed from the City of Traverse City to the Counties, recorded at Liber 813, page 523, Grand Traverse County Register of Deeds, (c) Agreement for the Transfer of Cherry Capital Airport Property dated July 3, 1990 between the City of Traverse City and the Counties of Grand Traverse and Leelanau; (d) Amended Joint Operating Agreement for the Northwestern Regional Airport dated as of February 17, 1999 by and between the County of Grand Traverse and the County of Leelanau the "**Operating Agreement**"); (e) the Prime Lease and (f) any state or federal grants affecting the Property(g) May 1943 lease between City of Traverse city and United States of America; (h) September 2, 1966, Deed of Release, recorded at Liber 275, page 131, Grand Traverse County Register of Deeds; and (i) Cherry Capital Airport's Airport Master Plan.

1.1.5 Subordination to Governmental Agreements. This Lease shall be subordinate to the provisions of any existing or future agreement between Landlord and the United States of America relative to the operation or maintenance of the Airport, the execution of which has been, or may be, required as a condition precedent to the expenditure of federal funds for the development of the Airport. Tenant agrees to comply with such enforcement procedures as the United States may demand that Landlord take in order to comply with Sponsor's Assurances to the United States.

1.1.6 Common Access Drive. As part of the development of the Development, there will be created a roadway (the "**Common Access Drive**") that will provide access between each of the individual parcels of the Development (including the Property) and the adjacent existing public road known as South Airport Road East.

1.2 Term.

1.2.1 Initial Term. The initial term of this Lease (the "**Initial Term**") shall commence on the Commencement Date. The Initial Term shall end on the last day of the twentieth (20th) Lease Year after the Rent Commencement Date (the "**Expiration Date**"). Landlord and Tenant shall confirm the Base Rent, the Commencement Date, the Rent Commencement Date and the Expiration Date by executing one or more documents in the form of Exhibit G attached hereto (hereinafter a "**Confirmation of Lease Terms**") once each of such items has been established in accordance with this Agreement.

1.2.2 Renewal Periods.

1.2.2.1 Tenant's Renewal Rights. Tenant shall have the right with Landlord's consent to extend the Term at the end of the Initial Term for eight (8) successive periods of five (5) years each with the Landlord's written consent (each a "**Renewal Period**" and collectively the "**Renewal Periods**"), by giving Notice to Landlord of the exercise of such right to extend no later than one year prior to expiration of the then existing Term. Landlord's consent shall not be required if (a) Tenant's Notice of exercise is accompanied by a statement from a structural engineer selected by Tenant certifying that the Improvements have a useful life equal to or greater than the Renewal Period sought by Tenant or Tenant reaffirms in writing its obligations under Section 4.5.1 of this Lease to maintain all Improvements in good repair so that their useful life will be equal to or greater than the Renewal Period sought by Tenant, (b) there is no Event of Default on the part of Tenant that has occurred and is then continuing, and (c) Tenant's Intended Use, including all related and accessory uses, will continue during the Renewal Period sought by Tenant. In the event that Tenant does not satisfy the foregoing three conditions, then Tenant's right to extend shall be subject to Landlord's consent which consent Landlord shall issue or deny within ten (10) business days of its receipt of Tenant's Notice of exercise (and Landlord's failure to respond within said ten (10) business day period shall be deemed to be Landlord's consent to such exercise by Tenant of its right to renew for the ensuing Renewal Period).

1.2.2.2 Landlord's Reminder Notice. Notwithstanding the foregoing, in the event Tenant timely fails to exercise an extension for any Renewal Period, and Tenant has not otherwise notified Landlord in writing of its intention not to extend the Term, neither the Term nor Tenant's right to extend the Term for the next succeeding Renewal Period shall expire, and the Term shall be deemed automatically extended, until the earlier to occur of:

(i) Landlord having given Tenant written notice that Tenant failed to exercise the extension for such Renewal Period ("**Landlord's Reminder Notice**") and Tenant having failed, within thirty (30) days after receipt of Landlord's Reminder Notice ("**Tenant's Reminder Period**"), to exercise its option to extend the Term for such

Renewal Period. If Tenant exercises its right to extend the Term for the applicable Renewal Period by giving Notice to Landlord of such exercise prior to the expiration of Tenant's Reminder Period, then, subject to Tenant satisfying the conditions set forth in Section 1.2.2.1 above or Landlord providing its consent or being deemed to have provided its consent as described in Section 1.2.2.1 above, the applicable Renewal Period shall be deemed to have commenced on the first day of the applicable Renewal Period as if Tenant had timely exercised such right to extend the Term for such Renewal Period. If Tenant fails to exercise its right to extend the Term for the applicable Renewal Period prior to the expiration of Tenant's Reminder Period, then this Lease shall terminate sixty (60) days after the expiration of Tenant's Reminder Period (provided, however, that if such termination would occur during the Initial Term, in no event shall this Lease terminate prior to the scheduled Expiration Date of the Initial Term); and

(ii) Tenant having given Landlord at least sixty (60) days prior written notice of its intention to terminate this Lease (provided, however, that if such termination would occur during the Initial Term, in no event shall this Lease terminate prior to the scheduled Expiration Date of the Initial Term).

1.2.2.3 Further Renewal Periods. In no event shall Tenant's failure to exercise the right to extend the Term for any Renewal Period prevent Tenant from exercising its right to extend the Term for the next succeeding Renewal Period if such further exercise is timely as required by Section 1.2.2.1 or 1.2.2.2, as applicable. Notwithstanding the foregoing, in no event shall the Term ever extend (or be deemed to extend) beyond the last day of the final Renewal Period calculated as if Tenant timely had exercised each right to extend the Term.

1.2.3 Renewal Period Terms. Tenant's occupancy during the Renewal Periods (whether by extension or deemed extension) shall be upon the same terms and conditions as provided in this Lease, including, without limitation, the right to exercise its renewal options for the subsequent Renewal Periods. The Rent that Tenant shall pay during any Renewal Period (whether exercised by extension or deemed extension) shall be the Rent set forth in Section 1.3.2.1(b) of this Lease allocated to the Renewal Period that would then be in effect if Tenant had timely exercised its option to extend the Term.

1.2.4 Term to be Inclusive. Whenever the word "**Term**" is used in this Lease, it shall be deemed to include the Initial Term and any Renewal Periods exercised by Tenant (or deemed exercised as set forth in Section 1.2.2 hereof).

1.2.5 No Default. Notwithstanding anything herein to the contrary, the Tenant's right to renewal of this Lease shall be conditioned upon there then being no uncured Event of Default on the part of Tenant under this Lease.

1.3 Rent.

1.3.1 Definitions. The following terms shall have the following meanings when used in this Lease:

1.3.1.1 "**Lease Year**" shall mean (a) for the first Lease Year, the period of time commencing on the Rent Commencement Date and ending on the last day of the Month in the next succeeding calendar year in which the Rent Commencement Date occurred, and (b) for each succeeding Lease Year, the twelve (12) Month period following the expiration of the preceding Lease Year.

1.3.1.2 "**Month**" shall mean the calendar month.

1.3.2 Rent. Tenant covenants and agrees to pay Landlord the following rent (collectively, "**Rent**") for the Property:

1.3.2.1 Base Rent.

(i) Initial Term. During each Lease Year of the Initial Term, twenty-one cents ($.21) per square foot of the Property per annum as base rent ("**Base Rent**"). It is estimated that the Property contains Seven Hundred Ninety Seven Thousand One Hundred Forty Eight (797,148) square feet of land, and that the Base Rent will be One Hundred Sixty Seven Thousand Four Hundred Dollars ($167,400.00) per annum. The amount of square footage of the Property for the calculation of the total amount of the annual Base Rent shall be determined by the Survey to be obtained pursuant to Section 2.5 hereof and shall be set forth in a Confirmation of Lease Terms.

(ii) Renewal Periods. At the commencement of each Renewal Period, the Base Rent at the close of the immediately preceding Lease Year shall be increased by seven and one-half percent (7.5 %) and the resulting amount shall be the annual Base Rent for the then current Renewal Period as set forth on the Schedule to be attached to a Confirmation of Lease Terms.

1.3.2.2 Service Charge. Tenant agrees to pay a service charge/collection fee in the amount of $225.00 per payment for the failure to make each payment due hereunder which results in an Event of Default on the part of Tenant hereunder. This charge is deemed to cover Landlord's administrative costs resulting from such Event of Default on the part of Tenant.

1.3.2.3 Fines and Taxes. Tenant agrees to reimburse Landlord, within thirty (30) days of invoicing, for any fine, penalty, or assessment levied against Landlord, the Private Access Drives, the Common Access Drive, or the Premises by any governmental agency that results from any negligence, action or omission of Tenant, or its agents, employees or those doing business with it related to its use of the Premises. Tenant hereby agrees to provide Landlord with notice of any fine, penalty, or assessment levied, or intended to be levied by any governmental agency against Landlord, and which relates to actions or omissions of Tenant in accordance with this paragraph, within thirty (30) business days after Tenant's receipt of said notice. Nothing contained in this paragraph will prevent Tenant from participating in any appeal or contest available to Landlord related to any fine, penalty, or assessment referenced in this paragraph.

1.3.2.4 Other Amounts. All Impositions and other amounts to be paid by Tenant hereunder.

Notwithstanding anything in this Lease to the contrary, all amounts payable by Tenant to or on behalf of Landlord under this Lease or under any other written agreement between Landlord and Tenant, whether or not expressly denominated as rent, shall constitute rent for the Premises for the purpose of Section 502(b)(6) of the Bankruptcy Code, 11 USC Section 502(b)(6), as amended.

1.3.3 Rent Payments. Tenant shall pay Base Rent hereunder in equal monthly installments, in advance, on or before the first (1st) day of each Month. Rent and other sums to be paid by Tenant shall be payable in lawful money of the United States of America. Unless otherwise provided in this Lease, all payments of Rent shall be made by Tenant to Landlord without notice or demand at the place provided in Section 18.12.

1.3.4 Pro Rata Portions of a Month or Year. If the date upon which an obligation to make payments of Rent hereunder commences or terminates, or if there is to be an adjustment or partial abatement of Rent pursuant hereto, or if there is to be an end to such adjustment or abatement, effective on a date other than at the end or start of a Month or a Lease Year, as applicable, the Rent for such partial Month or Lease Year shall be prorated for the Month or Lease Year involved on the basis of the actual number of days in such Month or Lease Year.

1.3.5 Rent Commencement Date. Base Rent shall commence on the date Tenant opens to the public for business on the Premises (the "**Rent Commencement Date**"). As provided in Section 1.2.1 hereof, Landlord and Tenant shall confirm the Rent Commencement Date in a Confirmation of Lease Terms once such date has occurred.

1.4 Landlord's Warranties. Landlord represents, warrants and covenants that:

1.4.1 Power and Authority. Landlord is a Michigan public airport commission duly formed, validly existing and in good standing under the Laws of the State of Michigan. Landlord is qualified to do business in the state in which the Premises are located (the "**Governing Jurisdiction**"). Subject to the contingency set forth in Section 2.3, Landlord has the authority and power to enter into this Lease and to consummate the transaction provided for herein and except for the consents and approvals contemplated by Section 2.3, there are no other approvals or consents required in order for Landlord to enter into this Lease and lease the Property to Tenant. This Lease and all other documents executed and delivered by Landlord have been duly authorized, executed and delivered by Landlord and constitute legal, valid, binding and enforceable obligations of Landlord. Landlord has no defenses or offsets whatsoever to the enforceability or validity of this Lease. The person executing this Lease on behalf of Landlord has been duly authorized to do so.

1.4.2 No Violations and Actions. The execution, delivery and performance by Landlord of its obligations under this Lease will not conflict with or result in a breach of any Law, judgment, decree or order by which Landlord is bound, or the provisions of any contract or

other agreement to which Landlord is a party or by which Landlord is bound and, if Landlord is not an individual, Landlord's articles of organization, declaration of trust, certificate of incorporation, bylaws, partnership agreement, operating agreement or other organizational documents, as the case may be. There is no action, suit, proceeding (including, without limitation, any condemnation proceeding) or investigation pending, or to Landlord's knowledge threatened, before any agency, court or other governmental authority which relates to the Property or the use thereof.

1.4.3 Condemnation; Moratorium. Except as contemplated by Section 17 below, (a) there are no condemnation or eminent domain proceedings pending, or to Landlord's knowledge threatened or contemplated, against the Property, the Private Access Drives or any part thereof, or all or any of the portion of Landlord's Retained Property that is designated to become the Common Access Drive and (b) Landlord has not received any notice, oral or written, of the desire of any public authority or other entity to take or use the Property, the Private Access Drives or any part thereof, or any portion of the Common Access Drive. No moratorium or other Law, judgment, ruling or decree of any court or governmental agency has been enacted, adopted, issued, entered, or is pending or in effect, that could materially and adversely affect the Property or Tenant's ability to develop and operate Tenant's Intended Use on the Premises.

1.4.4 Compliance. As of the Effective Date, the Property and Landlord's Retained Property comply with all applicable Laws in respect to the use, occupation and construction thereof, including, without limitation, environmental, zoning, platting and other land use requirements. Landlord has received no notice of and has no knowledge of any violations of any Laws or investigations relating thereto. Any violations thereof that occur before the Commencement Date, whether now noted or issued, shall be complied with by Landlord, so that the Property shall be leased to Tenant free of the same at the Commencement Date. There is no default or breach by Landlord under any covenant, condition, restriction, right-of-way or easement which may affect the Premises, the Private Access Drives or any portion thereof, or any portion of the Common Access Drive.

1.4.5 Utilities. Gas, electric power, telephone, cable, sanitary sewer, storm sewer, water facilities and all other utilities necessary for Tenant's Intended Use are at the boundary of the Property . No known condition exists which would result in the discontinuation of any of these utilities.

1.4.6 Work. No work has been performed by the Landlord or is in progress at, and no materials have been furnished to, the Property, the Private Access Drives or the Development which has not been paid for in full by Landlord or which will not be paid for in full by Landlord by the Commencement Date.

1.4.7 Assessments. No special or general assessments have been imposed or levied on the Property or the Development other than as shown on Exhibit E, and to Landlord's knowledge none are threatened against the Property or the Development or any part thereof.

1.4.8 Private Access Drives. Upon information and belief, Landlord has the right to cause access, ingress and egress rights over the Private Access Drives to be granted to

Tenant as contemplated by this Lease and the responsibility to maintain such Private Access Drives. The Property will have on the Rent Commencement Date access to the Common Access Drive either directly or by way of valid, perpetual, private access easement.

1.4.9 Leases; Contracts; Agreements; Obligations. All leases, management agreements, contracts and other agreements or obligations affecting the Property or the Development, including, without limitation, easements, declarations, use restrictions or other similar agreements, are set forth on Exhibit E. Other than the REA, the Road Construction Agreement and the Governmental Documents, there are no leases, management agreements, service contracts or other agreements or obligations affecting the Property or the operation or maintenance thereof, including, without limitation, those set forth on Exhibit E, which will be binding upon Tenant after the Commencement Date. Except for the Governmental Documents, there are no provisions in any leases, occupancy agreements or other agreements with any party which would affect or restrict Tenant's use of or operations within the Premises or the Common Access Drive or any other rights or obligations of Tenant under this Lease.

1.4.10 Hazardous Substances.

1.4.10.1 Attached to this Lease as Exhibit F is a list of all reports, correspondence or tests prepared for Landlord or in Landlord's possession or control with respect to the compliance of the Property with Environmental Laws or the presence or use of Hazardous Substances on the Property or the Development. All such reports, correspondence and tests listed on Exhibit F have been provided to Tenant for Tenant's review.

1.4.10.2 Except as disclosed in the reports listed on Exhibit F, Landlord warrants and represents that to the best of Landlord's knowledge:

(i) the Property does not contain and has not contained, any Hazardous Substance;

(ii) neither Landlord nor any prior owner, user or occupant of the Property has conducted or authorized the generation, transportation, storage, treatment or disposal at or near or from the Property of any Hazardous Substance;

(iii) there is no pending or threatened, litigation or proceeding before any court or any governmental or administrative agency in which any person or entity alleges the presence, release, threat of release, placement on, in or from the Property, or the generation, transportation, storage, treatment or disposal at the Property or any adjacent property of any Hazardous Substance;

(iv) Landlord has not received any notice, and has no knowledge, that any governmental authority or employee or agent thereof is investigating or has determined or threatens to determine (i) the presence of, release or threat of release from or placement on, in or from the Property of any Hazardous Substance, or (ii) the generation, transportation, storage, treatment or disposal at the Property of any Hazardous Substance;

(v) there are no actions, communications or agreements with any governmental authority or agency (federal, state or local) or any private entity, including, without limitation, any prior owners of the Property, relating in any way to the remediation, presence, release, threat of release or placement on, in or from the Property, or the generation, transportation, storage, treatment or disposal at the Property, of any Hazardous Substance;

(vi) Landlord has owned and operated the Property in compliance with all Environmental Laws, has obtained all necessary permits under the Environmental Laws for Landlord's operations on the Property and has not has incurred any liability under any Environmental Laws with respect to the Property; and

(vii) Landlord has not placed any underground storage tanks on or removed any underground storage tanks from the Property. To Landlord's knowledge, there are no underground storage tanks located on the Property or on the Development and no underground storage tanks have been removed from the Property or the Development.

1.4.10.3 Definitions. For purposes of this Lease, the following terms shall have the following meanings:

(i) **"Environmental Laws"** means all environmental, hazardous waste or substance, health and/or safety Laws issued by any governmental authorities and in effect as of the Effective Date with respect to or which otherwise pertain to or affect the Property or any portion thereof, the use, ownership, occupancy or operation of the Property or any portion thereof, or Tenant, as the same have been amended, modified or supplemented from time to time prior to the Commencement Date, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601 et seq.), the Hazardous Substances Transportation Act (49 U.S.C. § 1802 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), as amended by the Hazardous and Solid Wastes Amendments of 1984, the Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Safe Drinking Water Act (42 U.S.C. § 300f et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Solid Waste Disposal Act (42 U.S.C. § 6901 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. § 11001 et seq.), the Radon and Indoor Air Quality Research Act (42 U.S.C. § 7401 note, et seq.), the Superfund Amendment Reauthorization Act of 1986 (42 U.S.C. § 9601 et seq.), the National Environmental Policy Act (42 U.S.C. § 4321 et seq.), the Clean Water Act (33 U.S.C. § 1321 et seq.), and the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.), comparable state and local Laws, and any and all rules and regulations which have become effective prior to the Commencement Date under any and all of the aforementioned laws.

(ii) **"Hazardous Substances"** means all (i) electromagnetic waves, urea formaldehyde foam insulation and transformers or other equipment that contains dielectic fluid containing polychlorinated biphenyls, (ii) any solid, liquid, gaseous or

thermal contaminant, including, without limitation, smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste, petroleum products or byproducts or fractions thereof, asbestos, asbestos containing materials, radioactive materials, PCBs, phosphates, lead or other heavy metals, chlorine, mold, radon gas and any indoor air contaminant, (iii) any solid or liquid wastes (including hazardous wastes), hazardous air pollutants, hazardous substances, hazardous chemical substances and mixtures, toxic substances, pollutants and contaminants, as such terms are defined in any Environmental Law, and (iv) any other chemical, material or substance, the use or presence of which, or exposure to the use or presence of which, is prohibited, limited or regulated by any Environmental Laws.

1.4.11 Soil Conditions; Flood and Mud Slide Hazard; Wetlands. There are not any soil conditions adversely affecting the Property nor is any portion of the Property designated as a wetland as defined by any governmental agency having jurisdiction over the Property.

1.4.12 Title. Fee simple title to the Property, the Private Access Drives and the Development is vested in the Counties and, subject to no defects or encumbrances except as set forth on Exhibit E attached hereto. No understanding, agreement (either express or implied) or reasonable expectancy of agreement with respect to sale, lease or other transfer of the Property, the Private Access Drives or the Development exists between Landlord and any third party. Subject to the contingency set forth in Section 2.3, Landlord is in no way restricted from negotiating and entering into this Lease with Tenant and leasing the Property to Tenant .

1.4.13 Insolvency Matters. No insolvency Landlord Event of Default (as set forth in Section 14.4.3 hereof) has occurred.

1.4.14 OFAC Compliance. Landlord is not, and shall not become, a person or entity with whom Tenant is prohibited or restricted from doing business under any Law, including, without limitation, Executive Order No. 13224 and the List of Specially Designated Nationals and Blocked Persons promulgated by the Department of the Treasury Office of Foreign Asset Control (such Laws collectively, as amended, modified or supplemented from time to time, the "**Terrorism Laws**"). Landlord consents, acknowledges and agrees that Tenant may take any necessary or appropriate action under the Terrorism Laws.

1.4.15 Real Estate Broker. Landlord has not engaged or retained any real estate broker or consultant to whom a commission or fee would be due in connection with the transaction contemplated by this Lease.

1.4.16 Monetary Encumbrances. As of the Effective Date, there are no Monetary Encumbrances (as defined in Section 2.7.4 below) affecting the Property and as of the Commencement Date, there will be no Monetary Encumbrances affecting the Property or the Private Access Drives.

1.4.17 Misrepresentation and Adverse Facts. Landlord has made no intentionally untrue statements or intentional misrepresentations in connection with this Lease. All items delivered, or to be delivered, to Tenant are, or if delivered after the Effective Date will be, complete, true and correct copies of what they purport to be, including any amendments or

modifications thereto. Landlord knows of no facts, nor has Landlord failed to disclose any fact, which would prevent or materially impair Tenant from developing, using or operating the Premises for Tenant's Intended Use other than the facts and conditions set forth herein, including the Governmental Documents, and facts for which the Tenant is responsible for determining under the terms of this Lease. None of the warranties set forth in this Section shall be interpreted as warranting any condition or contingency that depends upon the approval of a governmental agency or agencies which has not as of the Effective Date been obtained .

1.5 **Tenant's Warranties**. Tenant represents and warrants that:

1.5.1 Power and Authority. Tenant is a corporation in good standing, duly formed and validly existing under the Laws of the State of Washington. Tenant is qualified to do business in the Governing Jurisdiction. Tenant has the authority and power to enter into this Lease and to consummate the transaction provided for herein. This Lease and all other documents executed and delivered by Tenant constitute legal, valid, binding and enforceable obligations of Tenant. There are no claims or defenses, personal or otherwise, or offsets whatsoever to the enforceability or validity of this Lease. The person executing this Lease on behalf of Tenant has been duly authorized to do so.

1.5.2 No Violations or Actions. The execution, delivery and performance by Tenant of its obligations under this Lease will not conflict with or result in a breach of any Law, judgment, decree or order by which Tenant is bound, or any contract or other agreement to which Tenant is a party or by which Tenant is bound, or Tenant's certificate of incorporation or bylaws.

1.5.3 OFAC Compliance. Tenant is not, and shall not become, a person or entity with whom Landlord is prohibited or restricted from doing business under any of the Terrorism Laws. Tenant consents, acknowledges and agrees that Landlord may take any necessary or appropriate action under the Terrorism Laws.

1.6 **Use**. The Premises are leased to Tenant to be used for any lawful and permitted use or purpose including, without limitation, Tenant's Intended Use.

1.7 **Quiet Enjoyment**. Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold, occupy and enjoy the Premises and have access over the Private Access Drives, subject only to the terms of this Lease, without hindrance or molestation from Landlord or any other person whomsoever. Except for the Governmental Agreements, there are no agreements, restrictions, covenants, encumbrances or easements affecting the Premises or the Private Access Drives which will diminish any of Tenant's rights or increase any of Tenant's obligations under this Lease.

1.8 **Tenant's Exclusive Use**. Subject to the exclusions described below, Landlord hereby covenants and agrees (as defined below) from and after the date set forth below as follows:

1.8.1 Restrictive Covenant. Unless (i) otherwise agreed in writing by Tenant, (ii) required by federal, state or local law, regulation or order or (iii) authorized under an existing

lease or agreement between Landlord and a third party, no portion of the Restricted Property shall be used or operated (a) as a wholesale or retail general merchandise facility which has a merchandising concept based upon a relatively limited number of stock keeping units in a large number of product categories (the "**Merchandising Concept**"), (b) as a grocery store or supermarket, including without limitation, a grocery store or supermarket that forms a part of or is otherwise integrated into a larger retail store, such as business concepts commonly referred to as a "supercenter" or "hypermarket" (a "**Grocer**"); provided, however, that the Restricted Property may be used by a facility owned and/or operated by Whole Foods or Trader Joe's, (c) as a wholesale or retail establishment selling wine, beer, spirits or other alcoholic beverages intended for off-premises consumption (the "**Alcoholic Beverage Retailer**"), (d) as a "Wal-Mart" store or "Wal-Mart Supercenter" or any other store operated under the "Wal-Mart" brand (the "**Wal-Mart**") or under any trade name which shall replace "Wal-Mart", or (e) support for any facility operating under the Merchandising Concept, as a Grocer, Alcoholic Beverage Retailer or as a Wal-Mart (i.e., for parking or other necessary improvements for such a facility). The foregoing prohibitions include, but shall not be limited to: (A) any business which operates as a warehouse club (other than a Costco Facility), (B) any business operated under the tradenames of Sam's, BJ's, Jetro, Price Smart or Smart and Final, and (C) any business (other than a Costco Facility) similar to those operated under the tradenames Costco, Wal-Mart, Sam's, BJ's, Jetro, Price Smart or Smart and Final. The Merchandising Concept does not prohibit any of the following uses on any Restricted Property: (1) a specialty retail store that primarily sells goods in a few specific product categories, such as pet food, sporting goods, office supplies, home goods, home improvements, books, toys, party supplies, craft supplies, apparel, shoes, furniture, appliances, or electronics, or (2) a traditional department store, discount department store or junior department store, such as Kohl's, Target or K Mart. This restrictive covenant shall run with the Restricted Property for the Term of this Lease and Tenant shall have the right, on or after the Commencement Date, to record a document containing this restrictive covenant (the "**Declaration**") against any Restricted Property [whether currently owned or acquired after the Effective Date by Landlord (as hereinafter defined)] and Landlord shall cooperate with Tenant in recording such document. Landlord, on its own behalf, acknowledges that the breach of the foregoing restrictive covenant may cause immediate and irreparable harm for which damages are not an adequate remedy and that, to protect against such harm, Tenant may seek and obtain from a court of competent jurisdiction the issuance of a restraining order or injunction to prohibit any actual or threatened breach. Such an action for a restraining order or injunction is in addition to and does not limit any and all other remedies provided by law or equity.

1.8.2 No portion of the Restricted Property shall be used or operated as a car wash, motor vehicle fuel or service station, or motor vehicle tire sales, service or installation facility; provided that any car wash, motor vehicle fuel or service station, motor vehicle tire sales, service or installation facility that is operated by and in connection with the operation of a Public Airport (either in connection with Airport owned vehicles or in connection with a car rental company operation), a general merchandise retail store, a traditional department store or a motor vehicle sale, rental or lease business shall not be prohibited by these restrictions. "**Motor vehicle**" as used in this paragraph is defined as an automobile.

1.8.3 Notwithstanding anything to the contrary contained herein, in no event shall any of the prohibitions set forth in Sections 1.8.1 or 1.8.2 above prohibit the Property or the Restricted Property from being used as a Costco Facility or Business.

1.8.4 As used herein, the following terms shall have the following meanings:

1.8.4.1 "**Restricted Property**" shall mean any property within ten (10) miles in any direction from the exterior boundaries of the Property that is currently or in the future owned or operated by Landlord (except that Restricted Property shall not include the Property, the Premises or any property on which the current or future Cherry Capital Airport Terminal building is located), but in all events, Restricted Property shall include all portions of the Airport which are, from time to time, designated as available for non-aeronautical use by the FAA other than the Property and the Cherry Capital Airport Terminal building.

1.8.4.2 A "**Costco Facility or Business**" shall mean any facility or business owned, leased, franchised, managed, operated or controlled by Costco Wholesale Corporation or by any affiliate of or successor to Costco Wholesale Corporation, including without limitation, a Costco Wholesale warehouse club, Costco Wholesale Business Center, or any constituent or ancillary uses associated therewith. A Costco Facility or Business shall also include a facility or business that is owned or operated by a person or entity other than Costco Wholesale Corporation or any affiliate of or successor to Costco Wholesale Corporation, but which facility or business is intended to be included as part of or otherwise integrated into a Costco Facility or Business, such as leased or licensed departments, or co-branded or ancillary uses.

1.8.5 Except as set forth in Section 1.8.6, the restricted covenants set forth in Sections 1.8.1 and 1.8.2 above shall run with the title to the Restricted Property and shall be binding upon successors and assigns of Landlord with respect to the Restricted Property. Tenant shall have the right to record a document containing said restricted covenants against the Restricted Property (whether currently owned or acquired after the date of this Lease) by Landlord and Landlord shall cooperate with Tenant in recording such document. Landlord, acknowledges and agrees that the breach of the said restrictive covenants may cause immediate and irreparable harm for which damages are not an adequate remedy and that to protect against such harm, Tenant may seek and obtain from a court of competent jurisdiction the issuance of a restraining order or injunction to prohibit actual or threatened breach. Such an action for a restraining order is in addition to and does not limit any and all other remedies provided by law or equity.

1.8.6 The restrictive covenants set forth in Sections 1.8.1 and 1.8.2 shall terminate upon termination of this Lease. Landlord shall have the right to record a document evidencing the termination of said restrictive covenants and Tenants and its successors and assigns shall cooperate with Landlord in recording such document.

1.9 **No Operating Covenant**. Notwithstanding anything to the contrary in this Lease, no provision of this Lease shall be construed to contain a covenant, express or implied, by Tenant to build or stock Tenant's Building and/or Fuel Facility and/or Car Wash or to commence

operations of or continuously to operate a business on the Premises. Tenant may, at any time, without prior notice or consent, cease operations of any business then being operated on the Premises. Tenant acknowledges and agrees that it is not relying on any other occupant of Development to open or operate a business in the Development.

1.10 Landlord's Performance Covenants. From and after the Effective Date, Landlord covenants to perform in accordance with the following obligations:

1.10.1 Liens and Encumbrances. Landlord shall not sell, assign or convey any right, title or interest whatever in or to the Property or the Private Access Drives to any third party other than in compliance with the provisions of this Lease. Except for liens or encumbrances created by or through Tenant, or based upon Impositions which are the responsibility of Tenant under this Lease, Landlord shall not, and shall not agree to, create, permit or suffer to be created any liens, restrictions, encumbrances or Impositions on the Premises, the Private Access Drives or the Common Access Drive without Tenant's prior written consent, which consent may be withheld by Tenant in its sole and absolute discretion. Landlord shall, at or prior to the Commencement Date, cause the Premises to be free of all liens, restrictions, encumbrances and Impositions except the Permitted Exceptions. To the extent that any easements or declarations are proposed that will affect the Premises or Tenant's access to or use thereof, Landlord shall neither execute nor suffer the execution of same by or on behalf of Landlord without Tenant's prior written consent, which consent may be withheld by Tenant in its sole and absolute discretion.

1.10.2 Representations and Warranties. Landlord shall not take any action, or omit to take any action, which would have the effect of violating or rendering untrue any representation, warranty, covenant or agreement contained herein. Landlord shall give Tenant prompt written notice of any change in any of Landlord's representations or warranties set forth in Section 1.4.

1.10.3 Payments. Except as otherwise set forth in this Lease, Landlord shall make any and all payments due and owing by Landlord with respect to the Premises, the Private Access Drives and the Development, including, without limitation, real estate taxes, assessments, charges, fees, levies and impositions, insurance premiums, service contract payments, management fees and payments for materials and materialmen, prior to the due date for such payment and will upon Tenant's request, deliver to Tenant evidence reasonably satisfactory to Tenant of payment thereof.

1.10.4 No Change in Physical Condition. Except for maintenance obligations under this Lease which are stated to be the responsibility of Tenant, Landlord will keep and maintain the Premises (prior to the Commencement Date), Private Access Drives and the Development in good order and condition and will not permit any waste with respect thereto. Landlord will not make any change to the physical condition of the Premises or the Private Access Drives except as contemplated by this Lease or otherwise approved by Tenant in its sole and absolute discretion.

1.10.5 Governmental Orders; Compliance with Laws. Landlord shall not violate any federal, state or local laws, rules, statutes, directives, binding written interpretations, binding written policies, ordinances and regulations or common law doctrines, as same have been amended, modified or supplemented from time to time (individually, a "**Law**" and collectively, "**Laws**") with respect to the Development or the Private Drives and shall at all times comply with all Laws as set forth in Section 9.2. Landlord shall correct any violation of any Law of which Landlord becomes aware which was not caused by Tenant or any subsidiary, parent or other entity that controls, is controlled by or is under common control with Tenant (each such entity, a "**Tenant Affiliate**").

1.10.6 Sign. From and after the Commencement Date, Landlord shall permit Tenant, at Tenant's sole cost and expense, to erect a sign in compliance with all applicable laws and regulations on the Premises advertising the proposed development of Tenant's project.

1.10.7 Exclusive Agreement. Prior to the Commencement Date, Landlord shall not negotiate with third parties for the transfer of any interest in the Premises, whether as a back-up offer or otherwise.

1.10.8 Subdivision. Prior to Closing, Landlord shall at Landlord's sole cost and expense cause the Property to become a separate legal lot allowing for this Lease of the Property on the Commencement Date in compliance with all applicable land division or similar laws. Any conditions or obligation imposed on either the Property or Tenant by reason of said subdivision shall be subject to the prior approval of Tenant.

SECTION 2
CONTINGENCIES

2.1 Property Information.

2.1.1 If not already provided by Landlord to Tenant, within thirty (30) business days following the Effective Date, Landlord shall deliver to Tenant copies of the following materials (the "**Property Information**") which Landlord or any Landlord Affiliate has in its possession, or to which Landlord or any Landlord Affiliate has access through the exercise of commercially reasonable efforts:

(i) A copy of the most recent title policy or title commitment and survey that relate to the Property or the Development and the Private Access Drives, including complete and legible copies of all instruments referred to in the title policy or commitment as conditions or exceptions to the title of the Property or the real property covered by said title policy or title commitment has been provided to the Tenant; and updates to the title commitment or survey previously provided to the Tenant shall be at the sole cost and expense of the Tenant;

(ii) Copies of the most recent tax bills for the Property;

(iii) All surveys, topographical surveys, environmental reports, engineering studies, soil-bearing test data and any similar reports and studies with respect to the Property, the Private Access Drives and the Development; and

(iv) Such other items in Landlord's possession or under Landlord's control that Tenant may reasonably request in connection with its inspection of the Property and determination of feasibility of the project.

2.1.2 Upon Tenant's receipt of any Property Information, Tenant shall have the unrestricted right to use such information, including reports and studies, in connection with Tenant's review of the Property and Tenant's efforts to obtain its permits and approvals. Tenant shall have the right to make copies of same at Tenant's expense and to distribute the same to its attorneys and consultants.

2.1.3 To the extent that any new or updated information pertaining to the Property, the Private Access Drives or the Development is received by Landlord or any of its agents or employees at any time prior to the Commencement Date, Landlord shall deliver a true, correct and complete copy of such new and/or updated information to Tenant.

2.2 **Access**.

2.2.1 At any time prior to the Commencement Date (the "**Access Period**"), provided that this Lease has not been terminated pursuant to its terms, Tenant, its agents and representatives shall be entitled to use the Private Access Drives and enter upon the Property for all lawful purposes, including, without limitation, to conduct such tests, inspections, examinations, surveys, analyses, investigations and inquiries with respect to the physical condition of the Property and the feasibility of the project for Tenant's Intended Use as Tenant, in its sole and absolute discretion, deems necessary or desirable, including, without limitation, soil tests, borings and Hazardous Substance studies. Tenant shall pay all costs incurred in making any inspections, tests, analyses and investigations of the Property. If Tenant terminates this Lease prior to the Commencement Date, Tenant shall restore the Property to substantially the same condition as existed prior to Tenant's entry onto the Property. Tenant shall indemnify and hold Landlord harmless from and against any and all liabilities for claims of whatever nature arising out of the entry onto the Property by any agent, employee, associate, independent contractors, or anyone else entering at the request, direction or invitation of Tenant. These obligations shall survive termination of this Lease and shall not be constructed to waive the defense of governmental immunity that may be asserted by Landlord in an action against it.

2.2.2 During the Access Period, Landlord shall furnish to Tenant all information concerning the Property and the Private Access Drives that Tenant may reasonably request, including, without limitation, the Property Information as required by Section 2.1 hereof. Landlord grants Tenant free and complete access during normal business hours to all documentation, agreements and other information in the possession of Landlord or any affiliate of Landlord (the "**Landlord Affiliate** and collectively, the "**Landlord Affiliates**") or any employee, agent or independent contractor of Landlord pertaining to the ownership, use or

operation of the Property and/or the Private Access Drives. Tenant shall have the right to make copies of same at the expense of Tenant.

2.3 **Landlord Contingencies**. The obligations of Landlord to lease to Tenant are subject to the following conditions precedent (hereinafter the "**Landlord Contingencies**"): (a) the Federal Aviation Administration (the "**FAA**") and any other governmental or quasi-governmental entity or agency that has jurisdiction over Landlord or the Property approves this Lease and provides a Non-Aeronautical Release for Airport Purposes to Landlord or similar document allowing Landlord to lease the Property to Tenant for non-aeronautical purposes; and (b) Landlord obtains a Consent and Non-Disturbance Agreement (the "**Consent**") from the Counties pursuant to which each County consents to this Lease and agrees that if the Prime Lease or Joint Operating Agreement should ever terminate prior to the expiration of this Lease, Tenant shall be entitled to use, occupy and enjoy the Premises and have access thereto in accordance with the terms and conditions of this Lease for the remainder of the Term of this Lease and such party will not disturb such use, occupancy and enjoyment of, and access to, the Premises by Tenant so long as there is no Event of Default on the part of Tenant hereunder; such Consent to be substantially in the form of Exhibit H attached hereto and made a part hereof and may be recorded by Tenant on the Commencement Date. Upon satisfying the Landlord Contingencies, Landlord shall give Tenant written notice thereof accompanied by written evidence that such Landlord Contingencies have been satisfied (which will include copies of signed amendments to the Prime Lease and Operating Agreement and of the signed Consent). In the event that Landlord does not satisfy the Landlord Contingencies and provide Tenant with written notice thereof on or before June 30, 2016, then either party may, at any time thereafter and before the Landlord Contingencies are satisfied, terminate this Lease upon written notice given to the other party and thereupon neither party shall have any further rights or obligations hereunder, except for those which are expressly stated to survive the termination of this Lease.

2.4 **Satisfaction of Contingencies/Tenant Deposit**. Tenant's obligation to lease the Premises is contingent upon the conditions set forth in Sections 2.5, 2.6, 2.7 and 2.8 being satisfied or waived, in each instance in Tenant's sole and absolute discretion, on or before the dates provided. If Tenant determines, in Tenant's sole and absolute discretion, that any of the conditions set forth in Sections 2.5, 2.6, 2.7, or 2.8 will not be satisfied by the date provided for herein for the satisfaction of such condition and Tenant does not waive such condition, this Lease shall be deemed terminated. The conditions provided for in Sections 2.5, 2.6, 2.7 and 2.8 shall be deemed not to be satisfied unless Tenant, by the date by which the particular condition is required to be satisfied, gives Landlord written Notice that such condition has been satisfied or waived. In the event any condition is not satisfied or deemed not satisfied, this Lease shall automatically terminate. Upon the termination of this Lease (either by affirmative action by Tenant or automatically), neither party shall have any further rights or obligations hereunder, except for those which are expressly stated to survive the termination of this Lease.

Within three (3) business days following the Effective Date, Tenant will deposit earnest money in the amount Fifty Thousand and no/100 Dollars (US $50,000) (the "**Deposit**") with the Title Company (as defined in Section 2.7 below). In the event that any of the conditions set forth in Sections 2.3, 2.6 or 2.7 are not satisfied, this Lease is terminated and the Deposit shall be promptly returned to Tenant. Upon satisfaction of the conditions set forth in Sections 2.3, 2.6

and 2.7, Tenant shall notify the Title Company in writing that the conditions have been satisfied and the Deposit shall be nonrefundable in all events, except for Landlord's breach under this Lease. The Title Company will place the Deposit in an interest bearing account with interest to accrue to Tenant's benefit. In the event that the Commencement Date occurs as set forth in Section 2.9 below, the Deposit shall be disbursed to Landlord and treated as a credit against the Rent payment for the first Lease Year. In the event that the Commencement Date does not occur following satisfaction of the conditions set forth in Sections 2.3, 2.6 and 2.7, the Deposit shall be paid to Landlord.

2.5 Site Plan and Road Construction Agreement. No later than 5:00 p.m. local time in the Governing Jurisdiction on the date which is sixty (60) days after the Effective Date, Tenant and Landlord shall have agreed upon (and confirmed in writing) (a) the final site plan for the Premises and the Development (the "**Site Plan**") and (b) the form and substance of an agreement (herein the "**Road Construction Agreement**") pursuant to which the parties shall set forth their agreement regarding construction of and reimbursement for construction of the Connector Drive and the Common Access Drive. The Site Plan shall depict the location of Tenant's Building and other Improvements on the Premises, as well as: (a) the configuration and location of all lots within the Development, including the Property; and (b) the location and configuration of the Private Access Drives and the location and configuration of Common Access Drive within the Development. The Site Plan shall not be substantially modified by either party without the other's written, which may be given or withheld in the other party's sole and absolute discretion; provided, however, that Tenant shall not withhold its consent to any modification of the Development or Site Plan that may be necessary for the division of the Development or the Property under any applicable land division or land use law unless such modification would unreasonably interfere with the Tenant's use of the Premises.

2.6 Feasibility Contingencies. Tenant shall have until 5:00 p.m. local time in the Governing Jurisdiction on the date which is ninety (90) days after the Effective Date (the "**Feasibility Period**") to determine, in Tenant's sole and absolute discretion, that the following contingencies are satisfactory or, in Tenant's sole and absolute discretion, to waive same:

2.6.1 Project Feasibility. To the extent deemed necessary by Tenant, in its sole and absolute discretion, Tenant shall have the right to inspect the Property, to evaluate the transaction which is the subject of this Lease and to terminate this Lease for any reason or for no reason. Tenant's right to inspect the Property and evaluate the transaction shall include, without limitation, the right to (a) conduct such soils, engineering, Hazardous Substance, geotechnical, wetlands and other studies on the Private Access Drives and the Property and elsewhere in the Development in connection with Tenant's proposed project as Tenant, in its sole and absolute discretion, deems necessary or desirable, and (b) determine, in Tenant's sole and absolute discretion, that the site plan, parking plan and access plan for the Property and the Development are acceptable, that utilities of adequate capacity serve the Property, that construction of the improvements contemplated by Tenant will not require extraordinary, excessive or unusually costly design elements or construction techniques, that drainage of both surface and subsurface water can be accomplished by ordinary construction techniques not involving unusual or excessive costs, that the Property will satisfy Tenant's financial and competitive objectives in the trade area and that the Property is economically and otherwise feasible for Tenant's Intended

Use. In the event that Tenant terminates this Lease at any time prior to the Commencement Date, Tenant shall promptly furnish to Landlord, without representation or warranty of any kind or any right to use, a copy of all written, non-proprietary inspections, studies, surveys and reports pertaining to the Property or the Development prepared by or for Tenant (collectively, "**Tenant's Property Reports**") at no expense to Landlord. Landlord hereby agrees to indemnify, defend and hold Tenant harmless from and against any and all liability, loss, cost damage or expense (including reasonable attorneys' fees) arising out of the use or reliance upon Tenant's Property Reports by any person who has obtained Tenant's Property Reports through Landlord.

2.6.2 Reciprocal Easement and Operating Agreement. Tenant and Landlord shall have agreed upon the form and substance of a reciprocal easement and operating agreement (or an amendment to any currently existing reciprocal easement and operating agreement) (the "**REA**"), and Landlord has obtained the agreement of any necessary third parties to the REA (including, without limitation, other occupants of the Development and Landlord's lender(s), if any), which agreement shall provide for, among other things: (a) the grant of necessary easements over or serving the Property and Landlord's Retained Property; (b) maintenance of the Common Access Drive serving the Property and Landlord's Retained Property; (c) the parties' parking rights; and (d) exclusive use of and restrictions against various incompatible uses of the Property and Landlord's Retained Property, including the restrictive covenant in favor of Tenant set forth in Section 1.8 hereof if same is not recorded as a separate instrument encumbering the Development. The REA shall be executed and recorded no later than the Commencement Date. Upon completion of the REA, the parties shall enter into an amendment to this Lease attaching the agreed upon form of REA and incorporating it into this Lease as Exhibit I.

2.7 Title Contingency.

2.7.1 Title and Survey. Tenant may obtain a current title insurance commitment covering the Premises, together with legible and complete copies of all exceptions referenced therein (the "**Title Commitment**"), from a title company selected by Tenant ("**Title Company**"), committing Title Company to issue an ALTA extended coverage leasehold owner's title insurance policy with an ALTA 13 Leasehold Endorsement, in an amount reasonably acceptable to Tenant, together with such other endorsements thereto as Tenant shall reasonably request and subject to no encumbrances or exceptions except those approved by Tenant in writing (the "**Title Policy**"). Landlord agrees to furnish Title Company with such customary affidavits and indemnities as may be required by Title Company in order to issue the Title Policy as aforesaid, without any exception for unfiled and unrecorded materialmen's and mechanics' liens and parties in possession. Tenant may obtain a current ALTA survey of the Property (the "**Survey**"), prepared by a surveyor licensed in the state where the Property is located selected by Tenant ("**Surveyor**"). Tenant shall deliver a copy of the Title Commitment and Survey to Landlord.

2.7.2 Title and Survey Review. Tenant shall have until the expiration of the Feasibility Period (the "**Title Inspection Period**") to review the Title Commitment and Survey and to give Landlord Notice of any matter disclosed by the Title Commitment or the Survey which Tenant finds unacceptable (each an "**Objection**" and collectively, the "**Objections**"). Tenant shall be entitled, in its sole and absolute discretion, to terminate this Lease if Tenant

objects to any of the matters disclosed by the Title Commitment or Survey. In addition, Tenant shall be entitled, in its sole and absolute discretion, to condition its leasing of the Premises upon the release, discharge or removal of each Objection prior to the Commencement Date, and the deletion of each Objection from the Title Policy. Prior to the expiration of the Title Inspection Period, Tenant shall provide written notice to Landlord (the "**Objection Notice**") of each Objection which Tenant requires to be released, discharged or removed. Any matters not designated as Objections by Tenant shall be deemed to be exceptions to title permitted by Tenant (the "**Permitted Exceptions**"). Landlord shall have ten (10) business days after receipt of the Objection Notice to give Tenant Notice whether or not Landlord will cure or satisfy Tenant's Objections (it being acknowledged that Landlord shall be required to cure or satisfy all Monetary Encumbrances as set forth in Section 2.7.4). Landlord's failure to respond within said ten (10) business day period shall be deemed a decision by Landlord not to cure or satisfy any such Objections. Tenant shall, within ten (10) business days after receipt of Landlord's response Notice (or deemed response) to the Objection Notice, either (i) accept title to the Premises subject to all Objections which Landlord has not agreed to cure or satisfy (which Objections shall then be deemed to be Permitted Exceptions); (ii) give Landlord Notice that Tenant elects to terminate this Lease; or (iii) provide Landlord with additional time to cure or satisfy such Objections. Any Objections which Landlord had agreed (or deemed to have agreed [i.e., Monetary Encumbrances]) to cure shall be cured prior to the Commencement Date. Tenant's failure to respond within said ten (10) business day period shall be deemed a decision by Tenant to terminate this Lease and the parties shall have no further rights or responsibilities, except those that expressly survive termination of this Lease.

2.7.3 Updated Review. Following Tenant's initial title examination, Tenant shall have until the Commencement Date to reexamine title to the Property (and if then known, to add the legal description for the Connector Drive to the title being so examined) and to have the Survey updated and to give Landlord Notice of any additional Objections (other than the Permitted Exceptions previously approved or deemed approved by Tenant) disclosed by such reexamination or update which were not disclosed as of the date of the initial or any subsequent examination or not otherwise reflected in the Title Commitment or initial or any subsequent Survey. Upon discovery of additional Objections, Tenant and Landlord shall have the same rights and obligations with respect to such additional Objections as are set forth in Section 2.7.2 hereof, except that the discovery of additional Objections attributable solely to the acts or omissions of Tenant or anyone claiming by, through or under Tenant shall not operate to alter the nonrefundable status of the Deposit as set forth in Section 2.4. If this Lease is terminated pursuant to this Section 2.7.3 as a result of an Objection which arose subsequent to Tenant's initial title examination and which is not attributable to the acts or omissions of Landlord or anyone claiming by, though or under Landlord, then the Deposit shall be paid to Landlord in connection with such termination of this Lease.

2.7.4 Monetary Encumbrances. The phrase "**Monetary Encumbrances**" as used herein means encumbrances or defects to title which by their terms require the payment of money (in an ascertainable amount), whether in installments or at a fixed time or otherwise, in order to remove same, including, without limitation, mortgages, deeds of trust, mechanic's or materialmen's liens and liens associated with public improvement districts and special assessments. Notwithstanding anything herein to the contrary, Landlord shall not have the right

under Section 2.7.2 to elect or be deemed to have elected not to cure any Monetary Encumbrances affecting title to the Property. Landlord covenants to remove all Monetary Encumbrances prior to the Commencement Date.

2.7.5 Title Fees. In the event this Lease is terminated pursuant to this Section 2 or any other provision of this Lease other than by reason of an intentional default by any party under this Lease, any cancellation fee or other costs of Title Company (including, without limitation, costs of any title agent engaged by Title Company to review title) shall be borne by Tenant.

2.7.6 Title Policy. On the Commencement Date, Tenant's obligation to proceed with this Lease shall be conditioned upon the Title Company being prepared to issue to Tenant, at Tenant's expense, the Title Policy.

2.8 Project Approvals Contingency.

2.8.1 Project Approvals. Tenant shall have until 5:00 p.m. local time in the Governing Jurisdiction on the date which is one hundred eighty (180) days after the later to occur of (a) Tenant's waiver of the contingencies set forth in Section 2.6 above and (b) satisfaction of Landlord's Contingencies (as set forth in Section 2.3 above) (the "**Approvals Period**") to obtain, at its sole cost and expense, all governmental approvals and permits necessary or desirable to permit Tenant to develop, construct and operate Tenant's Intended Use on the Premises. The approvals and permits shall include, without limitation, zoning approvals, site plan approvals, special and/or conditional use permits, environmental approvals (including any required pursuant to any Environmental Laws), signage approvals, building permits and operating permits and licenses (individually, a "**Project Approval**" and collectively, the "**Project Approvals**"). If Tenant has diligently pursued but has not obtained the Project Approvals by the expiration of the Approvals Period, then Tenant, in its sole and absolute discretion, may extend the Approvals Period for two (2) periods of thirty (30) days each. If Tenant has not obtained the Project Approvals by the expiration of the Approvals Period (as same may have been extended), Tenant may, in its sole and absolute discretion, terminate this Lease in which case the Deposit shall be paid to Landlord and, thereafter, this Lease shall be of no further force or effect and neither party shall have any further rights or obligations hereunder, except for those which are expressly stated to survive the termination of this Lease.

2.8.2 Appeals. For purposes of this Lease, the Project Approvals shall not be deemed to have been "**obtained**" or "**issued**" until the period of time (if any) to contest or appeal any such issuance has passed without the filing of a contest or appeal, or if a contest or appeal has been filed, then after the issuance of a final and non-appealable order, decision or judgment (a "**Final Judgment**") confirming the issuance of the relevant Project Approvals without modifications or conditions that are unacceptable to Tenant. In the event that there is an outstanding appeal, objection or challenge respecting one or more of the Project Approvals pending at the expiration of the Approvals Period, Tenant shall have the right, but not the obligation, to extend the Approvals Period in successive increments of ninety (90) days each until the issuance of a Final Judgment. All of the terms and conditions of this Lease shall continue to apply during such extension of the Approvals Period.

2.8.3 Conditions. All conditions contained in the Project Approvals (after same have been obtained or issued in accordance with Section 2.8.2 hereof) and all requirements for on-site and off-site improvements or services, in-lieu fees or payments, development charges, dedication or reservation requirements, water rights acquisition costs, local improvement district costs, connection charges, assessments, mitigation fees, impact fees, permit fees and any other similar requirements, fees or charges imposed on the project by any governmental entity or utility service provider in connection with the Project Approvals shall be subject to Tenant's approval in its sole and absolute discretion and shall be at the Tenant's sole cost and expense.

2.8.4 Cooperation. Landlord agrees to cooperate, either directly or through its authorized agents, in all reasonable respects to facilitate the procurement of the Project Approvals, which cooperation shall include, but not be limited to, promptly (a) responding in writing to all reasonable inquiries, (b) executing all applications or submissions necessary to obtain the Project Approvals so long as the same are in accordance with the terms of this Lease, and (c) upon prior telephonic notice by Tenant, attending and actively participating in hearings, agency meetings or the like.

2.8.5 Approval of Plans Submitted for Project Approval. Landlord shall have the right to review and approve Tenant's Project Approval schematic design drawings (the "**Drawings**") for Project Approval. Landlord's approval shall not be required for any further drawings for Project Approval or any modification, replacement, alteration or addition to the Drawings, unless there is a Material Change. Landlord's approval shall not be unreasonably withheld, conditioned or delayed. A "**Material Change**" is defined as any change that substantially affects the exterior design of the Improvements or the size or location of the Improvements on the Property.

2.9 Commencement Date.

2.9.1 Conditions for Commencement Date. The commencement date of this Lease (the "**Commencement Date**") shall occur, and Tenant's right to terminate this Lease pursuant to this Section 2 shall expire, on a date reasonably selected by Tenant that is no later than twenty one (21) days after all of the following conditions have been satisfied, in Tenant's sole and absolute discretion, or waived by Tenant, in Tenant's sole and absolute discretion:

(i) Contingencies Satisfied. The contingencies set forth in Sections 2.3, 2.5, 2.6, 2.7 and 2.8 have been satisfied or waived, in Tenant's sole and absolute discretion.

(ii) Representations and Warranties. The representations and warranties of Landlord contained in this Lease shall be true and correct in all material respects as of the Commencement Date. Landlord shall have cured all violations of all Laws affecting the Property, as required pursuant to Section 1.4.4 hereof.

(iii) No Change to Property. There shall have been no material adverse change in the condition of the Property, in Tenant's access to the Property over the Private Access Drives and/or the Common Access Drive or in Tenant's ability to

develop, construct, open and operate its project on the Premises in accordance with Tenant's schedule and Tenant's Intended Use.

(iv) Absence of Moratorium. No litigation, referendum, moratorium, Law, judgment, ruling or decree shall have been enacted, adopted, issued or entered, or shall be pending or in effect, that could adversely affect the Property, the Project Approvals or Tenant's ability to develop, construct, open and operate its project on the Premises in accordance with its schedule and Tenant's Intended Use.

(v) Title Policy. Title Company shall be committed to provide to Tenant, subject only to payment of the premium therefor, the Title Policy insuring that leasehold title to the Premises is vested in Tenant subject only to (i) the lien of real property taxes for the current year not yet due and payable, (ii) the Permitted Exceptions (iii) the Governmental Documents, and (iv) the terms of this Lease. Landlord shall have satisfied (or shall satisfy on the Commencement Date) all Monetary Encumbrances except for prorated taxes, as required by Section 2.7.4 hereof.

2.9.2 Procedure. On the Commencement Date, Landlord and Tenant shall make the following deliveries to Title Company or other designated closing agent, at the office of Title Company or at such other location as the parties may select at a time selected by the parties. Each party agrees to execute and deliver to Title Company (or other designated closing agent) escrow instructions to implement and coordinate the recordation and distribution of the documents and other deliveries set forth in this Section 2.9.

2.9.2.1 Landlord's Deliveries. On or before the designated Commencement Date, Landlord shall make the following deliveries, duly executed and acknowledged by Landlord and all other necessary Landlord parties, and take the following actions, as applicable:

(i) Authority Documents. Landlord shall deliver certificates, duly adopted resolutions, incumbency certificates, good standing certificates and other evidence satisfactory to Title Company of the authorization to lease the Property to Tenant, and of the authority of the person(s) executing and delivering documents on behalf of Landlord;

(ii) Certificate of Representations and Warranties. Landlord shall deliver a certification that all of Landlord's representations and warranties as provided under this Lease are true and correct in all material respects as of the Commencement Date;

(iii) Title. Landlord shall cure any Objections to title Landlord elected or is obligated to cure pursuant to Section 2.7.2, and shall deliver all documentation reasonably required of Landlord by Title Company (including, without limitation, an affidavit in form satisfactory to Title Company) so that Title Company is in a position to issue the Title Policy without exception for mechanics', materialmen's or other statutory liens, parties in possession and other standard title exceptions;

(iv) Declaration. Landlord shall deliver the Declaration;

(v) REA. Landlord shall deliver counterparts of the REA executed on behalf of Landlord, which shall include, without limitation, the execution and delivery of a consent and subordination to the REA from the Counties and any monetary lienholders with a superior interest in the Property or the Development;

(vi) Road Construction Agreement. Landlord shall deliver counterparts of the Road Construction Agreement executed on behalf of Landlord;

(vii) Subordination Agreement. Landlord shall deliver a counterpart or counterparts of a Subordination Agreement from each monetary lienholders, with a superior interest in the Premises or the Development;

(viii) Consents. Landlord shall deliver consents from all necessary third parties, as required pursuant to Section 2. 3 hereof, including the approval of the FAA and a counterpart of the Consent executed by Landlord and both Counties;

(ix) Subdivision/Separate Tax Lot. Landlord shall provide evidence that the Property has been subdivided into a separate lot with a separate tax parcel ID. Landlord shall be responsible for any recording fees resulting from the subdivision.

(x) Vacant Possession. Landlord shall deliver sole, vacant and exclusive possession of the Premises to Tenant, subject to no tenancies, leasehold interests or other similar interests that are not Permitted Exceptions and subject to the terms of this Lease.

2.9.2.2 Tenant's Deliveries. On or before the designated Commencement Date, Tenant shall make the following deliveries, duly executed and acknowledged by Tenant, and take the following actions, as applicable:

(i) Authority Documents. Tenant shall deliver certificates, duly adopted resolutions, incumbency certificates, good standing certificates and other evidence satisfactory to Title Company of the authorization of the leasing of the Property by Tenant and of the authority of the person(s) executing and delivering documents on behalf of Tenant;

(ii) Certificate of Representations and Warranties. Tenant shall deliver a certification that all of Tenant's representations and warranties made under this Lease are true and correct in all material respects as of the Commencement Date;

(iii) REA. Tenant shall deliver a counterpart of the REA executed by Tenant;

(iv) Road Construction Agreement. Tenant shall deliver counterparts of the Road Construction Agreement executed on behalf of Tenant;

(v) Consent. Tenant shall deliver a counterpart of the Consent executed by Tenant;

(vi) Subordination Agreement. Tenant shall deliver a counterpart of each Subordination Agreement executed by Tenant; and

(vii) Transfer/Recording Taxes and Fees. Tenant shall pay any transfer and/ or recording fees and/or taxes resulting from this transaction and/or the recordation of any of the REA, Consent, Subordination Agreement(s) and/or the Declaration and other fees charged by the Title Company in connection with the issuance of the Title Policy.

2.9.2.3 Other Deliveries. As applicable, on or before the Commencement Date, the following deliveries shall be made and actions taken by the applicable parties:

(i) Title Policy. Title Company shall deliver the Title Policy (or an irrevocable commitment to issue same) to Tenant, in form and substance as required pursuant to Section 2.6 hereof; and

(ii) Confirmation of Commencement Date. Landlord and Tenant each shall execute and deliver the written confirmation of the Commencement Date, as required pursuant to Section 1.2.1 hereof.

SECTION 3
UTILITIES; TAXES; PERMITTED CONTESTS

3.1 Utilities. Beginning on the Commencement Date, Tenant shall pay or cause to be paid, and shall indemnify, defend and hold harmless Landlord and the Premises from, all charges (or Tenant's Pro Rata Share of such charges in accordance with Section 4.5.2 hereof) for public or private utility services to or for the Premises during the Term, including, without limitation, all charges for heat, light, electricity, water, gas, telephone service, garbage collection, sewage, drainage service and other services and utilities used or contracted for by Tenant.

3.2 Taxes.

3.2.1 Impositions. Beginning on the Rent Commencement Date, Tenant shall pay prior to delinquency each and every one of the following arising during the Term (collectively, the "**Impositions**"):

(i) All real property taxes or payments in lieu thereof due with respect to the Premises or any portion thereof and Tenant's pro-rated portion of any real property taxes or payments levied with respect to the Common Access Drive, except so-called "rollback" taxes, which shall be the responsibility of Landlord;

(ii) All taxes imposed on or with respect to Tenant's personal property, inventory and intangibles;

(iii) All assessments for public improvements or benefits which are assessed or payable during the Term with respect to the Property and Tenant's pro-rated portion of any such assessments levied with respect to the Common Access Drive; and

(iv) All other rents, rates and charges, excises, levies, license fees, permit fees, inspection fees and other authorization fees and other charges (including interest and penalties thereon), which at any time during the Term may be assessed, levied, confirmed or imposed on or in respect of any right or interest in the Premises, or any occupancy, use or possession of or activity conducted thereon or any part thereof, expressly excluding, however, any such items arising directly or indirectly out of any act or omission of Landlord or any of Landlord's predecessors in title or of any person (including Landlord) occurring prior to the Commencement Date.

(v) Notwithstanding the foregoing, the term Impositions shall not include any federal, state, or local tax measured by net or gross income, any estate, succession, inheritance or transfer tax, any gross receipts tax, any business and occupation tax, any withholding, profit or revenue tax, any charge levied upon the Rent payable to Landlord under the terms of this Lease (except to the extent any such tax or charge is imposed on Landlord in lieu of real property ad valorem taxes on the Property or Improvements), any franchise, capital or doing business tax or license fee or any similar obligation that may be levied upon or against Landlord or any successor landlord by any governmental body.

3.2.2 Installments. If by law any Imposition may at the option of the taxpayer be paid in installments, Tenant, if obligated to pay such Impositions by the terms of this Lease, may exercise such option and shall pay all installments (and interest, if any) becoming due during the Term following the Rent Commencement Date. At the end of the Term, Tenant shall deposit with Landlord an amount sufficient to pay Tenant's pro rata share of all Impositions for the Lease Year during which this Lease expires or sooner terminates. All Impositions payable by Tenant shall be prorated as of the Rent Commencement Date and the expiration or sooner termination of the Term; provided, however, that if the Premises are not or will not be subject to Impositions either prior to or subsequent to the Term as a consequence of the ownership of the Property by a governmental body, then Tenant shall be responsible for all Impositions levied with respect to the Premises for the first and/or last Lease Year of the Term, as applicable.

3.2.3 Separate Assessment. If the tax statement in respect of any Impositions covers only the Premises, Landlord and Tenant shall use commercially reasonable efforts to have the tax statement sent directly to Tenant. If the tax statement is sent directly to Tenant, then Tenant will furnish a copy of such statement to Landlord promptly following Landlord's written request therefor. In the event such tax statement is not sent directly to Tenant and is sent directly to Landlord, then Landlord shall promptly forward such tax statement to Tenant, and Tenant shall not be obligated to pay such Impositions, or any portion thereof, sooner than thirty (30) days after Landlord shall have provided Tenant a copy of such statement. Landlord shall be liable for any late payment penalties or interest that result from Landlord's failure to forward any such tax statement to Tenant at least thirty (30) days prior to the date payment is due.

3.2.4 Not Separately Assessed. If, on the Commencement Date, the Premises does not constitute a separate tax parcel, Landlord shall use commercially reasonable efforts to obtain a separate tax parcel identification for the Premises so that the Impositions relating thereto may be separately assessed and governed by Section 3.2.3 hereof. Until such time, if the tax statement covers the Premises plus other land, Tenant shall be responsible for (a) the Impositions on the Improvements located on the Property (as shown either on the tax statement or in the tax assessor's notes) and (b) Tenant's proportionate share of the Impositions on the land within the tax parcel covered by the tax statement, determined by multiplying the Impositions on the land set forth in the applicable tax statement by a fraction, the numerator of which shall be the gross square footage of the Property and the denominator of which shall be the gross square footage of the tax parcel covered by the applicable tax statement. Landlord shall promptly provide Tenant with the basis upon which Tenant's share of such Impositions was calculated, and indicate the last date each installment of Impositions may be paid without interest or penalty. Tenant shall pay its share of such Impositions to Landlord at least five (5) business days prior to such last date; provided, however, that Tenant shall not be obligated to pay such share any sooner than thirty (30) days after Landlord shall have given Tenant notice thereof, together with a copy of such tax statement and the other information set forth above. Landlord covenants and agrees to pay the balance of the taxes, assessments and Impositions evidenced by such tax statement prior to the last date each installment thereof may be paid without interest or penalty, and upon request shall provide Tenant proof of payment of same. If Landlord fails to pay such balance of the taxes, assessments and Impositions, including any interest or penalties accrued thereon, within thirty (30) days after notice from Tenant, then Tenant shall have the right, but not the obligation, to pay same and to deduct from Rent next payable under this Lease the amount so paid, together with interest at the rate specified in Section 18.14 below until paid or credited to Tenant.

3.3 Permitted Contests.

3.3.1 Separate Tax Statement. If the tax statement covers only the Premises, Tenant, at its sole cost and expense, may by appropriate legal proceedings conducted in good faith and with reasonable diligence, contest the amount or validity or application, in whole or in part, of any Imposition or of any lien therefor imposed upon the Premises if such proceedings suspend the collection thereof from Landlord, Tenant and the Premises or Tenant has furnished such security, if any, as may be required in the proceedings. Tenant shall give Landlord reasonable notice of the commencement and final disposition of such proceedings. Landlord shall join in any such proceedings as may be necessary or appropriate to prosecute such proceedings properly, and Landlord shall cooperate in any contest conducted by Tenant; provided, however, that any such contest shall be taken without expense to Landlord and Tenant shall reimburse Landlord for any reasonable out-of-pocket costs and fees, including attorney fees, incurred by Landlord in connection therewith. Any refunds obtained pursuant to any contest conducted by Tenant shall be payable to Tenant, and Tenant is authorized to collect the same. Within thirty (30) days after Tenant's receipt of the same, Tenant shall pay to Landlord any refunds, or portions thereof, attributable to Impositions previously paid by Landlord and not attributable to Tenant's share of same, net of Tenant's expenses of obtaining such refunds. Tenant's reimbursement obligation shall survive the expiration or sooner termination of this Lease.

3.3.2 Combined Tax Statement. If the tax statement covers the Premises plus other land, at Tenant's request (if Landlord is not already contesting), Landlord shall by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or of any lien therefor. Tenant shall reimburse Landlord for Tenant's share of Landlord's costs (including reasonable attorney's fees at trial and appellate levels) of such contest. If the Premises are not separately assessed for Impositions and Landlord fails to promptly and diligently contest any Imposition following Tenant's request to do so, then Tenant shall have the right, but not the obligation, to contest the same in accordance with the provisions of Section 3.3.1.

3.3.3 Credit to Tenant. If Landlord contests the validity or amount of any Impositions covering the Premises, then within thirty (30) days after Landlord's receipt of the same, or portions thereof, Landlord shall pay to Tenant any refunds, or portions thereof, attributable to the Impositions previously paid by Tenant, minus Tenant's allocable share of Landlord's expenses of obtaining such refunds. Landlord's reimbursement obligation under this Section 3.3.3 shall survive the expiration or sooner termination of this Lease.

SECTION 4
CONSTRUCTION; ALTERATIONS; OWNERSHIP; MAINTENANCE

4.1 Tenant's Construction. Tenant shall have no obligation to construct any Improvements on the Property. In the event that Tenant elects to construct any Improvements on the Property, the following shall apply:

4.1.1 Drawings. Landlord shall have the right to review and approve the schematic design drawings (the "**Drawings**") of the Improvements that Tenant prepares in connection with obtaining the Project Approvals. Landlord's approval shall not be required for any further drawings or any other aspect of the construction of the Improvements or any modification, replacement, alteration or addition to the Drawings or the Improvements, unless there is a Material Change (as hereinafter defined). Landlord's approval shall not be unreasonably withheld, conditioned or delayed. A "**Material Change**" is defined as any change that (a) results in the Improvements not being comparable to Tenant's other warehouse facilities located in the United States, (b) materially affects aviation at the Airport or (c) causes the Improvements to not be in architectural harmony with main terminal building of the Airport.

4.1.2 Initial Construction of the Improvements. All construction shall be performed in a good and workmanlike manner, and in substantial compliance with the Project Approvals, the Site Plan, and all applicable Laws of all governmental agencies having jurisdiction over such work.

4.1.3 Alterations to the Improvements. Following initial construction of the Improvements as set forth in the Drawings, as they may be modified as described above, any addition, alteration or other improvement ("**Alteration**") to the exterior of the Improvements that does not constitute a Material Change can be undertaken without any consent or approval from Landlord. If such Alteration will result in a Material Change, then prior to construction of any such Alteration, Tenant shall have received Landlord's written approval of the schematic design

drawings for the construction thereof. Landlord's approval shall not be unreasonably withheld, conditioned or delayed.

4.1.4 Access Drives. The Common Access Drive and the Connector Drive shall be constructed pursuant to the terms and conditions of the Road Construction Agreement. The Road Construction Agreement shall address the parties' approval of plans and specifications and a construction contract and the parties' obligation for costs of such construction.

4.1.5 Utilities. Tenant acknowledges that the Property may not currently be served by public utilities, including water, sewer, gas, electric, telephone or trash. Tenant shall be responsible for the cost to have such utilities made available at the Property.

4.2 Permits; Compliance With Codes. Pursuant to Section 2.8 hereof, Tenant, at its sole cost and expense, shall obtain all Project Approvals and other licenses, permissions, consents and approvals required to be obtained from governmental agencies or third parties in connection with construction of the Improvements and any subsequent Alterations or repairs to the Premises as required by applicable Laws. Landlord agrees to cooperate reasonably with Tenant and all governmental authorities having jurisdiction to facilitate Tenant's construction, maintenance and operation of the Premises, including, without limitation, Landlord's joinder in documents relating to the granting of the Project Approvals and entitlements, easements and other similar matters.

4.3 Ownership of Improvements. During the Term, the Improvements and all Alterations or replacements of the Improvements, and all appurtenant fixtures, machinery and equipment installed therein, shall be the property of Tenant. Landlord hereby waives any statutory or common law landlord's lien in the Improvements or any of Tenant's property therein. At the expiration or sooner termination of this Lease, the Improvements and all Alterations and replacements thereof, except for such of Tenant's fixtures, machinery and equipment as it desires to remove, shall become the property of Landlord.

4.4 Control. Notwithstanding anything to the contrary in this Lease, during the Term Tenant shall have exclusive control and possession of the Premises?

4.5 Maintenance. During the Term:

4.5.1 Maintenance of the Premises. Tenant, at its sole cost and expense, subject to Section 4.5.2 hereof, shall keep the Premises and all Improvements in good repair and in a clean condition and fully comply at all times with all Laws and shall keep the Premises and Improvements in safe and secure in full conformance with the Law, and shall make at its own expense all Alterations and repairs on the Premises, interior and exterior, structural and non-structural, ordinary or extraordinary, foreseen or unforeseen, required by lawful authorities or to keep the Premises and Improvements in good repair or which may be made necessary by the act or neglect of any person or corporation, excepting the gross negligence or willful misconduct of Landlord or any agent, contractor, or invitee of Landlord. Tenant shall not commit or suffer, and shall use all reasonable precautions to prevent waste, damage or injury to the Premises. Tenant's failure to so maintain and repair shall be governed by the terms of the REA and shall not be a

default hereunder. In the event of damage or loss by casualty or condemnation, the provisions of Section 6 and Section 8, respectively, shall govern over any conflicting provisions in the REA.

4.5.2 Maintenance of Private Access Drives and Common Access Drive. Landlord shall maintain and repair or cause to be maintained and repaired in good condition and repair, clean and free of rubbish, ice, and snow accumulations, and re-paving when necessary the Private Access Drives located outside of the Premises and the Common Access Drive . Pursuant to the terms and conditions of the REA, Tenant shall pay to Landlord 25% of Landlord's actual costs incurred to maintain, repair and re-pave the Common Access Drive in accordance with the requirements of the REA. In consideration of Tenant's construction of the Connector Drive at Tenant's sole cost and expense, Landlord shall maintain the Private Access Drives without contribution from Tenant. Tenant shall have the right to take over maintenance of the Connector Drive and/or the Common Access Drive in accordance with the provisions of Section 14.8 hereof or the REA. In the event that the Private Access Drives and/or the Common Access Drive is/are dedicated to the public and maintained by a public authority, Landlord and Tenant's obligations under the subsection shall be terminated.

4.5.3 Disputes. Any disputes under this Section 4.5 shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease.

4.6 Surrender Upon Termination. Upon expiration or sooner termination of this Lease, Tenant shall surrender the Premises to Landlord in an "as-is, where-is" condition, with all faults, latent or patent, without representation or warranty, but broom clean, as of the date of surrender.

4.6.1 Obligation to Remove Equipment. Upon the surrender of the Premises to Landlord:

(i) Tenant agrees to cause all equipment and personal property used by Tenant to operate its business, including, without limitation, merchandise racking, cash registers (together with ancillary customer check-out counters), all cooler boxes/refrigeration units and data processing and computer equipment, photo lab equipment, optical equipment, and bakery and meat and other food related equipment, to be removed from the Premises;

(ii) in connection with Tenant's removal of such items, Tenant agrees to do the following as may be necessary in order to surrender Tenant's Building in a safe condition and to satisfy any applicable code requirements: (i) "cap off" (either at the wall, ceiling or floor, as appropriate) all electrical wiring and other utility supply lines (e.g., coolant lines) servicing any such equipment (specifically excluding, however, all fire sprinkler lines which will not be moved or altered except to the extent necessary to preserve the structural integrity of such lines as they may be affected by the removal of any merchandise racking and other personal property), and (ii) in those instances where any such equipment was anchored to the floor, cause any anchoring bolts or similar connectors to be ground down flush with the flooring; and

(iii) in connection with the Fuel Facility, Tenant shall remove all fuel tanks, product piping, fuel dispensers and other equipment, clean up any contamination which resulted from the use of those tanks or the fueling lines or apparatus, and shall backfill any areas from which the fuel tanks were removed, but shall not be obligated to remove the canopy, columns, kiosk or curbing in the Fuel Facility area, all in compliance with any applicable Environmental Laws.

4.6.2 No Obligation to Repair. Except as expressly provided for in this Section 4.6, Tenant shall not be responsible to (a) remove any other fixtures or personal property, (b) level the floor slab (and Landlord hereby expressly acknowledges that upon removal of Tenant's equipment there will be holes, channels and differences in grade between the former location of equipment and the floor slab); (c) replace any capital items, including, without limitation, any HVAC equipment, electrical panels, roof, windows or skylights, which may be or may become dysfunctional prior to delivery of possession of the Premises to Landlord; or (d) perform any other repairs or make any improvements to the Premises.

4.6.3 Abandoned Equipment. Tenant's fixtures, machinery, equipment and personal property not removed by Tenant within 30 days from expiration or sooner termination of this Lease shall be considered abandoned and Landlord may dispose of such property at Tenant's cost and expense in accordance with applicable Laws governing abandoned property in effect at the time of abandonment.

4.6.4 Environmental. Notwithstanding anything to the contrary which could be implied herein, Tenant shall remain liable for all costs associated with the removal of any fuel storage or fuel containment system, or the removal and disposal of any hazardous substances that did not exist on the Property on the Effective Date, as that term is defined under any federal, state or local laws, including the definition of "hazardous substances" in Part 201 of the Michigan Natural Resources and Environmental Protection Act; and, Tenant shall further remain liable to Landlord for any costs, claims or expenses resulting from or related to the presence of any hazardous substances in, on or from the Premises that arose on the Premises after the Effective Date, or the noncompliance of Tenant with any regulation, law, rule, order or ordinance pertaining to environmental matters that arose on the Premises after the Effective Date, and Tenant shall further continue its indemnification of Landlord as provided for in Section 11.1 herein for so long as investigation or remediation of hazardous substances shall exist at the Premises. Upon expiration of this Lease, or within 120 days prior thereto, Landlord, at its option, may elect to retain an environmental consultant acceptable to Landlord, to conduct a Phase I Environmental Site Assessment of the Premises. In the event that Landlord's environmental investigation and testing indicates the presence of contamination on the Premises due to acts or omissions that occur during the Term (which the parties hereby agree to be on or subsequent to the Commencement Date) and which caused such contamination, Tenant shall investigate and remediate such contamination in accordance with all applicable federal, state and local law. This provision shall survive the termination of this Lease. Nothing in this Section 4.6.4 shall alter the Tenant's obligation to indemnify and hold harmless Landlord pursuant to Section 2.2.1 above or pursuant to that certain Letter of Intent dated October 27, 2015 between Landlord and Tenant.

4.6.5 Demolition of the Improvements. If upon termination of this Lease, Tenant is unable to provide Landlord with a statement from a licensed structural engineer certifying that the Improvements are structurally sound, Tenant shall be required, upon written demand delivered to Tenant within 90 days from the expiration or sooner termination of this Lease, to demolish the Improvements and to remove the debris, including footings and foundations, from the Property. Such demolition and removal shall be at Tenant's sole expense.

4.7 Mechanic's Liens. Without limiting the generality of any provisions hereof, this Lease shall constitute notice that Landlord shall not be liable for any work performed or to be performed, or any materials furnished or to be furnished, at the Premises for Tenant upon credit, and that no mechanic's or other lien for such work or materials shall attach to or affect the estate or interest of Landlord or the Counties in and to the Premises, unless specifically ordered by Landlord in writing. In the event any mechanic's lien is filed against the Premises (including the Private Access Drives) or the Development, the party permitting or causing such lien to be filed (the "**Permitting Party**") hereby covenants promptly either (a) to pay the same and have it discharged of record, (b) to take such action as may be required to reasonably and legally object to such lien, or (c) to have the lien removed from the Premises (including the Private Access Drives) or the Development, as applicable, and in all events agrees to have such lien discharged prior to the entry of judgment for foreclosure of such lien. Upon request of the other party (the "**Non-Permitting Party**"), the Permitting Party agrees to furnish such security or indemnity as may be required, to and for the benefit of the Non-Permitting Party, to permit an endorsement to the Non-Permitting Party's title policy to be issued relating to the Non-Permitting Party's property without showing thereon the effect of such lien. If Landlord or Tenant fails to comply with the foregoing provisions, the Non-Permitting Party is hereby granted the right, but not the obligation, to bond against or otherwise discharge any such lien and, if the Non-Permitting Party exercises this right, the Permitting Party promptly shall reimburse the Non-Permitting Party upon demand for any and all costs and expenses incurred, including, without limitation, court costs and attorneys' fees, in connection therewith, including interest thereon at the Default Rate set forth in Section 18.14.

SECTION 5
TENANT FINANCING

5.1 Definitions.

5.1.1 Institutional Investor. The term "**Institutional Investor**" as used in this Lease shall refer to a savings bank, savings and loan association, commercial bank, trust company, credit union, insurance company, college, university, state or local governmental authority, real estate investment trust, pension fund and any other financial institution that is actively engaged in commercial real estate financing and that has assets in excess of one hundred million dollars ($100,000,000) at the time the Leasehold Mortgage loan is made, and subsidiaries of any of the foregoing that are regularly engaged in the business of making real estate mortgage loans. In addition to the foregoing, an Institutional Investor may also be any partnership, corporation, trust or other legally recognized entity (a "**Special Purpose Lender**") formed for the purpose of issuing debt, securities or other obligations, the proceeds of the sale of which shall be used to make a loan to be secured by, inter alia, a Leasehold Mortgage.

5.1.2 Leasehold Estate. The term "**Leasehold Estate**" as used in this Lease shall mean the estate of Tenant created by this Lease upon and subject to all the terms and conditions of this Lease.

5.1.3 Leasehold Mortgage. The term "**Leasehold Mortgage**" as used in this Lease shall include a mortgage, a deed of trust, and any other security instrument or instruments by which Tenant's Leasehold Estate is mortgaged, conveyed, assigned, or otherwise transferred to secure a debt or other obligation, including, without limitation, a Purchase Money Leasehold Mortgage.

5.1.4 Leasehold Mortgagee. The term "**Leasehold Mortgagee**" as used in this Lease shall refer to a holder of a Leasehold Mortgage who has given notice to Landlord and whose notice has been received by Landlord as provided in Section 5.3. A "**designee**" of a Leasehold Mortgagee shall mean a subsidiary or other entity designated by a Leasehold Mortgagee to acquire any interest in the Leasehold Estate as contemplated by this Section 5.

5.1.5 Purchase Money Leasehold Mortgage. The term "**Purchase Money Leasehold Mortgage**" as used in this Lease shall mean a Leasehold Mortgage taken back, retained by, or granted to Tenant upon a sale and assignment of the Leasehold Estate to secure payment of any portion of the purchase price or any other obligations of the purchaser and assignee in connection with such sale and assignment.

5.1.6 Foreclosure. The term "**Foreclosure**" or "**foreclosure**" as used in this Lease with respect to a Leasehold Mortgage shall include a judicial sale, nonjudicial sale, trustee's sale or other similar realization proceedings.

5.2 Leasehold Mortgages Authorized.

5.2.1 Leasehold Mortgages Authorized. On one or more occasions Tenant may take back a Purchase Money Leasehold Mortgage upon a sale and assignment of the Leasehold Estate or may mortgage or otherwise encumber Tenant's Leasehold Estate to an Institutional Investor under one or more Leasehold Mortgages and assign this Lease as security for such Leasehold Mortgage or Leasehold Mortgages.

5.2.2 No Mortgage on Fee. Tenant shall not place or create any mortgage, deed of trust, or other lien or encumbrance affecting the fee interest in the Property or Premises or Landlord's interest in this Lease, and all financing of the Premises by Tenant shall, to the extent the same is secured by the Premises, be secured by one or more Leasehold Mortgages pursuant to the terms of this Section 5.

5.3 Notice to Landlord.

5.3.1 Required Notice. Each time Tenant shall take back a Purchase Money Leasehold Mortgage upon a sale and assignment of this Leasehold Estate or shall mortgage Tenant's Leasehold Estate to an Institutional Investor, the holder of such Leasehold Mortgage shall provide Landlord with notice of such Leasehold Mortgage together with a true copy of such Leasehold Mortgage and the name and address of the Leasehold Mortgagee. Following receipt

of such notice by Landlord, the provisions of this Section 5 shall apply in respect to such Leasehold Mortgage. In the event of any assignment of a Leasehold Mortgage or in the event of a change of address of a Leasehold Mortgagee or of an assignee of such Leasehold Mortgagee, notice of the new name and address shall be provided to Landlord.

5.3.2 Acknowledgement of Notice. If requested by the terms of such notice, Landlord shall promptly upon receipt of a communication purporting to constitute the notice provided for by Section 5.3.1 hereof acknowledge in writing receipt of such communication as constituting the notice provided for by Section 5.3.1 hereof, or in the alternative, notify Tenant and the Leasehold Mortgagee of the rejection of such communication as not conforming with the provisions of Section 5.3.1 and specify the basis of such rejection.

5.3.3 Amendments to Leasehold Mortgage. After Landlord has received the notice provided for by Section 5.3.1 hereof, Tenant, upon being requested to do so by Landlord, shall with reasonable promptness provide Landlord with copies of the Leasehold Mortgage. Tenant shall thereafter upon request of Landlord also provide Landlord from time to time with a copy of each material amendment, modification or supplement to such instruments.

5.4 Protection of Leasehold Mortgagees. If Tenant, or Tenant's successors or assigns, shall enter into a Leasehold Mortgage in compliance with the provisions of this Section 5, then so long as any such Leasehold Mortgage shall remain unsatisfied of record, the following provisions shall apply:

5.4.1 Consent. No cancellation, surrender or modification of this Lease shall be effective as to any Leasehold Mortgagee unless consented to in writing by such Leasehold Mortgagee, except that such consent shall not be required with respect to a termination in accordance with this Section 5 or Section 8 upon condemnation.

5.4.2 Notice of Default. Landlord, upon providing Tenant any Notice of (a) any Event of Default under this Lease, (b) a termination of this Lease, or (c) a matter on which Landlord may predicate or claim a default, shall at the same time provide a copy of such Notice to every Leasehold Mortgagee of which Landlord has been provided notice in accordance with Section 5.3 hereof. Landlord shall have no liability for the failure to give any such Notice, except that no such Notice by Landlord to Tenant shall be deemed to have been duly given unless and until a copy thereof has been so provided to every Leasehold Mortgagee of which Landlord has been provided notice in accordance with Section 5.3 hereof. From and after such Notice has been given to a Leasehold Mortgagee, such Leasehold Mortgagee shall have the same period, after the giving of such Notice to it, for remedying any default or acts or omissions which are the subject matter of such Notice, or causing the same to be remedied, as is given Tenant after the giving of such Notice to Tenant, plus in each instance, the additional periods of time specified in Sections 5.4.3 and 5.4.4 hereof to remedy, commence remedying or cause to be remedied the defaults or acts or omissions which are specified in such Notice. Landlord shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by Tenant. Tenant authorizes each Leasehold Mortgagee to take any such action at such Leasehold Mortgagee's option and does hereby authorize entry upon the Premises by the Leasehold Mortgagee for such purpose.

5.4.3 Notice to Leasehold Mortgagee. Anything contained in this Lease to the contrary notwithstanding, if any Event of Default shall occur which entitles Landlord to terminate this Lease, Landlord shall have no right to terminate this Lease unless, following the expiration of the period of time given Tenant to cure such Event of Default or the act or omission which gave rise to such Event of Default, Landlord shall notify every Leasehold Mortgagee of Landlord's intent to so terminate at least thirty (30) days in advance of the proposed effective date of such termination if the nature of such Event of Default is the failure to pay a sum of money to Landlord and at least ninety (90) days in advance of the proposed effective date of such termination in the event of any other Event of Default. The provisions of Section 5.4.4 hereof shall apply only if, during such thirty (30) or ninety (90) day termination notice period, any Leasehold Mortgagee shall:

(i) Notify Landlord of such Leasehold Mortgagee's desire to nullify such Landlord Notice of intent to terminate this Lease; and

(ii) Pay or cause to be paid all Rent and other payments (i) then due and in arrears as specified in the termination Notice to such Leasehold Mortgagee and (ii) any of the same which become due during such thirty (30) or ninety (90) day period as and when they become due; and

(iii) Comply or in good faith, with reasonable diligence and continuity, commence to comply with all non-monetary requirements of this Lease then in default and reasonably susceptible of being complied with by such Leasehold Mortgagee; provided, however, that such Leasehold Mortgagee shall not be required during such thirty (30) or ninety (90) day period to cure or commence to cure any Event of Default consisting of (i) Tenant's failure to satisfy and discharge any lien, charge or encumbrance against Tenant's interest in this Lease or the Premises junior in priority to the lien of the mortgage held by such Leasehold Mortgagee, or (ii) past non-monetary obligations then in default and not reasonably susceptible of being cured by such Leasehold Mortgagee, such as, by way of example only, the bankruptcy of Tenant.

Any notice to be given by Landlord to a Leasehold Mortgagee pursuant to any provision of this Section 5.4 shall be deemed properly addressed if sent to the address provided by that Leasehold Mortgagee pursuant to Section 5.3.

5.4.4 Procedure on Default.

(i) If Landlord shall elect to terminate this Lease by reason of any Event of Default, and a Leasehold Mortgagee shall have proceeded in the manner provided for by Section 5.4.3, this Lease shall not be deemed terminated so long as such Leasehold Mortgagee shall:

(i) Pay or cause to be paid the Rent and other monetary obligations of Tenant under this Lease as the same become due, and continue its good faith efforts to perform all of Tenant's other obligations under this Lease excepting (A) obligations of Tenant to satisfy or otherwise discharge any lien, charge or encumbrance against Tenant's

interest in this Lease or the Leasehold Estate junior in priority to the lien of the Leasehold Mortgage held by such Leasehold Mortgagee, and (B) past non-monetary obligations then in default and not reasonably susceptible of being cured by such Leasehold Mortgagee, such as, by way of example only, the bankruptcy of Tenant; and

(ii) If not enjoined or stayed, take steps to acquire or sell Tenant's interest in this Lease by foreclosure of the Leasehold Mortgage or other appropriate means and prosecute the same with due diligence.

Nothing in this Section 5.4.4(a), however, shall be construed to extend this Lease beyond the original Term hereof, nor to require a Leasehold Mortgagee to continue such foreclosure proceedings after the Event of Default has been cured. If the Event of Default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Lease shall continue in full force and effect pursuant to its terms and as if Tenant had not defaulted under this Lease.

(ii) If a Leasehold Mortgagee is complying with Section 5.4.4(a), upon the acquisition of the Leasehold Estate herein by such Leasehold Mortgagee or its designee or any other purchaser at a foreclosure sale or otherwise and the discharge of any lien, charge or encumbrance against Tenant's interest in this Lease or the Premises which is junior in priority to the lien of the Leasehold Mortgage held by such Leasehold Mortgagee and which Tenant is obligated to satisfy and discharge by reason of the terms of this Lease, this Lease shall continue in full force and effect pursuant to its terms and as if Tenant had not defaulted under this Lease.

(iii) The making of a Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Lease or the Leasehold Estate hereby created, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Lease or of the Leasehold Estate hereby created so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of Tenant to be performed hereunder. Notwithstanding the foregoing, the purchaser at any sale of this Lease and of the Leasehold Estate hereby created in any proceedings for the foreclosure of any Leasehold Mortgage, or the assignee or transferee of this Lease and of the Leasehold Estate hereby created under any instrument of assignment or transfer in lieu of the foreclosure of any Leasehold Mortgage, including, without limitation, a Leasehold Mortgagee, shall be deemed to be an assignee or transferee within the meaning of this Section 5.4.4 and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Tenant to be performed hereunder from and after the date of such purchase and assignment only for as long as such purchaser or assignee is the holder of the Leasehold Estate. If the Leasehold Mortgagee or its designee shall become holder of the Leasehold Estate and if the Premises shall have been or become materially damaged on, before or after the date of such purchase and assignment, the Leasehold Mortgagee or such designee shall be obligated to repair, replace or reconstruct the Improvements only to the extent Tenant is required to do so by the terms of Section 6 of this Lease and then only to the extent of the insurance proceeds received by the Leasehold Mortgagee or such designee by reason of

such damage. Should such net insurance proceeds be insufficient to repair, replace or reconstruct the Improvements and should the Leasehold Mortgagee or such designee choose not to fully reconstruct the Improvements, such failure shall entitle Landlord to terminate this Lease pursuant to Section 14 hereof, and the net insurance proceeds shall be distributed to the parties as provided in Section 7.5 hereof; provided, however, that the Leasehold Mortgagee shall not be entitled to receive insurance proceeds in excess of the then outstanding balance of the debt secured by the Leasehold Mortgage.

(iv) Notwithstanding any other provision of this Lease, any sale of this Lease and of the Leasehold Estate hereby created in any proceedings for the Foreclosure of any Leasehold Mortgage, or the assignment or transfer of this Lease and of the Leasehold Estate hereby created in lieu of the Foreclosure of any Leasehold Mortgage, shall be deemed to be a permitted sale, transfer or assignment of this Lease and of the Leasehold Estate hereby created.

(v) Any Leasehold Mortgagee or other acquirer of the Leasehold Estate pursuant to foreclosure, assignment in lieu of foreclosure or other proceedings, and any tenant under a New Lease, may, upon acquiring the Leasehold Estate, sell and assign the Leasehold Estate on such terms and to such persons and organizations (each, a "**Subsequent Assignee**") as are acceptable to such Leasehold Mortgagee or acquirer and thereafter be relieved of all obligations under this Lease provided such Subsequent Assignee has delivered to Landlord its written agreement to be bound by all of the provisions of this Lease.

5.5 New Lease. In the event of the termination of this Lease as a result of an Event of Default, Landlord shall promptly, within a reasonable time, provide each Leasehold Mortgagee with written notice that this Lease has been terminated (the "**New Lease Notice**"), together with a statement of all sums which would at that time be due under this Lease but for such termination and of all other defaults, if any, then known to Landlord. Landlord agrees to enter into a new lease (the "**New Lease**") of the Premises with such Leasehold Mortgagee or its designee for the remainder of the Term of this Lease; provided:

5.5.1 Request. Such Leasehold Mortgagee shall make written request upon Landlord for such New Lease within sixty (60) days after the date such Leasehold Mortgagee receives Landlord's New Lease Notice given pursuant to this Section 5.5.

5.5.2 Procedure. Such Leasehold Mortgagee or its designee shall pay or cause to be paid to Landlord at the time of the execution and delivery of such New Lease, any and all sums which would at the time of execution and delivery thereof be due pursuant to this Lease but for such termination, including interest on such sums as set forth in Section 18.14 hereof, and, in addition thereto, all reasonable expenses, including reasonable attorneys' fees, which Landlord shall have incurred by reason of such termination and the execution and delivery of the New Lease and which have not otherwise been received by Landlord from Tenant or any other party in interest under Tenant. Upon the execution of such New Lease, Landlord shall allow to tenant named therein, as an offset against the sums otherwise due under this Section 5.5.2 or under the New Lease, an amount equal to the net income received by Landlord from the Premises during

the period from the date of termination of this Lease to the date of the beginning of the term of such New Lease. In the event of a controversy as to the amount to be paid to Landlord pursuant to this Section 5.5.2, the payment obligation shall be satisfied if Landlord shall be paid the amount not in controversy upon execution of the New Lease, the Leasehold Mortgagee or such designee shall agree to pay any additional sum ultimately determined to be due, plus interest on such sum as set forth in Section 18.14 hereof, and such obligation shall be adequately secured. The parties shall cooperate promptly to determine any disputed amount. If the parties cannot determine such amount through negotiation, such dispute shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease.

5.5.3 Cure. Such Leasehold Mortgagee or such designee shall agree to remedy any of Tenant's defaults of which such Leasehold Mortgagee was notified by Landlord's New Lease Notice and which are reasonably capable of being so cured by Leasehold Mortgagee or such designee.

5.5.4 Priority. Any New Lease made pursuant to this Section 5.5 shall have the same priority with respect to any mortgage or other lien, charge or encumbrance on the Premises as this Lease, and tenant under such New Lease shall have the same right, title and interest in and to the Premises and the Improvements as Tenant had under this Lease as of the date of the New Lease.

5.6 New Lease Priorities. If more than one Leasehold Mortgagee shall request a New Lease pursuant to Section 5.5, Landlord shall enter into such New Lease with the Leasehold Mortgagee whose Leasehold Mortgage is prior in lien, or with the designee of such Leasehold Mortgagee. Landlord, without liability to Tenant or any Leasehold Mortgagee with an adverse claim, may rely upon a mortgagee title insurance policy issued by a responsible title insurance company doing business in the state where the Premises is located as the basis for determining the appropriate Leasehold Mortgagee who is entitled to such New Lease.

5.7 Certain Defaults. Nothing herein contained shall require any Leasehold Mortgagee or its designee as a condition to its exercise of rights hereunder to cure any Event of Default which by its terms is not reasonably susceptible of being cured by such Leasehold Mortgagee (such as, certain non-monetary defaults) or such designee in order to comply with the provisions of Sections 5.4.3 or 5.4.4 or as a condition of entering into the New Lease provided for in Section 5.5. The financial condition of any Leasehold Mortgagee or successor to Tenant's interest under this Lease or a New Lease shall not be a consideration in the determination of the reasonable susceptibility of cure of such Event of Default. No Event of Default, the cure of which, and no obligation of Tenant, the performance of which, requires possession of the Premises shall be deemed reasonably susceptible of cure or performance by any Leasehold Mortgagee or successor to Tenant's interest under this Lease or a New Lease not in possession of the Premises, provided such holder is complying with the requirements described in Section 5.4.4(a)(ii) hereof and, upon obtaining possession, promptly proceeds to cure any such Event of Default then reasonably susceptible of cure by such Leasehold Mortgagee or successor. No Leasehold Mortgagee shall be required to cure the bankruptcy, insolvency or any related or similar condition of Tenant.

5.8 Eminent Domain. Tenant's share, as provided in Section 8 of this Lease, of the proceeds arising from an exercise of the power of eminent domain shall, subject to the provisions of Section 8, be disposed of as provided for by any Leasehold Mortgage.

5.9 Insurance. A standard mortgagee clause naming each Leasehold Mortgagee may be added to any and all insurance policies required to be carried by Tenant hereunder. The Leasehold Mortgage may provide a manner for the disposition of such proceeds, if any, or for Tenant's interest in such proceeds, and in such event the Leasehold Mortgage shall control.

5.10 Arbitration. Landlord shall give each Leasehold Mortgagee of which Landlord has Notice prompt Notice of any arbitration or legal proceedings between Landlord and Tenant involving obligations under this Lease. Each such Leasehold Mortgagee shall have the right to intervene, within sixty (60) days after receipt of such Notice of arbitration or legal proceedings, in any such proceedings and be made a party to such proceedings, and the parties hereto do hereby consent to such intervention. Any intervening Leasehold Mortgagee shall be bound by the outcome of such proceedings. In the event that any Leasehold Mortgagee shall not elect to intervene or become a party to any such proceedings, Landlord shall give the Leasehold Mortgagee Notice of, and a copy of any award or decision made in any such proceedings, which shall be binding on all Leasehold Mortgagees not intervening after receipt of Notice of such proceedings. In the event Tenant shall fail to appoint an arbitrator, as provided in Section 15.4 hereof, a Leasehold Mortgagee (in order of seniority if there is more than one) shall have an additional period of thirty (30) days, after Notice by Landlord that Tenant has failed to appoint such arbitrator, to make such appointment, and the arbitrator so appointed shall thereupon be recognized in all respects as if he had been appointed by Tenant.

5.11 No Merger. So long as any Leasehold Mortgage is in existence, unless all Leasehold Mortgagees shall otherwise expressly consent in writing, the fee title to the Premises and the Leasehold Estate of Tenant therein created by this Lease shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said Leasehold Estate by Tenant or by a third party, by purchase or otherwise or the acquisition of said Leasehold Estate by Landlord or its successor in title to the fee title; provided, however, such a merger may occur if and only if there is a termination of this Lease after Landlord has given all notices required to be served under this Article V and all Leasehold Mortgagees have failed to exercise their respective rights either to cure a Tenant Event of Default or to request a New Lease as expressly provided in this Article V. In no event shall Leasehold Mortgagee be entitled to acquire any portion of Landlord's interest under this Lease.

5.12 Notices. Notices from Landlord to the Leasehold Mortgagee shall be mailed to the address furnished Landlord pursuant to Section 5.3.1 and those from the Leasehold Mortgagee to Landlord shall be mailed to the address designated pursuant to the provisions of Section 18.12 hereof. All Notices from any Leasehold Mortgagee or Landlord shall be given in the manner described in Section 18.12 and shall in all respects be governed by the provisions of that section.

5.13 Erroneous Payments. No payment made to Landlord by a Leasehold Mortgagee shall constitute agreement that such payment was, in fact, due under the terms of this Lease; and

any Leasehold Mortgagee having made any payment to Landlord pursuant to Landlord's wrongful, improper or mistaken Notice or demand shall be entitled to the return of any such payment or portion thereof provided the Leasehold Mortgagee shall have made demand therefor not later than twelve (12) months after the date of its payment.

5.14 **Bankruptcy**. In the event of any proceeding by either Landlord or Tenant under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect:

5.14.1 Rejection of Lease by Tenant. In the event this Lease is rejected in connection with a bankruptcy proceeding by Tenant or a trustee or debtor-in-possession acting for Tenant in any bankruptcy or insolvency proceeding, such rejection shall be deemed an assignment by Tenant to the Leasehold Mortgagee (or if there is more than one Leasehold Mortgagee, to the one highest in priority) of the Leasehold Estate and all of Tenant's interest under this Lease, in the nature of an assignment in lieu of foreclosure, and this Lease shall not terminate and the Leasehold Mortgagee shall have all the rights of the Leasehold Mortgagee under this Section 5 as if such bankruptcy proceeding had not occurred, unless such Leasehold Mortgagee shall reject such deemed assignment by notice in writing to Landlord within thirty (30) days following the later of (a) rejection of this Lease by Tenant or Tenant's trustee in bankruptcy or (b) approval of such rejection by the bankruptcy court. If such an assignment to a Leasehold Mortgagee shall occur, the Leasehold Mortgagee or its designee shall have the rights and be subject to the obligations set forth in Section 5.4.4 above. If any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by Tenant or the trustee in connection with any such proceeding, the rights of any Leasehold Mortgagee to a New Lease from Landlord pursuant to Section 5.5 hereof shall not be affected thereby.

5.14.2 Termination of Lease by Landlord. If this Lease is rejected or otherwise terminated in connection with a bankruptcy proceeding by Landlord or by Landlord's trustee in bankruptcy:

(i) Tenant shall not have the right to treat this Lease as terminated except with the prior written consent of all Leasehold Mortgagees and the right to treat this Lease as terminated in such event shall be deemed assigned to each and every Leasehold Mortgagee, whether or not specifically set forth in any such Leasehold Mortgage, so that the concurrence in writing of Landlord, Tenant and each Leasehold Mortgagee shall be required as a condition to treating this Lease as terminated in connection with such proceeding.

(ii) Unless this Lease is treated as terminated in accordance with Section 5.14.2(a) hereof, this Lease shall continue in effect upon all the terms and conditions set forth herein, including Rent, but excluding requirements that are not then applicable or pertinent to the remainder of the Term. Thereafter, Tenant or its successors shall be entitled to any offsets against Rent payable hereunder for any damages arising from such rejection or other termination and, notwithstanding any provision of this Lease to the contrary, any such offset properly made shall not be deemed a default under this Lease. Only after Tenant fails to pay Landlord any amount previously offset within ten

(10) business days after a final and nonappealable judgment finding that Tenant is required to pay such amount to Landlord shall Landlord have, subject to all other terms and conditions of this Lease, the rights and remedies provided in this Lease with respect to the nonpayment of Rent. The lien of any Leasehold Mortgage then in effect shall extend to the continuing possessory rights of Tenant following such rejection or other termination with the same priority as it would have enjoyed had such rejection or other termination not taken place.

(iii) If, in any bankruptcy or similar proceeding in which Landlord is the debtor, the Premises are sold or proposed to be sold free and clear of the interests of Tenant under this Lease, each of Tenant and any Leasehold Mortgagee shall be entitled to: (i) receive prior written notice of such proposed sale not less than ten (10) business days prior to the earliest date such sale or proposed sale is to or could occur; (ii) contest such sale or proposed sale; and (iii) petition for and receive adequate protection of their respective interests under this Lease, it being acknowledged and agreed that monetary damages are not, and will not be, adequate protection thereof.

5.15 **Leasehold Mortgagee as Trustee**. A Leasehold Mortgagee (other than Tenant under a Purchase Money Leasehold Mortgage) may hold and disburse any funds received as the proceeds of hazard insurance or condemnation.

5.16 **Rights Against Tenant**. The rights of a Leasehold Mortgagee hereunder shall not diminish any right or claim of Landlord against Tenant for damages or other monetary relief under this Lease.

5.17 **Lease Amendments Requested by Leasehold Mortgagee**. In the event Tenant seeks to obtain or modify a Leasehold Mortgage, and the applicable Leasehold Mortgagee requires amendments to this Section 5, then Landlord agrees to amend this Lease from time to time to the extent requested by the Leasehold Mortgagee, provided that the form and content of such amendments are not unreasonable and that such proposed amendments do not reduce the Rent hereunder or similarly materially and adversely affect the rights of Landlord hereunder or its interest in the Premises. All reasonable expenses incurred by Landlord in connection with any such amendment shall be paid by Tenant.

SECTION 6
DAMAGE OR DESTRUCTION

6.1 **Tenant's Improvements**. In the event of damage to or destruction of Tenant's Improvements:

6.1.1 Repair or Restoration of Tenant's Building.

6.1.1.1 Tenant Obligated. In the event of any damage to or destruction of Tenant's Building, Tenant shall only be obligated repair or reconstruct Tenant's Building if: (i) the cost of repairing or reconstructing Tenant's Building to the condition and form immediately prior to such damage or destruction, as reasonably determined by Tenant, is twenty percent

(20%) or less of the then full replacement cost of Tenant's Building (using new materials), (ii) repairing or reconstructing any such damage or destruction as required hereby may, as reasonably determined by Tenant, be performed under then existing Laws (or may be performed with minor and non-material changes to Tenant's Building as reasonably determined by Tenant), and (iii) the event or circumstance which caused such damage or destruction is the type of peril typically insured against by the then current industry standard broad form of "all-risk" property insurance (i.e. as of the date hereof, the "Causes of Loss-Special Form" of property insurance). If Tenant shall be so obligated, then Tenant shall effect such repair and reconstruction of Tenant's Building to substantially its condition prior to such damage or destruction, with such alterations thereto as Tenant shall reasonably determine prudent or valuable under the circumstances, taking into account, without limitation, applicable Laws, then-prevailing construction and engineering practices and market conditions. All exterior work that constitutes a Material Change shall be subject to Landlord's prior approval, not to be unreasonably withheld, delayed or conditioned.

6.1.1.2 Tenant Not Obligated. In the event of any damage to or destruction of Tenant's Building that Tenant is not obligated to repair or reconstruct pursuant to Section 6.1.1.1, Tenant, with the prior written consent of any Leasehold Mortgagee, may elect to: (i) terminate this Lease, (ii) permit this Lease to continue in full force and effect, without Tenant being obligated to repair, replace, reconstruct or rebuild Tenant's Building, but subject to Tenant's obligation to raze Tenant's Building in accordance with Section 6.1.3, or (iii) reconstruct Tenant's Building in such size and configuration as Tenant shall reasonably determine to be prudent or valuable under the circumstances, taking into account, without limitation, applicable Laws, then-prevailing construction and engineering practices, and market conditions. All exterior work that constitutes a Material Change shall be subject to Landlord's prior approval, not to be unreasonably withheld, delayed or conditioned. Tenant shall provide Notice to Landlord of its election within one hundred fifty (150) days after the determination by Tenant of the reasonable costs of such repair or restoration. If Tenant fails to timely provide Landlord such Notice, Tenant's right to make such an election shall not expire until Landlord notifies Tenant in writing that Tenant failed to make such an election and Tenant fails, within thirty (30) days from receipt of Landlord's Notice, to so make an election. If Tenant fails to provide Landlord with Notice of Tenant's election prior to the expiration of such 30-day period, Tenant shall be deemed to have elected to have terminated this Lease as provided in clause "i" above.

6.1.2 Repair or Restoration of Fuel Facility and/or Car Wash. Notwithstanding the provisions of Section 6.1.1 hereof, in no event shall Tenant be obligated to repair or reconstruct the Fuel Facility or Car Wash following damage or destruction to same. If Tenant elects not to repair or reconstruct the Fuel Facility and/or Car Wash, Tenant shall, at its sole cost and expense and as soon as reasonably possible after making the applicable election, raze, clear and improve the applicable portions of the Fuel Facility and/or Car Wash in accordance with the standards set forth in Section 6.1.3 hereof.

6.1.3 Performance of Repair or Razing. If Tenant, pursuant to the terms hereof, is obligated to or otherwise elects to repair, replace, reconstruct or rebuild Tenant's Building, Fuel Facility or Car Wash, or any portion thereof, the same shall be effected at Tenant's cost and

expense (which may be paid from insurance proceeds made available pursuant to Section 7.6.2). Tenant shall diligently commence and continuously carry out such repair, replacement, reconstruction or rebuilding to full completion using commercially reasonable efforts, taking into account, without limitation, time for planning and engineering, obtaining governmental approvals, ordinary constructions means and methods and delays due to any Event of Force Majeure. If the terms of any Leasehold Mortgage require any material portion of any property insurance proceeds to be applied to reduce obligations secured by the Leasehold Mortgage, then Tenant shall have a reasonable period of time to obtain alternative financing to effect such repairs, but the Rent shall not abate during any such additional period except as otherwise provided herein. If Tenant elects to terminate this Lease or elects to continue this Lease without repairing, replacing, reconstructing or rebuilding Tenant's Building, Fuel Facility or Car Wash, Tenant shall, at its sole cost and expense and as soon as reasonably possible after making the applicable election, raze Tenant's Building, Fuel Facility or Car Wash (as applicable) or such parts thereof that have been damaged or destroyed in compliance with all applicable laws, rules, or regulations, clear the Premises of all debris and level, clear and improve all areas not restored to their original use with landscaping comparable to other landscaping in the Development.

6.1.4 Tenant's Determinations. The determinations required under this Section 6.1 shall be made by Tenant acting reasonably or, if a Leasehold Mortgage shall then be in effect, by the Leasehold Mortgagee acting reasonably or by an independent qualified insurance appraiser selected by this Leasehold Mortgagee.

6.2 Private Access Drives/Common Access Drive. In the event of any damage to or destruction of any portion of the Private Access Drives and/or the Common Access Drive, regardless of whether such damage or destruction arises out of an event or circumstance that is an insured peril, Landlord shall, unless Tenant has elected to terminate this Lease pursuant to Section 6.1 hereof or the Private Access Drives or Common Access Drive, as applicable, has been dedicated to the public and is maintained by a public authority, promptly following such damage or destruction, commence and diligently pursue to completion repair or restoration of the Private Access Drives and/or the Common Access Drive, as applicable, to at least as good a condition and level of service as existed immediately prior to such damage or destruction, taking into account, without limitation, time for planning and engineering, obtaining governmental approvals, ordinary constructions means and methods and delays due to any Event of Force Majeure.

6.3 Other Improvements. Subject to any applicable requirements of the REA, in the event of any damage to or destruction of any Improvements located on the Premises other than damage to or destruction of Tenant's Building, Fuel Facility or Car Wash (which shall be governed by the provisions of Section 6.1) or the Private Access Drives and/or the Common Access Drive (which shall be governed by the provisions of Section 6.2), Tenant shall have the right, but not the obligation, to repair, replace, reconstruct or rebuild such Improvements and/or the Private Access Drives/Common Access Drive provided that in the event Tenant chooses not to repair, replace, reconstruct or rebuild such Improvements, Tenant shall raze and clear the applicable Improvements or portions thereof and thereafter improve said portion of the Premises in accordance with the standards set forth in the last sentence of Section 6.1.3 hereof. Except as

may be otherwise provided for herein, no damage to or destruction of such Improvements shall permit Landlord or Tenant the right to terminate this Lease.

6.4 During Last Ten (10) Years of Term. Notwithstanding anything to the contrary set forth in this Section 6, in the event of any damage to or destruction of any of the Improvements located on the Premises (including, without limitation, Tenant's Building) during the last ten (10) years of the Initial Term or at any time during a Renewal Period, if the cost of repairing, restoring, replacing or rebuilding such Improvements to substantially the same condition as existed immediately prior to such damage or destruction exceeds Two Hundred Fifty Thousand and No/100 Dollars ($250,000.00) (adjusted as provided in Section 18.1), as reasonably determined by Tenant, then Tenant may elect to terminate this Lease. Tenant shall provide Notice to Landlord of its election to terminate within one hundred fifty (150) days after the determination by Tenant of the reasonable costs of such repair or restoration. If Tenant fails to timely provide Landlord such Notice, Tenant's right to elect to terminate shall not expire until Landlord notifies Tenant in writing that Tenant failed to make such an election and Tenant fails, within thirty (30) days from receipt of Landlord's Notice, to elect to terminate. If Tenant fails to provide Landlord with Notice of Tenant's election to terminate prior to the expiration of such 30-day period, Tenant shall be deemed to have elected to terminate this Lease. Notwithstanding anything to the contrary contained herein, Tenant shall be responsible for razing, clearing and improving the damaged portion of the Premises in accordance with the standards set forth in the last sentence of Section 6.1.3 hereof prior to surrendering the Premises to Landlord.

6.5 No Termination of Lease. This Lease and the Term shall not terminate or be terminated because of damage to or destruction of any Improvements on or in the Premises, except in accordance with this Section 6.

6.6 Arbitration. Any disputes as to (i) the amount of damage, (ii) whether some or all of the Premises are untenantable or unusable (or the proportion thereof) or (iii) whether a casualty is of the type typically insured against by the then current industry standard broad form of "all-risk" property insurance shall be subject to mandatory arbitration pursuant to Section 15 of this Lease.

SECTION 7
INSURANCE

7.1 Acquisition of Insurance Policies. Each party, as applicable, shall procure and maintain, or cause to be procured and maintained, the insurance coverages described in this Section 7. The party that is obligated to obtain any such insurance shall do so at its sole cost and expense, subject to reimbursement as may be otherwise agreed.

7.2 Tenant's Insurance. Tenant shall procure and maintain, or cause to be procured and maintained, the following types of insurance with respect to the portion of the Development and any improvements thereon that Tenant is obligated to maintain pursuant to Section 4.5 hereof:

7.2.1 Commercial General Liability Insurance. Commercial general liability insurance in an amount not less than Two Million Dollars ($2,000,000) for each occurrence and Two Million Dollars ($2,000,000) general aggregate, insuring against claims for bodily injury, personal injury and property damage sustained in, on or about the Premises, operations on the Premises, independent contractors, products/completed operations, personal and advertising injury and contractual liability.

7.2.2 Environmental Pollution Liability. Environmental Pollution Liability Insurance in an amount not less than $2,000,000 per occurrence.

7.2.3 Automobile Liability Insurance. Commercial automobile liability insurance insuring against claims for bodily injury, personal injury and property damage arising out of the ownership, maintenance or use of any owned, non-owned or hired vehicles with a combined single limit of not less than Two Million Dollars ($2,000,000) for each occurrence.

7.2.4 Workers Compensation and Employer's Liability. Workers Compensation insurance in accordance with applicable governmental requirements. Employer's liability insurance insuring against claims alleging employer negligence that result in work-related injuries, illness or death that are not covered under applicable workers compensation statutes in an amount not less than Two Million Dollars ($2,000,000) for each accident or disease.

7.2.5 Umbrella Liability Insurance. Umbrella/excess liability insurance that applies in addition to and in excess of the insurance required pursuant to Sections 7.2.1, 7.2.2, 7.2.3, and 7.2.4, in the amount of not less than Eight Million Dollars ($8,000,000) for each occurrence and general aggregate.

7.2.6 Property Insurance. Property insurance insuring Tenant's Improvements (other than property paid for by subtenants or paid for by Tenant for which subtenants have reimbursed Tenant) against loss or damage caused by the insured perils listed below in an amount substantially equal to the full replacement cost of Tenant's Improvements (excluding footings, foundations and excavations). Such insurance shall (a) provide coverage for damage or destruction caused by those perils insured against by the then current industry standard broad form of "all-risk" property insurance except as hereinafter provided, which as of the date hereof is generally known as the "Causes of Loss-Special Form" of property insurance, (b) include "Boiler and Machinery Coverage" insuring against loss or damage caused by explosion of steam and pressure boilers and similar apparatus located on the Property, and (c) include demolition coverage. Tenant shall not be required to maintain insurance for hurricane, earthquake, earth movement, flood, terrorist acts or war risks.

7.2.7 Builder's Risk Insurance. During construction of Tenant's Building and during any subsequent restorations, Alterations or changes in Tenant's Building that involve work costing in excess of One Hundred Thousand and No/100 Dollars ($100,000.00), contingent liability and builder's risk insurance insuring against claims of physical loss to buildings and building materials on the Property and in transit caused by any of the perils insured against pursuant to Section 7.2.5 hereof in an amount substantially equal to the full replacement cost thereof.

7.3 **Landlord's Insurance**. Landlord shall procure and maintain, or cause to be procured and maintained, the following types of insurance with respect to the portion of the Development and any improvements thereon that Landlord is obligated to maintain pursuant to Section 4.5 hereof:

7.3.1 Commercial General Liability Insurance. Commercial general liability insurance in an amount not less than One Million Dollars ($1,000,000) for each occurrence and Two Million Dollars ($2,000,000) general aggregate, insuring against claims for bodily injury, personal injury and property damage sustained in, on or about the Development (other than the Property), operations at the Development, independent contractors, products/completed operations, personal and advertising injury and contractual liability.

7.3.2 Automobile Liability Insurance. Commercial automobile liability insurance insuring against claims for bodily injury, personal injury and property damage arising out of the ownership, maintenance or use of any owned, non-owned or hired vehicles with a combined single limit of not less than Two Million Dollars ($2,000,000) for each occurrence.

7.3.3 Workers Compensation and Employer's Liability. Workers Compensation insurance in accordance with applicable governmental requirements. Employer's liability insurance insuring against claims alleging employer negligence that result in work-related injuries, illness or death that are not covered under applicable workers compensation statutes in an amount not less than Two Million Dollars ($2,000,000) for each accident or disease.

7.3.4 Umbrella Liability Insurance. Umbrella/excess liability insurance that applies in addition to and in excess of the insurance required pursuant to Sections 7.3.1, 7.3.2 and 7.3.3, in the amount of not less than Eight Million Dollars ($8,000,000) for each occurrence and general aggregate.

7.3.5 Property Insurance. Property insurance insuring all of Landlord's improvements at the Development (other than the Improvements on the Property) against loss or damage caused by certain insured perils in an amount substantially equal to the full replacement cost of such improvements. Such insurance shall (a) provide coverage for damage or destruction caused by those perils typically insured against by the then current industry standard broad form of "all-risk" property insurance, which as of the date hereof is generally known as the "Causes of Loss-Special Form" of property insurance, (b) include "Boiler and Machinery Coverage" insuring against loss or damage caused by explosion of steam and pressure boilers and similar apparatus located at the Development (other than on the Property), and (c) if available, include coverage for demolition and flood, excluding sewer system overflow coverage. Landlord shall not be required to maintain insurance for hurricane, earthquake, earth movement, terrorist acts or war risks.

7.3.6 Builder's Risk Insurance. During any construction in the Development performed by or for Landlord, and during any subsequent restorations, alterations or changes in the Development performed by or for Landlord that involve work costing in excess of One Hundred Thousand and No/100 Dollars ($100,000.00), contingent liability and builder's risk insurance insuring against claims of physical loss to buildings and building materials at the

Development and in transit caused by any of the perils insured against pursuant to Section 7.3.5 hereof in an amount substantially equal to the full replacement cost thereof.

7.4 Terms of Insurance.

7.4.1 Evidence of Insurance. Tenant shall provide to Landlord certificates of insurance evidencing (a) the insurance required under Sections 7.2.1, 7.2.2, 7.2.3, 7.2.4 and 7.2.5 above within 15 days from the Effective Date of this Lease and annually thereafter, (b) the insurance required under Section 7.2.6 above within fifteen (15) days of the Rent Commencement Date and annually thereafter and (c) the insurance required under Section 7.2.7 prior to the commencement of construction of any of the Improvements. Landlord, upon the written request of Tenant, shall provide Tenant with evidence of the insurance required of Landlord hereunder. Such evidence may include a certificate of insurance, a memorandum of insurance or a statement from a licensed insurance broker or insurance company as to the coverage provided. Tenant shall be deemed to satisfy its obligation to provide Landlord with evidence of Tenant's insurance by providing Landlord with on-demand access to Tenant's memorandum of insurance for the insurance coverages indicated thereon. As of the date hereof, Tenant's memorandum of insurance may be viewed at the following website address: www.marsh.com/moi?client=0847 . Unless otherwise agreed, no party shall have the right to review the other party's actual policy documentation.

7.4.2 Terms of Tenant's Insurance. All policies of insurance described in Section 7.2: (a) with respect to the coverage required therein, shall be written as primary policies and any other policies maintained by Landlord that may provide overlapping, duplicative or additional coverage shall be deemed excess and non-contributing; (b) shall be written by insurance companies that have a then current A. M. Best's rating of "B+", "VII" or an equivalent rating, or better, and that are licensed, admitted or otherwise authorized to do business in the Governing Jurisdiction; (c) may be provided by group or blanket policies carried by Tenant, provided such group or blanket policies substantially fulfill the requirements specified herein; (d) with respect to liability insurance, shall be written on an "occurrence based" form and provide contractual liability coverage with respect to any indemnity obligation set forth in this Lease; and (e) expressly provide that Landlord shall have no liability for premiums. For the insurance required under Sections 7.2.1, 7.2.2, 7.2.3, 7.2.4, and 7.2.5, Landlord and, if requested in writing by Landlord, any mortgagee of Landlord shall be named as an "additional insured". An original additional insured endorsement signed by an authorized insurance company representative must be submitted to Landlord to evidence the endorsement of Landlord as an additional insured on all policies or Tenant shall provide Landlord with the portion of its insurance policy(ies) providing that Landlord is an additional insured as part of a class or group of parties granted additional insured status under such policy. With respect to any party identified as an "additional insured" such policy shall: (a) provide that such policy shall not be canceled without the insurer endeavoring to provide at least thirty (30) days prior written notice to the party identified as an additional insured; (b) provide for severability of interests; and (c) provide that an act or omission of one of the insureds or additional insureds that might otherwise void or reduce coverage shall not void or reduce the coverage as to the other insureds or additional insureds.

7.4.3 Terms of Landlord's Insurance. All policies of insurance described in Section 7.3: (a) with respect to the coverage required therein, shall be written as primary policies and any other policies maintained by Tenant that may provide overlapping, duplicative or additional coverage shall be deemed excess and non-contributing; (b) shall be written by insurance companies that have a then current A. M. Best's rating of "B+", "VII" or an equivalent rating, or better, and that are licensed, admitted or otherwise authorized to do business in the Governing Jurisdiction; (c) may be provided by group or blanket policies carried by Landlord, provided such group or blanket policies substantially fulfill the requirements specified herein; and (d) with respect to liability insurance, shall be written on an "occurrence based" form and provide contractual liability coverage with respect to any indemnity obligation set forth herein. For the insurance required under Sections 7.3.1, 7.3.2, 7.3.3 and 7.3.4, Tenant and, if requested in writing by Tenant, any subsidiary, proprietary company or corporation, partnership or joint venture of Tenant shall be named as an "additional insured". With respect to any party identified as an "additional insured" such policy shall: (a) provide that such policy shall not be canceled without the insurer endeavoring to provide at least thirty (30) days prior written notice to the parties identified as additional insureds; (b) provide for severability of interests; and (c) provide that an act or omission of one of the insureds or additional insureds that might otherwise void or reduce coverage shall not void or reduce the coverage as to the other insureds or additional insureds. A party that is to be named as an additional insured need not be named individually or by an endorsement to such policy, but may be named as part of a class or group of parties granted additional insured status under such policy.

7.4.4 Deductibles and Self-Insurance. Either party shall have the right to have deductibles and/or self-insured retentions as such party determines to be prudent, provided that no party shall have a deductible or self-insured retention exceeding Fifty Thousand and No/100 Dollars ($50,000.00) unless such party shall have the right to utilize Self-Insurance (as hereinafter defined). If a party (or its Affiliate that is providing the insurance) shall have a net worth of greater than One Hundred Million and No/100 Dollars ($100,000,000.00), then such party shall have the right to satisfy any or all of its insurance obligations by means of self-insurance, including, without limitation, insurance provided by Affiliates of such party ("**Self-Insurance**"). If a party elects to utilize Self-Insurance, the other party shall have the right to request evidence that the party electing to utilize Self-Insurance satisfies the net worth requirement. If a party is a corporation with publicly traded securities or is otherwise required to file financial statements with the Securities and Exchange Commission, the public filing of such financial statements shall be deemed to satisfy the requirement to provide evidence of such party's net worth. Alternatively, a party shall provide the other party with a copy of its most current quarterly and annual financial reports, certified by an officer of the company. For purposes of the releases and mutual waiver of subrogation and claims provided for in Section 7.7, the amount of any deductible, self-insured retention or proceeds that would have been paid if a party had obtained the insurance required herein from a third party (as opposed to utilizing Self-Insurance) shall be deemed to be a part of the insurance proceeds obtained by such party.

7.4.5 Adjustments in Liability Coverage. The amount of liability insurance required to be carried by Tenant and Landlord pursuant to Sections 7.2.4 and 7.3.4 shall be subject to adjustment on the first day of the sixth Lease Year, and the first day of each

succeeding period of five (5) Lease Years as provided for in Section 18.1; provided that no adjustment shall be required unless the minimum amount of the adjustment is One Hundred Thousand and No/100 Dollars ($100,000.00) and each adjustment shall be rounded off to the nearest Fifty Thousand and no/100 Dollars ($50,000.00) increment.

7.4.6 Limitation of Liability. The insurance required by this Lease shall not be deemed to limit, release or diminish the liability of Landlord or Tenant, as applicable, including, without limitation, any liability pursuant to the indemnities set forth in Section 11 hereof. The damages recoverable by a party shall not be limited by the amount or scope of coverages required by this Lease.

7.5 Insurance Proceeds. All insurance proceeds due from the insurance policies procured pursuant to the provisions of this Lease shall be distributed as specified below, or if not so specified, to the party who acquired such insurance.

7.5.1 Liability Insurance Proceeds. If the proceeds of any liability insurance are not paid directly to the claimant and/or to the third party vendors incurring fees and expenses in connection with such claim, then, in absence of any particular itemization or requirement on the use or application of such proceeds, such proceeds shall be paid as follows:

(i) First, to reimburse the party that paid the financial obligations pursuant to any order, judgment or settlement of such claim;

(ii) Second, to reimburse the party that incurred any reasonable third party financial liability in connection with or arising out of such claim, including, without limitation, reasonable third party fees and expenses; and

(iii) Third, to the party who acquired the insurance for which the claim was paid, subject to, in the case of Tenant, the terms of any Leasehold Mortgage then in effect, and, in the case of Landlord, the terms of any financing or mortgage of Landlord.

7.5.2 Property Insurance Proceeds-Application to Restoration. In the event of any damage to or destruction of any improvements in the Development, if Landlord or Tenant, as applicable, is required to, or otherwise elects to, repair, replace, reconstruct or rebuild any or all of such Improvements, the proceeds of the insurance collected with respect to such damage or destruction shall be applied to the cost of such repair, replacement, reconstruction or rebuilding. Any proceeds received from Tenant's insurance shall be held by Tenant, unless the provisions of any Leasehold Mortgage currently in effect require the proceeds to be held by such Leasehold Mortgagee. The party to whom such proceeds are distributed shall hold such proceeds in trust pending distribution of such proceeds in accordance with the terms of this Lease. With respect to work performed by Landlord or Tenant, such proceeds may be distributed in multiple draws upon satisfaction of typical construction loan disbursement requirements, including without limitation, certificate of satisfactory progress or completion, as applicable, by the licensed architect or engineer in charge of the work and conditional or final lien waivers, as applicable. Any amounts payable to Landlord or Tenant, as applicable, or any Affiliate of such party for work or services performed or materials provided as part of any such repair, replacement,

reconstruction or rebuilding shall not exceed competitive rates for such services or materials. Upon completion of such repair, replacement, reconstruction or rebuilding in accordance with the provisions of this Lease, and the full payment of the costs therefor, any insurance proceeds received by a party with respect to such damage or destruction that are not so used shall remain the property of the party that procured such insurance.

7.5.3 Property Insurance Proceeds-No Restoration. In the event of any damage to or destruction of any Improvements at the Property and if Tenant is not required to and does not proceed with repair, replacement, reconstruction or rebuilding, or if Tenant elects to terminate this Lease on account of such damage or destruction pursuant to the terms of Section 6 hereof, any such property insurance proceeds received and held by Tenant (or by the Leasehold Mortgagee if the Property is then encumbered by a Leasehold Mortgage and the Leasehold Mortgagee so requires) and not used for repair, replacement, reconstruction or rebuilding shall be disposed of as follows:

(i) First, unless Tenant has already satisfied its obligation to raze pursuant to Section 6.1.3 hereof, Landlord shall be awarded an amount reasonably estimated to satisfy such obligation. Such amount may be paid directly to Landlord by the insurance company or otherwise paid to Landlord and, upon receipt, Tenant shall be deemed to have fully satisfied its obligation to so raze.

(ii) Second, to Tenant, subject to the terms of any Leasehold Mortgage then in effect.

7.6 Releases and Waiver of Subrogation.

7.6.1 Property Insurance. Landlord hereby releases Tenant, its agents, employees, contractors, officers, directors, members, partners and shareholders, from any and all liability or responsibility to Landlord, or anyone claiming by, through or under Landlord, by way of subrogation or otherwise, for any injury to or death of persons, or damage to or loss of real or personal property caused by or resulting from any peril insured against by any property insurance policy required of, or otherwise carried by, Landlord hereunder, even if such injury, death, damage or loss was caused by the negligence (sole or contributory) of Tenant, or anyone for whom Tenant may be responsible. Tenant hereby releases Landlord, its agents, employees, contractors, officers, directors, members, partners and shareholders, from any and all liability or responsibility to Tenant, or anyone claiming by, through or under Tenant, by way of subrogation or otherwise, for any injury to or death of persons, or damage to or loss of real or personal property caused by or resulting from any peril insured against by any property insurance policy required of, or otherwise carried by, Tenant hereunder, even if such injury, death, damage or loss was caused by the negligence (sole or contributory) of Landlord, or anyone for whom Landlord may be responsible. Landlord and Tenant shall each procure insurance policies with either an acknowledgement of such release or affirmative waiver of subrogation, and with a clause or endorsement to the effect that any such release shall not adversely affect or impair such party's rights under such policies or prejudice the right of the releasor to recover thereunder.

7.6.2 Liability Insurance. Each party shall cause its respective liability insurance policies to prohibit the insurer thereunder from pursuing a claim against an additional insured, its agents, employees, contractors, officers, directors, members, partners and shareholders related to or arising out of a loss that is totally or partially the fault of the acts or omissions of such additional insured, its agents, employees, contractors, officers, directors, members, partners or shareholders. The party that is named as an additional insured shall be afforded coverage regardless of whether the named insured is at fault or a party to any such dispute (i.e. such coverage shall not be limited to vicarious or derivative liability).

7.6.3 Insurance Standards. If insurance policies with the releases and waivers set forth in this Section 7.6 (or a commercially reasonable substantial equivalent) are not obtainable or are obtainable only at a substantial premium over that chargeable without such waiver, the party who is attempting to acquire such release or waiver shall notify the party that is the beneficiary of such release or waiver, and the beneficiary party shall have thirty (30) days thereafter to either: (a) procure such insurance with companies reasonably satisfactory to the other party or (b) agree to pay such additional premium. If the beneficiary party does not timely proceed under clause "(a)" or "(b)" above, then the obligation of the acquiring party to grant such release and obtain such waiver shall be null and void and have no force or effect, but only for the period of time that such release or waiver is not able to be obtained or for the period of time that the beneficiary party elects not to pay the additional cost thereof. If policies with such provisions shall at any time thereafter be obtainable at no substantial additional cost, neither party shall be subsequently liable for a failure to obtain such insurance until a reasonable time after notification thereof by the other party.

7.6.4 Applicable Laws. The releases and waivers set forth in this Section 7.6 shall be subject to the applicable laws of the Governing Jurisdiction. In the event that the releases and/or waivers set forth in this Section 7.6 are broader than what is permissible under applicable laws of the Governing Jurisdiction, then the releases and waivers set forth in this Section 7.6 shall be interpreted to be only as broad as is legally permissible.

7.7 Insurance Determinations. The determinations required of Tenant under this Section 7 shall be made by Tenant acting reasonably, or if a Leasehold Mortgage shall then be in effect, by the Leasehold Mortgagee acting reasonably. A Leasehold Mortgagee may select a qualified independent insurance appraiser to make such determinations. If a matter is not resolved by a qualified independent insurance appraiser, any disputes regarding such determination shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease.

SECTION 8
CONDEMNATION

8.1 Total Taking. In the event of the taking or condemnation by any competent authority of the whole or materially all of the Premises or the right of access to the Premises over the Private Access Drives at any time during the Term (a "**Total Taking**"), the right of Landlord and Tenant to share in the proceeds of any award for such taking and damages upon any such Total Taking shall be as follows:

8.1.1 Termination of Lease. The Term shall cease as of the date of possession by the condemnor and all Rent shall be apportioned as of the date of possession.

8.1.2 Removal of Improvements. There shall be paid from the condemnation award any expenses required with respect to the demolition or removal of any remaining Improvements on the Property upon termination of this Lease.

8.1.3 Landlord's and Tenant's Shares. Landlord and Tenant shall each receive the present value of their respective interests in the Leasehold Estate and Improvements, together with interest thereon from the date of taking to the date of payment at the rate paid on the award, and attorney's fees and other costs to the extent awarded. The present values of Landlord's and Tenant's respective interests in the Leasehold Estate and Improvements shall be established by the same court of law or other trier of fact that establishes the amount of the condemnation award, but if there is no court of law available or willing to so determine Landlord's and Tenant's respective interests, those interests shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease. Such value shall be determined without regard to any early termination of this Lease due to any taking or condemnation and shall assume that all Renewal Periods have been exercised.

8.2 Partial Taking. In the event of a partial taking or condemnation of the Premises or the Development, e.g., a taking or condemnation that is not a Total Taking or a temporary taking (a "**Partial Taking**"):

8.2.1 Rent Abatement. Except as provided in Section 8.2.2, the Term of this Lease shall continue but the Base Rent to be paid by Tenant under Section 1.3 shall thereafter be reduced in the ratio that the rental value of the portion of the Premises or the Development taken or condemned (determined on a square footage or other equitable basis) bears to the rental value of the entire Premises at the time of the Partial Taking. If the parties cannot agree upon a just proportion of Base Rent to be abated, the amount shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease.

8.2.2 Termination Right. If (a) the remaining part of the Premises or the Development not so taken cannot be adequately restored, repaired or reconstructed so as to constitute a complete functional unit of property of substantially the same usefulness, design and construction as immediately before such Partial Taking, capable of providing Tenant with a facility that meets its then current requirements (including, without limitation, parking and access over the Private Access Drives and the Common Access Drive), as reasonably determined by Tenant, or (b) the Partial Taking occurs during the last ten (10) years of the Initial Term or during any Renewal Period, then Tenant (with the consent of any Leasehold Mortgagee) shall have the right, to be exercised by Notice to Landlord within sixty (60) days after the date of the Partial Taking, to terminate this Lease as to such remaining part of the Premises not so taken on a date to be specified in said Notice not earlier than the date of such Partial Taking. In such case Tenant shall pay and satisfy all Rent and other charges due and accrued hereunder up to the date of termination and shall perform all of the obligations of Tenant hereunder up to such date, as well as perform its obligations that are due upon termination. Any controversy with respect to

Tenant's determination shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease.

8.2.3 Award. Any award paid in respect of a Partial Taking, whether this Lease continues or is terminated, shall be divided and shared by Landlord and Tenant as provided in Section 8.1.3 hereof.

8.2.4 Restoration. If this Lease is not terminated as provided in Section 8.2.2, then, as to the Premises not taken in such condemnation proceeding, Tenant shall proceed diligently, to the extent the portion of the condemnation award paid to Tenant is sufficient for such purpose, to restore, repair or reconstruct the Premises, to the extent practicable, to a functional unit of substantially the same usefulness, design, construction and quality as existed prior to such Partial Taking.

8.2.5 Successive Takings. In case of a second or any other additional Partial Taking from time to time, the provisions of this Section 8.2 shall apply to each such Partial Taking.

8.3 Temporary Taking. If the whole or any part of the Premises or of Tenant's interest under this Lease is taken or condemned by any competent authority for its temporary use or occupancy, (a) Tenant shall continue to pay, in the manner and at the times herein specified, the full amounts of the Base Rent and all Impositions and other charges payable by Tenant hereunder, (b) this Lease shall continue and, (c) except only to the extent that Tenant may be prevented from so doing pursuant to the terms of the order of the condemning authority, Tenant shall perform and observe all of the other terms, covenants, conditions and obligations hereof upon the part of Tenant to be performed and observed as though such taking or condemnation had not occurred. In the event of any such temporary taking or condemnation, Tenant shall be entitled to receive the entire amount of any award made for such taking, whether paid by way of damages, rent or otherwise, unless such period of temporary use or occupancy shall extend to or beyond the expiration date of the Term of this Lease, in which case such award shall be apportioned between Landlord and Tenant as of such date of expiration of the Term.

8.4 Takings of the Development. In the event of one or more Partial Takings or a temporary taking of all or any portion of the Development (including the Common Access Drive), if Tenant has not exercised its right to terminate this Lease pursuant to the terms of this Section 8, then, as to the portions of the Development not taken in such condemnation proceeding(s), Landlord shall proceed diligently to restore, repair or reconstruct such portions of the Development, to the extent practicable and necessary for the Tenant's use of the Premises, to a functional unit of substantially the same usefulness, design, construction and quality as it affects the Tenant's use of the Premises as existed prior to such taking(s).

SECTION 9
COMPLIANCE WITH LAWS

9.1 Tenant to Comply with Laws.

9.1.1 From and after the Commencement Date, Tenant shall at all times during the Term of this Lease, at Tenant's sole cost and expense, comply in all material respects with Laws now or hereafter enacted or promulgated which are applicable to the Premises, the Development, or the Airport and the business of Tenant conducted on the Premises. Upon request of Tenant, Landlord shall reasonably cooperate, at Tenant's sole cost and expense, to facilitate Tenant's compliance with Laws. Tenant shall obtain and maintain in full force and effect at all times such governmental approvals, rulings, permits and licenses, and shall take all other action as may be necessary to comply with all environmental, ecological and other governmental requirements, statutes, regulations, rulings, permits or judicial or administrative orders relating to the Premises and its operations thereon, including those relating to the use of Hazardous Materials on the Premises.

9.1.2 Tenant acknowledges that this Lease and its rights hereunder shall be exercised subject to and in accordance with the laws of the United States of America, the State of Michigan, and the City of Traverse City; all rules and regulations and ordinances of Landlord (pertaining to commercial operators or otherwise) now in force or hereafter prescribed or promulgated by Landlord or by law shall be closely observed during the full term of this Lease. Without limiting the foregoing, Tenant hereby agrees that during the full Term of this Lease, including any Renewal Period, Tenant shall not to erect, permit the erection or growth of, or permit or suffer to remain upon the Property any building, structure, tree or other object extending into the prohibited air space above the pre-approved height of the Costco Building or make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard; all modifications to the pre-approved building and other facilities owned by Tenant that alter the height of the building shall be submitted to the FAA using form 7460 before any modifications are made; and Tenant agrees to (a) not create excessive dust or smoke that may impair visibility to aircraft using the Airport, (b) not create unusual electrical interference with radio communications between the Airport and aircraft, (c) not create lighting that makes it difficult to distinguish between the Airport runways/taxiways and Tenant's parking lot; and (d) install outdoor lighting that conforms to FAA standards. These covenants and agreements shall run with the land and shall be forever binding upon the heirs, administrators, executors, and successors and assigns of Tenant.

9.1.3 Tenant covenants and agrees as a covenant running with the land that, (a) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of Premises or any of its facilities, (b) in construction of any improvements on, over or under such Property and the furnishing of services thereon, no person on the grounds of race, color, or national original shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, and (c) Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, nondiscrimination in federally assisted programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

Tenant shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly

discriminatory prices for each unit or service; provided that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates and other similar type of price reductions to volume purchasers.

Tenant shall make its accommodations and/or services available to the public on fair and reasonable terms without unjust discrimination on the basis of race, color, religion, sex or national origin.

Non-compliance with clauses (a), (b), and (c) of this Section 9.1.3, after written findings, will constitute a material breach of this Lease.

9.1.4 Tenant shall not generate, store, transfer, transport or release any Hazardous Materials on the Premises in violation of any Environmental Laws nor shall Tenant engage in the operation of a hazardous waste facility on the Premises.

9.2 Landlord to Comply with Laws. Landlord shall at all times during the Term of this Lease, at Landlord's sole cost and expense (but subject to Tenant's contribution obligations set forth in Section 4.5.2 hereof), comply in all material respects with Laws now or hereafter enacted or promulgated which are applicable to the Development and the business conducted in the Development, but specifically excluding, from and after the Commencement Date, the Premises unless Landlord is obligated to maintain any portion of the Premises pursuant to Section 4.5.2. Upon request of Landlord, Tenant shall reasonably cooperate, at Landlord's sole cost and expense, to facilitate Landlord's compliance with Laws.

SECTION 10
INSPECTION BY LANDLORD

10.1 Inspection of Premises.

10.1.1 Landlord and Landlord's agents and representatives shall be entitled, from time to time, upon reasonable notice to Tenant, to go upon and into the Premises during Tenant's business operating hours for the purpose of inspecting the same or inspecting the performance by Tenant of the agreements and conditions of this Lease. Landlord shall assume no duty or liability with respect to the Premises or their maintenance as a result of such inspection.

10.1.2 During the last twelve (12) months of the Term of this Lease, Tenant shall permit inspection of the Premises at reasonable times and for reasonable periods by or on behalf of prospective tenants and prospective purchasers.

10.2 Rights of Subtenants. Notwithstanding the provisions of Section 10.1, the rights of Landlord to enter into any portion of the Premises which are subject to a sublease from Tenant to any subtenant shall be subject to reasonable restrictions contained in such sublease which are applicable to Tenant and any provisions of applicable Law.

SECTION 11
INDEMNIFICATION

11.1 **Tenant to Indemnify Landlord**. To the extent permitted by Michigan law and notwithstanding that joint or concurrent liability may be imposed upon Landlord by any Law, Tenant shall, upon demand, indemnify, defend, hold harmless and reimburse Landlord, its shareholders, officers, partners, members, employees and agents (individually, a "**Landlord Indemnified Party**" and collectively, the "**Landlord Indemnified Parties**") from and against and for any and all liabilities, obligations, penalties, fines, suits, claims, demands, actions, costs and expenses of any kind or nature including, without limitation, reasonable attorneys' fees actually incurred (collectively, "**Costs**"), which may be imposed upon or asserted against any of the Landlord Indemnified Parties by reason of:

11.1.1 Tenant's Breach. Any breach, violation or non-performance by Tenant of any covenant or agreement in this Lease required by the terms of this Lease to be fulfilled, kept, observed or performed by Tenant, including any failure of Tenant to maintain or renew any insurance policy required by the terms of this Lease;

11.1.2 Access. Any Costs arising out of Tenant's or its subtenants exercise of its right and privilege to go upon the Property or the Development pursuant to Section 2.2 hereof;

11.1.3 Use or Occupancy. Any accident, injury or damage to person and/or property arising from any use or occupancy of the Premises which Tenant or its subtenants may make, permit or suffer to be made or exist, or occasioned by any use or occupancy of or activity on the Premises by or for Tenant or its subtenants or any of their agents, contractors, employees, subtenants or invitees, or anyone claiming through any of them;

11.1.4 Tenant Negligence. Any negligence or wrongful act or omission on the part of Tenant or its subtenants or any of their agents, contractors, employees, subtenants or invitees, or anyone claiming through any of them; and

11.1.5 Tenant Work and Construction. Any work or thing done by or for Tenant or its subtenants in, on or about the Premises and/or the Development, or any part thereof, including all claims and liability arising by virtue of or relating to construction of the Improvements, Alterations or repairs, restoration or rebuilding thereof, unless performed by any of the Landlord Indemnified Parties or any of their agents.

11.1.6 Limitations. The foregoing indemnity shall not apply to (a) any Costs to the extent caused by a breach of this Lease by any of the Landlord Indemnified Parties or any of their contractors, invitees or anyone claiming through any of them; (b) the negligence or willful misconduct by any of the Landlord Indemnified Parties or any of their contractors, invitees or anyone claiming through any of them; or (c) any claim for diminution in value of the Property or for environmental remediation or clean-up costs arising out of or in connection with the mere fact of having discovered and/or reported (as may be required by Law) any adverse physical condition, title condition, or other defect with respect to the condition of the Property in connection with the investigations made by Tenant pursuant to Section 2 existing as of the

Effective Date and not otherwise caused by the actions of Tenant, its agents, contractors, invitees, employees, officers, or anyone claiming through any of them .

11.1.7 Legal Proceedings. If Tenant is required to defend any action or proceeding pursuant to this Section 11.1 to which any Landlord Indemnified Party is made a party, such Landlord Indemnified Party shall also be entitled to appear, defend or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent such Landlord Indemnified Party is indemnified under this Section 11.1, Tenant shall bear the cost of such Landlord Indemnified Party's defense, including reasonable attorney's fees actually incurred; provided, however, Tenant shall be liable for attorney's fees of separate counsel selected by such Landlord Indemnified Party and reasonably approved by Tenant only if a single legal counsel (or a single firm of legal counsel) cannot represent both Tenant and such Landlord Indemnified Party without there arising an actual conflict of interest.

11.1.8 Environmental Indemnification. Tenant has obtained, and at all times shall maintain in full force and effect, such governmental approvals, rulings, permits and licenses, and has taken all other action, as may be necessary to comply with all environmental, ecological and other governmental requirements, statutes, regulations, permits, or judicial or administrative orders, or any contracts relating to the Premises and the operations thereon, including without limitation those relating to the use on the Premises of any hazardous substance or waste as defined in any law of the United States or the State of Michigan. Tenant further acknowledges that Tenant has not received any notice of any violation of any of the foregoing; that Tenant has not and is not generating, storing, transporting or releasing upon the Premises any hazardous substance or waste in violation of any law and Tenant will not engage in any such activity or in the operation of a hazardous waste facility on the Premises; that if there shall exist or be a breach or default of any of the foregoing representations, warranties, agreements or covenants, or if any of such representations or warranties shall at any time no longer be true and correct as to such time, then Tenant shall take all actions necessary to cure any such breach or default and make all such representations and warranties true and correct as of such time; and Tenant further agrees to indemnify and hold Landlord harmless against any cost or expense of any type or nature related to or arising from any such breach or default, including without limitation removal or remedial action incurred as a result of any order of the United States Government or any agency, the State of Michigan or any state agency, any local governmental unit, or any court or administrative agency resulting from or arising from hazardous materials being on the Premises as a result of the acts or omissions of Tenant, or the noncompliance of the Premises or Tenant with any existing regulation, law, rule or ordinance pertaining to environmental matters, which indemnity shall include but not be limited to the costs of defense incurred by Landlord, court costs, expenses, attorney fees, judgments and awards, expenses of investigation and any other related expense which may arise from or be claimed to have arisen from any environmental claim of any type or nature pertaining to Tenant's occupancy.

11.2 Landlord to Indemnify Tenant. The extent permitted by Michigan law and notwithstanding that joint or concurrent liability may be imposed upon Tenant by Law, Landlord shall upon demand indemnify, defend, hold harmless and reimburse Tenant, its shareholders, officers, partners, members, employees and agents (individually, a "**Tenant Indemnified Party**" and collectively, the "**Tenant Indemnified Parties**") from and against and for any and all Costs

which may be imposed upon or asserted against any of the Tenant Indemnified Parties up to the limits of and to the extent covered by Landlord's Insurance as set forth in Section 7.3 by reason of:

11.2.1 Acts or Omissions Prior to Commencement Date. Any matters occurring prior to the Commencement Date of this Lease (including the environmental condition of the Development), except to the extent caused by the acts or omissions of any of the Tenant Indemnified Parties or any of their contractors, invitees or anyone claiming through any of them;

11.2.2 Landlord's Breach. Any breach, violation or non-performance by Landlord of any covenant or agreement in this Lease required by the terms of this Lease on the part of Landlord to be fulfilled, kept, observed or performed;

11.2.3 Use or Occupancy. Any accident, injury or damage to person and/or property arising from any use or occupancy of the Development which Landlord may make, permit or suffer to be made or exist, or occasioned by any use or occupancy of or activity on the Development by or for Landlord or any of its tenants, agents, contractors, employees, invitees or anyone claiming through any of them;

11.2.4 Landlord Negligence. Any negligence or wrongful act or omission on the part of Landlord or any of its tenants, agents, contractors, employees, invitees or anyone claiming through any of them; and

11.2.5 Landlord Work and Construction. Any work or thing done by or for Landlord in, on or about the Premises, the Development or the Airport or any part thereof, including all claims and liability arising by virtue of any construction of the Development or the Airport, any alterations thereto or any repairs, restoration or rebuilding of the Development or the Airport, unless performed by any of the Tenant Indemnified Parties or any of their contractors, invitees or anyone claiming through any of them.

11.2.6 Limitation. The foregoing indemnity shall not apply to (a) any Costs to the extent caused by a breach of this Lease by any of the Tenant Indemnified Parties or their contractors, invitees or anyone claiming through any of them, or (b) the negligence or willful misconduct of any of the Tenant Indemnified Parties or their contractors, invitees or anyone claiming through any of them.

11.2.7 Legal Proceedings. If Landlord is required to defend any action or proceeding pursuant to this Section 11.2 to which any Tenant Indemnified Party is made a party, such Tenant Indemnified Party shall also be entitled to appear, defend or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent such Tenant Indemnified Party is indemnified under this Section 11.2, Landlord shall bear the cost of such Tenant Indemnified Party's defense, including reasonable attorney's fees actually incurred; provided, however, Landlord shall be liable for attorney's fees of separate counsel selected by such Tenant Indemnified party and reasonably approved by Landlord only if a single legal counsel (or a single firm of legal counsel) cannot represent both Landlord and such Tenant Indemnified Party without there arising an actual conflict of interest.

11.3 Arbitration. Any disputes arising under this Section 11 shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease.

11.4 Survival and Governmental Immunity. Nothing herein shall be deemed to waive the defense of governmental immunity that may be asserted by Landlord in any action. The provisions set forth in this Section 11 shall survive termination of this Lease.

SECTION 12
SUBLETTING AND ASSIGNMENT

12.1 Subletting and Assignment. Tenant may assign any partial interest in this Lease or sublet any part of the Premises without the Landlord's consent. Tenant may assign its interest in this entire Lease or sublet the entire Premises with the Landlord's consent which consent shall not be unreasonably withheld, delayed or conditioned. Upon any assignment of this Lease, Tenant shall, if Tenant so requests, be released from all further liability accruing under this Lease for the portion of this Lease or Premises assigned from and after the date of the assignment provided that the assignee has a net worth in excess of One Hundred Million and No/100 Dollars ($100,000,000.00) as determined in accordance with generally accepted accounting practices as of the date of such assignment. Any dispute regarding the net worth of the assignee shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease. Tenant upon request shall provide Landlord with copies of all assignments, subleases and assumption agreements.

12.2 Assignee Obligations. Any assignee shall assume in writing all the terms, covenants and conditions of this Lease to be performed by Tenant under this Lease accruing from and after the date of the assignment in form reasonably acceptable to Landlord.

12.3 Non-Disturbance of Subtenants. Upon the request of Tenant or any Leasehold Mortgagee as provided in Section 5 hereof, but subject to the last sentence of this Section 12.3, Landlord shall, within a reasonable time following receipt thereof, execute, acknowledge and deliver a non-disturbance agreement with any subtenant of space in the Premises to the effect that, in the event of termination of this Lease prior to the expiration date for any reason, (a) such subtenant shall be entitled to continued occupancy in the Premises in accordance with its sublease with Tenant as long as such sublease is not terminated in accordance with its terms (including termination for default upon expiration of all applicable periods to cure), and (b) such subtenant agrees to attorn to Landlord under the applicable sublease (including the payment of all rental and other charges without offset for prepayments previously made other than rental and other charges paid not more than one month in advance) and agrees not to effect the termination of the same due to any termination of this Lease, and upon such other terms and conditions as are customary in similar circumstances. Notwithstanding the foregoing, Landlord shall not be obligated to deliver any non-disturbance agreement with respect to any subtenant unless Tenant has delivered a copy of the sublease to Landlord and Landlord has approved the sublease, such approval not to be unreasonably withheld, conditioned or delayed.

SECTION 13
LANDLORD AND TENANT TO FURNISH STATEMENT

13.1 **Landlord's Statement**. Landlord, within ten (10) business days after written request to Landlord from Tenant or any Leasehold Mortgagee or prospective Leasehold Mortgagee, will furnish a written statement, duly acknowledged, as to the following items:

(i) The amount of Rent due, if any;

(ii) Whether or not this Lease is unmodified and in full force and effect (or, if there have been modifications, whether or not this Lease is in full force and effect as modified and identifying the modifications);

(iii) Whether or not, to Landlord's actual knowledge, an Event of Default has occurred and specifying the nature of such Event of Default, if any;

(iv) Whether or not, to Landlord's actual knowledge, any circumstances or events exist which, with the passage of time or giving of Notice or both, may constitute an Event of Default hereunder; and

(v) Such other matters as Tenant or this Leasehold Mortgagee may reasonably request and which relate to the actual knowledge of Landlord.

13.2 **Tenant's Statement**. Tenant, within ten (10) business days after written request from Landlord, will furnish a written statement, duly acknowledged, as to:

(i) Whether or not this Lease is unmodified and in full force and effect (or, if there have been modifications, whether or not this Lease is in full force and effect as modified and identifying the modifications);

(ii) Whether or not, to Tenant's actual knowledge, a Landlord Event of Default has occurred and specifying the nature of such Landlord Event of Default, if any;

(iii) Whether or not, to Tenant's actual knowledge, any circumstances or events exist which, with the passage of time or giving of Notice or both, may constitute a Landlord Event of Default hereunder; and

(iv) Such other matters as Landlord may reasonably request and which relate to the actual knowledge of Tenant.

SECTION 14
DEFAULT

14.1 **Tenant Default**. The occurrence of any of the following shall constitute an event of default on the part of Tenant under this Lease (an "**Event of Default**"):

14.1.1 Payments to Landlord. Failure of Tenant to make any payment of Rent within five (5) business days after Notice is given to Tenant by Landlord.

14.1.2 Breach of Other Covenants. Tenant being in breach of or failing to perform, comply with or observe any term, covenant, warranty, condition, agreement or undertaking of Tenant contained in or arising under this Lease other than those referred to in Section 14.1.1 and such failure continuing for a period of thirty (30) days after Notice thereof is given by Landlord to Tenant; provided, however, that if such breach or failure cannot reasonably be cured within such thirty (30) day period, such thirty (30) day period shall be extended until such cure is complete so long as Tenant diligently and continuously prosecutes such cure.

14.1.3 Other Events of Default:

14.1.3.1 Insolvency.

(i) Any writ, judgment, warrant of attachment, execution, or similar process is issued or levied against a substantial part of Tenant's properties, and any such proceeding or petition shall not be dismissed within ninety (90) days of being issued or levied, or such writ, judgment, warrant of attachment, execution, or similar process shall not be released, vacated, or fully bonded within ninety (90) days after commencement, filing, or levy;

(ii) Tenant files a voluntary petition for liquidation, or equivalent relief, under the United States Bankruptcy Code or a pleading in any court of record admitting in writing its inability to pay its debts as they become due;

(iii) An order granting any general assignment, composition, marshaling of assets, or other similar arrangement with respect to all or some of Tenant's creditors, undertaken under U.S. Federal, state, or foreign law, including the Bankruptcy Code, is entered and not released, vacated, or fully bonded within ninety (90) days after the date of such entry;

(iv) Tenant files an answer admitting the material allegations of, or consenting to or defaulting in answering, a petition for involuntary relief filed against it in any proceeding under the U.S. Bankruptcy Code; or

(v) Tenant acquiesces in the appointment of a receiver, trustee, custodian, conservator, liquidator, mortgagee in possession (or agent thereof), or other similar person for itself or a substantial portion of its property or business.

14.1.3.2 Tenant being generally unable to pay its debts as such debts become due; or

14.1.3.3 Tenant having concealed, removed or permitted to be concealed or removed any part of its property, with intent to hinder, delay or defraud its creditors or any of them, or making or suffering a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar Law; or suffering or permitting, while

insolvent, any creditor to obtain a lien upon any of its property through legal proceedings or distraint which is not vacated within ninety (90) days from the date thereof.

14.2 Landlord's Remedies.

14.2.1 Landlord's Remedies. In addition to all other rights and remedies available to Landlord at law or in equity following an Event of Default on the part of Tenant, and while the same remains uncured, Landlord may, at any time after the occurrence of an Event of Default and while the same remains uncured, give Notice to Tenant of its intention to terminate this Lease, in which case, unless within fifteen (15) days of after the giving of such notice, the condition creating or upon which is based such Event of Default is cured, this Lease shall terminate as of the expiration of such 15 days and Landlord may reenter upon the Premises and have possession thereof; provided however, if the Event of Default is one described in Section 14.1.2 and is one which can be cured, but cannot with reasonable diligence, but not as a result of the availability of funds or the financial condition of Tenant, be cured prior to the expiration of the 15 days and Tenant is proceeding and exercising due diligence to effect the cure, the time shall be extended as may be reasonably necessary to complete the same with reasonable diligence as agreed by Landlord. Notwithstanding the provisions of this Section 14.2.1, if the existence of such Event of Default is being contested by arbitration or legal proceeding by Tenant and if and so long as Tenant is acting in good faith to complete the arbitration or legal proceeding with respect thereto, the time for curing such Event of Default, and Landlord's right to terminate this Lease if Tenant fails to cure such Event of Default, shall be stayed until ten (10) days after the first to occur of the rendering of a final and non-appealable decision with respect to such Event of Default or other resolution thereof.

14.3 Effect of Termination. Subject to the provisions of Section 5 (relating to the rights of Leasehold Mortgagees) and Section 12.3 (relating to the rights of subtenants), upon termination of this Lease under this Section 14, all rights and privileges of Tenant and all duties and obligations of Landlord hereunder shall terminate except those that expressly survive termination of this Lease. Immediately upon such termination, and without further notice to any other party, but subject to the provisions of Section 5 and Section 12.3, Landlord shall have the right to assert, perfect, establish and confirm all rights reverting to Landlord by reason of such termination by any means permitted by Law, including the right to take possession of the Premises together with all Improvements thereto, subject to Tenant's rights to remove its property as provided herein, and to remove all persons occupying the same and to use all necessary lawful force therefor and in all respects to take the actual, full and exclusive possession of the Premises and every part thereof as Landlord's original estate, thereby wholly terminating any right, title, interest or claim of or through Tenant as to the Premises or the Improvements or fixtures and Alterations to the Improvements, and all personal property located on the Premises, all without incurring any liability to Tenant or to any person occupying or using the Premises for any damage caused or sustained by reason of such entry or such removal, except for damage resulting from Landlord's negligence or willful misconduct in effecting such removal. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to mitigate its damages.

14.4 Landlord Default. The occurrence of any of the following shall constitute an event of default on the part of Landlord under this Lease (a "**Landlord Event of Default**"):

14.4.1 Payments to Tenant. Failure of Landlord to pay, within five (5) business days after written notice is given by Tenant to Landlord, any payment which is due Tenant from Landlord in accordance with this Lease.

14.4.2 Breach of Other Covenants. Landlord being in breach of or failing to perform, comply with or observe any term, covenant, warranty, condition, agreement or undertaking of Landlord contained in or arising under this Lease other than those referred to in Section 14.4.1 and such failure continuing for a period of thirty (30) days after Notice thereof is given by Tenant to Landlord; provided, however, that if such breach or failure cannot reasonably be cured within such thirty (30) day period, such thirty (30) day period shall be extended until such cure is complete so long as Landlord diligently and continuously prosecutes such cure.

14.5 Tenant's Remedies. Tenant shall have all rights and remedies available at Law or equity for any Landlord Event of Default. Such rights and remedies shall include without limitation (a) equitable relief by temporary or permanent injunction or restraining order for the breach of, without limitation, Sections 1.7 and 1.8 hereof, (b) the right to exercise self-help as set forth in Section 14.8 hereof and (c) in the case of any Landlord Event of Default that may be cured by the payment of money, the right to set off the amount due against the Base Rent next accruing.

14.6 Notice and Cure Periods. Landlord and Tenant acknowledge and agree that no Event of Default or Landlord Event of Default shall have occurred under this Lease unless and until any and all applicable Notices shall have been given and cure or grace periods shall have expired.

14.7 No Waivers. No failure by any party hereto to insist upon the strict performance of any provision of this Lease or to exercise any right, power or remedy consequent to any breach thereof, and no waiver of any such breach, or the acceptance of full or partial Rent or other payment during the continuance thereof, shall constitute a waiver of any such breach or of any such provision. No waiver of any breach shall affect or alter this Lease, which shall continue in full force and effect, or the rights of any party hereto with respect to any other then existing or subsequent breach.

14.8 Self-Help. In case of an Event of Default on the part of Tenant or a Landlord Event of Default constituting a failure to pay any money or to do any act to satisfy any of the obligations or covenants which a party is required to pay, do, or satisfy under the provisions of this Lease, the non-defaulting party may, at its option, after Notice to the defaulting party, pay any or all such sums, do any or all such acts or incur any expense whatsoever to remedy the failure to perform any one or more of the covenants herein contained. The defaulting party shall repay the same on demand, together with interest at the rate provided in Section 18.14 hereof calculated from the date payment is made by the non-defaulting party. If Landlord shall fail to pay any such amounts due Tenant within five (5) days after written demand therefor, Tenant shall have the right to offset such sums from the Base Rent next accruing hereunder.

14.9 **No Personal Liability**. None of the persons comprising Landlord or Tenant (whether partners, members, shareholders, officers, directors, members, trustees, employees, beneficiaries or otherwise) shall ever be personally liable for any judgment obtained against the other for breach of any obligation hereunder.

SECTION 15
ARBITRATION

15.1 **Applicability**. Any dispute, controversy or claim arising out of this Lease which is specified to be settled by arbitration (the "**Dispute**") shall be settled as follows (the "**Dispute Resolution Procedure**"):

15.1.1 Informal Meeting. The parties shall first meet within twenty (20) business days of the Notice requesting arbitration (which meeting may take place via a telephone conference) and attempt to negotiate a resolution of the Dispute. In the event that they fail to meet witbin said twenty (20) day period or are unable to resolve the Dispute, they shall proceed with the mediation described in Section 15.1.2 below.

15.1.2 Mediation. Before formally instituting any other dispute mechanism, they shall utilize the services of a mutually acceptable neutral mediator, who meets the qualifications of MCR 2.4111, to bring them together in at least one mediation session.

15.1.3 Arbitration. If the parties are unable to resolve the Dispute through the informal meeting and either fail to select a neutral mediator within forty five (45) days of the Notice requesting arbitration or are unable to resolve the Dispute through mediation, the parties shall undertake expedited mandatory arbitration as set forth in this Section 15. If the parties agree, other claims may also be settled by arbitration in accordance with this Section 15 (and such other claims are included within the meaning of the phrase "**Dispute**" as it is hereafter used in this Section 15). The arbitration shall be governed by the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration (the "**CPR Rules**"). In the case of contradiction between the provisions of this Lease and the CPR Rules, this Lease shall prevail. In the event the CPR Rules shall cease being in effect or are materially modified so as to be inapplicable to the matters set forth in this Lease which are to be decided by arbitration, the parties shall agree upon substitute rules as similar as possible to the CPR Rules and if they are unable to do so promptly, either Landlord or Tenant may apply to the courts of general jurisdiction in the Governing Jurisdiction to designate such substitute rules. If such court fails or refuses to do so, the matter in question shall not be subject to arbitration.

15.2 **Notice of Demand**. Either party may institute the Dispute Resolution Procedure by notifying the other party in writing in accordance with the notice provisions of Section 18.12. The Notice shall describe the reasons for such demand, the amount involved, if any, and the particular remedy sought.

15.3 **Response**. The party that has not instituted the Dispute Resolution Procedure shall respond to the instituting Notice within ten (10) business days of receipt of such Notice by delivering a written response in accordance with the Notice provisions of Section 18.12. The

response shall also describe counterclaims, if any, the amount involved and the particular remedy sought.

15.4 **Selection of Arbitrator**. The panel shall consist of a single arbitrator, upon whom the parties shall attempt to agree pursuant to Rule 5.3 of the CPR Rules. In the absence of agreement of the parties, the arbitrator shall be selected pursuant to Rule 6 of the CPR Rules.

15.5 **Arbitration Hearing; Discovery; Venue**. The arbitration hearing shall commence within thirty (30) days after selection of the arbitrator. The hearing shall in no event last longer than two (2) days. There shall be no discovery or dispositive motion practice (such as motions for summary judgment or to dismiss or the like) except as may be permitted by the arbitrator, and any such discovery or dispositive motion practice permitted by the arbitrator shall not in any way conflict with the time limits contained herein. The arbitrator shall not be bound by any rules of civil procedure or evidence, but rather shall consider such writings and oral presentations as a reasonable business person would use in the conduct of that business person's day to day affairs, and may require the parties to submit some or all of their case by written declaration or such other manner of presentation as the arbitrator may determine to be appropriate. It is the intention of the parties to limit live testimony and cross examination to the extent absolutely necessary to insure a fair hearing to the parties on significant and material issues. Venue of any arbitration hearing pursuant to this Section 15 shall be in Chicago, Illinois.

15.6 **Decision**. The arbitrator's decision shall be made in no later than ten (10) business days after the commencement of the arbitration hearing. Absent fraud, collusion or willful misconduct by the arbitrator, the award shall be final and judgment may be entered in any court having jurisdiction. The arbitrator may award specific performance of this Lease. The arbitrator may also require remedial measures as part of any award but shall not have the authority to award and shall not award punitive damages to any party. The arbitrator in his or her discretion may award attorneys' fees and costs to the more prevailing party.

SECTION 16
RIGHT OF FIRST REFUSAL

16.1 **Right of First Refusal**. Tenant shall have a right of first refusal (the "**Right Of First Refusal**") to purchase the Property from Landlord subject to the rights and reversionary interests of the United State of America, the contractual rights of the FAA and the Federal Department of Transportation, the City of Traverse City, and the Counties. In the event Landlord decides to sell the Property or a larger parcel that includes the Property [or receives a bona fide offer from a third party to purchase the Property or a larger parcel that includes the Property (such decision to sell or offer, an "**Offer**") which Landlord intends to accept] and Landlord has received all necessary approvals and releases of the Property or larger parcel that includes the Property from the FAA, the Counties of Grand Traverse and Leelanau and the City of Traverse City:

16.1.1 Notice. Landlord shall promptly deliver to Tenant a Notice containing the terms of such Offer and Tenant may, within thirty (30) days after receipt thereof, offer to purchase the Property or a larger parcel that includes the Property on the same terms as those set

forth in such Notice; provided, however, that if Landlord's Notice of election involves an exchange, then Tenant shall have the right to acquire the Property or a larger parcel that includes the Property for cash at a price determined pursuant to Section 16.2 hereof. If Tenant fails to reply to Landlord's Notice within such thirty (30) day period, Landlord may proceed to sell the Property or the larger parcel that includes the Property in accordance with the terms set forth in the Notice to Tenant.

16.1.2 Modified Terms. Tenant's Right of First Refusal shall remain applicable if Landlord modifies the terms of its Offer such that the purchase price is less than the present value of the monetary consideration set forth in the original Offer or the non-monetary provisions are materially more favorable to the purchaser than those set forth in the Notice to Tenant. If Landlord shall sell the Property or a larger parcel that includes the Property after a failure of Tenant to exercise its Right of First Refusal, such sale shall be subject to this Lease and the Right of First Refusal shall continue and shall be applicable to subsequent Offers with respect to the Property or a larger parcel that include the Property. If the Property shall be conveyed to Tenant under this Right of First Refusal, any prepaid Rent shall be apportioned and applied on account of the purchase price.

16.1.3 Conditions of Sale. If, by Tenant's reply to such Notice, Tenant shall agree to meet the Offer, then Landlord and Tenant shall promptly enter into a formal contract for the purchase and sale of Landlord's interest in the Property or the larger parcel that includes the Property (on the terms and conditions contained in such election and in accordance with Section 16.1.4 hereof, but failure to enter into such formal agreement shall not impair Tenant's Right of First Refusal.

16.1.4 Terms of Purchase. In the event that Landlord and Tenant engage in a purchase and sale pursuant to the terms of this Lease, the purchase and sale shall occur in accordance with the following terms and conditions:

(i) The purchase price is to be paid in immediately available funds at closing.

(ii) Closing is to occur on or before ninety (90) days after Tenant exercises its Right of First Refusal or option to purchase the Property or the larger parcel that includes the Property, as the case may be.

(iii) Closing shall occur at the offices of Tenant's counsel or a title insurance company doing business in the Governing Jurisdiction, such location to be selected by Tenant.

(iv) Landlord shall provide Tenant with an owner's standard coverage ALTA policy of title insurance and shall deliver a covenant deed .

(v) Closing costs shall be paid as follows:

(i) Landlord shall pay for title insurance, real estate conveyance or recording taxes, if any, and one-half of any closing escrow fee.

(ii) Tenant shall pay for recording costs (except for costs to release Landlord's financing) and one-half of any closing escrow fee.

(iii) Real property taxes, shall be paid by Tenant.

(vi) Encumbrances on the Property or the larger parcel that includes the Property, as the case may be, other than the Permitted Exceptions, shall be removed by Landlord, except Landlord shall not be responsible for removing any encumbrances that arose by or through Tenant or to which Tenant consented in writing. Tenant may, in its sole and absolute discretion, elect to purchase the Property or the larger parcel that includes the Property, as the case may be, subject to one or more of the encumbrances that are not Permitted Encumbrances. In the event that Tenant elects to assume encumbrances that there not Permitted Encumbrances, the purchase price shall not be adjusted

16.2 **Valuation**. For purposes of this Section 16, whenever a value for any portion of the Property must be established, and the parties are unable to agree within thirty (30) days following Landlord's Notice (or as otherwise provided herein), upon a value, the value shall be established by the following procedure. The parties shall attempt to agree upon an appraiser whose decision as to the value shall be binding. If the parties are unable to agree upon an appraiser within seven (7) days after the expiration of such thirty (30) day period, each shall appoint an appraiser within three (3) days after the expiration of such seven (7) day period and the two so selected shall appoint a third appraiser. If the two (2) so selected are unable to agree on a third appraiser within seven (7) days after the first two (2) appraisers have been appointed, the third appraiser shall be appointed by the presiding judge of the court of general jurisdiction in the Governing Jurisdiction, upon application of either party. Within thirty (30) days following the appointment of the third appraiser, each appraiser shall establish a value for the Property (or the larger parcel that includes the Property, as the case may be). A decision as to the value by a majority of the appraisers shall be binding upon both parties; provided, however, if a majority of the appraisers are unable to agree on a value, then the average of the two (2) closest appraisals shall be binding on both parties. Expenses of the appraisals shall be paid one-half (1/2) by Landlord and one-half (1/2) by Tenant. All appraisers appointed pursuant to this Section 16.2 shall be MAI appraisers or equivalent.

SECTION 17
NEW RUNWAY/LEASE TERMINATION

17.1 **New/Expanded Runway**. It is understood and agreed by the parties that, notwithstanding anything in this Lease to the contrary, the FAA may, at any time during the Term of this Lease either require, or approve Landlord's request for, the addition of a runway or lengthening of an existing runway at the Airport or other expansion of the Airport (the "**New/Expanded Runway**"), the location of which would necessitate Tenant to vacate the Premises and to remove and/or relocate any and all Tenant Improvements authorized hereunder and restore the Premises to the condition required by the last sentence of Section 6.1.3 above. Consequently, upon the issuance of such FAA direction or approval, Landlord shall have the right to buyout Tenant's Leasehold Estate in the manner hereinafter described.

17.2 Buyout of Tenant's Leasehold Estate. In the event that the FAA shall have issued such direction or approval with respect to the New/Expanded Runway, to the extent feasible, Landlord shall give Tenant written Notice (the "**Runway Notice**") of its exercise of its right to buyout Tenant's Leasehold Estate not less than two (2) years prior to the date (the "**Buyout Date**") on which Tenant must vacate the Premises and remove the Tenant Improvements in order that Landlord can cause the construction of the New/Expanded Runway to commence; provided, however, that if an emergency or Federal mandate requires less than 2 years advance notice, the Buyout Date shall be the last permissible date under such circumstances. Landlord's giving of the Runway Notice shall not be deemed to preclude Tenant from exercising any option for a Renewal Period in the event that the Buyout Date is to occur after the expiration of the then current term of this Lease (so that Tenant shall always have the right to lease the Premises until the Buyout Date). On the Buyout Date, Landlord shall cause to be paid to Tenant a sum of money equal to the Fair Market Value (as hereinafter defined) of Tenant's Leasehold Estate and if Landlord so requests, Landlord and Tenant shall enter into an agreement terminating this Lease (the "**Termination Agreement**").

17.2.1 Fair Market Value. As used herein in this Section 17, "**Fair Market Value**" of Tenant's Leasehold Estate shall be the sum of the following items, all calculated as of the Buyout Date: (a) the unamortized value of Tenant's Improvements, (b) the then current value of Tenant's personal property in the Premises; (c) the discount to present value of Tenant's lost profits at the Premises assuming that Tenant timely exercises its option for all Renewal Periods and (d) to the extent not included in clause (c), the value of the goodwill of Tenant's business for the period from the Buyout Date until the expiration date of this Lease, assuming all Renewal Periods are exercised.

17.2.2 Determination of Fair Market Value. If the parties cannot agree on the Fair Market Value for the Premises within sixty (60) days of the date of the Runway Notice, then the Fair Market Value shall be determined as follows: Within thirty (30) days of the expiration of said sixty (60) day period, each of Landlord and Tenant shall designate an appraiser to determine the Fair Market Value. If either party fails to designate an appraiser within the thirty (30) day period, then the appraisal issued by the one designated appraiser shall be final, binding and conclusive for all purposes of this Lease. The two appraisers shall then select a third appraiser and each of the two original appraisers shall submit his appraisal of the Fair Market Value to the third appraiser within sixty (60) days of the appointment of the last of the two (2) appraisers. The third appraiser shall then select one of the two submitted appraisals as the Fair Market Value of Tenant's Leasehold Estate and such determination shall be final, binding and conclusive for all purposes of this Agreement. If one of the two designated appraisers fails to submit its appraisal within the sixty (60) day period, then the appraisal that is submitted within said sixty (60) day period shall be final, binding and conclusive for all purposes of this Lease. Each appraiser designated or selected pursuant to this Section 17 shall be duly licensed within the State of Michigan and shall be MAI Certified and qualified to appraise real estate of the type covered by this Lease and situated in Grand Traverse County.

17.2.3 Closing. The closing of the acquisition by Landlord of Tenant's Leasehold Estate shall take place in the following fashion. The parties shall enter into an escrow agreement with a title company not later than one year prior to the Buyout Date, but in no event

sooner than thirty (30) days after the date on which the Fair Market Value has been determined into which escrow Landlord shall deposit purchase price for the Leasehold Estate and a counterpart of the Termination Agreement executed by Landlord and Tenant shall deposit a counterpart of the Termination Agreement executed by Tenant and a Release of the Memorandum of Lease. The parties acknowledge and agree that Tenant shall not be obligated to remove or relocate Tenant's Improvements nor vacate the Premises until at least one (1) year following the date that Landlord has deposited into escrow the requisite purchase price for Tenant's Leasehold Estate unless the Buyout Date is less than one (1) year from the date of determination of the Fair Market Value, in which case, Landlord shall be obligated to deposit said purchase price within thirty (30) days after the date of determination of the Fair Market Value. The escrow agreement shall provide that (a) the purchase price shall be disbursed to Tenant and the Termination Agreements and the Release of the Memorandum of Lease shall be delivered to Landlord on such date as Tenant shall have vacated the Premises and relocated or removed Tenant's Improvements and (b) in event that Tenant's Improvements have not been relocated or removed by the Buyout Date, Landlord shall have the right to remove said Tenant's Improvements and be reimbursed out of the purchase price for the Leasehold Estate, with the balance remaining in said escrow to be disbursed to or at the direction of Tenant only after Landlord has been fully reimbursed for its costs in relocating or removing Tenant's Improvements.

SECTION 18
MISCELLANEOUS

18.1 **Escalation**. The dollar amounts stated in Section 6.4, Section 7.2.1 and any other sections referring to this Section 18.1 shall be adjusted on the fifth anniversary of the last day of the first full Lease Year and every fifth anniversary of that date thereafter (an "**Anniversary Date**") during the Term of this Lease to a dollar amount which bears the same ratio to the original dollar amount set forth herein as the following-described index figure published for the latest date prior to the date such adjustment is to be effective bears to such index figure published for the latest month prior to the Effective Date. The index figure to be utilized in calculating such adjustments shall be the Consumer Price Index for Urban Wage Earners and Clerical Workers (all Items, all Cities) (1982-84=100), presently published by the United States Department of Labor (the "**Index**"). In the event the Index shall hereafter be converted to a different standard reference base or otherwise revised, the determination of the percentage increase shall be made with the use of such conversion factor, formula or table for converting the Index as may be published by the Bureau of Labor Statistics or, if said Bureau shall not publish the same, then with the use of such conversion factor, formula or table as may be published by Prentice Hall, Inc. or, failing such publication, by any other nationally recognized publisher of similar statistical information. In the event the Index and/or a conversion factor shall cease to be published, then, for the purposes of this Lease, there shall be substituted for the Index such other index as Landlord and Tenant shall agree upon, and if they are unable to agree within ninety (90) days after the Index ceases to be published, such matter shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease. Notwithstanding the foregoing, under no circumstances shall the dollar amounts calculated in accordance with this Section 18.1 be less than stated in the sections referenced herein. In no event shall the adjusted dollar amounts be less than as set forth in this Lease.

18.2 **No Partnership**. Nothing contained herein or in any instrument relating hereto shall be construed as creating a partnership or joint venture between Landlord and Tenant or between Landlord and any other party, or cause Landlord to be responsible in any way for debts or obligations of Tenant or any other party.

18.3 **Time of the Essence**. Time is hereby expressly declared to be of the essence of this Lease and of each and every term, covenant, agreement, condition and provision hereof. The word "**day**" means calendar day as used for computation of time periods herein and the computation of time shall include Saturdays, Sundays and holidays in the Governing Jurisdiction. The phrase "**business day**" means any day on which commercial banks are generally open for business in the Governing Jurisdiction (other than a Saturday, Sunday or legal holiday in the Governing Jurisdiction). Any period of time calculated in days which would otherwise end on a non-business day shall be extended to the next following business day.

18.4 **Captions**. The captions of this Lease and the table of contents preceding this Lease are for convenience and reference only, are not a part of this Lease and in no way amplify, define, limit or describe the scope or intent of this Lease, nor in any way affect this Lease.

18.5 **Meaning of Terms**. Words of any gender in this Lease shall be held to include any other gender and words in the singular number shall be held to include the plural when the sense requires.

18.6 **Lease Construed as a Whole**. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning and neither strictly for nor against Landlord or Tenant.

18.7 **Severability**. If any provision of this Lease (other than those relating to payment of Rent) or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

18.8 **Survival**. Each provision of this Lease which may require the payment of money by, to or on behalf of Landlord or Tenant or third parties after the expiration of the Term hereof or its earlier termination shall survive such expiration or earlier termination.

18.9 **Memorandum of Lease**. Landlord agrees to execute and acknowledge and deliver to Tenant at the Effective Date (a) a memorandum of this Lease for public recordation purposes, so that public notice is given of the Term of this Lease and the existence of the rights set forth in Sections 12 and 16 hereof and any other information required by the relevant provisions of the laws of the Governing Jurisdiction, and (b) a memorandum acknowledging the provisions of Section 1.8. Tenant shall have the right to record the memorandum of lease and memorandum of the provisions of Section 1.8, each at its sole cost and expense, at any time on or after the Effective Date.

18.10 Entire Agreement; Amendment. This Lease, the exhibits hereto and any documents delivered pursuant to Section 2.8 hereof constitute the final and complete agreement between the parties with respect to the transaction contemplated herein, and supersede all prior correspondence, memoranda and agreements (oral or written) between the parties relating to the subject matter hereof, including, without limitation, any letters of intent entered into between the parties. This Lease may be amended only in a writing signed by both Landlord and Tenant.

18.11 Commissions. Landlord and Tenant each represent and warrant to the other that no real estate agent or broker was involved in negotiating the transaction contemplated herein except for Max Goldman/Collier's International ("**Collier's**") and NWAP II, Inc./Intrepid Properties, Inc. ("**NWAP**", and collectively with Collier's, the "**Brokers**") both of whom represented Tenant. Tenant shall pay a commission to each of the Brokers pursuant to the terms of separate agreements between Tenant and the Brokers. In the event any other claims for real estate commissions, fees or compensation (collectively "**Compensation**") arise in connection with this transaction, the party so incurring or causing such claim(s) agrees to indemnify, defend and hold harmless the other party from any loss or damage, including attorneys' fees, which said other party suffers because of said claim(s). Neither Landlord nor Tenant shall have any liability to any of the Brokers if the Commencement Date does not occur. Any disputes arising under this Section 18.11 shall be resolved by mandatory arbitration pursuant to Section 15 of this Lease. The Brokers (a) waive any rights to any other Compensation from Landlord or Tenant in connection with this Lease of the Premises and (b) shall execute this Lease in the place provided on the signature pages solely to evidence their agreement to the terms of this Section 18.11; provided, however, that this Lease and any amendment or modification to this Lease shall be binding upon Landlord and Tenant even if any of the Brokers fail to execute this Lease or such amendment or modification.

18.12 Notices. All notices, demands, requests, or other writings (each a "**Notice**") provided by the terms of this Lease to be given or made or sent, or which may be given or made or sent, by either party hereto to the other, or by any Leasehold Mortgagee to either party, shall be in writing, shall be given by (a) personal delivery, (b) delivery by a nationally recognized overnight delivery service, (c) mailing or depositing same in the United States mail, registered or certified, return receipt requested, postage prepaid, or (d) facsimile (if a copy of such notice also is delivered by any other permitted method of delivery along with evidence that the facsimile was transmitted successfully), and in all cases shall be properly addressed to the parties at the following addresses:

Landlord:	Two copies to: Northwestern Regional Airport Commission Cherry Capital Airport 727 Fly Don't Drive Traverse City, Michigan 49686 Attention: Airport Director Facsimile No.: 231-947-4379
with a copy to:	Charles Judson or Karrie A. Zeits Smith Haughey Rice & Roegge

101 N. Park Street
Traverse City, MI 49684
Attn: Charles Judson
Fax: (231)929-4182

Tenant: Costco Wholesale Corporation
999 Lake Drive
Issaquah, Washington 98027
Attention: Property Management (Legal Dept.)
Facsimile No.: 425-313-8105

with a copy to: Costco Wholesale Corporation
999 Lake Drive
Issaquah, Washington 98027
Attention: Corporate Counsel
Facsimile No.: 425-313-8114

with a copy to: DLA Piper US (LLP)
203 North La Salle Street, Suite 1900
Suite 1900
Chicago, Illinois 60601
Attention: Peter A. Levy, Esq.
Facsimile No.: 312-630-5342

or to such other address as either party may from time to time designate by Notice to the other or to any Leasehold Mortgagee. All Notices shall be deemed duly given upon actual receipt or refusal to accept delivery. Notices may be sent by the parties' respective counsel.

18.13 **Interest**. Except as otherwise specifically provided herein, any amounts due from one party to the other pursuant to the terms of this Lease, including amounts to be reimbursed one to the other, shall bear interest from the due date or the date the right to reimbursement accrues at the prime rate of interest published in *The Wall Street Journal*, or similar publisher of business statistical data, plus two percent (2%); provided, however, that such rate shall not exceed, in any event, the highest rate of interest which may be charged under applicable Law without the creation of liability for penalties or rights of offset or creation of defenses. For purposes of interest calculations, the due date of amounts or the date the right to reimbursement accrues shall be deemed the date that it originally was owing but may have been disputed, as distinguished from the date of final settlement or the making of a judicial or arbitration award.

18.14 **Consents and Approvals**. Whenever the consent or approval of Landlord or Tenant is required hereunder, such consent or approval shall not be unreasonably withheld, conditioned or delayed, unless expressly set forth in this Lease otherwise.

18.15 **Successors and Assigns**. The covenants, conditions and agreements made and entered into by the parties hereto, are hereby declared binding upon the successors and assigns of Landlord and Tenant.

18.16 **Governing Law**. This Lease shall be construed according to and governed by the Laws of the Governing Jurisdiction.

18.17 **Force Majeure**. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes; lockouts; labor troubles; shortages of labor or materials generally applicable to the locality of the Property after due diligence in obtaining the same; unavailability or excessive price of fuel; power failure; riots; insurrection; civil disorder; war; terrorist acts; acts of the public enemy; fire or other casualty; condemnation; acts of God; unusually adverse weather conditions in the locality of the Property; governmental restrictions; temporary or permanent injunction or other court order; or by reason of any cause beyond the exclusive and reasonable control of the party delayed in performing work or doing acts required under the terms of this Lease after the exercise of due diligence, including diligence in contracting, and the exercise of rights under contracts with contractors and suppliers (each, an "**Event of Force Majeure**"), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Except as otherwise provided in this Lease, the provisions of this clause shall not operate to excuse Tenant from prompt payment of Rent or either party from the prompt payment of any other payments required by the terms of this Lease. The party claiming a delay due to the occurrence of an Event of Force Majeure shall give Notice to the other party of the circumstances supporting such claim within two (2) business days after the occurrence of the Event of Force Majeure. Failure by such party to timely provide notice of an event of Force Majeure shall be deemed a waiver by such party of any claim of the existence of a permitted excuse arising from such Event of Force Majeure. Delays caused by a party's lack of, or inability to obtain, funds, materials or governmental approvals necessary to complete work shall not be deemed an Event of Force Majeure, nor shall delays arising under circumstances in which the performance of such work is possible albeit at a cost higher than such party may have anticipated or budgeted.

18.18 **Counterparts; Facsimile/Electronic Signatures**. This Lease may be executed in more than one counterpart, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Facsimile/Electronic signatures on this Lease or any Notice given hereunder shall constitute originals signatures of the parties.

18.19 **Exhibits**. All exhibits referenced in this Lease are incorporated into and made a part of this Lease as if fully set forth herein. The exhibits to this Lease are:

Exhibit	Description	Section Reference
A	Legal Description of Property	Section 1.1.1
B	Sketch of Property	Section 1.1.1
C	Legal Description of Development	Section 1.1.2
D	Sketch of Development	Section 1.1.2
E	Property Encumbrances	Sections 1.4.8; 1.4.10; 1.4.13
F	Environmental Reports	Section 1.4.11
G	Form of Confirmation of Lease Terms	Section 1.2.1

H	Form of Consent and Non-Disturbance Agreement	Section 2.3
I	Form of REA	Section 2.6.2

18.20 **Holding Over**. In the event Tenant shall continue to occupy all or any part of the Premises after the expiration of the Term of this Lease with the consent of Landlord, such holding over shall be deemed to constitute a tenancy from month to month, upon the same terms and conditions as are contained in this Lease, except as to term; provided, however, in the event Tenant shall continue to occupy all or any portion of the Premises after expiration of the Term or termination of this Lease without Landlord's written consent, Tenant shall pay to Landlord as rent for each month, or part of a month, that Tenant remains in possession of the Premises, as Landlord's sole remedy for such holding over and in lieu of all other damages, actual or consequential, for such holding over, an amount equal to one hundred twenty five percent (125%) of the Base Rent in effect immediately prior to the date of termination.

18.21 **Effective Date of Lease**. In the event Landlord and Tenant do not sign this Lease simultaneously, this Lease shall be considered an offer made by the party first executing and delivering this Lease to the other party. In such event, said offer shall expire at 5:00 p.m. local time in the Governing Jurisdiction on the seventh (7th) business day following execution and delivery by the offering party, unless prior to such deadline the party to which the offer was made shall have delivered one copy of this Lease, executed without change, to the party making the offer. If the party receiving the offer changes the terms of the offer, the original offer shall be deemed rejected and a new offer shall be deemed made by the party making such changes. The date on which this Lease shall be effective (the "**Effective Date**") is the date upon which this Lease is accepted without change, which date is presumed to be the later of Landlord's and Tenant's execution dates following their signatures set forth on this Lease.

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SIGNATURE PAGE
FOR
GROUND LEASE
BETWEEN
NORTHWESTERN REGIONAL AIRPORT COMMISSION
AND
COSTCO WHOLESALE CORPORATION

IN WITNESS WHEREOF, Landlord and Tenant have executed this Ground Lease, intending to be legally bound hereby as of the Effective Date.

LANDLORD:

NORTHWESTERN REGIONAL
AIRPORT COMMISSION

By: _____
Name: Kevin Klein
Title: Secretary
Date: 5/24/2016

By: _____
Name: Mark Eckhoff
Title: Chair
Date: 5/24/2016

[Signatures continue on following page.]

SIGNATURE PAGE
FOR
GROUND LEASE
BETWEEN
NORTHWESTERN REGIONAL AIRPORT COMMISSION
AND
COSTCO WHOLESALE CORPORATION

IN WITNESS WHEREOF, Landlord and Tenant have executed this Ground Lease, intending to be legally bound hereby as of the Effective Date.

TENANT:

COSTCO WHOLESALE CORPORATION,
a Washington corporation

By: _____
Name: Richard J. Olin
Title: SVP/Asst. Secretary

Date: MAY 18, 2016

SIGNATURE PAGE
FOR
GROUND LEASE
BETWEEN
NORTHWESTERN REGIONAL AIRPORT COMMISSION
AND
COSTCO WHOLESALE CORPORATION

The undersigned Brokers execute this Lease solely for the purpose of acknowledging the provisions of Section 18.11 hereof. The execution or consent of the Brokers shall not be necessary to establish the Effective Date of this Lease or for a written amendment or modification of this Lease otherwise signed by Landlord and Tenant unless Section 18.11 is amended or modified thereby. Any Notice to be given to the Brokers under this Lease shall be given at the addresses set forth below.

MAX GOLDMAN/COLLIER'S INTERNATIONAL

By: _____
Name: Max J. Goldman
Title: Senior Vice President
Colliers International
Address: 400 E. Washington
Ann Arbor, MI 48104
Attention: Max J. Goldman
Fax No.: (734) 222-9045

NWAP II, INC./INTREPID PROPERTIES, INC.

By: _____
Name: Michael S. Stratis
Title: VP & Counsel / Agent for NWAP II
Address: 2311 West 22nd Street
Suite 208
Oak Brook, IL 60523
Attention: Mike Stratis
Fax No.: (630) 368-1033

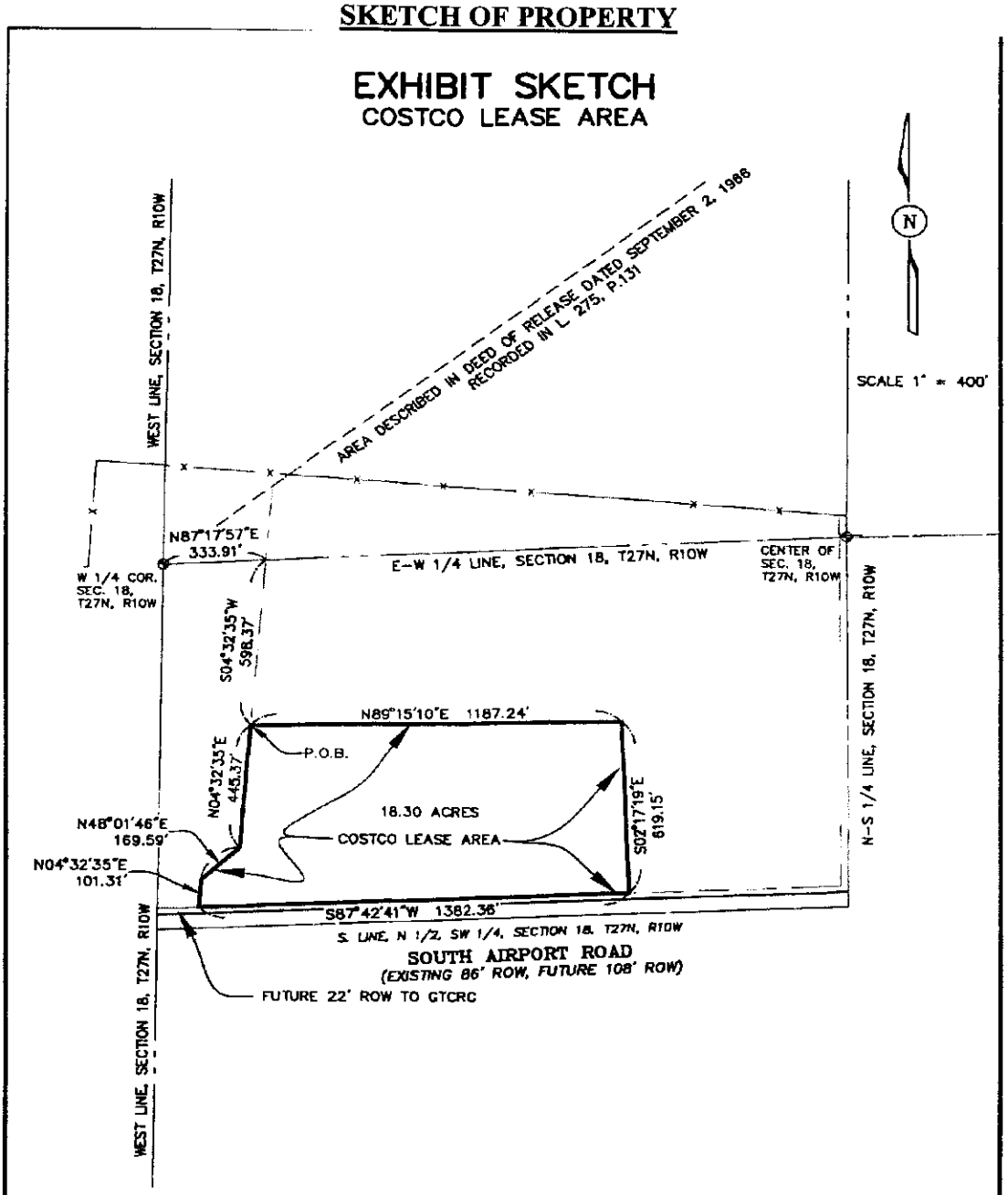
EAST\123889236.4

EXHIBIT A
TO GROUND LEASE

LEGAL DESCRIPTION OF PROPERTY

Part of Section 18, Township 27 North, Range 10 West, City of Traverse City, Grand Traverse County, Michigan, described as: Commencing at the West corner of said Section 18 as the Point of Beginning; thence N87°17'57"E 333.91 feet along the East and West ¼ line of said Section; thence S04°32'35"W 598.37 feet to the Point of Beginning of this Description; thence N89°15'10" E 1187.24 feet; thence S02°17'19"E 619.15 feet to the Northerly Right of Way of South Airport Road; thence Westerly S87°42'41"W 1382.36 feet; thence N04°32'35"E 101.31 feet; thence N48°01'46"E 169.59 feet; thence N04°32'35"E 101.31 feet; thence N04°32'35"E 445.37 feet to the point of beginning of this description. Containing 18.30 acres.

EXHIBIT B
TO GROUND LEASE
SKETCH OF PROPERTY



COSTCO LEASE AREA:

Part of Section 18, T27N, R10W, City of Traverse City, Grand Traverse County, Michigan, described as: Commencing at the West 1/4 corner of said Section; Thence N87°17'57"E 333.91 feet along the East and West 1/4 line of said Section; Thence S04°32'35"W 598.37 feet to the Point of Beginning of this description; Thence N89°15'10"E 1187.24 feet; Thence S02°17'19"E 619.15 feet to the Northerly Right of Way of South Airport Road; Thence Westerly S87°42'41"W 1382.36 feet; Thence N04°32'35"E 101.31 feet; Thence N48°01'46"E 169.59 feet; Thence N04°32'35"E 445.37 feet to the point of beginning of this description. Containing 18.30 Acres.

EXHIBIT C
TO GROUND LEASE

LEGAL DESCRIPTION OF DEVELOPMENT

The North one half of the Southwest one quarter of Section 18, Township 27 North, Range 10 West, Grand Traverse County, Michigan, less and except that portion of North on-half of the Southwest one quarter of said Section 18 described as follows: Commencing at the West corner of said Section 18 as the Point of Beginning; thence N87°17'57"E 333.91 feet along the East and West ¼ line of said Section; thence S04°32'35"W 1043.74 feet; thence S48°01'46"W 169.59; thence S04°32'35" 101.31 feet to the Northerly Right of Way of South Airport Road; thence Westerly S87°42'41" to the West line of said Section 18; thence Northerly along the West line of said Section 18 to the Point of Beginning.

EXHIBIT D
TO GROUND LEASE

SKETCH OF DEVELOPMENT

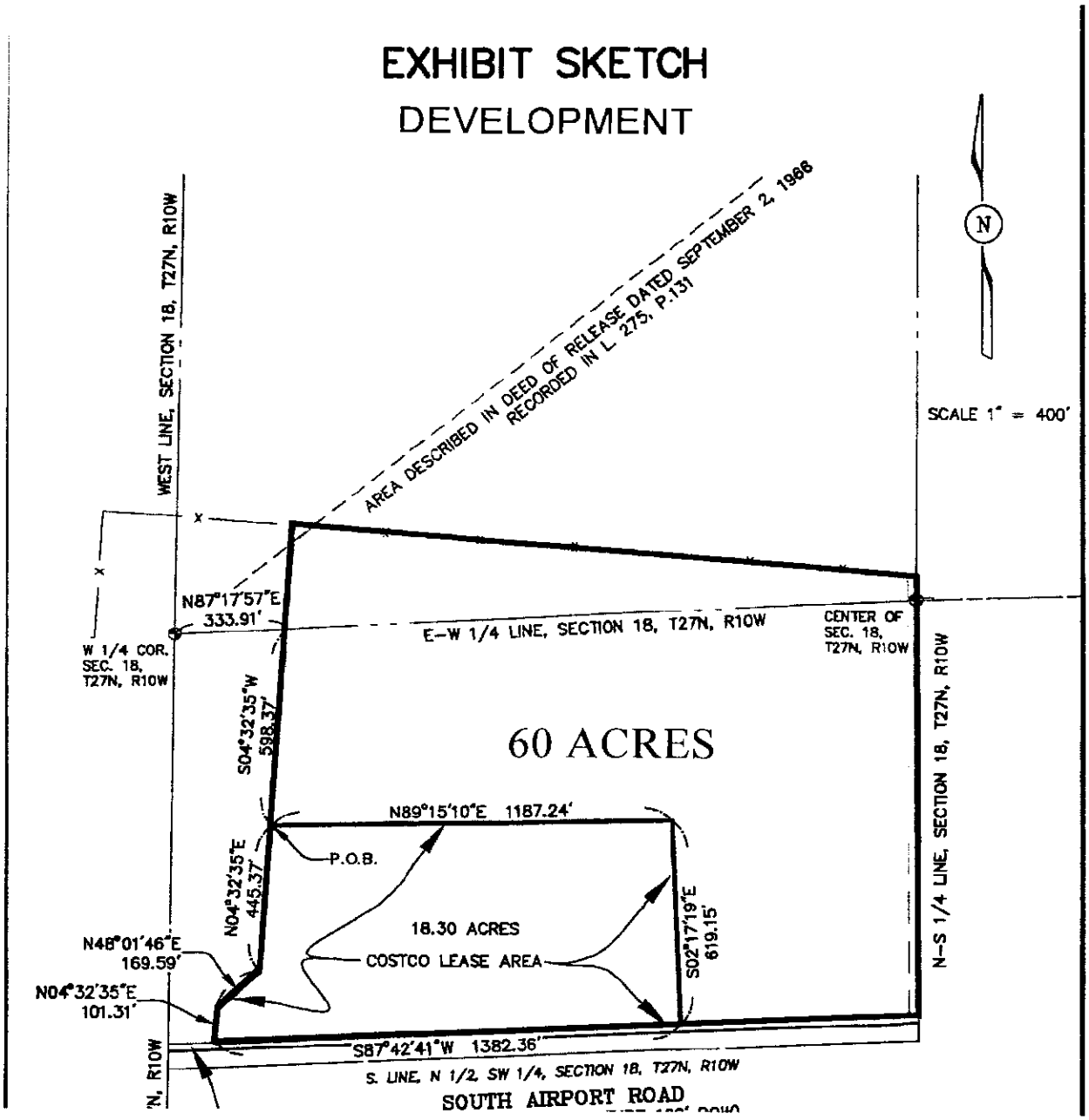


EXHIBIT E
TO GROUND LEASE

PROPERTY ENCUMBRANCES

1. Reservations as cited in the conveyance recorded in Liber 813, page 523;

2. Release of Right-of-Way in favor of the Board of County Road Commissioners of the County of Grand Traverse, State of Michigan as set forth in Liber 186, page 126;

3. Lease in favor of the Northwestern Regional Airport Commission as set forth in Liber 390, page 151;

4. Easement for laying of gas main and gas service pipes in favor of Michigan Consolidated Gas company as set forth in Liber 482, page 394 as modified by document #2007R-11657;

5. Utility Easement in favor of Michigan Bell Telephone Company, a/k/a Ameritech Michigan as set forth in Liber 1180, page 255;

6. Terms, conditions and stipulations contained in the Deed of Release recorded in Liber 275, page 131; and

7. Terms, conditions and stipulations as set forth in the Quit Claim Deed recorded in Liber 177, page 363.

EXHIBIT F
TO GROUND LEASE

ENVIRONMENTAL REPORTS

1. Environmental Assessment – Draft Report dated December 2010 prepared by Mead & Hunt;

2. Appendix A. Documented CATEX Report prepared by Preine & Newhof dated February 22, 2016; and

3. Responses to Questionnaire attached to Letter of Intent date October 27, 2015 between Landlord and Tenant.

EXHIBIT G
TO GROUND LEASE

FORM OF CONFIRMATION OF LEASE TERMS

Attached

CONFIRMATION OF LEASE TERMS

Traverse City, Michigan

This **CONFIRMATION OF LEASE TERMS** (this "**Confirmation**") is made and entered into this _____ day of _____, 201__ by and between **NORTHWESTERN REGIONAL AIRPORT COMMISSION,** a Michigan public airport commission, as Landlord, and **COSTCO WHOLESALE CORPORATION**, a Washington corporation, as Tenant.

WITNESSETH;

WHEREAS, Landlord and Tenant have heretofore entered into that certain Ground Lease (the "**Lease**") dated _____, 2016 providing for the leasing by Tenant of certain real property (the "**Premises**") located in Traverse City, Michigan; and

WHEREAS, in accordance with the terms of the Lease, upon occurrence of the "Commencement Date" and the "Rent Commencement Date" (as each such term is defined in the Lease), the parties are to enter into a document confirming certain terms of the Lease;

NOW, THEREFORE, in consideration of the mutual promises and obligations of the parties set forth in the Lease and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

(a) the Commencement Date is _____,201__,

(b) the expiration date of the Initial Term of the Lease (being the last day of the 240th full calendar month after the Commencement Date) is _____, 20___,

(c) the Base Rent for the Initial Term (being $.21 per square foot of the Premises per annum) is $ _____ based on the Premises containing _____ square feet and the Base Rent for each of the Renewal Periods is set forth on the Base Rent Schedule attached hereto, and

(d) the Rent Commencement Date is _____, 20__.

IN WITNESS WHEREOF, the undersigned have executed this Confirmation as of the day and year first above written.

LANDLORD:

NORTHWESTERN REGIONAL AIRPORT COMMISSION, a Michigan public airport commission

By: _____
Name (Printed): _____
Title: _____

TENANT:

COSTCO WHOLESALE CORPORATION, a Washington corporation

By: _____
Name (Printed): _____
Title: _____

BASE RENT SCHEDULE

Renewal Period Dates	Annual Base Rent	Monthly Base Rent

EXHIBIT H
TO GROUND LEASE

FORM OF CONSENT AND NON-DISTURBANCE AGREEMENT

Attached

Filed for record at the request of
and after recording return to:

_____
_____
_____

GRAND TRAVERSE AND LEELANAU COUNTIES' CONSENT AND NONDISTURBANCE AGREEMENT

Grantor:	Grand Traverse County and Leelanau County, each a Michigan municipal corporation
Grantees:	Northwest Regional Airport Commission, a Michigan public airport commission Costco Wholesale Corporation, a Washington corporation

THIS CONSENT TO SUBLEASE AND NONDISTURBANCE AGREEMENT (this "**Agreement**") is made this __day of _____, 20___.

RECITALS

A. Grand Traverse County and Leelanau County, each a Michigan municipal corporation (the "**Counties**"), as owner, and Northwest Regional Airport Commission, a Michigan public airport commission ("**NRAC**"), as tenant/Tenant, have entered into an Agreement Amending and Replacing Lease dated May 1, 1972 dated February 17, 1999 with respect to the Cherry Capital Airport located in Traverse City, Michigan (the "**Master Lease**") for a term expiring September 30, 2040.

B. The Master Lease covers the entire Cherry Capital Airport which is owned in fee by the Counties (the "**Master Lease Premises**"), which premises are commonly described as _____, Cherry Capital Airport (the "**Airport**"), Traverse City, Michigan _____.

C. NRAC has entered into a ground lease (the "**Ground Lease**") with Costco Wholesale Corporation, a Washington corporation ("**Costco**"), as tenant, for the development, use and occupancy of an approximately 18.3 acre portion of the Airport for a term of twenty (20) years with Costco having the right to renew the term for eight (8) periods of five (5) years each (for a total of sixty (60) years). Pursuant to the Ground Lease, Costco has the right to develop, construct, operate and maintain, in accordance with Costco's requirements and on the conditions

set forth therein, a wholesale and retail general merchandise facility, which facility also may include, without limitation, a pharmacy, liquor sales, photo processing, butcher, deli and bakery services, optometry services, a tire sales and installation center, a vehicle fueling facility, a car wash, related office space, related parking and other improvements (the "**Improvements**"), all of which are to be located on a portion of the Master Lease Premises which is described on Exhibit A attached hereto (the "**Property**"), together with the rights to use certain defined common areas and facilities (all of which areas and rights are referred to herein collectively as the "**Ground Lease Premises**").

D. The Property is part of an approximately sixty (60) acre portion of the Master Lease Premises (hereinafter called the "**Development**") that NRAC is contemplating developing for various uses, including the Ground Lease Premises and in connection therewith, Costco and NRAC intend to encumber the Development with a Construction, Operating and Reciprocal Easement Agreement ("**COREA**"), the agreed upon form of which will be incorporated into the Ground Lease as an Exhibit and made a part thereof.

E. As a condition of entering into the Ground Lease, Costco requires a Consent and Nondisturbance Agreement from the Counties for Costco's use and occupancy of the Ground Lease Premises and for the COREA.

F. The Master Lease, among other things, requires the Master Lease Premises to be used only for certain purposes and the Counties' consent to certain assignments and subleases as defined in the Master Lease Section 21.

G. NRAC and Costco seek (a) acknowledgement from the Counties that the Ground Lease is permitted under the terms of the Master Lease; (b) the Nondisturbance Agreement from the Counties for Costco's use and occupancy of the Ground Lease Premises for the full term of the Ground Lease as provided below and (c) the consent of the Counties to the COREA.

H. The Counties find this Agreement to be consistent with the purposes, terms and conditions of the Master Lease and with the interests of the Airport.

NOW, THEREFORE, in accordance with and consideration of the foregoing recitals, The Counties, acting by and through its duly authorized officials, NRAC and Costco agree as follows:

1. CONSENT TO GROUND LEASE. Each of the Counties acknowledges that prior to the execution of this Agreement, the Counties have had the opportunity to examine the terms and conditions of the Ground Lease (including all exhibits thereto), and acknowledges that the Ground Lease is permitted under the provisions of the Master Lease, and consents to and approves the same. By acknowledging and consenting to the Ground Lease, the Counties are not waiving its rights pursuant to the terms of the Master Lease, to approve any subleases requiring the Counties' approval other than the Ground Lease.

2. CONSENT TO COREA. Each of the Counties consents to and approves the COREA, which is a part of and incorporated into the Ground Lease and understands and acknowledges that the COREA will be recorded against title to the Development.

3. NONDISTURBANCE. In the event (a) the Counties lawfully terminate the Master Lease following any applicable notice and cure period, or (b) the term of the Master Lease expires without the Counties and NRAC entering into a renewal or extension thereof or a new lease of the Airport, or (c) the Master Lease is otherwise terminated or cancelled by any means whatsoever without Costco's prior written consent, upon notice from the Counties of such termination or upon the occurrence of such termination or cancellation, (i) the Counties agree that (1) the Counties shall recognize Costco as the tenant of the Ground Lease Premises pursuant to the terms and conditions of the Ground Lease, (2) so long as Costco is not in default of its obligations under the Ground Lease beyond any applicable cure period, the Counties shall not disturb Costco (including any subtenants, licensees or assigns as permitted pursuant to the Ground Lease) in the possession and use of the Ground Lease Premises or in the exercise of any of its rights under the COREA and (3) the Ground Lease shall be deemed to be a direct lease between the Counties, as landlord, and Costco, as tenant, and (ii) Costco agrees so long as Costco's use and occupancy of the Ground Lease Premises are not disturbed and Costco's rights and privileges under the Ground Lease and the COREA are recognized as provided herein, (1) to pay directly to the Counties, as and when due under the Ground Lease, all rent, taxes, license fees, assessments and all other charges required to be paid by Costco under the Ground Lease accruing from and after the date of termination of the Master Lease (collectively, the "**Rent**"); (2) to pay when due as directed by the Counties the proportionate share attributable to the Ground Lease Premises of defined common expenses under the COREA; and (3) to comply with and be bound by all other terms and conditions of the Ground Lease and COREA applicable to the Ground Lease Premises. The parties agree to execute and record such further agreements as may be reasonably necessary and appropriate to effectuate the intent of this Section.

3. GENERAL PROVISIONS.

3.1 Notices. Any notice, demand or other communication given or served by a party to any other party shall not be deemed duly given or served unless in writing to the following respective address:

To Grand Traverse County: Grand Traverse County
Attn: Chairperson of the County Commission
400 Boardman
Traverse City MI 49684

To Leelanau County:	Leelanau County Attn: Chairperson of the County Commission Courthouse Leland, MI 49654
To NRAC:	Northwest Regional Airport Commission Attn: Airport Director Cherry Capital Airport 1330 Airport Access Road Traverse City, MI 49686
To Costco:	Costco Wholesale Corporation Attn: Property Management / Legal Department 999 Lake Drive Issaquah, WA 98027

or to such other respective address as any party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when property mailed.

3.2 Recording. NRAC agrees that it shall promptly cause this Agreement to be recorded in the official records of Grand Traverse County.

3.3 Successors and Assigns. Subject to the limitations contained in the Master Lease and the Ground Lease, this Agreement and the covenants herein shall be deemed to be covenants running with the land and shall be binding upon and inure to the benefit of the parties and their respective successors and assigns in such capacities. All references herein to the parties shall include the respective successors and assigns of such parties.

3.4 Modification. This Agreement shall not be modified, waived or terminated except by an agreement in writing executed by the party against whom enforcement of such modification, waiver or termination is sought.

3.5 Governing Law. This Agreement shall be governed by and construed with the law of the State of Michigan.

3.6 No Modification or Waiver of Master Lease. This Agreement does not constitute a change in the terms and conditions of the Master Lease which remains in full force and effect, provided that this Agreement shall govern the matters set forth herein. By executing this Agreement, the Counties are not otherwise waiving any of their respective rights pursuant to law or the terms of the Master Lease, including, without limitation, its right, pursuant to the terms of the Master Lease, to approve of any and all substitute tenants or transfer of interests or ownership of the Master Lease.

3.7 Reservation of Rights. The Counties and NRAC expressly reserve all rights under federal, state and local laws to operate the Airport and make all necessary decisions

regarding safety and other issues and nothing in this Agreement is intended to affect or impair any of said party's operational rights and responsibilities.

[END OF TEXT. SIGNATURES APPEAR ON FOLLOWING PAGES.]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first above written.

GRAND TRAVERSE COUNTY:

GRAND TRAVERSE COUNTY, a Michigan municipal corporation

By: _____
Name: _____
Its: _____

STATE OF MICHIGAN

COUNTY OF GRAND TRAVERSE

ss.

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of GRAND TRAVERSE COUNTY, a Michigan municipal corporation, to be the free and voluntary act of such political subdivision for the uses and purposes mentioned in the instrument.

Dated this ___ day of _____, 2016.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Michigan, residing at

_____

My appointment expires _____

LEELANAU COUNTY:

LEELANAU COUNTY, a Michigan municipal corporation

By: _____
Name: _____
Its: _____

STATE OF MICHIGAN
ss.
COUNTY OF LEELANAU

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of LEELANAU COUNTY, a Michigan municipal corporation, to be the free and voluntary act of such political subdivision for the uses and purposes mentioned in the instrument.

Dated this ___ day of _____, 2016.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Michigan, residing at

_____

My appointment expires _____

NORTHWEST REGIONAL AIRPORT COMMISSION:

NORTHWEST REGIONAL AIRPORT COMMISSION

By: _____
Name: _____
Its: _____

STATE OF MICHIGAN

COUNTY OF GRAND TRAVERSE

ss.

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of NORTHWEST REGIONAL AIRPORT COMMISSION, a Michigan public airport commission, to be the free and voluntary act of such political subdivision for the uses and purposes mentioned in the instrument.

Dated this ___ day of _____, 2016.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Michigan, residing at

_____

My appointment expires _____

COSTCO:

COSTCO WHOLESALE CORPORATION, a Washington corporation

By: _____
Name: _____
Its: _____

STATE OF WASHINGTON
ss.
COUNTY OF KING

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of COSTCO WHOLESALE CORPORATION, a Washington corporation, to be the free and voluntary act of such limited liability company for the uses and purposes mentioned in the instrument.

Dated this ___ day of _____, 2016.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Washington, residing at

_____

My appointment expires _____

EXHIBIT A

LEGAL DESCRIPTION

Part of Section 18, Township 27 North, Range 10 West, City of Traverse City, Grand Traverse County, Michigan, described as: Commencing at the West corner of said Section 18 as the Point of Beginning; thence N87°17'57"E 333.91 feet along the East and West ¼ line of said Section; thence S04°32'35"W 598.37 feet to the Point of Beginning of this Description; thence N89°15'10" E 1187.24 feet; thence S02°17'19"E 619.15 feet to the Northerly Right of Way of South Airport Road; thence Westerly S87°42'41"W 1382.36 feet; thence N04°32'35"E 101.31 feet; thence N48°01'46"E 169.59 feet; thence N04°32'35"E 101.31 feet; thence N04°32'35"E 445.37 feet to the point of beginning of this description. Containing 18.30 acres.

EXHIBIT I

TO GROUND LEASE

FORM OF COREA

(to be agreed upon and attached pursuant to an amendment to the Lease)

EXECUTIVE DOCUMENT SUMMARY

Department: Sheriff Contact Person: Charlie Belanger Telephone No.: 231-256-8650	**Submittal Dates** ☒ Executive Board: 14 June 2016 ☒ Regular Session: 21 June 2016
Source Selection Method ☐ State Contract ☒ Other: Grant Application	**VENDOR:** Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☐ Grant Application ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

Suggested Motion:
To approve the annual Marine Safety Program Grant Agreement in the amount of $30,600.

Suggested Recommendation:

Department Head Approval: _____ Date: 31 MAY 2016

Michigan Department of Natural Resources - Grants Management

2016 MARINE SAFETY PROGRAM (FEDERAL FUNDING) GRANT AGREEMENT

Required by authority of 1994 PA 451, as amended, and 1972 PA 227.

This Agreement is between the Michigan Department of Natural Resources for and on behalf of the State of Michigan ("DEPARTMENT") and Leelanau County Sheriff Department ("GRANTEE").

1. The GRANTEE has been approved by the DEPARTMENT to receive Marine Safety program funding for:

	Federal Funds (100%)	State Funds (75%)
Operating	$30,600.00	$0.00
Equipment	$0.00	$0.00

Salaries, Wages and Benefits for:

- Marine Safety Law Enforcement and Related Activities;
- Instruction of Boating Safety Courses;
- Inspection of Boat Liveries;
- Attendance at Authorized Marine Safety Training (attendance at the Department's Annual Administrators' Workshop and the Michigan Sheriffs' Association's New Marine Officers Training are pre-authorized).

Operating Expenses for the Scope Items Listed Above, including:

- Purchase of fuel, oil, and parts for patrol vehicles, watercraft, and trailers;
- Travel expenses;
- Uniforms, personal flotation devices, boat shoes, etc.;
- Leasing of vehicles, dockage, storage, eligible office space;
- Boat repair, replacement and/or servicing of boat outfitting equipment.

2. The percentage of the GRANTEE'S total budget devoted to operating expenses shall not exceed Forty percent (40%), unless prior approval has been obtained from the DEPARTMENT.

3. Federal funding from the award Recreational Boating Safety 16.01.26 is provided to state agencies under the authority of 46 U.S.C. 13103(a)(2) and (3). The State of Michigan has received a federal funding apportionment for fiscal year 2016 through the United States Coast Guard, Department of Homeland Security. From this federal funding the amount shown below is provided to the GRANTEE by the DEPARTMENT for the purpose of supporting the GRANTEE'S Marine Safety program. Reference the "Department of Homeland Security, United States Coast Guard, Boating Safety Financial Assistance CFDA 97.012, and passed through by Department of Natural Resources" on your single audit reports and other financial statements as required. Single audit reports are to be provided to the Department of Treasury at http://www.michigan.gov/treasury/0,4679,7-121-1751_31038_64533---,00.html.

   The DEPARTMENT agrees to reimburse the GRANTEE a sum of money equal to 100% of the total eligible costs toward completing the scope of work listed above, but not to exceed Thirty Thousand Six Hundred Dollars and Zero Cents ($30,600.00).

   There is no local match required for this reimbursement.

   The Agreement period for federal funding is **January 1, 2016** through **September 30, 2016**.

   Completed reimbursement request and documentation of operating expenditures are due no later than **October 31, 2016**.

4. This Agreement shall be administered on behalf of the DEPARTMENT through Grants Management. All reports, documents, or actions required of the GRANTEE shall be submitted through the MiRecGrants website unless otherwise instructed by the DEPARTMENT.
5. Reimbursement will be made only upon DEPARTMENT review and approval of a complete reimbursement request submitted by the GRANTEE through the MiRecGrants website.

6. The GRANTEE may not assign or transfer any interest in this Agreement to any other agency, group or individual.
7. The Agreement may be executed separately by the parties. This Agreement is not effective until:
   - The GRANTEE has signed it and returned it, and
   - The DEPARTMENT has signed it.

The individuals signing for the parties indicated below certify by their signatures that they have the authority to do so and will ensure that the terms of the Agreement are fulfilled.

GRANTEE

SIGNED:

By: _____

Printed Name: _____

Title: _____

Date: _____

WITNESSED:

By: _____

Printed Name: _____

By: _____

Printed Name: _____

MICHIGAN DEPARTMENT OF NATURAL RESOURCES

SIGNED:

By: _____
Steve DeBrabander

Title: Section Manager

Date: _____

WITNESSED BY

_____

_____

EXECUTIVE DOCUMENT SUMMARY

Department: Sheriff Contact Person: Mike Borkovich Telephone No.: 231-256-8800	**Submittal Dates** ☒ Executive Board: 06/14/2016 ☐ Regular Session: 06/21/2016
Source Selection Method ☐ Select One ☐ Other:	**VENDOR:** Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☒ Grant Application ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

The Leelanau County Sheriff's Office requests the Board of Commissioners to allow the Sheriff's Office to submit a RAP grant to MMRMA for 50% of the purchase price of seven Pro-Vision Body Cameras.

Please see attached Memorandum

Suggested Recommendation: Allow the Sheriff's Office to submit a RAP grant in the amount of $605.50 for MMRMA to reimburse the County 50% of the purchase price for seven body cameras.

Department Head Approval: _____ Date: 31 MAY 2016

LEELANAU COUNTY SHERIFF'S OFFICE

MIKE BORKOVICH
Sheriff
STEVE MORGAN
Undersheriff

8525 E. Government Center Drive
Suttons Bay, Michigan 49682
Office (231) 256-8800 Fax (231) 256-8611
Toll Free 1-877-256-6911

LT. TODD ROUSH
Corrections
LT. JAMES KIESSEL
Law Enforcement

MEMORANDUM

To: Board of Commissioners
From: Undersheriff Morgan
Date: May 26, 2016
RE: RAP Grant Application

As you are aware our Agency purchased 10 body cameras earlier this year from the Pro-Vison Company in Byron Center Michigan. These cameras have been used in the field since January and have proven to be a valuable, reliable asset to our deputies. On 5-15-2016, I was contacted by our Pro-Vision representative and offered a price reduction, for a very limited time, if we wanted to purchase additional units. This price reduction was considerable, bringing the cost per unit down from $295 to $165. I proceeded with purchasing the additional units to complete this project for our Agency. The cost of the seven units purchased with shipping was $1,211.00. Please see the attached invoice for additional information. I anticipate the grant request approval will bring the final cost of each purchased unit down to $86.50.

Our previous body camera purchase was supported by MMRMA with a RAP grant approval reimbursing the County 50% of that cost. I am now requesting permission to submit a Risk Avoidance Program grant application to Michigan Municipal Risk Management Authority for 50% reimbursement of this final cost of our body camera upgrade project.

PRO-VISION
Video Systems

8625-B Byron Commerce Dr SW
Byron Center, MI 49315

Invoice

Date	Invoice #
5/20/2016	276701

Bill To	Ship To
Leelanau County Sheriff Attn: Accounts Payable 8527 E. Government Center Dr. Suite 103 Suttons Bay, MI 49682	Leelanau County Sheriff Attn: Undersheriff Steve Morgan 8525 E. Government Center Dr. Suttons Bay, MI 49682

Terms	Due Date	P.O. Number	Account #	Region	Via	F.O.B.
2% 10 Net 30	6/19/2016	PO#UNDERSHERI...	1988710	NR4	UPS	Byron Center,

Quantity	Item Code	Description	Price Each	Amount
7	IA-BC-100	HD Body Camera Kit	295.00	2,065.00T
7	16BC165	Special BODYCAM PROMO Price	-130.00	-910.00T
7	S & H	Shipping / Handling	8.00	56.00
1	IP-PX-1609	BC 10 Pack Shipper (18 x 16x 11 1/8)	0.00	0.00T
		Tax Exempt	0.00%	0.00

301.970.01

A finance charge of 1.5% per month (18% per year), or the highest legal rate, whichever is less, will be charged on all past due accounts. No technical support or warranty claims will be provided for any product until PRO-VISION, INC. has received full payment for such product.

Total (USD) $1,211.00

Phone #	Fax #
800-576-1126	616-583-1522

EXECUTIVE DOCUMENT SUMMARY

Department: Circuit Court Contact Person: Sherise Shively Telephone No.: 231-922-4559	**Submittal Dates** ☒ Executive Board: 06/14/16 ☐ Regular Session:
Source Selection Method ☐ Select One ☒ Other: State Grant	**VENDOR:** Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☒ Grant ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

Approve submission of 2017 MDOC/OCC Community Corrections Grant Annual Application in the amount of $269,186, which includes a request for an increase of $80,271.00 to assist in the creation of a Drug Court, targeting felony heroin and methamphetamine addicts.

Suggested Recommendation: Motion to recommend to the Board of Commissioners to approve Leelanau County Resolution #2016-xxx, 13th Circuit Court Community Corrections Grant Application to MDOC for FY 2017.

Department Head Approval: Sherise Shively Digitally signed by Sherise Shively DN: cn=Sherise Shively, o=Community Corrections, ou=13th Circuit Court Community Corrections, email=sshively@grandtraverse.org, c=US Date: 2016.06.01 12:04:29 -04'00' Date: 6/1/2016

MICHIGAN DEPARTMENT OF CORRECTIONS

Reentry Administration

"Committed to Protect, Dedicated to Success"

Office of Community Corrections

Community Corrections Plan and Application
Fiscal Year 2017

CCAB Name: **13th Circuit** **Application Type:** **Annual/Full**

Email the application to:

1. **MDOC-OCC@michigan.gov**
2. Grant Coordinator

DUE DATE: June 1, 2016

SECTION I: INTRODUCTION –

Name of CCAB: 13th Circuit Court	Federal I.D. Number: 38-6004852

A: General Contact Information:

	Contact Person (Manager)	Manager's Direct Supervisor	CCAB Chairperson	Fiscal Agent
Name:	**Sherise Shively**	**Carol Stocking**	**James Pascoe**	**Grand Traverse County**
Title:	**Manager**	**86th Dist. Court Administrator**	**CCAB Member/Business Rep**	**Finance Department**
Address:	**280 Washington Street Suite B-144**	**280 Washington Street Suite B-144**	**358 Sierra Dr.**	**400 Boardman Ave**
City:	**Traverse City**	**Traverse City**	**Traverse City**	**Traverse City**
State:	**MI**	**MI**	**MI**	**MI**
Zip:	**49684**	**49684**	**49685**	**49684**
Phone:	**231-922-4559**	**231-922-4502**	**231-943-0804**	**231-922-4680**
Fax:	**231-922-6889**	**231-922-4544**		**231-922-4636**
Email:	**sshively@grandtraverse.org**	**cstockin@grandtraverse.org**	**dpascoe@att.net**	

Type of Community Corrections Board: Regional Advisory Board
Counties/Cities Participating in the CCAB: **Antrim, Grand Traverse, Leelanau**
Date application was approved by the local CCAB: **5/24/2016**
Date application was approved by county board(s) of commissioners (and city council): **Antrim 6/9/16 Grand Traverse 6/1/16 Leelanau 6/14/16**
Date application was submitted to OCC: **6/1/2016**

B: CCAB Membership

Representing:	Name	Email
County Sheriff:	**Antrim- Dan Bean, Grand Traverse- Tom Bensley, Leelanau- Mike Borkovich**	**sheriff@antrimcounty.org, TBensley@gtsheriff.org, mborkovich@co.leelanau.mi.us**
Chief of Police:	**vacant**	
Circuit Court Judge:	**Thomas Power**	**tpower@grandtraverse.org**
District Court Judge:	**Michael Stepka**	**mstepka@grandtraverse.org**
Probate Court Judge:	**Melanie Stanton**	**mstanton@grandtraverse.org**
County Commissioner(s):	**Antrim- Ed Boettcher, Grand Traverse- Addison Wheelock, Leelanau- Debra Rushton**	**eboettcher@antrimcounty.org, sonny@wheelockandsons.com, drushton@co.leelanau.mi.u**
Service Area (Up to 3):	**Michael Gillespie**	**my_name_is_80@yahoo.com**
County Prosecutor:	**Joe Hubbell**	**jhubbell@co.leelanau.mi.us**
Criminal Defense:	**Janet Mistele**	**JMistele@MisteleLaw.com**
Business Community:	**James Pascoe**	**jdpascoe@att.net**
Communications Media:	**Pat Livingston**	**plivingston@upnorthlive.com**
Circuit/District Probation:	**Thomas Chapman**	**chapmant@michigan.gov**

General Public:	**Mary Wayne**	**mwayne44@hotmail.com**
City Councilperson:	**N/A**	
Workforce Development:	**Varies/ Assigned by Workforce Development Councel**	

Does your CCAB have Bylaws? Yes If yes, have they been revised within the last 2 years? (Please send copy) **Not revised since 2014**

Describe the contact and frequency of contact between the CCAB Manager and the Probation Supervisor: **At least weekly we speak via email, telephone and in person very often. Also at the Probation/Parole Judges staff meeting once per month with all agents and both Judges.**

C: Summary - Briefly summarize the key points of your Community Corrections Plan:

(all fields permit carriage returns)

1. What programs, practices and policies contribute to a reduction of (or maintenance of low) prison commitment rates: **Straddle Cell Group 2 offenders are the target of programs offered. Every offender we work with is "in lieu of jail" in some sort of fashion. This starts with Gatekeeper, staff screen eligible offenders in jail for participation in programs offered. Staff then prepares court orders for Judges with alternative options for offenders, who then begin CBCM once out of jail. Offenders can be placed in PRS, Recovery Homes or other housing options available. While in these placements the root cause of their incarceration is addressed. Using DOC provided Criminogenic Needs data, we focus heavily on Substance Abuse, Recidivism (changing thinking patterns), vocation and education. Our local legal system is strongly geared toward adressing addiction. Therefore at the beginning of the prosecutorial process offenders are screened through the Pre-Trial Services Program for participation in Recovery Court. Eligible Felony offenders, especially Group 2 straddle offenders (our target poplulation) are able to participate and if successful after a year in the program, are able to have their cases reduced from a felony to a misdemeanor. This has an enormous impact on PCR as these offenders are never sent into the Circuit Court system, are not convicted as felons and not sentenced to prison, these are true prison diversions. CCAB staff works with Recovery Court staff daily putting eligible offenders into proper placement and treatment and monitoring them in the community. CCAB staff begin working with felony offenders at the time of arrest, use a PRAXIS screen as well as a Substance Abuse Assessment to determine what an offenders needs are and start to address them immediately. The goal is to provide offenders with the same system before they are convicted as we do after sentence in our traditional jail alternative placement. With the ultimate goal of having more offenders crimes reduced to misdemeanors or if sentenced as a felon, to local jail time, instead of prison. Our Prosecutor is very much in support of this goal and also wants to see less offenders being sent to prison if they can get the treatment needed earlier. A new initiative is being requested this year in the form of a true Drug Court. Again these offenders will be targeted at time of arrest, given a PRAXIS as part of Pre-Trial Supervision and recommendations made to prosecutor for eligibility to participate and receive a delayed sentence. Group 2 Staddle Cell offenders convicted of drug/property crimes who are addicts are the target poplulation. This will result in true diversions from prison as the offenders will be able to plea and be convicted as a misdemeanor at time of sentence if they have been successful.**

   a. How do they contribute to reduced/maintained PCRs? **Our programs all remove offenders from jail, which frees up local bed space for more serious offenders that could be sent to prison. The Judges place them in the local jails with the intention of them being able to participate in our programs to provide a positive change in their lives. With the potential of more offenders being able to participate in Recovery Court and Pre-Trial Supervision, less offenders will be sentenced as felons and those who are, if they do well in Pre-Trial, will be sentenced to local jail time rather than a prison sentence. Recovery Court and Drug Court participants will be true direct diversions from prison.**

   b. Explain what data/measures show your PA511 funded programs have contributed to reductions in your

PCR: **The PCR has decreased in both Grand Traverse (from 44% to 34%) and Antrim (45% to 39%) but increased in Leelanau (37% to 43%) which combined have an overall reduction Circuit wide from 43% to 37%. Offenders are being screened at arrest druing Pre-Trial Services and then recommendations are made to the the prosecutor's office or courts for participation in alternative courts. These target Veterans, Mental Health clients and OWI 3rd Offenders. When these offenders are diverted into the District Court, the more serious offenders are left in Circuit Court, where they are appropriate. CCAB staff works with each felony offender that participated in the alternative courts called Recovery Court. They are sent to PRS, MRT or Recovery Homes in Lieu of Jail while they work on recovery or making better choices to reduce criminal thinking and activity. These programs result in less recidivism. Disposition numbers will be lower but those convicted will be those who need to be sentenced as felons. We are targeting every single felony offender the Judges allow, both pre-trial and post sentencing.**

2. What programs, practices and policies contribute to improved recidivism as defined by the State Corrections Board? **Gatekeeper, Pre-Trial Services, PRS, MRT, Community Based Case Management and Drug Court**

a. How do they contribute to improved recidivism? **We will impact recidivism by targeting probation violators and placing them into the following programs as a prison diversion**

1. Gatekeeper- Every offender begins programming through this.

2. Pre-Trial Services- Offenders are screened at time of arrest while in jail for needed services. While on bond staff assists as needed with gaining access to treatment programs, meets with offenders weekly to discuss goals, problems, vilolations, etc. If offender is being managed successfully while on bond the Prosecutor will entertain recommendations from Manager about reducing charges by demonstrating that offender can be supervised in the community and is actively participating in recovery while awaiting trial.

2. PRS-All eligible offenders are placed into PRS upon release from jail for a minium of 30 days, up to 5 months. They may be placed in a true substance abuse residential facility and then once released if they still have jail time they are then placed in our local PRS Facility on our campus that is run by Addiction Treatment Services. If Sub Abuse residential is not needed they go directly to the ATS PRS facility all while working on their addictions, problematic behavior, cognitive thinking (MRT) and or risks of recidivism.

3. MRT- Group therapy to change an offenders criminal thinking patterns to enable them to refrain from committing more crimes in the future. All participants of ATS PRS facility are placed in an outpatient MRT group.

4. Community Based Case Management- Once offenders are released from PRS regardless of location, CCAB staff meets a minimum of weekly with offender, assists in gaining state ID, or Documents needed to gain employment, works to educate on job searches, interviewing and appearance, helps to acquired any benefits available. Monitors compliance of court orders and compliance in the Counseling they are involved in. Transports clients if needed to treatment or work/counseling services as needed.

b. **5. Drug Court- Participants will be Group 2 Straddle Cell offenders charged with felony drug crimes. Targets will be those with drug addictions, especially Opiates and Methamphetamines. Offenders will be in a 3 year intensive supervision program targeting their addictions. If successful after 3 years in the program, we will have given them the tools, stable, supportive lifestyle, employment which will in turn result in less return recidivists.**

c. Explain what data/measures show your PA511 funded programs have contributed to improvements in

	local recidivism: **All catergories of Probationers have had a reduction in the percentage of offenders going to prison from 2014-2015. For Pv Tech violators the reduction was from 59.3% to 40% and New Sentence from Probationers is 52% down to 38%**

SECTION II: ANALYSIS & STRATEGIC PLAN

A: INTRODUCTION AND INSTRUCTIONS FOR STRATEGIC PLAN:

Strategic Issues, **Goals**, and **Priorities** have been established by the Office of Community Corrections in accordance with Public Act 511 and Key Performance Indicators. CCABs will be required to establish **Objectives** and **Strategies** based upon OMNI Felony Disposition, JPIS, CCIS and local data that will support State **Goals** and **Priorities.**

Strategic Issues are identified as ***Felony Dispositions***, ***Recidivism*** and ***Local Priorities***.

OCC will provide the CCABs with **OMNI Felony Disposition** and **JPIS** data. CCABs shall analyze this data along with local **CCIS data** (reports run locally from Case Manager) and develop **Key Objectives** and supporting **Strategies** that will lead toward attainment of **Goals** and **Priorities** established by the State Board and OCC, as well as local objectives and priorities promoted in the comprehensive plan.

A thorough review of the data should include:

- Overall PCRs, rates within sentencing guideline ranges, PCRs within Group 1 and Group 2 offense categories, status at time of offense and technical probation violation PCRs
- Reference to changes in PCRs compared to prior years
- Other changes in your CCAB/area that influence changes (new stakeholders, policies, emerging crimes, offender characteristics, etc.)
- Review your past OCC funding proposals for ideas

Example:

For the Strategic Issue of Felony Dispositions, consider the stated **Goal** and **Priority** as outlined on the following pages and complete an analysis of your county's prison commitment rate data provided by OCC. Establish objectives related to prison commitment rates. For example:

1. Reduce PV commitment rate from 32% to 25%
2. Reduce the Group 2 Straddle rate to from 43% to 35%

Under each **OBJECTIVE** outline in bullet form those **STRATEGIES** (steps) to be taken, including continuing, new and revised programs, or established and revised policies or practices, that will support the attainment of the objectives you have specified. Identify if these are "new", "continuations," or "modifications," or for short term (this fiscal year) or long term implementation.

Keep in mind that all of the programs for which you are requesting PA511 funding should be identified as strategies. Additionally, policies and practices you propose (such as targeting specific populations or characteristics) are also strategies. Strategies may apply to more than one objective and should be repeated under each objective as appropriate.

For Example, the objective of "Reduce PV rate from 32% to 25%" may have the following strategies:

1. Initiate structured sentencing with jail followed by RS followed by community Cognitive Behavioral Treatment program that targets probation violators. (New, FY 2014)
2. Target PVs as priorities for Residential Services. (Continuation)

The same strategies (with modifications) would be appropriate for the objective of reducing the PCR of Straddle Cell offenders. Further OMNI data analysis may support an additional strategy of:

3. Target CJRP eligible straddle cells, especially those from Group 2 without MDOC status, for local sanctions including _____.

B: Felony Disposition Analysis

(NOTE: Regional CCABs should complete analysis for each county. Carriage returns are permitted in this section.**)**

Strategic Issue: Felony Dispositions

Public Act 511 of 1988 stipulates that counties shall develop a community corrections comprehensive plan and provide an explanation of how the county or counties' prison commitment rate will be reduced by diverting non-violent offenders, and promote recidivism reduction while public safety is maintained. The Act is intended to encourage the participation in community corrections programs of offenders who would likely be sentenced to imprisonment in a state correctional facility or jail, who would not increase the risk to public safety, have not demonstrated a pattern of violent

behavior, and do not have a criminal record that indicates a pattern of violent offenses.

Goal: Reduce demand for prison resources and related budgetary requirements.
Priority: Reduce prison commitment of offenders who can be safely and effectively sanctioned and treated in the community by following the principles of effective intervention (i.e., risk, need, responsivity).

Your analysis forms the basis for your objectives and strategies. A weak connection between data analysis, objectives and proposed programming (strategies) may result in denial or conditional approval of your plan.

B-1: Using OMNI Felony Disposition data supplied by OCC for FY 2014 and FY 2015:

1. Are felony dispositions increasing, decreasing, or stable? Decreasing
2. Describe changes within SGL categories. Report rates with detailed explanation: **PV Tech Violators decreased from 59.35% in 2014 to 40% in 2015. Inermediate decreased from 26% to 15% and OWI 3rd offenders decreased from 25% to 15%. Straddle Cell offenders decreased from 61% to 60% .**
3. Can you attribute any changes to strategies/programs in your comprehensive plan? **In our plan for FY2016 we began targeting offenders in the Pre-Trial stage. The prosecutor in Grand Traverse County specifically is very much in favor of us working with offenders before they go before the Judge for sentencing with the hopes that less offenders will be sent to prison and we can make an impact in their drug addiction. He recognizes the increase in addiction and that many felony crimes are committed just to support an offenders habit. He doesn't feel prison will help these individuals and would like to target them sooner, rather than just housing them for years. We are also playing a larger role in Recovery Court, with more felony offenders being allowed to begin in a delayed sentence status, in hopes they gain recovery and not be sentenced as felons at all. We will be providing those felons with the same services we normally would POST sentencing as felons. The opening of the new PRS facility on campus run by ATS is going to give us many more options in serving offenders. Keeping offenders in local placemnt rather than throughout the state for most of their jail alternative time provides them the opportunity to gain local employment, participate in local 12 step programs, obtain sponsors in their neighborhoods and access counseling close to them. These strategies as well as the rest of both PA 511 funded and non funded programs will continue to help us target those who are most appropriate to stay local rather then going to prison.**
4. Describe any changes in criminal justice system stakeholders that may have contributed to changes in rates: **Judges and Prosecutors are more receptive to the alternative programs we have available, and the changes we have made within them. Particularly they aresupporting the new PRS facility ATS opened right here on the Grand Traverse County complex and our new Pre-Trial Services program.**
5. Describe any changes in felony populations that warrant a change in your plan: **We have had a significant increase in Opiate related arrests this year. So much in fact that our PCR may increase next year. To date there have been 3 intensive investigations spanning the entire state to target the dealers bringing drugs into our area with over 25 related felony arrests. As with the rest of the state, addictions to opiates are increasing. Due to this increase we are going to more intensively screen Pre-Trial participants and target the local offenders heavily. In this process we will target Group 2 Straddle Cell drug crime offenders and recommend them for placement in Drug Court. This court is being created by our Judges and Prosecutors who have made it clear that they want us to target local addicts, they know we need to combat the overpowering addictions to opiates and methamphetamines. Because of the increased prosecution of heroin and methamphetamine traffickers, this will target those who sell the drugs in order to maintain their addicitons.**
6. Provide additional analysis you feel necessary to explain your prison commitment rates: **Our overall PCR for 2014 was 43% and 37% for 2015, a 6% drop. I feel the valuable programs we operate contributed to this reduction. This is the first real marked reduction in PCR in our area in several years. This coinsides I feel with the drastic changes our CCAB has made in the last few years to align ourselves with programs and strategies that we can actually measure and focus on as well as the increased education and positive support from our Judical and Prosecutorial areas.**

B-2: Felony Analysis Key Objectives and Strategies
NOTE: • Objectives should be measurable and provide sufficient detail so progress can be monitored. • Each objective should be followed by **at least** one strategy (step, action, policy, and program) that will help you achieve your objective. • Your objectives and strategies should be supported by the analysis above. If you did not provide analysis for a PV or Group 2 population, you wouldn't develop an objective related to that population. • Keep in mind that all programs for which you are requesting funding are considered ***strategies***. Be sure to clearly identify them as strategies.
1. Objective #1 is intended to impact the overall prison commitment rate – please state the Objective: **Reduce PCR from 38% to 36%**
Programs in support of Objective #1 (number and separate strategies by using carriage return [enter]):
1. Gatekeeper- Each offender after arrest will be given a Praxis screening and if appropriate a substance abuse assessment as part of Gatekeeper (Continuation) **2. Pre-Trial Services- Offenders will be monitored for drug/alcohol usage, AA/NA attendance and placed in residential services as needed.** **2. CBCM- Once an offender has been sentenced and served their required minimum, they are placed in jail alternative options and monitored through CBCM.** **3. PRS/DDJR- Every eligible offender will be placed in residential treatment.** **4. MRT- After completion of PRS or DDJR, jail alternative clients will be sent through MRT group counseling. Target PV offenders not in jail--will be referred by their agent to MRT in lieu of a formal PV, avoiding a new sentence.** **5. While in the Pre-Trial phase, determine which offender is eligble to participate in Recovery Court (drug court), work with prosecutor, Judge and staff to monitor offenders pre and post sentencing. Send to PRS/DDJR/MRT as appropriate.** **6. Drug Court- Targeting Group 2 Straddle Cell drug/property crime offenders, who are addictied. Will be placed in a delayed sentence and if successful will be allowed to plea to a misdemeanor. Thus a true prison diversion.**
2. Objective #2 is intended to impact the Group 2 Straddle Cell rate – please state the Objective: **Reduce PCR for Group 2 Straddle Cell offenders in the region to 58% (excluding prisoners).**
Programs in support of Objective #2:
1. Gatekeeper- Each offender after arrest will be given a Praxis screening and if appropriate a substance abuse assessment as part of Gatekeeper **2. Pre-Trial Services- Offenders will be monitored for drug/alcohol usage, AA/NA attendance and placed in residential services as needed.** **2. CBCM- Once an offender has been sentenced and served their required minimum; they are placed in jail alternative options and monitored through CBCM.** **3. PRS/DDJR- Every eligible offender will be placed in residential treatment.** **4. MRT- After completion of PRS or DDJR, jail alternative clients will be sent through MRT group counseling. Target PV offenders not in jail--will be referred by their agent to MRT in lieu of a formal PV, avoiding a new sentence. (Continuation)** **5. While in the Pre-Trial phase, determine which offender is eligible to participate in Recovery Court (drug court), work with prosecutor, Judge and staff to monitor offender's pre and post sentencing. Send to PRS/DDJR/MRT as appropriate.** **6. Drug Court- Targeting Group 2 Straddle Cell drug crime offenders. Will be placed in a delayed sentence and if successful will be allowed to plea to a misdemeanor. Thus a trur prison diversion.**

B-3: Assessment
• Use OMNI data to track changes in prison commitment rates that were identified as objectives.

- Monitor and report on changes in local circumstances or offender populations/characteristics that prevent attainment of your objectives.
- Use CCIS data to determine the utilization of your programs by your targeted populations.

What steps will you take if you find that you are not meeting your objectives or your strategies are not being implemented as planned? **Program utilization will be monitored on a constant basis by manager. If any underutilization of programs occur, staff will take steps to increase participation as well as encourage DOC staff to utilize our programs. If goals are not being met, CCAB Manager will meet with Judges, DOC Supervisor and Prosecutor to address changes/needs to encourage our alternative options to prison. Manager also contacts grant coordinator often about program objectives and utilization.**

C: Jail Data Analysis:

- Using JPIS or local snapshot data, please provide information pertaining to the number of offenders on record as well as the ADP % of housed inmates for each of the categories below.
- Please fill out each answer for this section completely, with the correct information. Applications with incomplete data may be rejected.

(NOTE: Regional CCABs should complete analysis for each county.)

Current Jail Utilization						
County	**Antrim**	**Grand Traverse**	**Leelanau**			
General Information						
RDC	**56**	**168**	**72**			
Utilization as % of RDC	**Jail states data not avail.**	**Jail states data not avail.**	**44**			
Number of off-line beds	**0**	**0**	**0**			
Felon Population						
Sentenced Felons	**Jail states data not avail.**	**Jail states data not avail.**	**1**			
Sentenced Prior to Admission	**Jail states data not avail.**	**Jail states data not avail.**	**0**			
Sentenced After Admission	**Jail states data not avail.**	**Jail states data not avail.**	**1**			
Unsentenced Felons	**Jail states data not avail.**	**Jail states data not avail.**	**5**			
Misdemeanant Population						
Sentenced Misdemeanants	**Jail states data not avail.**	**Jail states data not avail.**	**7**			
Sentenced Prior to Admission	**Jail states data not avail.**	**Jail states data not avail.**	**1**			
Sentenced After Admission	**Jail states data not avail.**	**Jail states data not avail.**	**6**			
Unsentenced Misdemeanants	**Jail states data not avail.**	**Jail states data not avail.**	**3**			

1. Does your county have a written county jail population management plan per PA 139 of 2007? Yes
2. In FY 2014, did your sheriff initiate a reduction in population because the jail exceeded 95% of RDC for 5 consecutive days per Public Act 140 of 2007? No. If YES, explain how this was carried out:

3.	In FY 2014 how many times did the county declare an official (in writing) jail overcrowding state of emergency (over 100% of RDC for 7 consecutive days) per Public Act 140 of 2007? **none**
4.	Does your jail submit JPIS data? No If not, please provide a rationale for not submitting JPIS data: **All three county jails have spoken to State staff about JPIS submission at the urging of CCAB Manager Shively, none are submitting, and state they will not submit because of techinical problems and lack of resources to work problems out. They all feel it is the states requirement to find the solutions to the errors.**
5.	What vendor or jail management software is used to report jail utilization? **1. Antrim- OSSI 2. Grand Traverse- AEGIS 3. Leelanau- 10 Networks**

C-1: Using JPIS data (or local data as available) provide an analysis of local jail utilization including the average daily populations/lengths of stay of jail populations including felon and misdemeanant utilization, sentenced and unsentenced populations, partially sentenced populations, boarders, and offense categories. (Regionals: use carriage return [Enter] to separate information by jail)	
1.	This application uses Local Snapshot Data
2.	Are bookings up, down, or stable? Stable
3.	Describe changes in ADP or AvLOS for the population groups reported above: **No remarkable changes since last year to report**
4.	Provide additional information to explain your jail utilization here including changes in stakeholders, law enforcement priorities, bed closures, etc.: **DOC agents are now refering PV to the new PRS facility on our campus in lieu of a formal probation violation.**

C-2: Describe policies and practices that influence jail population:	
1.	Does the jail have a "bed allocation plan"? Yes
2.	Does the county have a "jail task force" in place to address jail utilization issues? Yes
3.	How are sheriff's good time and trustee credits awarded / forfeited? **Antrim and Grand Traverse- 1 day for every 6--Leelanau 1 extra for every 30 served while a trustee- Work crew 1 for every 6**
4.	Is the jail "closed" to certain types of offenses/offenders/warrants? No
5.	Does the jail accept boarders from other counties? Choose an item.If YES, what is the daily rate charged for a boarder? **Antrim- $35/boarder w/work release is $50 per day--Grand Traverse $40 per day--Leelanau $30 per day**
6.	Does the jail have a county-imposed cap on local bed utilization to provide space for boarding? No If YES, report number of boarders and the % of the RDC for all boarders.
7.	Does the jail accept Parole Violators on MDOC detainers? Yes
8.	Does the jail accept MDOC or Federal boarders under contract? Yes If YES, what is the daily rate charged for MDOC and/or Federal boarders? **All three are paid $35 per day per offender.**
9.	What was the revenue from boarders for CY 2016? **Antrim- $25,550/Grand Traverse- $10,570, Leelanau NA**
10.	What was the revenue from County Jail Reimbursement in CY 2016? **Antrim- $17,818.15/ Grand Traverse- $0 , Leelanau NA**
11.	Does the jail operate a work release program (offenders leave the jail to work and then return to the jail)? Yes If YES, how many beds (number and % of RDC) are work release beds? **Varies, no set number for each jail** How much are offenders charged to be on work release? **Antrim $15, Grand Travese & leelanau $20 per day**.
12.	Does the jail accept weekend sentences? Yes If YES, approximately how many weekenders book in each weekend? **Average 5 per weekend**
13.	Provide additional analysis you feel is necessary to explain your jail utilization: **N/A**

D: Recidivism Analysis

The updated Public Act 511 mandates that CCABs "Provide improved local services for individuals involved in the criminal justice system with the goal of reducing the occurrence of repeat criminal offenses that result in a term of incarceration or detention in jail or prison." As such, CCABs are required to address recidivism within their comprehensive plan, with a specific emphasis on how the plan is intended to impact the local recidivism rates.
The State Board has defined recidivism as "Probation Violations, either technical or new sentence, resulting in prison," and has identified Probation Violators as being indicative of performance in this area:

i. Male Probation Violators with a new felony conviction resulting in a prison sentence
ii. Female Probation Violators with a new felony conviction resulting in a prison sentence
iii. Male Technical Probation Violators resulting in a prison sentence
iv. Female Technical Probation Violators resulting in a prison sentence

Based on OMNI Report 3, please use the following table to report the number of Probation Violators that resulted in a prison disposition for each listed category. Regional CCABs should list the Probation Violation Data for each County separately and provide a total, regional rate at the end of each row.

D-1: Using OMNI Felony Disposition data supplied by OCC for:

2015 Recidivism Rates

County Name	**Antrim**	**Grand Traverse**	**Leenanau**				**Totals for Region:**
Probation Violation - New Sentence to Prison							
Male	**3**	**6**	**1**				**10**
Female	**0**	**0**	**0**				**0**
Combined	**3**	**6**	**1**				**10**
Probation Violation – Technical to Prison							
Male	**0**	**6**	**4**				**10**
Female	**0**	**2**	**0**				**2**
Combined	**0**	**8**	**4**				**12**

D-2: Using OMNI Felony Disposition data supplied by OCC for FY 2014 and FY 2015:

1. Are Probation Violations increasing, decreasing, or stable? Decreasing
2. Describe changes within the Probation Violation data from FY 2014 to FY 2015. Report rates with detailed explanation: **PV tech violators decresed from 59% in 2014 to 40% in 2015. PV's with New Sentence decreased from 52% in 2014 to 38% in 2015.**
3. Can you attribute any changes to strategies/programs in your comprehensive plan? **Probation agents are refering more offenders to PRS and MRT in lieu of formal Probation Violations.**
4. Describe any changes in criminal justice system stakeholders that may have contributed to changes in rates: **Prosecutors and Judges are more receptive to the programs we offer in lieu of sending an offender to prison. They would like the person to have access to treatment in hopes of tackling their addictions.**
5. Describe any changes in Probation Violation data that warrant a change in your plan: **none**
6. Provide additional analysis you feel necessary to explain your recidivism rates: **none**

D-3: Recidivism Key Objectives and Strategies

NOTE:

- Objectives should be measurable and provide sufficient detail so progress can be monitored.
- Each objective should be followed by **at least** one strategy (step, action, policy, and program) that will help you achieve your objective.
- Your objectives and strategies should be supported by the analysis aboveKeep in mind that all programs for which you are requesting funding are considered ***strategies***. Be sure to clearly identify them as strategies.

1. Objective #1 is intended to impact recidivism by targeting: Technical Probation Violators State the Objective: **Reduce Tech PV's from 40% to 38%**

Programs in support of Objective #1:

MRT, PRS- Increase referrals from DOC agents to MRT and PRS. Meet a minimum of montly with DOC staff and Judges to remind and encourage them to refer offenders to CCAB staff in lieu of a formal probation violation. Also , if an offender is before a Judge for a formal violation, instead of sentencinging an offender to jail or prison, encourage Judges to order MRT or PRS.

Drug Court will be offered to those already on probation who are arrested for a new felony drug crime.

2. Objective #2 is intended to impact recidivism by targeting: Probation Violators with a new sentence State the Objective: **Reduce PV with new sentence from 38% to 36%**

Programs in support of Objective #2:

Pre-Trial Services, MRT & PRS. Target offenders right from arrest during the pre-trial phase, place them in treatment up to and including PRS, make recommendations to Prosecutor about offenders ability to be superviced in the community. Supervise offenders very closely while in the pre-trial phase to ensure compliance to bond condition and if violations occur, address them immediately in hopes of any further violations occuring.

Drug Court- Once offenders have successfully completed this program, they will have been given a very long sober period, employment, intensive substance abuse counseling, and healthy lifestyle tools. This will directly reduce residivism.

E: COMPAS Criminogenic Needs Profile

Please list the top 3 needs scales as identified within the COMPAS Criminogenic Needs and Risk Profile provided by OCC. Additionally, present both the local and OCC strategies that will impact the identified needs scales:

1. Substance Abuse
2. Risk of Recidivism
3.Vocational/Educational.

Beginning with the Pre-Trial phase offenders will be screened and assessed for substance abuse treatment through either PRS, DDJR or NMRE funded placement. After sentencing if they have not been placed into one of the above placements, they will then be referred there while in lieu of jail. Once successful in treatment, then referral to RHS for supportive housing. Offenders will be placed into MRT to work on changing their criminal thinking to address recidivism risks. Staff will referr those needing GED or employment assistance to the local Michigan Works department. CCAB staff is working to add a "Workforce Development" member to the local board.

F: Vocational/Educational Initiatives

Please explain in detail what is being done locally to address the local vocational/employment needs of offenders. Include the local caseload unemployment rates and any initiatives to address the “Hot Jobs” list:

If an offender is unemployed when they begin our programming, they are immediately referred to the Michigan Works local office. CCAB Staff work with offenders on applications, job searches, interviewing tips, appearance, etc. Antrim Co has 55.8% employment rate. This is our most difficult county for an offender to find jobs, simply because of the very low population in the county and jobs available.

Grand Traverse has 66.8% employment rate
Leelanau County has 60% employment rate
Our region is a tourist destination. As such, most entry level jobs are are service related and construction/labor opportunities, as is stated in the Hot Jobs list. In the summer months there is no reason for an offender to be unemployed, there are ample jobs available, however in the winter as the tourist season, and construction projects slow down, so does job availability. Comparing the other counties in our region, these three counties have either similar or higher employment rates then the other counties.

G: Substance Abuse Testing Initiatives

Please explain in detail what initiatives are in place to address offender drug testing needs. Include the local percentage of positive tests as well as the top three drugs of choice in the region:

There are several locations for testing in our three counties. All locations require the offender to pay for their own testing. In Home PBT testing units are also available. Funds are available while an offender is in the Pre-Trial phase to pay for an offenders testing if needed. Funds are also available for Drug Court participants for testing.

Antrim- 4.43% positive samples- top three drugs are Cannabinoids, Opiates & Cocaine.
Grand Traverse- 3.37% positive samples- Cannabinoids, Opiates & Cocaine.
Leelanau- 3.25% positive- Alcohol, Cannabinoids and Opiates all had the same number of positive samples.

H: Other Local Strategies

1. Present any local priorities such as development of criminal justice coordinating councils, Specialty Courts, public education, etc., which have not been identified in the above sections, but have an impact on the performance indicators: Continue the colaboration with Recovery Court
2. Please explain how the Comprehensive Plan, in coordination with the above Local Strategies, will impact the State Board Priorities, and ultimately offender success: Our counties have historically had high PCR. While they are high, the overal number of offenders going to prison is fairly low at 123 last year. We offer programs that literally take an offender out of the jail and place them into programming to address their needs. We have intensive supervision of these offenders while on our program through the CBCM program. They meet with us at a minimum of once per week, however reality is we speak or meet with most several times per week. We provide supervision not available at the DOC agent level. Pre-Trial Services is being used to assess an offenders needs prior to even being convicted. Often we now have a plan in place at sentencing for the offender and Judges and Prosecutors are supportive of the programs we offer. The DOC agents rely on our programs for treatment for their probationers. All of the programs we have will provide a direct reduction of offenders going to prison and reoffending. The implementation of the Drug Court will take offenders directly out of the felony system and divert them to a conviction of a misdemeanor. While this typically will look as though our PCR has increased due to the reduction of overall convictions, CCAB Manger will provide local figures for actual PCR with these offenders and those OWI 3rds in Recovery Court figured back in.

Summary of Program Services

For:

THIRTEENTH CIRCUIT

Program Code	Program & Service Type	Name of Program	Projected Enrollments	Continuations	Total in Program
Administration	Administration	Administration	n/a	n/a	n/a
C01	Cognitive	Moral Reconation Therapy	55	10	65
D23	Intensive Supervision	Drug Court	50	0	50
F23	Pretrial Supervision	Pre-Trial Services	175	15	190
I24	Community Based Case Management	Community Based Case Management	150	15	165
I25	Gatekeeper	Gatekeeper	145	10	155
Z01	DDJR Assessment & Treatment Services	DDJR for Recovery Court			0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0
- -					0

Program Cost Descriptions

For:

THIRTEENTH CIRCUIT

Salary & Wage Costs

Position 1

Title:	Manager	Name of Individual:	Sherise Shively

Number of Hours Worked Per Year. (Full Time is 2,080)	2080.00	FTE Equivalent:	1.00

Funding Sources & Cost Allocation

Program Code/Name	CPS	DDJR	Local/Other	Fee Revenue	Totals	Duties and Responsibilities
Administration	30,470				30,470	Manage staff, complete reports, budgets, grants. Manage programs, billing, budgeting. Plan and assess all aspects of programs and department.
Z01 - DDJR for Recovery Court		22,000			22,000	OWI 3rd offenders in our region are allowed to enter into a delayed sentence for 1 year in District Court to participate in Sobriety Court. If successful for the 1 year, these offenders are never sentenced in Circuit
F23 - Pre-Trial Services	10,500				10,500	Administer PRAXIS, provide reults to prosecutor and Judges. Supervise and monitor offenders until sentencing.
- - - 0					-	
Administration					-	
Totals	40,970	22,000	-	-	62,970	

Position 2

Title:	Community Corrections Officer	Name of Individual:	Margaret Drury

Number of Hours Worked Per Year. (Full Time is 2,080)	1950.00	FTE Equivalent:	0.94

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Duties and Responsibilities
I25 - Gatekeeper	7,000				7,000	Administer screening in jail for eligibility, substance abuse assessment, work with jail staff to clear up holds facilitate release of offender and placement at in lieu of jail location.
I24 - Community Based Case Management	16,473				16,473	Supervise, support and monitor offenders on the program
-					-	
-					-	
-					-	
Totals	23,473	-	-	-	23,473	

Position 3

Title:	Community Corrections Officer	Name of Individual:	Damon Herman

Number of Hours Worked Per Year. (Full Time is 2,080)	1950.00	FTE Equivalent:	0.94

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Duties and Responsibilities
I25 - Gatekeeper	7,000				7,000	Administer screening in jail for eligibility, substance abuse assessment, work with jail staff to clear up holds facilitate release of offender and placement at in lieu of jail location.
I24 - Community Based Case Management	16,473				16,473	Supervise, support and monitor offenders on the program
-					-	
-					-	
-					-	
Totals	23,473	-	-	-	23,473	

Position 4

Title:	Community Corrections Officer	Name of Individual:	Partick Prevo

Number of Hours Worked Per Year. (Full Time is 2,080)	1950.00	FTE Equivalent:	0.94

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Duties and Responsibilities
I25 - Gatekeeper	7,000				7,000	Administer screening in jail for eligibility, substance abuse assessment, work with jail staff to clear up holds facilitate release of offender and placement at in lieu of jail location.
I24 - Community Based Case Management	16,473				16,473	Supervise, support and monitor offenders on the program
-					-	
-					-	
-					-	
Totals	23,473	-	-	-	23,473	

Position 5

Title:	Compliance Officer	Name of Individual:	Lynn Hildebrand

Number of Hours Worked Per Year. (Full Time is 2,080)	1950.00	FTE Equivalent:	0.94

Funding Sources & Cost Allocation						
Program Code	**CPS**	**DDJR**	**Local/Other**	**Fee Revenue**	**Totals**	**Duties and Responsibilities**
F23 - Pre-Trial Services	48,095				48,095	Administer PRAXIS, provide reults to prosecutor and Judges. Supervise and monitor offenders until sentencing.
-					-	
-					-	
-					-	
-					-	
Totals	48,095	-	-	-	48,095	

Position 6

Title:	Community Corrections Officer	Name of Individual:	Unknown
Number of Hours Worked Per Year. (Full Time is 2,080)	1950.00	FTE Equivalent:	0.94

Funding Sources & Cost Allocation						
Program Code	**CPS**	**DDJR**	**Local/Other**	**Fee Revenue**	**Totals**	**Duties and Responsibilities**
D23 - Drug Court	66,619				66,619	Resonsible for entire Drug Court case load, prepares PSI, arranges all programming for offender, attends weekly court hearings, weekly team
-					-	
-					-	
-					-	
-					-	
Totals	66,619	-	-	-	66,619	

Position 7

Title:		Name of Individual:	
Number of Hours Worked Per Year. (Full Time is 2,080)	0.00	FTE Equivalent:	0.00

Funding Sources & Cost Allocation						
Program Code	**CPS**	**DDJR**	**Local/Other**	**Fee Revenue**	**Totals**	**Duties and Responsibilities**
-					-	
-					-	
-					-	
-					-	
-					-	
Totals	-	-	-	-	-	

Position 8

Title:		Name of Individual:			
Number of Hours Worked Per Year. (Full Time is 2,080)	0.00	FTE Equivalent:		0.00	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Duties and Responsibilities
-					-	
-					-	
-					-	
-					-	
-					-	
Totals	-	-	-	-	-	

Position 9

Title:		Name of Individual:			
Number of Hours Worked Per Year. (Full Time is 2,080)	0.00	FTE Equivalent:		0.00	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Duties and Responsibilities
-					-	
-					-	
-					-	
-					-	
-					-	
Totals	-	-	-	-	-	

Position 10

Title:		Name of Individual:			
Number of Hours Worked Per Year. (Full Time is 2,080)	0.00	FTE Equivalent:		0.00	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Duties and Responsibilities
-					-	
-					-	
-					-	
-					-	

-					-	
Totals	-	-	-	-	-	
Salary & Wage Totals	226,103	22,000	-	-	248,103	

Contractual Services

Contract 1

Name of Provider:	Addiction Treatment Services
Services Provided:	Moral Reconation Therapy
Terms of Reimbursement:	$190 Per group session, plus $25 per person workbook fee (workbook costs are included in Supplies section of budget).

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
C01 - Moral Reconation Therapy	17,875				17,875
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
Sub - Total	17,875	-	-	-	17,875

Contract 2

Name of Provider:	DOC Contracted Residential Service Providers
Services Provided:	Residential treatment for eligible Felony offenders
Terms of Reimbursement:	Per state contract

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
Z01 - DDJR for Recovery Court		15,257			15,257
-					-
-					-
-					-
-					-
-					-
-					-
-					-
Sub - Total	-	15,257	-	-	15,257

Contract 3

Name of Provider:	
Services Provided:	
Terms of Reimbursement:	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals

-					-
-					-
-					-
-					-
-					-
-					-
-					-
-					-
Sub - Total	-	-	-	-	-

Contract 4

Name of Provider:	
Services Provided:	
Terms of Reimbursement:	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
Sub - Total	-	-	-	-	-

Contract 5

Name of Provider:	
Services Provided:	
Terms of Reimbursement:	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
-					-
-					-
-					-
-					-
-					-
-					-
-					-
-					-
Sub - Total	-	-	-	-	-

Contract 6

Name of Provider:	
Services Provided:	
Terms of Reimbursement:	

Funding Sources & Cost Allocation					
Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
- - - 0					-
Sub - Total	-	-	-	-	-

Contract 7

Name of Provider:	
Services Provided:	
Terms of Reimbursement:	

Funding Sources & Cost Allocation					
Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
-					-
-					-
-					-
-					-
-					-
-					-
-					-
-					-
Sub - Total	-	-	-	-	-

Contract 8

Name of Provider:	
Services Provided:	
Terms of Reimbursement:	

Funding Sources & Cost Allocation					
Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
-					-
-					-
-					-
-					-
-					-
-					-
-					-
-					-
Sub - Total	-	-	-	-	-

Contract 9

Name of Provider:	
Services Provided:	

Terms of Reimbursement:	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
-					-
-					-
-					-
-					-
-					-
-					-
-					-
-					-
Sub - Total	-	-	-	-	-

Contract 10

Name of Provider:	
Services Provided:	
Terms of Reimbursement:	

Funding Sources & Cost Allocation

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals
-					-
-					-
-					-
-					-
-					-
-					-
-					-
-					-
Sub - Total	-	-	-	-	-
					-
Total	17,875	15,257	-	-	33,132

Equipment

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Description
Administration	5,233				5,233	Computers, printers, ON BASE, electronic supplies and IT services provided to staff
-					-	
-					-	
-					-	
-					-	
-					-	
-					-	
-					-	
Total	5,233	-	-	-	5,233	

Supplies

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Description
Administration	1,000				1,000	Office Supplies, desks, chairs
					-	
C01 - Moral Reconation Therapy	1,375				1,375	MRT Books for Participants
- - - 0					-	
- - - 0					-	
- - - 0					-	
- - - 0					-	

- - - 0					-	
Total	2,375	-	-	-	2,375	

Travel

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Description
Administration	8,500				8,500	Staff travel between the 3 counties and see offenders at offsite locations. Manager attends all needed county board meetings, conferences and community meetings. Staff Transports clients to Residential Treatment throughout state.
-					-	
-					-	
-					-	
-					-	
-					-	
-					-	
-					-	
Total	8,500	-	-	-	8,500	

Training

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Description
Administration	1,200				1,200	Membership fees for associations and Conference expenses for manager and employees. Manager to attend National Association of Pretrial Services conference in 2017.
-					-	
-					-	
-					-	
-					-	
-					-	
-					-	
-					-	
Total	1,200	-	-	-	1,200	

Board Expenses

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Description
Administration	400					Copy machine use and postage required for board meetings and notifications & meeting supplies, food for board meetings.
- - - 0						
Total	400	-	-	-	-	

Other

Program Code	CPS	DDJR	Local/Other	Fee Revenue	Totals	Description
Administration	2,500				2,500	Drug/Alcohol testing for Community Corrections participants
D23 - Drug Court	5,000				5,000	Drug/Alcohol testing for participants of Drug Court
-					-	
-					-	
-					-	
-					-	
-					-	
-					-	
Total	7,500	-	-	-	7,500	

MICHIGAN DEPARTMENT OF CORRECTIONS
OFFICE OF COMMUNITY CORRECTIONS
FY 2017 FUNDING PROPOSAL
for
THIRTEENTH CIRCUIT

Comprehensive Plans & Services

Program	Program Code	Funding Request	Approved Funding	Reserved Funding	Total Funding Recommendation
Community Service					
Placement	A19	-			-
Work Crew - Inmate	A25	-			-
Work Crew - Community	A26	-			-
Sub-Total		-	-	-	-
Group-Based Programs					
Education	B00	-			-
Employment	B15	-			-
Life Skills	B16	-			-
Cognitive	C01	19,250			-
Domestic Violence	C05	-			-
Sex Offender	C06	-			-
Substance Abuse	G18	-			-
Other Group Services	G00	-			-
Sub-Total		19,250	-	-	-
Supervision Programs					
Day Reporting	D04	-			-
Intensive Supervision	D23	71,619			-
Electronic Monitoring	D08	-			-
Pretrial Supervision	F23	58,595			-
Sub-Total		**130,214**	**-**	**-**	-
Assessment Services					
Actuarial Assessment	I22	-			-
Pretrial Assessment	F22	-			-
Sub-Total		-	-	-	-
Gatekeeper					
Jail Population Monitor	I23	-			-
Gatekeeper	I25	21,000			-
Sub-Total		21,000	-	-	-
Case Management	I24	49,419			-
Substance Abuse Testing	G17	-			-
Other	Z00	-			-
Program Total		219,883	-	-	-
Administration					
Salary & Wages		**30,470.00**			-
Contractual Services		**-**			-
Equipment		**5,233.00**			-
Supplies		**1,000.00**			-
Travel		**8,500.00**			-
Training		**1,200.00**			-
Board Expenses		**400.00**			-
Other		**2,500.00**			-
Administration Total		49,303	-	-	-
Total Comprehensive Plans & Services		**269,186**	**0**	**0**	**0**

Drunk Driver Jail Reduction

Program	Program Code	Funding Request	Approved Funding	Reserved Funding	Total Funding Recommendation
Assessment & Treatment Services	Z01	37,257			0
5-Day In Jail Housing	Z02	0			0
Residential Services	Z03	0			0
Totals		37,257	0	0	0

EXECUTIVE DOCUMENT SUMMARY

Department: Treasurer Contact Person: John Gallagher Telephone No.:	**Submittal Dates** ☒ Executive Board: June 14th 2016 ☐ Regular Session:
Source Selection Method ☐ Select One ☒ Other:	**VENDOR**: Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☒ Board/Committee Recommendation ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

Presented before you are the sale proceeds remaining from 2013 foreclosures available for transfer to the County General Fund.

Suggested Recommendation: Suggested Motion- I recommend to the Board of Commissioners the transfer of $23,593 from Fund 517.000.000.999.000 to Fund 101.000.000.699.000.

Department Head Approval: John A Gallagher III Digitally signed by John A Gallagher III Date: 2016.05.23 13:45:16 -04'00' Date: _____

ANNUAL REPORT OF BALANCE IN LAND SALE PROCEEDS ACCOUNTS

In accordance with MCL 211.78m (8) (h), this written report is presented to the Board of Commissioners.

Net Balance in Land Sale Proceeds Accounts*:

2013	tax year	$ 23,591
Subtotal		**$ 23,591**

Contingent Liabilities:

Properties of Concern: None

Available for transfer to General Fund: **$ 23,591**

*** As of May 23, 2016**

This report is prepared by John A. Gallagher III, Leelanau County Treasurer to be presented to the Leelanau County Board of Commissioners.

EXECUTIVE DOCUMENT SUMMARY

Department: Treasurer Contact Person: John Gallagher Telephone No.: 2312569838	**Submittal Dates** ☒ Executive Board: _____ ☐ Regular Session: _____
Source Selection Method ☐ Quotation ☐ Other: _____	**VENDOR:** BS&A Software Address: 14965 Abbey Lane Bath MI48808 Phone: _____

Budgeted Amount: 0.00 Contracted Amount: _____

Document Description

☒ Board/Committee Recommendation ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

Attached is a training proposal from BS&A Software for Tax.Net and P.R.E. Audit.Net for One day at $1,100/day with estimated travel expenses of $420 for a total not to exceed $1,520.00. This proposed training will be facilitated on-site and open to County Employees for the purposes of continuing education and developing best practices with the specific focus of utilizing the P.R.E. software.

Suggested Recommendation: I recommend to the Board of Commissioners the approval of BS&A Software Training not to exceed $1,520.00; Funds to come from 258.000.000.960.000.

Department Head Approval: _____ Date: _____

Proposal to...
Leelanau County MI
May 10, 2016
Project Contact: Jenny Martin

Training

Tax .NET and P.R.E. Audit .NET *One day at $1,100/day*	**$1,100**

Travel Expenses

Estimated travel expenses	**$420**

TOTAL, TRAINING AND TRAVEL $1,520

BS&A SOFTWARE

Signature constitutes an order for products and services as quoted.

Signature **Date**

Please complete the following for our records:

Project Contact Name John A. Gallagher III Title Treasurer

Phone/Fax 231-256-9838 Email jgallagher@co.leelanau.mi.us

Mailing Address 8527 E Government Center Drive STE 104

City, State, Zip Suttons Bay, MI 49682

BS&A Software
14965 Abbey Lane Bath MI 48808
(855) BSA-SOFT / fax (517) 641-8960
bsasoftware.com

Questions? Please call Jenny Martin at the number shown, or email inquiry@bsasoftware.com

Prices good for a period of 90 days from date on quote.

EXECUTIVE DOCUMENT SUMMARY

Department: Planning/Comm. Development Contact Person: Trudy Galla, Director Telephone No.: 231-256-9812	**Submittal Dates** ☒ Executive Board: June 14, 2016 ☒ Regular Session: June 21, 2016
Source Selection Method ☐ Select One ☐ Other:	**VENDOR**: Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☒ Amendment ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

This request is to Amend the agreement with the Benzie Leelanau District Health Department and extend the recycling agreement through December 31, 2021. At the May 26 meeting of the Health Department, a motion was passed to approve the amendment. The Director will submit the proper paperwork to the Township Zoning Administrator to acquire a new Special Use Permit for the site (current permit was only for 1 year).

Suggested Recommendation: **"Motion to approve Amendment No. 1 to the Agreement between Leelanau County and Benzie Leelanau District Health Department for a County Recycling Program Recycling Site, and authorize the Board Chairman to sign the Amendment No. 1."**

Department Head Approval: Trudy J. Galla 2016.05.13 09:24:20 -04'00' Trudy J. Galla 2016.06.06 13:20:42 -04'00' Date: June 6, 2016

AMENDMENT NO. 1
TO THE
AGREEMENT BETWEEN LEELANAU COUNTY AND
BENZIE LEELANAU DISTRICT HEALTH DEPARTMENT
FOR A COUNTY RECYCLING PROGRAM RECYCLING SITE

This Amendment No. 1 is entered this ____ day of _____, 2016, between Leelanau County (County) and Benzie Leelanau District Health Department (Site Host), and amends the Agreement entered into by the parties on July 1, 2015 for the use and operation of a Leelanau County Recycling Program recycling site on the Site Host's property (hereafter, "the Agreement").

1. Section 3, Compensation, pages 1-2 of the above-stated Agreement, shall be amended to read as follows:

> **3. COMPENSATION**: The County shall pay the Site Host an annual rental payment in the total amount of One Thousand Two Hundred Fifty and No/100 Dollars ($1,250.00), payable in equal installments on a quarterly basis. In no event shall the total compensation paid under this Agreement exceed the sum of Eight Thousand One Hundred Twenty-Five and No/100 Dollars ($8,125.00).
>
> The County shall not be responsible for any additional costs incurred by the Site Host for repairs or improvements to the recycling site, except as otherwise provided in the County Solid Waste Council's Policy for the Use of P.A. 69 Funds for reimbursement for repairs found to be necessary by the Solid Waste Council to address the functioning of recycling at the site.

2. Section 4, Effective Date, page 3 of the above-stated Agreement, shall be amended to read as follows:

> **4. EFFECTIVE DATE**: This Agreement is effective on the date first above written, and shall continue for a term of six and one-half (6½) years thereafter, through December 31, 2021, unless terminated earlier.

3. All other terms and conditions of the Agreement remain in full force and effect, except as modified by this Amendment No. 1. This Amendment No. 1 shall become effective on July 1, 2016.

4. The people signing this Amendment on behalf of the parties to the above-stated Agreement certify by their signatures that they are duly authorized to sign this Amendment to the Agreement on behalf of the parties and that this Amendment has been authorized by the parties.

_____ _____
Carolyn Rentenbach, Chairperson Date
Leelanau County Board of Commissioners

_____ _____
Benzie Leelanau District Health Department (Site Host) Date

n:\client\leelanau\amendments\amendment no. 1 to agreement for recycling site rental -benzie leelanau dhd 2016.doc

EXECUTIVE DOCUMENT SUMMARY

Department: Equalization Contact Person: Laurie Spencer Telephone No.: 231-256-9823	**Submittal Dates** ☒ Executive Board: 06/14/2016 ☒ Regular Session: 06/21/2016
Source Selection Method ☐ Select One ☒ Other: L-4029	VENDOR: Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☐ Select One ☒ Other L-4029

☐ **Request to Waive Board Policy on Bid Requirements**

The 2016 L-4029 Tax Rate Request must be completed and submitted to the Equalization Department to allow time to prepare summer tax bills due July 1st. The L-4029 must be signed by the Clerk and the Chairperson.

Suggested Recommendation: Motion: Approve a millage rate that does not exceed the maximum allowable millage levy (column 9) and place that millage rate in column 10 as the millage rate requested to be levied July 1 and return L-4029 to the Equalization Department.

Department Head Approval: Laurie Spencer Date: 5/17/2016

Michigan Department of Treasury
614 (Rev. 04-16)

ORIGINAL TO: County Clerk(s)
COPY TO: Equalization Department(s)
COPY TO: Each township or city clerk

L-4029

2016 Tax Rate Request (This form must be completed and submitted on or before September 30, 2016)

MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

Carefully read the instructions on page 2.

This form is issued under authority of MCL Sections 211.24e, 211.34 and 211.34d. Filing is mandatory; Penalty applies.

County(ies) Where the Local Government Unit Levies Taxes	2016 Taxable Value of ALL Properties in the Unit as of 5-23-16
Leelanau County	**2,569,394,527**
Local Government Unit Requesting Millage Levy **Leelanau County**	For LOCAL School Districts: 2016 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties.

This form must be completed for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been authorized for levy on the 2016 tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Original Millage Authorized by Election Charter, etc.	(5) ** 2015 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(6) 2016 Current Year "Headlee" Millage Reduction Fraction	(7) 2016 Millage Rate Permanently Reduced by MCL 211.34d "Headlee"	(8) Sec. 211.34 Truth in Assessing or Equalization Millage Rollback Fraction	(9) Maximum Allowable Millage Levy *	(10) Millage Requested to be Levied July 1	(11) Millage Requested to be Levied Dec. 1	(12) Expiration Date of Millage Authorized
Allocated	Oper	Nov-69	6.2000	3.5393	.9949	3.5212	1.0000	3.5212			Indefin

Prepared by	Telephone Number	Title of Preparer	Date
Laurie A Spencer	**231-256-9823**	**Equalization Director**	

CERTIFICATION: As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and, for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, 380.1211(3).

	Signature	Print Name	Date
☒ Clerk ☐ Secretary		**Michelle L. Crocker**	
☒ Chairperson ☐ President		**Carolyn (Peachy) Rentenbach**	

Total School District Operating Rates to be Levied (HH/Supp and NH Oper ONLY)	Rate
For Principal Residence, Qualified Ag, Qualified Forest and Industrial Personal	
For Commercial Personal	
For all Other	

** Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate but not larger than the rate in column 9.*

**** IMPORTANT:** See instructions on page 2 regarding where to find the millage rate used in column (5).

Instructions For Completing
Form 614 (L-4029) *2016 Tax Rate Request,*
Millage Request Report To County Board Of Commissioners

These instructions are provided under MCL Sections 211.24e (truth in taxation), 211.34 (truth in county equalization and truth in assessing), 211.34d (Headlee), and 211.36 and 211.37 (apportionment).

Column 1: Source. Enter the source of each millage. For example, allocated millage, separate millage limitations voted, charter, approved extra-voted millage, public act number, etc. Do not include taxes levied on the Industrial Facilities Tax Roll.

Column 2: Purpose of millage. Examples are: operating, debt service, special assessments, school enhancement millage, sinking fund millage, etc. A local school district must separately list operating millages by whether they are levied against ALL PROPERTIES in the school district or against the NON-HOME group of properties. (See State Tax Commission Bulletin 3 of 2016 for more explanation.) A local school district may use the following abbreviations when completing Column 2: "Operating ALL" and "Operating NON-HOME". "Operating ALL" is short for "Operating millage to be levied on ALL PROPERTIES in the local school district" such as Supplemental (Hold Harmless) Millages and Building and Site Sinking Fund Millages. "Operating NON-HOME" is short for "Operating millage to be levied on ALL PROPERTIES EXCLUDING PRINCIPAL RESIDENCE, QUALIFIED AGRICULTURAL, QUALIFIED FOREST AND INDUSTRIAL PERSONAL PROPERTIES in the local school district" such as the 18 mills in a district which does not levy a Supplemental (Hold Harmless) Millage.

Column 3: Date of Election. Enter the month and year of the election for each millage authorized by direct voter approval.

Column 4: Millage Authorized. List the allocated rate, charter aggregate rate, extra-voted authorized before 1979, each separate rate authorized by voters after 1978, debt service rate, etc. (This rate is the rate before any reductions.)

Column 5: 2015 Millage Rate Permanently Reduced by MCL 211.34d ("Headlee") Rollback. Starting with taxes levied in 1994, the "Headlee" rollback permanently reduces the maximum rate or rates authorized by law or charter. The **2015** permanently reduced rate can be found in column 7 of the **2015** Form L-4029. For operating millage approved by the voters after April 30, 2015, enter the millage approved by the voters. For debt service or special assessments not subject to a millage reduction fraction, enter "NA" signifying "not applicable."

Column 6: Current Year Millage Reduction Fraction. List the millage reduction fraction certified by the county treasurer for the current year as calculated on Form 2166 (L-4034), *2016 Millage Reduction Fraction Calculations Worksheet*. The millage reduction fraction shall be rounded to four (4) decimal places. The current year millage reduction fraction shall not exceed 1.0000 for 2016 and future years. This prevents any increase or "roll up" of millage rates. Use 1.0000 for new millage approved by the voters after April 30, 2016. For debt service or special assessments not subject to a millage reduction fraction, enter 1.0000.

Column 7: 2016 Millage Rate Permanently Reduced by MCL 211.34d ("Headlee") Rollback. The number in column 7 is found by multiplying column 5 by column 6 on this 2016 Form L-4029. This rate must be rounded DOWN to 4 decimal places. (See STC Bulletin No. 11 of 1999, Supplemented by Letter of 6/7/2000.) For debt service or special assessments not subject to a millage reduction fraction, enter "NA" signifying "not applicable."

Column 8: Section 211.34 Millage Rollback Fraction (Truth in Assessing or Truth in Equalization). List the millage rollback fraction for 2016 for each millage which is an operating rate. Round this millage rollback fraction to 4 decimal places. Use 1.0000 for school districts, for special assessments and for bonded debt retirement levies. For counties, villages and authorities, enter the Truth in Equalization Rollback Fraction calulated on STC Form L-4034 as TOTAL TAXABLE VALUE BASED ON CEV FOR ALL CLASSES/TOTAL TAXABLE VALUE BASED ON SEV FOR ALL CLASSES. Use 1.0000 for an authority located in more than one county. For further information, see State Tax Commission Bulletin 3 of 2016. For townships and cities, enter the Truth in Assessing Rollback Fraction calculated on STC Form L-4034 as TOTAL TAXABLE VALUE BASED ON ASSESSED VALUE FOR ALL CLASSES/TOTAL TAXABLE VALUE BASED ON SEV FOR ALL CLASSES. The Section 211.34 Millage Rollback Fraction shall not exceed 1.0000.

Column 9: Maximum Allowable Millage Levy. Multiply column 7 (2016 Millage Rate Permanently Reduced by MCL 211.34d) by column 8 (Section 211.34 millage rollback fraction). Round the rate DOWN to 4 decimal places. (See STC Bulletin No. 11 of 1999, Supplemented by Letter of 6/7/2000.) For debt service or special assessments not subject to a millage reduction fraction, enter millage from Column 4.

Column 10/Column 11: Millage Requested to be Levied. Enter the tax rate approved by the unit of local government provided that the rate does not exceed the maximum allowable millage levy (column 9). A millage rate that exceeds the base tax rate (Truth in Taxation) cannot be requested unless the requirements of MCL 211.24e have been met. For further information, see State Tax Commission Bulletin 3 of 2016. A LOCAL School District which levies a Supplemental (Hold Harmless) Millage shall not levy a Supplemental Millage in excess of that allowed by MCL 380.1211(3). Please see the memo to assessors dated October 26, 2004 regarding the change in the collection date of certain county taxes.

Column 12: Expiration Date of Millage. Enter the month and year on which the millage will expire.

EXECUTIVE DOCUMENT SUMMARY

Department: Information Technology Contact Person: Ron Plamondon Telephone No.:	**Submittal Dates** ☒ Executive Board: 6/14/16 ☐ Regular Session:
Source Selection Method ☒ GSA ☐ Other:	**VENDOR:** Dell Address: Phone:

Budgeted Amount: $18,000.00 Contracted Amount: $21,271.31

Document Description

☒ Capital Purchase ☐ Other

☒ **Request to Waive Board Policy on Bid Requirements**

Attached is a quote from Dell thru the GSA contract for a new server. This will be a replacement for our primary server which was purchased in 2007 and is in need of replacement. The current server is operating on an obsolete version of Windows that is no longer supported. This purchase has been budgeted but ended up a little more than budgeted due to additional storage capacity and software assurance which will allow us to upgrade the operating system to the latest from Microsoft when it is released. This should insure that the OS will not be obsolete as soon as installed. This purchase was also included in the CIP previously submitted to the BOC.

Suggested Recommendation: Motion to approve the purchase of a new server from Dell Corporation for $21,271.31 with funds to come from the Data Processing Fund 636.

Department Head Approval: Ron Plamondon Digitally signed by Ron Plamondon Date: 2016.06.03 08:57:04 -04'00' Date:

Quote 1023025753527.1
LEELANAU COUNTY

Salesperson

Salesperson Name
Luci Riojas

Salesperson Email
Luciana_Riojas@Dell.com

Salesperson Phone
18009993355

Salesperson Extension
7250394

Quote Details

Quote Date
05/06/2016

Quote Validity
06/05/2016

Solution ID
-

Billing Details

Company Name
LEELANAU COUNTY

Customer Number
10249994

Phone Number
1 (231) 2569803

Address
8527 E GOVERNMENT CTR DR
STE 101
SUTTONS BAY
MI
49682-9742
US

Price Summary

Description	Quantity	Unit Price	Subtotal Price
PowerEdge R930	1	$20,844.60	$20,844.60
OB WIN SVR STD SGL SA OLP NL 2 PROC	1	$426.71	$426.71

Subtotal	$21,271.31
Tax	$0.00
Shipping and Handling	$0.00
Environmental Fee	$0.00
Total	**$21,271.31**

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Note: All tax quoted above is an estimate; final taxes will be listed on the invoice.

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Dear Customer,

Your quote is detailed below; please review the quote for product and information accuracy.
If you find errors or desire changes, please contact me as soon as possible.

Regards,
Luci Riojas

Order this quote easily online through your Premier page, or if you do not have Premier, using Quote to Order

Product Details by Shipment

Shipping Group 1

Shipping Contact:	RON PLAMONDON	Subtotal	$21,271.31
Shipping Phone No:	1 (231) 2569711	Tax	$0.00
Shipping via:	Standard Ground	Shipping and Handling	$0.00
Shipping Address:	8527 E GOVERNMENT CTR DR STE 101 SURTONS BAY MI 49682-9742 US	Environmental Fee	$0.00
		Total	$21,271.31

Description	Quantity	Unit Price	Subtotal Price
PowerEdge R930	1	$20,844.60	$20,844.60

Estimated Delivery Date: 05/25/2016
Contract Code: 99AGZ
Customer Agreement No: MHEC-07012015

210-AEKL	PowerEdge R930	1	-	-
329-BCNK	PowerEdge R930 Motherboard, No TPM	1	-	-
321-BBQY	2.5" Chassis with up to 24 Hard Drives	1	-	-
340-AOPM	PowerEdge R930 Shipping	1	-	-
338-BHCX	2x Intel Xeon E7-4850 v3 2.2GHz,35M Cache,8.0GT/s QPI,Turbo,HT,14C/28T (115W) Max Mem 1867 MHz	1	-	-
374-BBFV	No 3rd/4th CPU	1	-	-
370-AAWH	Qty 4 Memory Riser Fillers for PE R920	1	-	-
370-ACCF	DIMM Blanks for Systems with 2 Processor	1	-	-
370-ACCJ	Qty 4 Memory Risers for PE R930	1	-	-
412-AABQ	Processor Blanks for PowerEdge R920	1	-	-
370-ABUF	2133MT/s RDIMMs	1	-	-
370-AAIP	Performance Optimized	1	-	-
370-ABUG	16GB RDIMM, 2133 MT/s, Dual Rank, x4 Data Width	4	-	-
780-BBDZ	RAID 5 for H330/H730P (3-24 HDDs)	1	-	-

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405-AAJB	PERC H730P Adapter RAID Controller, 2GB NV Cache	1	-	-
400-ADRU	1TB 7.2K RPM Self-Encrypting Near-Line SAS 6Gbps 2.5in Hot-plug Hard Drive,FIPS140-2	12	-	-
540-BBIG	Emulex OneConnect OCm14104-U1-D, 4-port 10GbE SFP+ CNA, rNDC	1	-	-
385-BBHN	iDRAC8 Express, integrated Dell Remote Access Controller, Express	1	-	-
429-AAOQ	DVD+/-RW SATA Internal for 4HD Chassis	1	-	-
350-BBCT	Bezel	1	-	-
770-BBCK	ReadyRails Sliding Rails With Cable Management Arm	1	-	-
384-BBBL	Performance BIOS Settings	1	-	-
450-AENM	1+1 Power Supply, Redundant Configuration, 1100W	1	-	-
450-AALV	NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America	2	-	-
343-BBDZ	Electronic System Documentation and OpenManage DVD Kit for R930	1	-	-
618-BBDS	Windows Server 2012R2 Standard Edition,Factory Installed, No Media, 2 Socket, 2 VMs,NO CALs	1	-	-
634-BBOZ	Windows Server 2012R2 Standard, Media, FI Standard Ed Downgrade image, Eng	1	-	-
421-9219	5-pack of Windows Server 2012 User CALs (Standard or Datacenter)	20	-	-
332-1286	US Order	1	-	-
803-2747	Dell Hardware Limited Warranty Plus On Site Service	1	-	-
803-2824	ProSupport: Next Business Day Onsite Service After Problem Diagnosis, 3 Year	1	-	-
803-2825	ProSupport: 7x24 HW / SW Tech Support and Assistance, 3 Year	1	-	-
989-3439	Thank you choosing Dell ProSupport. For tech support, visit http://www.dell.com/support or call 1-800- 945-3355	1	-	-
900-9997	On-Site Installation Declined	1	-	-
996-3179	Deployment Consulting 1 Yr 1 Case Remote Consulting Service	1	-	-

Description	Quantity	Unit Price	Subtotal Price
OB WIN SVR STD SGL SA OLP NL 2 PROC	1	$426.71	$426.71

Estimated Delivery Date: 05/11/2016
Contract Code: 99AGZ
Customer Agreement No: MHEC-07012015

A7058553	OB WIN SVR STD SGL SA OLP NL 2 PROC	1	-	-

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Important Notes

Terms of Sale

This quote is valid for 30 days unless otherwise stated. Unless you have a separate written agreement with Dell that specifically applies to this order, your order will be subject to and governed by the following agreements, each of which are incorporated herein by reference and available in hardcopy from Dell at your request:

If this purchase is for your internal use only: Dell's Commercial Terms of Sale (http://www.dell.com/CTS), which incorporate Dell's U.S. Return Policy (www.dell.com/returnpolicy) and Warranty (www.dell.com/warrantyterms).

If this purchase is intended for resale: Dell's Reseller Terms of Sale (www.dell.com/resellerterms).

If this purchase includes services: in addition to the foregoing applicable terms, Dell's service contracts and related service terms (www.dell.com/servicecontracts/global).

If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - A Version (www.dell.com/AEULA) and use of the Dell-branded system software is subject to the Dell End User License Agreement - S Version (www.dell.com/SEULA).

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

Pricing, Taxes, and Additional Information

All product, pricing, and other information is valid for U.S. customers and U.S. addresses only, and is based on the latest information available and may be subject to change. Dell reserves the right to cancel quotes and orders arising from pricing or other errors. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, including your Customer Number, to the Dell Tax Department at 800-433-9023. Please ensure that your tax-exemption certificate reflects the correct Dell entity name: **Dell Marketing L.P.** Note: All tax quoted above is an estimate; final taxes will be listed on the invoice. If you have any questions regarding tax please send an e-mail to Tax_Department@dell.com.

For certain products shipped to end-users in California, a State Environmental Fee will be applied to your invoice. Dell encourages customers to dispose of electronic equipment properly.

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EXECUTIVE DOCUMENT SUMMARY

Department: Information Technology Contact Person: Ron Plamondon Telephone No.:	**Submittal Dates** ☒ Executive Board: 6/14/2016 ☐ Regular Session:
Source Selection Method ☐ Bid ☐ Other:	**VENDOR:** SHI Address: Phone:

Budgeted Amount: _____ Contracted Amount: $8365.00

Document Description

☒ Capital Purchase ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

Requesting approval to upgrade our Adobe Acrobat licensing from version 9 to Acrobat DC which is the current version. We want to upgrade select users within each department with either Acrobat Pro DC or Acrobat Standard DC, depending on their departmental needs. We are also planning on having training soon for Adobe Acrobat. The goal is to improve our web site with forms that can be filled out and emailed without the need to print, manually fill them out and scan/email or mail. Another major area of productivity improvement for the upgrade and training will be the ability to archive email to PDF's for FOIA requirements.

This was sent out to bid from our standard computer vendors and SHI was the low bid on the software.

Suggested Recommendation: Motion to approve the purchase of 35 licenses for Adobe Acrobat DC for $8,365.00 from SHI with funds to come from the Data Processing Fund #636.

Department Head Approval: Ron Plamondon Digitally signed by Ron Plamondon Date: 2016.06.03 10:50:05 -04'00' Date: _____

Pricing Proposal
Quotation #: 11304102
Created On: 3/30/2016
Valid Until: 3/31/2016

Leelanau County MI

Ron Plamondon
8527 E. Govenment Center Drive
Suttons Bay, MI 49682
United States
Phone: (231) 256-8105
Fax:
Email: rplamondon@co.leelanau.mi.us

Inside Account Executive

Mike Ryan
290 Davidson Ave
Somerset, NJ 08873
Phone: 800-477-6479
Fax: 800-477-6479
Email: Mike_Ryan@shi.com

All Prices are in US Dollar (USD)

	Product	Qty	Your Price	Total
1	Adobe Acrobat Pro DC 2015 - License - 1 user - GOV - CLP - level 2 (300000+) - Win, Mac - Universal English Adobe - Part#: 65258634AC02A00	15	$295.00	$4,425.00
2	Adobe Acrobat Standard DC 2015 - License - 1 user - GOV - CLP - level 2 (300000+) - Win - Universal English Adobe - Part#: 65258474AC02A00	20	$197.00	$3,940.00
			Total	$8,365.00

The Products offered under this proposal are subject to the SHI Return Policy posted at www.shi.com/returnpolicy, unless there is an existing agreement between SHI and the Customer.

EXECUTIVE DOCUMENT SUMMARY

Department: Senior Services Contact Person: April Missias Telephone No.: 231-256-8125	**Submittal Dates** ☒ Executive Board: 6/14/2016 ☐ Regular Session:
Source Selection Method ☐ Select One ☒ Other: Grant Application	**VENDOR**: Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☐ Grant ☒ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

Bay Area Transit Authority (BATA) would like to partner with Leelanau County Senior Services to apply for a Mobility on Demand (MOD) Sandbox Program through the Federal Transit Administration. Leelanau County's large senior population residing in a rural area poses many transportation challenges as seniors try to access transportation to medical appointments as well as goods and services. This grant would allow for an opportunity to create innovative solutions utilizing technology and services to meet the growing transportation needs.

Please see attached Mobility on Demand Sandbox Program grant description.

Suggested Recommendation: To approve Leelanau County Senior Services to partner with BATA in applying for the Mobility on Demand Sandbox Program grant through the Federal Transit Authority.

Department Head Approval: _____ Date: 6/6/16

Mobility on Demand (MOD) Sandbox Program

Date Posted: 5/03/2016

Date Closed: 7/05/2016
Opportunity ID: FTA-2016-006-TRI
Grant Program: Mobility on Demand (MOD) Sandbox Demonstration Program - 5312
Opportunity Announcement TXT:
Opportunity Announcement Text
Opportunity Announcement PDF:
Opportunity Announcement PDF
Details:

Notice of Funding Opportunity for Mobility On Demand (MOD) Sandbox Demonstration Program. The Federal Transit Administration (FTA) announces the availability of $8 Million for a new program to demonstrate and evaluate innovative approaches to integrated "Mobility on Demand" (MOD) solutions within a public transportation framework. The MOD Sandbox Demonstration Program is intended to provide a platform where integrated MOD concepts and solutions are supported and demonstrated through local partnerships in a real-world setting. FTA will fund project teams to adopt innovative business models to deliver high quality, seamless and equitable mobility options for all travelers. The MOD Sandbox projects are funded under FTA's Research, Development, Demonstration and Deployment program authority. FTA intends to award multiple MOD Sandbox demonstration projects under this announcement. Synopses and full announcement are posted on Grants.gov site as opportunity FTA-2016-006-TRI. Proposals must be submitted electronically through the Grants.gov website by midnight Eastern Time on **July 5, 2016**.

Summary :The MOD Sandbox Demonstration Program is part of a larger MOD research effort at FTA and the U.S. Department of Transportation (DOT) that seeks to support transit agencies and communities as they navigate the dynamic, evolving landscape of personal mobility and integrated multimodal transportation networks. FTA is interested in conducting research on new service options in combination with available technologies that enable a traveler-centric approach to tra
provide better mobility options for everyone. FTA's MOD Sandbox Demonstration

Program will provide a platform where integrated MOD concepts and solutions – supported through local partnerships – can be demonstrated in real-world settings. FTA seeks to fund project teams to innovate, explore partnerships, develop new business models, integrate transit and MOD solutions, and investigate new, enabling technical capabilities such as integrated payment systems, decision support, and incentives for traveler choices. FTA intends to conduct evaluations of each of the demonstration efforts to measure the program impacts and assess how existing FTA policies and regulations may support or impede these new mobility service models.

The guiding principles of the MOD Sandbox demonstrations are:

- System Integration – the MOD Sandbox Program seeks operational integration of MOD products and services with existing transit service. Examples of this include open data platforms, common user interfaces, and practices and technologies that encourage and ensure system interoperability.
- Partnership Driven –MOD Sandbox projects should demonstrate teaming efforts, from public and private sectors, with partners committed to supporting the proposed MOD project both technically and institutionally.
- Innovative Business Model – the MOD Sandbox is structured to encourage innovative business models where MOD solution providers and transit operators partner to collectively deliver better service to travelers, while mutually benefitting from the partnership.
- Equity of Service Delivery – MOD Sandbox projects will demonstrate and promote equitable mobility service for all travelers, including communities such as low income, the aging population, and persons with disabilities, including wheelchair users.

Eligible Applicants: Eligible activities include all activities leading to the demonstration of the innovative MOD and transit integration concept, such as planning and developing business models, obtaining equipment and service, acquiring/developing software and hardware interfaces to implement the project, and operating the demonstration.

Eligible recipients are providers of public transportation, including public transit agencies, state/local government DOTs, and federally recognized Indian tribes. Each recipient must identify one or more strategic project partner(s) with a substantial interest and involvement in the project.

Eligible project partners may include, but are not limited to:

- Private for-profit and not-for-profit organizations, including shared use mobility providers, and technology system suppliers;
- Operators of transportation services, such as employee shuttle services, airport connector services, university transportation systems, or parking and tolling authorities;
- State or local government entities;
- Other organizations that may contribute to the success of the project team including consultants, research consortia or not-for-profit industry organizations, and institutions of higher education.

Link and Instructions for attaching the supplemental form to the SF-424: All

applicants must complete the supplemental form specific to the Mobility on Demand (MOD) Sandbox Program and attach it to their submission in Grants.gov. Applicants should refer to section D of the NOFO for further information about required application contents. The supplemental form is available on Grants.gov and on the FTA website here.

Webinar: FTA plans to hold a webinar on this funding opportunity in late May. The webinar will provide an overview of the program, described eligible applicants and projects, and provided an opportunity for attendees to obtain answers to questions. Details on the time and date of the webinar as well as call in instructions will be available on the MOD Sandbox program page at https://www.transit.dot.gov/research-innovation/mobility-demand-mod-sandbox-program.

Dates: An applicant must submit a proposal electronically by midnight Eastern Time on **July 5, 2016**. Any agency intending to apply should initiate the process of registering on the Grants.gov site immediately to ensure completion of registration before the submission deadline.

For Further Information Contact: For information on this NOFO for **Mobility On Demand (MOD) Sandbox Demonstration Program**, contact Christina Gikakis, MOD Program Manager, Office of Research, Demonstration and Innovation at Christina.gikakis@dot.gov

or email MODsandbox@dot.gov.

Contact Us

Office of Research, Demonstration, and Innovation
Federal Transit Administration

1200 New Jersey Avenue, S.E.
Washington, DC 20590
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EXECUTIVE DOCUMENT SUMMARY

Department: Construction Codes Authority Contact Person: Steven M Haugen, Building Telephone No.: 231-256-9806	**Submittal Dates** ☒ Executive Board: 6-14-2016 ☒ Regular Session: 6-21-2016
Source Selection Method ☐ Select One ☒ Other: Contracted Inspector	VENDOR: Address: Phone:

Budgeted Amount: $120,000 Contracted Amount: Per inspection

Document Description

☐ Select One ☒ Other Part time electrical inspector

☐ **Request to Waive Board Policy on Bid Requirements**

Motion to approve new Independent Contractor Inspector Services Agreement for Jon Hedgcock, Electrical Inspector, to take effect immediately upon Regular Board Approval and allow the signature of the Board Chair.

Suggested Recommendation:

Department Head Approval: Date: 6-2-2016

INDEPENDENT CONTRACTOR
INSPECTOR SERVICES AGREEMENT

THIS AGREEMENT, is made as of this 2 day of May, 2016, by and between the **COUNTY OF LEELANAU**, a municipal corporation and political subdivision of the State of Michigan (hereinafter referred to as "County") acting on behalf of the Leelanau County Construction Code Authority (hereinafter referred to as the "Department"), and **Jon Patrick Hedgcock**, with offices at 13181 N Purkiss Rd., Northport, Michigan 49670 (hereinafter referred to as the "Contractor").

WITNESSETH:

WHEREAS, the Contractor represents and holds himself out as an independent contractor, with the experience and qualifications necessary to perform compliance inspections and enforcement as required by the Leelanau County Building Official (hereinafter the "Building Official");

WHEREAS, Contractor declares that he is engaged in an independent business and has complied with all federal, state and local laws regarding business permits and licenses of any kind that may be required to carry out the said business and the tasks to be performed under this Agreement and possesses all licenses and/or certifications as may be required by the State of Michigan to perform the services required by this Agreement; and

WHEREAS, Contractor declares that he provides the same or similar services for other clients and such services do not conflict with the Contractor's performance under this Agreement.

NOW, THEREFORE, in consideration of the foregoing representations and the following terms and conditions, the parties hereby agree:

1. **SERVICES TO BE PERFORMED**. During the term of this Agreement, the Contractor agrees to perform the following services:

A. Perform any and all inspections requested by the Building Official;
B. Fully explain and document code violations to those found to be in violation;
C. Provide daily updates, in writing, to inform the Building Official of all completed inspections;
D. Perform any and all plan reviews requested by the Building Official; and
E. Be available to the public, on site, at the Office of the Building Official as requested by the Building Official.

2. **FORMS**. The County shall provide the Contractor with all required report, inspection, notices and other forms which the County requires the Contractor to utilize in performing the services required by this Agreement. The Contractor shall be responsible for providing all other equipment, materials and supplies he/she requires for his/her services, including but not limited to the vehicle he/she shall utilize in performing the services.

3. **TERMS OF PAYMENT**. It is expressly understood and agreed that the fee that the Contractor shall be paid by the County for the services he/she performs under this Agreement shall be as follows:

A. $50.00 per individual inspection, performed by the Contractor, upon final acceptance and approval of such report by the Building Official;

B. N/A $50.00 per plan review, performed by the Contractor, upon final acceptance and approval of such report by the Building Official,

C. $40.00 for each one-hour of services performed on-site in the Office of the Building Official as requested and scheduled by the Building Official.

4. **SPECIFICATIONS**. The Contractor agrees to produce an excellent quality work product using the specifications for inspections and plan review attached hereto as Exhibit A. It is understood and agreed that the payment for services under this Agreement will not be authorized until the work product has been accepted and approved, in final form, by the Building Official pursuant to the applicable specifications in Exhibit A.

5. **BILLING PROCEDURE, METHOD OF PAYMENT AND INTENT OF PARTIES REGARDING TAXES**. The Contractor shall submit to the County on or before the 10th day of each month a bill for the fee agreed upon in Section 3 for services rendered and approved and accepted by the Building Official in final form during the preceding month. Each bill shall be in such form and contain such information as the Building Official shall require. The County, upon verification that the services billed have been performed to the full and sole satisfaction of the Building Official, shall process and pay such bills in accordance with the County's procedure for payment of Accounts Payable.

It is expressly understood and agreed by the parties to this Agreement that the payment of compensation as set forth in this section has been based upon their intent and belief that their relationship is that of an independent contractor. In the event a Federal or State court or administrative agency rules, at any time, that the relationship between the parties to this Agreement is one of an employer/employee, the

compensation to be paid the Contractor shall be the sum appropriately billed less the sum required to be withheld to pay for income and social security taxes to the proper Federal, State and local governments. If withholding for payment of taxes from the Contractor's compensation is found to be required, the Contractor shall reimburse the County in full for any taxes, interest and penalties that the County is required to pay on compensation received by the Contractor under this Agreement, prior to commencement of withholding for taxes thereon.

6. **RECORD RETENTION**. All permits, reports, documentation, notes and related materials used and/or prepared for the purpose of performance of services under this Agreement shall be the County's property and stored in such County office or property as the Building Official may direct.

7. **COMPLIANCE WITH THE LAW**. In performing the services required by this Agreement, the Contractor shall comply with all applicable Federal, State and local laws, ordinances, rules and regulations. The Contractor shall also maintain all licenses and certifications as may be required by law for the performance of services under this Agreement.

8. **NON-DISCRIMINATION**. The Contractor, as required by law, shall not discriminate against an individual with respect to providing services, or against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment or with respect to a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, or marital status. Breach of this covenant may be regarded as a material breach of the Agreement and a cause for termination thereof.

9. **APPLICABLE LAW AND VENUE**. This Agreement shall be construed according to the laws of the State of Michigan. The County and the Contractor agree that the venue for the bringing of any legal or equitable action under this Agreement shall be established in accordance with the statutes of the State of Michigan and/or Michigan Court Rules. In the event that any action is brought under this Agreement in Federal Court, the venue for such action shall be the Federal Judicial District of Michigan, Western District, Southern Division.

10. **INDEPENDENT CONTRACTOR**. It is expressly understood and agreed that the Contractor is an independent contractor. The Contractor shall in no way be deemed to be and shall not hold himself out as an employee of the County and shall not be entitled to any fringe benefits of the County, such as, but not limited to, health insurance, life insurance, paid vacation or sick leave or longevity. The Contractor shall be responsible for paying all applicable taxes arising from the compensation he receives

under this Agreement, including, but not limited to, income and social security taxes, to the proper Federal, State and local governments.

11. **INDEMNIFICATION**. The Contractor shall, at its own expense, protect, defend, indemnify and hold harmless the County, its elected and appointed officers, employees, servants and agents from all claims, damages, costs, lawsuits and expenses including, but not limited to, costs from administrative proceedings, court costs, and attorney fees that they may incur as a result of any acts, omissions or negligence of the Contractor, its officers, employees, or agents which may arise out of this Agreement.

As required in section 10 of this Agreement, if the Contractor is found by a Federal or State court or administrative agency to be an employee of the County, the Contractor shall indemnify the County in full for any taxes, interest or penalties that the County is required to pay on compensation received by the Contractor under this Agreement prior to the commencement of withholding for taxes thereon.

The Contractor's indemnification responsibilities shall include the sum of damages, costs and expenses which are in excess of the sum paid out on behalf of or reimbursed to the County or its elected and appointed officers, employees, servants, or agents by the insurance coverage obtained and/or maintained by the Contractor, pursuant to the requirements of this Agreement.

12. **INSURANCE**. The Contractor shall procure and maintain during the term of this Agreement, the insurance coverages outlined below. All coverages shall be with insurance companies licensed and admitted to do business in the State of Michigan. All coverages shall be with insurance carriers acceptable to the County and who have a minimum A.M. Best Company's Insurance Reports Rating of A or A- (Excellent).

A. Worker's Disability Compensation Insurance: Workers' Disability Compensation Insurance, including Employers Liability Coverage if required by and in accordance with all applicable statutes of the State of Michigan.

B. Commercial General Liability Insurance: Commercial General Liability Insurance on an "occurrence basis" with limits of liability of not less than ONE MILLION AND NO/100 DOLLARS ($1,000,000.00) per occurrence and/or aggregate combined single limit, personal injury, bodily injury and property damage. Coverage shall include the following: (a) Broad Form General Liability Endorsement or equivalent if not in policy proper; (b) Contractual Liability; and (c) Independent Contractors Coverage.

C. Motor Vehicle Liability: Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage, with limits of liability of not less than ONE MILLION AND NO/100 DOLLARS ($1,000,000.00) per occurrence and annual aggregate, combined single limit, bodily injury and property damage. Coverage shall include all owned, non-owned and hired vehicles.

D. Cancellation Notice: All certificates of insurance required in paragraph G shall contain an endorsement requiring the insurer to give the County thirty (30) days advance notice of cancellation, non-renewal, reduction and/or significant change to the insurances covered by the certificate. Such notice shall be sent to: Chet Janik, Leelanau County Administrator, 8527 East Government Center Drive, Suite 101, Suttons Bay, Michigan 49682-9718.

E. Proof of Insurance: The Contractor shall provide to the County at the time the Agreement is returned by it for execution, with certificates of insurance showing its possession of each of the insurances listed above. The certificate of insurance shall be sent to: Chet Janik, Leelanau County Administrator, 8527 East Government Center Drive, Suite 101, Suttons Bay, Michigan 49682-9718.

F. Continuation of Coverage: If any of the above coverages expire during the term of this Agreement, the Contractor shall deliver renewal certificates and/or policies to the County at least ten (10) days prior to the expiration date.

13. NOTICE. Any correspondence, reports, billings or other communication necessary to the implementation or performance of this Agreement is to be directed as follows:

To the County: Steven M. Haugen, Building Official
Leelanau County Construction Code Authority
8527 East Government Center Drive, Suite 109
Suttons Bay, Michigan 49682-9718

To the Contractor: Jon Patrick Hedgcock
13181 N Purkiss Rd
Northport, Michigan 49670

14. SUBCONTRACTING OR ASSIGNMENT. The Contractor shall not subcontract or assign his duties and/or obligations under this Agreement.

15. WAIVERS. No failure or delay on the part of either of the parties to this Agreement in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall a single or partial exercise of any right, power or privilege preclude any other or further exercise of any other right, power or privilege. In no event shall the making by the County of any payment due to the Contractor constitute or be construed as a waiver by the County of any breach of a provision of this Agreement, or any default which may then exists, on the part of the Contractor, and the making of any such payment by the County while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the County in respect to such breach or default.

16. AMENDMENTS OR MODIFICATIONS. The parties agree that any amendment or modification of this Agreement is to be effective only if in writing, signed by authorized representatives of each party.

17. AGREEMENT PERIOD AND TERMINATION. This Agreement shall commence on the 2nd day of May, 2016, and shall continue unless terminated by notice, at which time this Agreement shall terminate. Notwithstanding any other provision in this Agreement to the contrary, this Agreement may be terminated by either the County or the Contractor with or without cause, upon 30 days prior written notice to the other party.

18. LOSS OF LICENSE(S). If Contractor fails to maintain any licenses required by this Agreement then the County may terminate this Agreement immediately, without the notice required in Section 16 above. Contractor shall be solely responsible for acquiring and maintaining any licenses required by this Agreement.

19. COMPLETE AGREEMENT. This Agreement, Exhibit A, and any additional or supplementary documents incorporated herein by specific reference contain all the terms and conditions agreed upon by the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement or any part thereof shall have any validity or bind any of the parties hereto.

20. INVALID/UNENFORCEABLE PROVISIONS. If any clause or provision of this Agreement is rendered invalid or unenforceable because of any State or Federal statute or regulation or ruling by any tribunal of competent jurisdiction, that clause or provision shall be null and void, and any such invalidity or unenforceability, shall not affect the validity or enforceability of the remainder of this Agreement. Where the deletion of this invalid or unenforceable clause or provision would result in the illegality and/or unenforceability of this Agreement, this Agreement shall be considered to have been terminated as of the date in which the clause or provision was rendered invalid or unenforceable.

21. **CERTIFICATION OF AUTHORITY TO SIGN AGREEMENT**. The persons signing on behalf of the parties hereto certify by their signatures that they are duly authorized to sign this Agreement on behalf of said parties and that this Agreement has been authorized by said parties.

IN WITNESS WHEREOF, the authorized representatives of the parties hereto have fully executed this instrument on the day and year first above written.

COUNTY OF LEELANAU

By: _____ Date: _____
, Chairperson
County Board of Commissioners

BUILDING OFFICIAL

By: _____ Date: 5-4-16

CONTRACTOR

By: _____ Date: 5/4/16

EXHIBIT A

GENERAL SUMMARY:

Under the supervision of the Building Official/Director, provides oversight to the Secretarial/Permit Processor Staff and provides Plan review, code enforcement, varied Inspection duties, Inspection reports and code support to the Building Official/Director. Duties include typing correspondence, answering telephone calls, approving and processing permits (when required), and conveying messages to the appropriate staff/inspectors, general Inspection and varied code enforcement. Ability to implement and coordinate the filing of documentation related to the Leelanau County Construction Code Authority in an organized, professional and timely manner in relation to the procedures of this department and the laws and codes of the State of Michigan.

PRIMARY DUTIES AND RESPONSIBILITIES:

- Compose and/or coordinate the issuance of pertinent correspondence relating to inspections for the Department as requested and scheduled by the Building Official.
- Perform inspections as requested and scheduled by the Building Official pertaining to Contractor's trade.
- Prepare reports for plan reviews, permits inspected, and inspections performed as requested and scheduled by the Building Official.
- Process permits, receives monies and help with customer relations as requested and scheduled by the Building Official.
- Perform work as required by procedures or the law and code of the State.
- Answer phones, assists at counter, take messages and directs them to the proper personnel as requested and scheduled by the Building Official.
- Assist with general needs of other Department staff as requested and scheduled by the Building Official.
- Input inspection slips and filing of documents when in relationship to contracted disciplines.
- Processes various records, enter data on computers, organize and maintain files as required by law.
- Provide all requirements of PA 230 of 1972, and PA 54 of 1986.
- Receive applications for building permits.
- Receive payments of fees and fines on behalf of the governmental subdivision.
- Perform plan reviews using plan reviewers registered under the building officials and inspectors registration act, 1986 PA 54, MCL 338.2301 to 338.2313.
- Perform inspections using inspectors registered under the building officials and inspectors registration act, 1986 PA 54, MCL 338.2301 to 338.2313.
- Approve temporary service utilities.
- Make determinations that structures or equipment are unsafe.
- Process and deliver correction notices.

- In emergency situations, issue orders to connect or disconnect utilities.
- In emergency situations, issue orders to vacate premises.
- Process and deliver any of the following after its issuance has been approved by the building official:

1. In nonemergency situations, orders to connect or disconnect utilities.
2. In nonemergency situations, orders to vacate premises.
3. Building permits.
4. Orders to suspend, revoke, or cancel a building permit or certificate of occupancy.
5. Violation notices.
6. Notices to appear or show cause.
7. Stop work orders.
8. Orders to remedy noncompliance.

QUALIFICATIONS:

- Certified by the State of Michigan for inspector and/or plan reviewer in respective trade or able to be.
- A minimum of 6 years' experience in respective trade with a six month orientation period.
- Maintain licenses and attend classes required for their trade.
- Works efficiently and courteously with property owners, occupants, contractors, construction professionals and other employees.
- Possesses and applies verbal, written and computer skills appropriate with the job.
- Knowledge and application of departmental and county rules, regulations, procedures, state codes and functions.
- Able to read maps for direction to and from job sites.
- Familiar with BSA program, word and other programs pertinent to the daily running of department.
- Familiar with terminology associated with the building industry and their respective trade.
- Able to drive and have valid driver's license.
- Able to climb ladders, scaffolding, stairs, crawl in crawl spaces/attics and other pertinent activities related to properly inspecting job.
- Able to read blueprints and decipher submittal documents related to information for jobs.
- Able to read rulers and measurements as relating to jobs or blue prints.
- Able to use tools associated with the inspections of their trade or plan review.

EDUCATION & EMPLOYMENT REQUIREMENTS:

- Graduation from high school or equivalent, with course work or experience in their respective trade, management, accounting or area of office management. College

degree or equivalent preferred. Or a combination of training and experience that would provide the knowledge, ability and skill to meet the duties and responsibilities listed above and for the requirements of Act 54, for the individual trades for licensing, as required by The State of Michigan.
- Able to meet all aspects of requirements to be a registered code official and inspector for the State of Michigan. Must have the skills and knowledge of Microsoft Word, Excel spreadsheets and BS & A Software or have training to comply.
- Possession of valid Michigan Driver License and able to maintain license.

Sole Proprietor Statement

Business Name (DBA) JON P HEDGCOCK

Business Address 13181 N PURKISS ROAD
NORTHPORT, MI 49670

The purpose of this form is to document that the above individual as a sole proprietor without employees and not subject to the Workers' Disability Compensation Act.

- I am a sole proprietorship. As such, **I am not** a corporation, partnership, or limited liability company.
- As a sole proprietorship, **I do not** hire any employees, casual labor or subcontractors with employees.
- I pay my own business operational expenses.
- I acknowledge that as a sole proprietorship without employees, I am by law not covered by or subject to the Workers' Disability Compensation Act.
- If I am an owner/operator, I am the owner and sole operator of the truck used.
- If any of the above should change, I will notify you prior to performing the next job.
- If requested, I agree to provide documentation to verify my status as a sole proprietorship without employees.

My signature on this document confirms that the above statements are true.

Signature of sole proprietor *Date* 6/23/16

This signed form may be returned by fax.

EXECUTIVE DOCUMENT SUMMARY

Department: Parks & Recreation Contact Person: _____ Telephone No.: _____	**Submittal Dates** ☒ Executive Board: 6/14/16 ☒ Regular Session: 6/21/16
Source Selection Method ☒ Bid ☐ Other: _____	VENDOR: Ginop Sales, Inc. Address: 9040 E. M-72, Williamsburg Phone: 231-267-5400

Budgeted Amount: _____ Contracted Amount: $9,049.00

Document Description

☒ Board/Committee Recommendation ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

The Leelanau County Parks & Recreation Commission sought bids for RTV tracks to install on the existing Kubota RTV.

Bids were received from Ginop Sales, Inc., Williamsburg; Mattracks, Inc., Karlstad, Minnesota, and Work 'n Play, Atwood (see attached).

Suggested Recommendation: To recommend approval of the purchase of a RTV track kit for the Kubota RTV from Ginop Sales, Inc., in the amount of $9,049.00; funds to come from 850.756.970.000.

Department Head Approval: _____ Date: 6/1/16

Leelanau County

Kubota Track Kit, Parks & Recreation Commission

Bids Due: **Friday, April 29, 2016 @ 4:00 p.m.**

Bid Opening: **Monday, May 2, 2016 @ 3:00 p.m.**

Opened by: Chet Janik
Present: Lyn Drzewiecki, Chet Janik, Laurel Evans & Jerry Culman
Recorded by: Lyn Drzewiecki

	Bidder	Amount	Comments
1	Ginop Sales, Inc. 9040 E. M-72 Williamsburg, MI 49690	$9,049.00	
2	Mattracks, Inc. 202 Cleveland Ave. E P.O. Box 214 Karlstad, MN 56732	$9,581.00	
3	Work 'n Play 9821 US 31 Atwood, MI, 49729	$10,090.00	
4			

EXECUTIVE DOCUMENT SUMMARY

Department: Prosecutor Contact Person: Joseph T. Hubbell Telephone No.: 231-256-9872	**Submittal Dates** ☒ Executive Board: June 14, 2016 ☒ Regular Session: June 21, 2016
Source Selection Method ☒ State Contract ☐ Other:	VENDOR: Crime Victims Services Commiss Address: Capitol View Bldg., Lansing, MI Phone: 517-241-5275

Budgeted Amount: _____ Contracted Amount: $36,400.00

Document Description

☒ Renewal ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

This is a renewal of a long standing State Agreement to provide services to Crime Victims in accordance with the Crime Victims Rights Act, P.A. 87 of 1985

Proposed motion

To recommend approval for the County Prosecutor to renew the Victims' Rights Grant with the State of Michigan in the amount of $36,400.00 for the period of October 1, 2016 through September 30, 2017.

The County Clerk will continue to be the authorized offical in the E-Grams System as previously agreed upon by the Leelanau BOC.

Suggested Recommendation: Joseph T. Hubbell 6/1/2016

Department Head Approval: Joseph T. Hubbell Date: 5/31/2016

Victim Rights Prosecutor-2017

FOR OFFICE USE ONLY:	Version # _____	APP # 714803

Fiscal Agent Information

1. Fiscal Agent Information

a.	Fiscal Agent Name	Leelanau County Prosecuting Attorney		
b.	Organizational Unit			
c.	Address	8527 E. Government Center Dr.		
d.	Address 2	Suite 202		
e.	City	Sutton Bay	State MI	Zip 49682-9743
f.	Federal ID Number	46-1385335	Reference No.	078291342
g.	Fiscal Agent fiscal year (beginning month and day)		October-01	

h. Agency Type

○ Private, Non-Profit ◉ Public

1. Select the appropriate radio button to indicate the agency method of accounting.

◉ Accrual
○ Cash
○ Modified Accrual

2. Program Information

a.	Program Name	Victim Rights Prosecutor-2017		
b.	Is implementing agency same as Fiscal Agent		◉ Yes	○ No
c.	Implementing Agency Name			
d.	Project Start Date	Oct-01-2016	End Date	Sep-30-2017
e.	Amount of Funds Allocated	$36,400.00	Project Cost	$36,400.00

FOR OFFICE USE ONLY: Version # _____ APP # 714803

3. Certification / Contacts Information

a. Project Director

Name	Laurie LaCross				
Title	Project Coordinator				
Mailing Address	8527 E. Govt. Center Dr. Ste. 202				
City	Suttons Bay	State	Mi	Zip	49682
Telephone	(231) 256-9872 - 175			Fax	(231) 256-0133 - 175
E-mail Address	llacross@co.leelanau.mi.us				

b. Authorized Official

Name	Michelle Crocker				
Title	Contract Manager				
Mailing Address	8527 E. Government Center Dr.				
City	Suttons Bay	State	Mi	Zip	49682
Telephone	(231) 256-9824			Fax	(231) 256-8295
E-mail Address	mcrocker@co.leelanau.mi.us				

c. Financial Officer

Name	Deb Radjenovich				
Title	Financial Officer				
Mailing Address	8527 E. Govt. Center Dr. Ste. 104				
City	Suttons Bay	State	Mi	Zip	49682
Telephone	(231) 256-9838			Fax	(231) 256-7850
E-mail Address	dradjenovich@co.leelanau.mi.us				

d. Financial Officer

Name	John Gallagher				
Title	Financial Director				
Mailing Address	8527 E. Govt. Center Dr. Ste. 104				
City	Suttons Bay	State	Mi	Zip	49682
Telephone	(231) 256-9838			Fax	(231) 256-7850
E-mail Address	jgallagher@co.leelanau.mi.us				

e. Project Director

Name	Joseph Hubbell				
Title	Prosecuting Attorney				
Mailing Address	8527 E. Government Center Drive Ste				
City	Suttons Bay	State	Mi	Zip	49682
Telephone	(231) 256-9872 - 170			Fax	(231) 256-0133 - 170
E-mail Address	jhubbell@co.leelanau.mi.us				

Certifications

FOR OFFICE USE ONLY:	Version # _____	APP # 714803

4. Assurances and Certifications

A. SPECIAL CERTIFICATIONS

a By checking this box, the individual or officer certifies that he or she is authorized to approve this grant application for submission to the Department of Health and Human Services on behalf of the responsible governing board, official or Contractor. ☑

b By checking this box, the individual or officer certifies that he or she is authorized to sign the agreement on behalf of the responsible governing board, official or Contractor. ☑

Narrative

FOR OFFICE USE ONLY:	Version # _____	APP # 714803

5. Program Synopsis

Under the supervision of the Prosecuting Attorney, the Victims Assistance Advocacy Program is designed to insure that ALL victims' of crime involved in the criminal justice system receive the benefit of all community services that are necessary and/or available for them to regain their physical and emotional well-being, by means of a comprehensive intervention and advocacy program. The Victims 'Assistance Coordinator works under the general direction of the County Prosecutor and performs all of the mandated requirements outlined in the Michigan Crime Victims Rights Act, and performs advocate duties within the criminal justice system. The Victims' Assistance Programs mission is to insure that all victims of crime receive proper notification and ability to exercise their rights as entitled under the Michigan Crime Victims Rights Act.

6. Program Target Area

Counties

Counties project will serve (check all that apply):

☐ Alcona	☐ Alger	☐ Allegan
☐ Alpena	☐ Antrim	☐ Arenac
☐ Baraga	☐ Barry	☐ Bay
☐ Benzie	☐ Berrien	☐ Branch
☐ Calhoun	☐ Cass	☐ Charlevoix
☐ Cheboygan	☐ Chippewa	☐ Clare
☐ Clinton	☐ Crawford	☐ Delta
☐ Dickinson	☐ Eaton	☐ Emmet
☐ Genesee	☐ Gladwin	☐ Gogebic
☐ Grand Traverse	☐ Gratiot	☐ Hillsdale
☐ Houghton	☐ Huron	☐ Ingham
☐ Ionia	☐ Iosco	☐ Iron
☐ Isabella	☐ Jackson	☐ Kalamazoo
☐ Kalkaska	☐ Kent	☐ Keweenaw
☐ Lake	☐ Lapeer	☑ Leelanau
☐ Lenawee	☐ Livingston	☐ Luce
☐ Mackinac	☐ Macomb	☐ Manistee
☐ Marquette	☐ Mason	☐ Mecosta
☐ Menominee	☐ Midland	☐ Missaukee
☐ Monroe	☐ Montcalm	☐ Montmorency
☐ Muskegon	☐ Newaygo	☐ Oakland
☐ Oceana	☐ Ogemaw	☐ Ontonagon
☐ Osceola	☐ Oscoda	☐ Otsego
☐ Ottawa	☐ Out Wayne	☐ Presque Isle
☐ Roscommon	☐ Saginaw	☐ Sanilac
☐ Schoolcraft	☐ Shiawassee	☐ St. Clair
☐ St. Joseph	☐ Tuscola	☐ Van Buren
☐ Washtenaw	☐ Wayne	☐ Wexford

U.S. Congressional, State and House Districts

U.S. Congressional Districts

☑ US Congress District 4

State Senate Disctrict

☑ State Senate District 35

State House Discticts

☑ State House District 101

7. Mission Statement

The Victims' Assistance Program mission is to insure that all victims of crime receive proper notification and ability to exercise their rights as entitled under the Michigan Crime Victims' Rights Act.

8. Project Resources

Provide a general description of staff needed to implement Victims Rights in your county. Identify the most critical activities that you perform when providing victim rights.

Currently Leelanau County has .8 fte's funded through our state victim rights contract. The Victims Rights Coordinator provides direct services to all victims and witnesses of crime; including crisis intervention and advocacy support; keeps victims informed of their rights and obligations; provides information on the status of an investigation or court case, including plea negotiations; keeps victims apprised of scheduled court proceedings, as to dates, times and places of any court hearing; assistance with court preparation by explaining court process; support during court hearings; offering a safe and private area while waiting to testify; assistance in property release and assistance in establishing restitution; assist in Victims Compensation claims; assist with victim impact statements; prepare all correspondence in accordance with the Victim Rights Act; prepare all required reports for the Crime Victim Services Commission; make appropriate referrals to community resources.

If you utilize the services of volunteers in the provision of Victim Rights, please explain how this is accomplished.

no volunteers utilized

9. Michigan Victim Information and Notification Everyday (MI-VINE)

Does your agency participate in MI-VINE? ☑ Yes ☐ No

Provide the number of victims registered to use MI-VINE in your county for court events during the past calendar year. 1

To obtain statistics for number of Victims Registered with MI-VINE visit the website https://www.vinewatch.com/vinewatch/

Please describe your programs efforts to utilize MI-VINE.

When warrants are generated, appropriate boxes are marked "yes" to share data. Information is provided to victims on how to access MI-Vine, ie, material provided by the State. Information regarding upcoming court dates and other events will be entered in the computer system. Victims and witnesses are encouraged to use the program.

10. Community Coordination

1. Community Coordination Activity 1 - Describe any community activities, projects, or coordination councils that

your office is involved in to promote Victim Rights and services.

Traverse Bay Area Childrens' Advocacy Center - Child Abuse Neglect Team and Child Death Review- the advocate participates in these councils. The councils look into issues regarding child abuse/neglect and child deaths. Protocols have been established for law enforcement, hospitals, schools, mental health and tribal authorities as well as the prosecutor on how to investigate and handle abuse/neglect cases. Child Death Review meets when a child has died, and they review all apects of the death and report their findings to the Michigan Public Health Institute. Newly created team has began, headed by DHHS to work with Vulnerable Adults in investigation and handling of cases, much like the child abuse/neglect protocols.

2. Community Coordination Activity 2 - Describe any community activities, projects, or coordination councils that your office is involved in to promote Victim Rights and services.

Safe schools initiative and School Justice Partnership. These are violence prevention and truancy intervention groups. They work on bringing resources and materals to the local schools and offer presentations. This last year Internet Safety and Sexting Presentations were given to all middle school and high school students as well as their parents. In 2017, we will coordinate and host the bi-annual Leelanau County Law Day for local middle school and high school students.

3. Community Coordination Activity 3 - Describe any community activities, projects, or coordination councils that your office is involved in to promote Victim Rights and services.

Leelanau County Coordinating Council/Family Support Team - meets monthly and is a place that the coordinator can go to get assistance for people that they are working with. This group provides emergency assistance money to families in need (rent, utilities, and counseling). This is attanded by various service agencies in the county. The Leelanau County Corrdinating Council is a large group of service agencies who work with children and families in Leelanau County.

Work Plan

FOR OFFICE USE ONLY: Version # _____ APP # _____

11. **Work Plan**

Objective : Implement the requirements of the William VanRegenmorter, Crime Victims Rights Act, P.A. 87 of 1985

Activity : Provide victims of crime with notification and information regarding their rights as a victim. Provide the name and contact person that can assist them in the Leelanau County Prosecutors Office

Responsible Staff : Victims Rights Advocate/Coordinator
Date Range : 10/01/2016 - 09/30/2017
Expected Outcome : Victims of crime will be notified of their rights.
Measurement : ACT/JCT or comparable tracking system

Activity : Provide crime victims and their families with information about the Victim Impact statement process, and offer assistance in helping them write and present their statements.

Responsible Staff : Victim Rights Advocate/Coordinator
Date Range : 10/01/2016 - 09/30/2017
Expected Outcome : Victims and their families are given the opportunity to address the court and give written or verbal statements as to the impact of the crime comitted against them.
Measurement : ACT/JCT System or comparable system

Activity : Provide crime victims with information as to restitution and how they can request restitution for any out of pocket expenses, loss/damage of property.

Responsible Staff : Victim Rights Advocate/Coordinator
Date Range : 10/01/2016 - 09/30/2017
Expected Outcome : Crime victims can request that the defendant/juvenile be ordered to pay restitution for any out of pocket expenses and loss/damage to property as it relates to the crime committed against them.
Measurement : ACT.JCT or comparable system.

Activity : Providing crime victims' and their families with compenstation information through the Crime Victims Compensation Board or the Crime Victims' Foundation of Michigan.

Responsible Staff : Victim Rights Advocate/Coordinator
Date Range : 10/01/2016 - 09/30/2017
Expected Outcome : Crime victims and their families can apply for reimbursement of out of pocket expenses and other benfits for crime victims who have been physically/mentally injured or death has occurred as a result of a crime.
Measurement : ACT/JCT program or comparable system

Activity : Attendance at PAAM trainings
Responsible Staff : Victim Rights Advocate/Coordinator
Date Range : 10/01/2016 - 09/30/2017
Expected Outcome : VR staff development, increased awareness, empathy and selfcare. Updates of new legislation and system requirements.
Measurement : Evaluation for increases retention, higher morale and increased satisfaction of clients and agencies which VR staff works with.

Activity : The grantee will fulfill reporting requirements of the Victims Rights Contract.
Responsible Staff : Victim Rights Advocate/Coordinator, Program Manager/Authorized Official; Financi
Date Range : 10/01/2016 - 09/30/2017
Expected Outcome : All necessary quarterly and year end reports will be entered correctly and on a timely basis.
Measurement : On-line grant system.

Activity :	Provide crime victims the opportunity to work with certified Facility Dog, Gunther III - provided by Canine Companions for Independence. Gunther provides comfort and support during interviews and court proceedings.
Responsible Staff :	Victim Rights Advocate/Coordinator
Date Range :	10/01/2016 - 09/30/2017
Expected Outcome :	Victims of crime, especially children and vulnerable adults use Gunther the Facility Dog to help decrease their stress level when speaking tot he Prosectuors and testifying in court, which will help in the prosecution of the case.
Measurement :	By having successful prosecution of cases. There is also documentation in each file when using the dog which reflects the positive effect for the victims.

Budget

FOR OFFICE USE ONLY: Version # _____ APP # 714803

	Line Item	Qty	Rate	Units	UOM	Amount	Total
DIRECT EXPENSES							
Program Expenses							
1	**Salary & Wages**					Attachment : VR job desc.pdf	
	Advocate Attachment : ADVT_1_VR job desc.pdf	1500.0000	22.880	0.000	HRS	34,320.00	34,320.00
2	**Fringe Benefits**						
	Composite Rate Notes : cost of living that occurs on January 1, 2017	0.0000	2.000	34320.000		686.00	686.00
3	**Travel**						
	Mileage-travel in Michigan to PAAM event Notes : to travel to PAAM conferences and meetings in Michigan	0.0000	0.000	0.000		444.00	444.00
4	**Supplies & Materials**						
	Office Supplies Notes : printer toners and other necessary office supplies	0.0000	0.000	0.000		600.00	600.00
	Educational Supplies Notes : brochures abd materials for crime victims	0.0000	0.000	0.000		350.00	350.00
Total for Supplies & Materials						950.00	950.00
5	**Contractual**						
6	**Equipment**						
7	**Other Expense**						

Budget Detail for Victim Rights Prosecutor-2017
Agency: Leelanau County Prosecuting Attorney
Application: Victim Rights Prosecutor-2017

5/31/2016

	Line Item	Qty	Rate	Units	UOM	Amount	Total
Total Program Expenses						36,400.00	36,400.00
TOTAL DIRECT EXPENSES						36,400.00	36,400.00
INDIRECT EXPENSES							
Indirect Costs							
1	Indirect Costs						
Total Indirect Costs						0.00	0.00
TOTAL INDIRECT EXPENSES						0.00	0.00
TOTAL EXPENDITURES						**36,400.00**	**36,400.00**

Budget Summary for Victim Rights Prosecutor-2017
Agency: Leelanau County Prosecuting Attorney
Application: Victim Rights Prosecutor-2017

	Category	Amount	Total	Narrative
DIRECT EXPENSES				
Program Expenses				
1	Salary & Wages	34,320.00	34,320.00	
2	Fringe Benefits	686.00	686.00	cost of living increase that occurs on January 1, 2017
3	Travel	444.00	444.00	mileage to PAAM trainings and meetins within Michigan
4	Supplies & Materials	950.00	950.00	office supplies - printer toner and other necessary supplies Educational supplies - brochures and materials for crime victims
5	Contractual	0.00	0.00	
6	Equipment	0.00	0.00	
7	Other Expense	0.00	0.00	
Total Program Expenses		36,400.00	36,400.00	
TOTAL DIRECT EXPENSES		36,400.00	36,400.00	
INDIRECT EXPENSES				
Indirect Costs				
1	Indirect Costs	0.00	0.00	
Total Indirect Costs		0.00	0.00	
TOTAL INDIRECT EXPENSES		0.00	0.00	
TOTAL EXPENDITURES		**36,400.00**	**36,400.00**	

Source of Funds

	Category	Amount	Cash	Inkind	Total	Narrative
1	**Source of Funds**					
	Fees and Collections	0.00	0.00	0.00	0.00	
	State Agreement	36,400.00	0.00	0.00	36,400.00	
	Local	0.00	0.00	0.00	0.00	

	Federal	0.00	0.00	0.00	0.00	
	Other	0.00	0.00	0.00	0.00	
	Total Source of Funds	36,400.00	0.00	0.00	36,400.00	
	Totals	36,400.00	0.00	0.00	36,400.00	

Miscellaneous

FOR OFFICE USE ONLY:	Version # _____	APP # 714803

15. Supporting documentation, if required

Leelanau County Board of Commissioners
Year 2017 – Proposed Budget Preparation Schedule

2016 Dates	Action	
June 13	Budget forms, instructions, and guidelines distributed to departments.	
June 27	Department 2017 budget submission to Chief Staff Accountant – ***4:00 pm deadline.***	
July 13-15	1. Budget review; Administrator, Clerk, Treasurer, and Chief Staff Accountant. 2. 2017 Preliminary Revenue Projection prepared by Treasurer and shared with Administrator, Clerk, and Chief Staff Accountant.	
July 13-15	1. Administrator, Clerk, Treasurer, and Chief Staff Accountant meet to complete budget proposal. 2. Forward to Department Heads.	
July 19	Prepared budget presented to the Board of Commissioners by Administrator w/full Board budget work session, 4:00 pm	C
August 18	Revised budget to Board of Commissioners for further consideration w/full Board budget work session, immediate following the Executive Board of Commissioners Meeting.	C
August 19 – September 19	Administrator, Clerk, and Treasurer meet to review budget based on Board of Commissioners' action on August 18. Additional Board of Commissioners review to be scheduled, if necessary.	
September 20	Finalized budget sent to the Board of Commissioners for review prior to October 4, 2016 meeting.	
October 4	Final budget proposal to Executive Board for action.	C
October 11	Annual Meeting. Budget approved. Appropriations Act approved. Public Hearing at 7:00 pm	C

C = commissioner attendance.

Notice of Public Hearing to the Enterprise by September 22, 2016 for publication on September 29, 2016; budget available for the public on October 3, 2016.

MEMORANDUM

TO: Elected Officials
Department Heads
Other Leelanau County Funded Entities

FROM: Chet Janik, County Administrator

SUBJECT: 2017 Budget Process

DATE:

The 2017 Budget Process is officially beginning. Enclosed you will find a 2016 budget packet, along with a Proposed Budget Preparation Schedule, for your reference. Due to the current economic situation, I am recommending that each department or funded entity continue to anticipate flat revenues and budget as close as possible to approved 2016 budget levels.

Please note that 2017 Revenue Projections will be compiled concurrently with the draft budget; therefore, it is very important the County Treasurer be provided with your department revenue projections by the submission deadline.

When reviewing your packet, please note that the *2016 Adopted Budget* amount has been carried over to the *2017 Proposed Budget* column. You are required to only insert updated budget figures under the *2017 Exceptions* column for only those budget lines that you are updating. Also, the enclosed Staffing Levels document reflects the positions your department currently has, less wages and fringe benefits. Please review these positions for accuracy and report any discrepancies.

Remember not to enter dollar amounts for the *Wage and Benefit* expense accounts (703, 706, 717, 718, 719, 720 and 722), the *941 Computer Charges*, *850 Telephone Charges*, *943 Maintenance* (Building and Grounds), or the *954 Workers Compensation* expense accounts. These amounts will be compiled after you submit your initial budget request and you will be provided with a budget reflecting these costs.

Your 2017 Budget Narrative should provide a brief overview of your department operations, any mandated or legally contracted services you wish to identify, and any planned or anticipated activities for 2017. It should also include a request for any 2017 *Exceptions*, *Contractual Services*, *Subscriptions*, *Membership Dues/Fees*, *Education*, *Travel*, *Copy Fees*, and *Capital Outlay*, as well as any associated costs.

All supporting documentation will be provided to the Board of Commissioners for consideration during the budget process. Any requests without supporting documentation may not be considered.

Draft budgets are due in the Accounting Department by 4 p.m. on Monday, June 27, 2016.

As the budget process begins to unfold, I anticipate your attendance in budget workshops to answer questions and provide information to the Board of Commissioners concerning your departmental operations and budget requests.

If you have additional questions, please contact the County Clerk, the County Treasurer, or me. I look forward to working with you on the 2017 budget process. Thank you.

Attachments
Copy: Board of Commissioners

EXECUTIVE DOCUMENT SUMMARY

Department: Administration Contact Person: Chet Janik Telephone No.:	**Submittal Dates** ☒ Executive Board: 6/14/16 ☒ Regular Session: 6/21/16
Source Selection Method ☒ Quotation ☐ Other:	VENDOR: Tenurgy Address: 215 W. Mitchell St., Petoskey Phone: 231-421-4724

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☒ Professional Service ☐ Other _____

☐ **Request to Waive Board Policy on Bid Requirements**

Tenurgy is proposing a consulting services agreement with Leelanau County in which they would audit and analyze utility costs and other business operating expenses such as telecommunication costs, natural gas, electric, water, sewer and trash removal services. They will also review and analyze the County's past billings and monitor future billings for utility costs and other expenses to make recommendations on how to reduce those costs (proposed agreement is attached).

Leelanau County agrees to pay Tenurgy 50% of all activated savings, reductions, credits and/or refunds realized by the County, as outlined in the agreement.

Corporate Counsel has reviewed the agreement.

Suggested Recommendation: To recommend approval of the consulting services agreement between Leelanau County and Tenurgy, as presented.

Department Head Approval: _____ Date: 6/5/16

LOWER YOUR UTILITY AND TELECOM THROUGH REFUNDS, CREDITS AND RATE REDUCTIONS

Lower Utilities

Tenurgy

WE CAN SAVE YOU MONEY TOO!

Lower Utilities
Tenurgy

1. **UTILITIES ARE ONE OF A COMPANY'S TOP THREE OPERATING EXPENSES**

2. **ACCORDING TO ONE STUDY, "4 OUT OF 5 COMMERCIAL OR INDUSTRIAL CUSTOMERS ARE OVER BILLED BY THE UTILITY AT SOME POINT"**

"These systemic, chronic-type billing problems, they exist all over the place," said the director of auditing at TeleTruth, a New Jersey telecommunications watchdog group, and former member of the FCC's consumer advisory committee.

- The Washington Post

3. **THE END USER IS RESPONSIBLE FOR SELECTING THE BEST RATE FOR THEIR LEVEL AND PATTERN OF USAGE**

"A utility does not automatically give an industrial or commercial customer the best rate when more than one rate is available."

- The Wall Street Journal

On average, 90% of Tenurgy's clients realize savings of 5-15% of their overall utility spend.

THREE CRITICAL FACTS

Lower Utilities Tenurgy

- Over 15 years of telecom and utility auditing experience
- On average, 90% of our customers save 5—15% money on their utilities
- We have the ability to service clients nationwide
- Dedicated to reducing telecom and utility expenses through real savings, refunds, and credits
- Negotiates best-in-class contracts and identifies favorable rates, terms and conditions
- We focus solely on billing and rate not on reducing consumption
- Significant savings can be generated through careful management of utility expenses
- Audits are completed within 8 to 12 weeks of submission to Tenurgy

WHY TENURGY?

Lower Utilities
Tenurgy

AUDIT FUCTIONS

- Billing Errors
- Alternative Rates & Carriers
- Discounts & Promotions
- Reduction of Contractual Charges
- Incorrect Surcharges
- Disconnection of Unused Services

Telecommunications
Phone Service • Cellular/Internet Access

Natural Gas/Propane

Electricity

Deregulated Gas/
Electric Programs

Water/Sewer

Trash Removal

SCOPE OF SERVICES

Lower Utilities
Tenurgy

WE MEET

A meeting is coordinated to review your history, utility spending and decision-making process.

DOCUMENT COLLECTION

1. We gather 1 copy of each location's current month of gas, electric, water, waste and telecommunication bills.
2. The Tenurgy Consulting Services Agreement is signed.
3. Our client provides a signed Letter of Authorization (LOA) on a company letterhead allowing Tenurgy to work with the utility companies on their behalf.

ANALYSIS

1. Tenurgy performs extensive research, audit and analysis to present a savings strategy.
2. A second meeting is arranged to discuss savings options and how to proceed.
3. Remember - if we find no refunds, credits or savings, you owe Tenurgy nothing.

ONGOING MAINTENANCE

1. Tenurgy continues to search for additional savings and will ensure that all refunds and savings are correctly processed.
2. The utility and telecom industry is ever-changing. Tenurgy ensures you're on the best rates possible.

START SAVING TODAY! (231) 347-8511

Lower Utilities
Tenurgy

On average, 90% of Tenurgy's clients realize savings of 5-15% of their overall utility spend.

PERFORMANCE CONTRACT

Nothing is owed to Tenurgy if the audit does not uncover the opportunity for savings, refunds or credits.

FLEXIBILITY

The client always has the choice of activating savings, refunds, or credits. If savings are not activated nothing is owed to Tenurgy.

REALIZED SAVINGS

Tenurgy will only invoice the client after the savings, refunds or credits have been activated or received by the utility company.

START SAVING TODAY! (231) 347-8511

Lower Utilities
Tenurgy

- **DELTA DENTAL** realized over $450,000 in utility refunds and 30% savings on telecom.

- **HENRY FORD COLLEGE** received a refund just over $27,000 and is realizing over $50,000 in electric and telecommunication savings.

- **MCLAREN PORT HURON HOSPITAL** is currently saving $250,000 annually in telecom and natural gas.

- **WEST BRANCH REGIONAL MEDICAL CENTER** has saved 40% on their telecommunications and $12,000 annually on natural gas.

- **OAKWOOD HEALTHCARE** of Dearborn received a refund of $60,000 and is saving $30,000 annually on natural gas and electric.

- **GREEKTOWN CASINO** of Detroit received over $180,000 in natural gas refunds and was presented with $460,000 in annual utility savings.

- **THE HYLANT GROUP** received and electric refund in excess of $160,000 and is saving over $7,000 per month moving forward.

SUCCESS STORIES

Allegan AAESA
Bad Axe
Belding Area Schools
Bellaire Public Schools
Benzie Central
Berrien Springs
Big Rapids Schools
Blissfield Community Schools
Boyne City Public Schools
Brighton Area Schools
Britton - Deerfield Schools
Britton Schools
Buena Vista Schools
Burt Township Schools
Byron Area Schools
Camden-Frontier Schools
Cass City Public Schools
Central Lake Schools
Central Montcalm Schools
Char/Em ISD
Charlevoix
Chippewa Hills
Clinton Community Schools
Colon Community Schools
Coopersville Area Public Schools
Covert Public Schools
Crawford AuSable School District
Crosswell-Lexington Community Schools
Decatur Schools
Delta-Schoolcraft ISD
Dowagiac Union Schools
East Jackson Community Schools
East Jordan Public Schools
Eastern Michigan University
Eaton ISD
Evart Public Schools
Everest Academy
Farwell Schools
Fitzgerald Public Schools
Forest Area Public Schools
Frankenmuth Schools
Frankfort Schools
Fulton Schools
Gaylord Community Schools
Gladwin Community Schools
Glen Lake Schools
Glen Oaks Community College
Grand Ledge Public Schools
Gratiot-Isabella RESD
Gull Lake Community Schools
Harbor Beach Community Schools
Hastings Public Schools
Henry Ford College
Hesperia Community Schools
Hillman Schools
Holton Schools
Hudson Area Schools
Huron ISD
Ingham ISD
Inland Lakes Schools
Lake Bluff School District
Lake Orion Schools
Lake Superior State University
Lawton Community Schools
Lenoir-Rhyne university
Leslie Schools
Lewis - Cass ISD
Lourdes University
Madison District Public Schools
Madison School District
Mancelona Public Schools
Manistee
Manistique Area Schools
Manton Consolidated Schools
Marlette Community Schools
Martin Public Schools
Mason Public Schools
Mason-Lake ISD
Mecosta-Osceola ISD
Meridian Public Schools
Midland Public Schools
Montaque Area Schools
Montcalm ISD
Morley Stanwood Schools
Morrice Area Schools
Muskegon ISD
North Branch Area Public Schools
North Central Michigan College
North Muskegon Schools
Northwestern Michigan College
Northwood University
Oaklawn Community High School
Okemos Schools
Onaway Area Schools
Otsego Public Schools
Pellston Public Schools
Pentwater Public Schools
Perry Public Schools
Petoskey Public Schools
Pinconning Schools
Plainwell Community Schools
Portland Public Schools
River Rouge Public Schools
Sandusky Community Schools
Schoolcraft College
Shepherd Public Schools
South Lake Schools
St. Ignace Area Schools
Tecumseh Public Schools
Three Rivers Community Schools
Tri-County Schools
Unionville-Sebewaing Area Schools
Van Buren ISD
Walkerville
Warren Woods
Webberville Community Schools
Wexford Missaukee ISD
Willoughby Eastlake City Schools

Calhoun County Medical Care Facility
Community Health of Branch County
Eaton County Health and Rehab
Gogebic Medical Care Facility
Huron County Medical Care Facility
Ingham County Medical Care Facility
Lapeer County Medical Care Facility
Lenawee Medical Care Facility
Manistee County Medical Care Facility
Maple Lawn Medical Care Facility
Martha T. Berry Medical Care Facility
Meadow Brook/ Antrim County Medical Care Facility
Oceana Medical Care Facility
Pinecrest Medical Care Facility
Sanilac Medical Care Facility
Tuscola County Medical Care Facility

Branch County
Crawford County
Grand Traverse County
Gratiot County
Sanilac County
Montcalm County
New Albany-Floyd Co Building Authority
Wexford County
Antrim County
Otsego County

City of Alma
City of Montague
City of Mount Pleasant
City of Petoskey
Bloomfield Township

Tenurgy
Consulting Services Agreement

This Agreement is made and executed on this ____ day of _____, 2016, by and between _____ _____, (hereinafter "Client"), (Corporate Headquarters) and Tenurgy, LLC (hereinafter "Tenurgy"), a Michigan limited liability company, of 215 W. Mitchell, Petoskey, MI 49770.

1. **Services to be Performed**. Tenurgy is engaged in the business of auditing and analyzing utility costs and other business operating expenses, including , but not necessarily limited to, telecommunication costs, natural gas, electric, water, sewer and trash removal services ("utility costs"). Tenurgy will review and analyze Client's past billings and also monitor future billings for utility costs and other expenses and make recommendations to the Client to reduce the client's utility costs. Tenurgy agrees to identify potential savings and refunds and if applicable, make recommendations for Client to realize the identified savings/refunds. In Clients sole discretion, Tenurgy further agrees to assist with implementing any identified savings and/or refunds.

2. **Materials.** Tenurgy will furnish all the materials, equipment and supplies used to provide the services required by this Agreement.

3. **Scope of Services.** Tenurgy shall analyze the following utility and telecommunication service providers:

Electric ( )	Telecommunications ( )	Waste / Trash ( )
Natural Gas ( )	Water / Sewer ( )	Other ( ) _____

Client may exclude a current utility savings initiative. The following current utility savings initiatives are excluded under this Agreement:

_____

4. **Compensation**. In consideration for the services performed by Tenurgy, Client agrees to pay Tenurgy 50% of all activated savings, reductions, credits and/or refunds realized by client from any Utility Provider and/or service provider during the term of this agreement, except for Excluded Utilities. Savings and reductions will be based upon the difference between the per unit charge in effect for each utility at the date of execution of this agreement plus any subsequent increases or decreases to the per unit charge for the month prior to the date of invoice.

5. **Term of Agreement.** This Agreement will become effective when signed by both parties and shall continue for a period of 36 months. This Agreement may be extended or renewed by written agreement signed by both parties. All provisions of this Agreement shall apply to all services and all periods of time in which Tenurgy renders services for the Client.

6. **Terms of Payment.** Tenurgy will generate an invoice when savings/refunds are actually realized by Client. Each month for a period of thirty-six (36) months, which shall commence on the date savings are first realized by the client on each utility, Tenurgy will submit an invoice to the client indicating the savings, reductions, credits and refunds on which its 50% fee is based. The Client shall pay each invoice within 30 days of the date of invoice. In the event the Client fails to pay in a timely manner, Client shall pay any and all costs of collection, including but not limited to reasonable attorney fees and court costs.

7. **Confidentiality.** Tenurgy will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of Client without Client's written permission except to the extent necessary to perform services on the Client's behalf. Proprietary or confidential information includes

a. The written, printed, graphic or electronically recorded materials furnished by Client for Tenurgy's use;
b. Business plans, operating procedures, trade secrets, design formulas, processes computer programs and inventories, discoveries, and improvements or any kind; and
c. Information belonging to customers and suppliers of the Client about whom Tenurgy gained knowledge of as a result of Tenurgy's services to Client. Tenurgy shall not be restricted in using any material that is publicly available, already in possession, or known to Tenurgy without restriction, or that is rightfully obtained by Tenurgy from sources other than Client. On termination of Tenurgy's services to Client, at the Client's request, Tenurgy shall deliver all materials in possession relating to the Client's business.

8. **Applicable Law.** This Agreement will be governed by the laws of the State of Michigan. Tenurgy shall not be responsible for any actions by a utility provider or vendor or any damages incurred by Client.

9. **Notice.** Any notice which is to be provided pursuant to this agreement must be in writing and may be (i) personally delivered or (ii) transmitted via United States Postal Service, together with transmittal of an additional copy via Federal Express, United Parcel Service (UPS), Airborne Express or other nationally recognized courier service. All such notices shall be forwarded to the parties at the respective locations set forth above or such other locations that may be designated in writing by either party hereto.

10. **Exclusive Agreement.** The undersigned acknowledges and represents that he/ she has the authority to bind the client and is authorized to sign this agreement on behalf of the Client. Tenurgy shall not be responsible for any actions by a utility provider or any consequential damages incurred by Client. This agreement shall be binding on the respective successors and assigns of the Client and Tenurgy, including mergers, consolidations and acquisitions.

Signatures:

CLIENT:

_____
By:
Its:

Dated:_____, 2016

Address: _____
_____
Phone: _____
Fax: _____
EIN: _____
Email: _____

TENURGY

Dated: _____, 2016

_____
By: Michael J. Harrington
Its: Managing Member

EXECUTIVE DOCUMENT SUMMARY

Department: Administration Contact Person: Chet Janik Telephone No.: 231-256-8100	**Submittal Dates** ☒ Executive Board: 6/14/16 ☐ Regular Session:
Source Selection Method ☐ Select One ☐ Other:	**VENDOR:** n/a Address: Phone:

Budgeted Amount: Contracted Amount: Various

Document Description

☒ 2% Allocation Request ☐ Other

☐ **Request to Waive Board Policy on Bid Requirements**

Attached for your review and consideration are the Grand Traverse Band 2% Allocation requests, to be submitted for the June 2016 cycle:

Sheriff - Marine Division Tow Vehicle, Topper and Agency decals	$34,667.00
Prosecutor - Facility Dog Training, Bullying Prevention and Canine Safety Classes	$ 2,000.00
Probate/Family Court - LCN Neighborhood Assistance Ministry	$29,000.00
Land Bank Fast Track Authority - Blight Elimination Grant	$30,000.00
Solid Waste Council - Recycling Container Purchase	$12,000.00
Equalization - Continuously Operating Reference Station (CORS)	$15,090.00
Construction Codes Authority - Safety Equipment Purchase	$14,265.00
Administration/Veterans Affairs - Mid Michigan Honor Flight	$ 5,000.00
Board of Commissioners - Leelanau Peninsula History Network	$19,905.64

Suggested Recommendation: Recommend to approve the 2016 June cycle Grand Traverse Band 2% Allocation requests, as presented.

Department Head Approval: Chet Janik Date: 6/4/16

Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

Under the terms of the consent decree, which settled *Tribes v. Engler* (Case No. 1:90-CV-611, U.S. Dist. Ct., West. Dist. Mich.), the Grand Traverse Band of Ottawa and Chippewa Indians, as defined in the stipulation, has agreed to pay 2% of its video gaming revenue to local units of government (i.e., local township, village, city, county board of commissioners, public school system).

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN GTB'S 6-COUNTY SERVICE AREA WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: X____ June ____X____ Submission Date – June 30th
   _____ December _____ Submission Date – December 31st

2. Name of Applicant: Leelanau County Sheriff's Office
   Address: 8525 East Government Drive,
   Suttons Bay, Michigan
   Phone #: 231-256-8800 Fax #: 231-256-2611
   Authorized Signature: _____
   Printed Name: Michael Borkovich
   Title: Sheriff
   Contact person: Name: Michael Borkovich
   Telephone #: 231-256-8800 Fax #: 231-256-2611

3. Type of Applicant:
   _____ Local Government _____ Local Court
   _____ Township _____ County Commissioner _____ Road Commission
   _____ Public School District _____ College _____ Charter School
   _____ Public Library __X__ Sheriff/Police Department _____ Fire Department

4. Fiscal Data:
   Amount Requested: $ 34,667.00 Percent: 100 %
   Local Leveraging: (Match) $ _____ Percent: _____ %
   Total Budget: $ 34,667.00 Percent: 100 %

5. Target Population:
   (Indicate the number of GTB members)
   _____ Children _____ Adults _____ Elders
   __X__ Total GTB member Community _____ Others

6. Counties Impacted:

X Antrim	X Benzie	_____ Charlevoix
X Grand Traverse	X Leelanau	_____ Manistee

7. Brief Description (purpose of funding); include statement of need:

The Leelanau County Sheriff's Office provides Marine Division Patrol Services throughout Leelanau County. We provide Law Enforcement on the inland lakes and we also cover a vast amount of Lake Michigan waters. The total square miles of water within the Water Boundaries of Leelanau County is 2,154.74. We provide Marine Rescue for all waters within the Jurisdiction of Leelanau County including the area within Tribal jurisdiction. Our Marine Division routinely assists Tribal Police and Fire when a Marine incident occurs. Along with several boats the Marine Division needs two dependable vehicles to move boats during the season. Daily the Marine Division moves inland patrol boats to different lakes for patrol duties and routinely they need to move boats to repair and service facilities. Currently we use a 2006 Chevrolet pickup truck as the primary tow vehicle for our patrol boat fleet. This pickup truck is 10 years old and is more suited for a back- up use now. We would request funding for a new Marine Patrol Pick Up truck and truck bed topper to provide continued service to the citizens of Leelanau County.

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) **Program formula: (1) $5,000. Per school + ($1,000 x # of GTB member students) = allocation.**

Please note: 1) In completing this section, only provide the student numbers of currently enrolled GTB members; do not include the general Native American data of your school system; and 2) there will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

_____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start __August 2016__ Completion__January 2017__

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

X_ YES _____ NO. If yes, please list the start and end dates and amount:

_____ - __May 2013_____ and amounts: __$15,000

_____ - _____ _____

_____ - _____ _____

11. Are all of the previous allocations expended? __X_____ YES _____ NO.

If no, what are the start and end dates and amounts:

_____ - _____ and amounts: _____

_____ - _____ _____

_____ - _____ _____

_____ - _____ _____

12. Is the proposed project new ___New___ or a continuation project _____?

If this is a continuation project, please explain why there is a need to continue funding:

_____

_____

_____

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

The Leelanau County Sheriff's Office in cooperation with the Grand Traverse Band Police Department provide law enforcement services for the citizens of Leelanau County. Visitors to the Leelanau Sands Casino and related Tribal businesses increase the volume of calls for emergency services within the County. Marine Division calls accordingly rise during the times of the year when our County sees an influx of visitors.

_____

_____

14. How will the success of the project be assessed (evaluation plan)? The increase services provided to the Community and the increased effectiveness of our agency will be assessed by review of responses to calls for service.

15. If new staff is required, will preference be given to Native American applicants?

_____ YES _____ NO Our hiring process is non-bias aimed at hiring the best candidate for the job.

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit **before the deadline from the cover letter you received**

LEELANAU COUNTY SHERIFF'S OFFICE

MIKE BORKOVICH
Sheriff
STEVE MORGAN
Undersheriff

8525 E. Government Center Drive
Suttons Bay, Michigan 49682
Office (231) 256-8800 Fax (231) 256-8611
Toll Free 1-877-256-6911

LT. TODD ROUSH
Corrections
LT. JAMES KIESSEL
Law Enforcement

June 2016 2% Grant Proposed Budget

Item	Cost	Quantity	Total
2017 Ford F-250	$ 32,877.00	1	$ 32,877.00
Cab Topper	$ 1,400.00	1	$ 1,400.00
Decals	$ 400.00	1	$ 400.00
	Total Cost		$ 34,667.00

Our staff is dedicated to making our county a safe place in which to live, work, play and raise our families!

April 21, 2016

Leelanau County Sheriff Department
Attn: Undersheriff Steve Morgan
8525 E. Governmental Center Drive
Suttons Bay, MI 49682

Dear Undersheriff Steve Morgan:

Price on 2017 Vehicle Macomb County Contract Bid:

2017 Ford F250 Crew Cab 4x4 Pickup 8' Box in White **$32,877.00 ea**

Standard Service Contract: 36,000 miles or 36 months factory Bumper to Bumper Warranty and 60,000miles 60 months Powertrain Warranty . Service to be handled by your local Ford Dealer.

Order Cutoff Date: TBD.

Ford Motor Company does not guarantee delivery---Ford Motor Company will make reasonable efforts to schedule orders received prior to fleet order cut-off date.

Payment requirements: All departments to pay on delivery of vehicle. 10-day grace period will be given if previous arrangements have been made. A $9.50 per day floor plan will be charged if payment is not at the dealership within 10 days of delivery of the vehicle (s).

If you have any questions please call me, 888-92-FLEET (923-5338)

Respectfully Submitted,

Bill Campbell

Bill Campbell
Government & Fleet Sales

1960 E Main St Owosso, MI 48867, 888-92-FLEET (888.923.5338) Fax 517-625-5832

Macomb#71-15 T.4, T.5, T.6, T.7, T.8, T.9

2016 F-250 Reg. Cab, SuperCab, Crew Cab Major Standard Equipment

Powertrain/Functional
- Alternator, Heavy Duty – 157-amps
- Alternator, Extra Heavy Duty – 200-amps (Diesel)
- Battery, Diesel engine, 750 CCA, 78-AH, dual
- Battery, Gas engine, 650 CCA, 72-AH
- Brakes – 4-Wheel Anti-lock Braking System
- Engine– 6.2L 2-Valve SOHC EFI modular V8 gas (Flex Fuel)
- Fuel Tank, 35 Gallon (Gas Engine)
- Fuel Tank, 26 Gallon (Diesel Engine) – 137", – 142" & 156" Wheelbase
- Fuel Tank, 37.5 Gallon (Diesel Engine) – 158" & 172" Wheelbase
- Rear axle – Non-Limited Slip
- Stationary Elevated Idle Control
- Stabilizer bar – front
- Stationary Elevated Idle Control (SEIC)
- Steering – power
- Steering damper
- Tire Pressure Monitoring System (TPMS)
- Trailer Tow Package – 7-wire harness w/relays & 7/4-pin connector
- Transmission – 6-speed SelectShift™ Automatic O/D

Exterior
- "3-Blink" lane change signal
- Bumpers – front & rear, black painted
- Fender vents – front
- Front License Plate Bracket
- Glass – solar tinted
- Grille – Black painted
- Handles – door & tailgate, black
- Headlamps – dual beam jewel effect
- Jack– 2-Ton mechanical
- Mirrors – Manual Telescoping Trailer Tow Mirrors w/Manual Glass
- Moldings, tailgate and box rail
- Pickup box – partitionable & stackable
- Spare tire, wheel, lock & frame-mounted carrier
- Stop light – high-mounted
- Tailgate – removable w/key lock, black handle and TailGate Assist™
- Tie-down hooks – pickup box (four w/6 ¾' box; six w/8' box)
- Tires–LT245/75Rx17E BSW A/S (5)
- Tow Hooks-Front (2)
- Wheels– 17" Argent painted steel w/painted hub covers/center ornaments
- Underhood service light
- Window – rear, fixed

Interior
- Air conditioning – manual
- Audio – AM/FM stereo/digital clock & 2-speakers
- Coat hooks – LH/RH color coordinated
- Dash-top tray
- Dome Lamp – LH/RH door activated I/P switch operated w/delay
- Door trim – armrest/grab handle & reflector
- Floor covering – Black, full length vinyl
- Headliner – color coordinated cloth
- Instrument panel – color coordinated w/glove box, 4 air registers w/positive shutoff, power point, storage bin & trash bag hook
- Instrumentation – Multifunction switch message center with ice blue lighting (three button message control on steering wheel)
- Map lights – dual (front and rear w/Crew Cab)
- Mirror – rearview 11.5" day/night
- Overhead console with dual storage bins and map lights (Super Cab and Crew Cab)
- Power point – auxiliary (2)
- Scuff plates – color coordinated
- Seats – Front, HD vinyl, 40/20/40 split bench w/center armrest, cupholder and storage (manual lumbar – driver side), front center seat includes integrated restraint
- Steering wheel – Black vinyl, with telescoping and raking steering column
- Sunvisors – color coordinated vinyl, single driver w/pocket, single passenger w/mirror insert
- Windshield wipers – interval control

Safety/Security
- Air bags – Driver and Passenger frontal and side air bag/curtain
- Air bag deactivation switch – passenger side (not incl. w/Crew Cab)
- Belt-Minder®
- MyKey®
- Safety belts – color coordinated w/height adjustment D-ring
- SecuriLock® Anti-Theft Ignition
- SOS Post Crash Alert System
- AdvanceTrac® with Roll Stability Control®
- Trailer Sway Control and Hill Assist Control

10000#GVWR, Regular Cab 8 Ft. Box, 137" WB, 10000# GVWR

[ ]	Base Price 4x2 (F2A/600a), **(T.4)**	**$20,725.00**
[ ]	Base Price 4x4 (F2B/600a), **(T.6)**	**$23,257.00**
[ ]	Base Price 4x4 (F2B/600a), **(T.9) (6.7L Diesel Engine)**	**$30,125.00**

10000#GVWR, SuperCab Short Box 6.5 Ft., 142"WB, 10000# GVWR

[ ]	Base Price 4x2 (X2A/600a)	**$22,805.00**
[ ]	Base Price 4x4 (X2B/600a), **(T.7)**	**$25,071.00**

10000#, GVWR SuperCab Long Box 8 Ft. Box, 158"WB, 10000# GVWR

[ ]	Base Price 4x2 (X2A/600a), **(T.5)**	**$22,809.00**
[ ]	Base Price 4x4 (X2B/600a) **(T.8)**	**$25,249.00**

10000# GVWR, Crew Cab Short Box 6.5 Ft., 156" WB, 10000# GVWR

[ ]	Base Price 4x2 (W2A/600a)	**$24,323.00**
[ ]	Base Price 4x4 (W2B/600a)	**$26,759.00**

10000# GVWR, Crew Cab 8 Ft. Long Box, 172"WB, 10000# GVWR

[ ]	Base Price 4x2 (W2A/600a)	**$24,497.00**
[x]	**Base Price 4x4 (W2B/600a)**	**$28,937.00**

	Price Available Standard Options	Option	Reg.&Super/Crewcab
[ ]	6.7L Power Stroke 4V Diesel V8 (B20)/TorqShift 6-Spd Auto.	99T/44W	7,450.00
[ ]	Seats, 40/20/40 Split Bench Cloth	1S	100.00/315.00
[ ]	Seat, Vinyl 40/Mini-Console/40 (Regular Cab only)	LS	355.00
[x]	**Seats, Cloth 40/Mini-Console/40**	**2S**	515.00/**615.00**
[ ]	Tires, LT245/75Rx17E All-Terrain (5)	TBM	125.00
[ ]	Tires, LT265/70R17E OWL All-Terrain (4)(Spare is BSW)	TCD	455.00
[ ]	17" Aluminum Wheels	64W	600.00
[ ]	Engine Idle Shutdown (avail. w/6.7L diesel Only)	63T	250.00
[x]	**Power Locks, Windows,Mirrors, (Manual Telescoping w/Power Heated Glass, Inter. Clearance Lamps/turn signals), and Remote Keyless Entry**	**90L/54K**	895.00/**1105.00cc**
[ ]	Dual Alternators, Diesel only (total of 320 amps)	67A	380.00
[ ]	Extra Heavy Duty Alternator 200 amp	67D	75.00
[x]	**Electric Shift on the fly (4x4 only)**	**213**	**185.00**
[ ]	Keys Extra for SecuriLock Anti-Theft Ignition	Sig	50.00 EA
[x]	**Trailer Brake Controller**	**52B**	**270.00**
[ ]	Transmission Power Take-Off Provision , Diesel Only	62R	280.00
[ ]	Cab Steps Molded Black	18B	320.00/370.00
[ ]	Window, Rear Sliding w/Privacy Glass(Deep Tint)	433	125.00
[ ]	Reverse Vehicle Aid Sensor	76R	245.00
[x]	**Rear View Camera (NA w/Pickup Box Delete)**	**76V**	**470.00**
[ ]	Roof Clearance Lights	592	55.00
[ ]	Tailgate Step, Incl. Tailgate Assist, Step & Handle	85G	375.00
[ ]	AM/FM w/Single CD/MP3 Player/Clock w/4 speakers	585	275.00
[ ]	Speed Control	525	235.00
[x]	**Upfitter Switches (4) located on I/P**	**66S**	**125.00**
[ ]	Rapid-Heat Supplemental Cab Heater, Req. Diesel and 67D or 67A Alternators	41A	250.00
[ ]	9900 GVWR Package	68D	100.00
[ ]	4x4 Off-Road Pkg (Incl.Skid Plates, E-Locking Axle & AT Tires)	17X/X3E/TCD	947.00

[ ] Camper Package	471	160.00
[ ] Suspension Package, Heavy Service(N/A with 473)	67H	125.00
[ ] Snow Plow Prep Package(N/A with 67H)	473	85.00
[ ] CNG/LPG Prep Fuel Capable Engine	98F	315.00
[ ] **XL Decor Group** (Chrome front and rear step bumper, Bright chrome hub covers and center ornaments)	17F	220.00
[ ] **XL Appearance Pkg** (Chrome front and rear step bumper, AM/FM Stereo/Single CD w/4 Speakers, Bright chrome Grille surround with black insert, Bright Chrome hub covers and center ornaments, & Cruise Control	96P	855.00
[x] XL Value Pkg (Chrome front and rear step bumper, AM/FM Stereo/Single CD w/4 Speakers, Bright chrome hub covers and center ornaments, & Cruise Control	**96V**	**595.00**
[ ] **XL Value Pkg with SYNC System** (All of the above listed & SYNC Entertainment & Bluetooth Technology System)	96V/91M/62D	990.00
[ ] Crew Chief(Telematics) by Microlise	87T	800.00
[ ] Cable Lock by Master Lock™ (Factory Invoiced Accessory; Replaces Cargo Tie Down Hooks; NA w/ 66D Pickup Box Delete)	87C	120.00
[ ] Pickup Box Delete(8' box only, NA 76V Rear View Camera)	66D	(465.00)
[ ] Heavy Service Package for Pickup Box Delete Only	63R	110.00
[ ] Spare Tire & Rim (for Box delete only)	512	295.00
[ ] Axle, Electronic Locking	X3_	390.00
[ ] Daytime running Lights	942	45.00
[x] Skid Plate Package	**41P**	**100.00**
[x] Tough Bed(Spray-in-bedliner)	**85S**	**475.00**
[ ] Bed Mat(N/A w/85S Tough Bed Spray-in-Bedliner)	85M	135.00
[ ] Powercode Remote Start System(Req. Power Equip. Grp.)	76S	195.00
[ ] Bug Shield	61B	108.00
[ ] Splash Guards/Mud Flaps	61S	130.00
[ ] Wheel Well Liner	61L	180.00
[ ] Exterior Backup Alarm	76C	114.00
[ ] LED Warning Strobes-Amber (Includes Center High-Mounted Stop Light Bar and (2) Hood Mounted Lights	87S	700.00

Total Price $32,877.00 ea

Colors for F-250

Exterior Colors		Interior Steel (Grey)
Race Red	[PQ]	[ ]
Blue Jeans Metallic	[N1]	[ ]
Green Gem Metallic	[W6]	[ ]
Ingot Silver Metallic	[UX]	[ ]
Shadow Black	[G1]	[ ]
Oxford White	**[Z1]**	**[x]**
Magnetic	[J7]	[ ]
SPECIAL PAINT		
School Bus Yellow Add $725.00	**[84S53]**	**[ ]**
Omaha Orange Add $610.00	**[W5684E]**	**[ ]**

Michigan Truck Accessories of Traverse City Inc.

465 S. Airport Road
Traverse City, MI 49684
1-800-968-2550 or 231-929-4458
www.mtatc.com

Estimate

Date	Estimate #
4/21/2016	903

Name / Address

LEELANAU COUNTY SHERIFFS
8525 E. GOVERMENT CNTR DR
SUTTONS BAY MI 49682

Insurance Claim #	Rep	Vehicle Description
	JS	

Qty	Item	Description	Cost	Total
1	AR V SERIES	CAB HI TOPPER ~~[illegible]~~ 8' bed 2017 F-250 CREW CAB 8FT BED Z-1 WHITE STANDARD V SERIES CAP 231-256-8611 FAX ATTN. LT. KIESEL	1,645.00	1,645.00

Subtotal	$1,645.00
Sales Tax (6.0%)	$0.00
Total	$1,645.00

Estimates Good For 30 Days

Auto Outfitters
2450 Diamond Dr.
Traverse City, MI 49684
231-499-3601

Estimate

Date	Estimate #
4/20/2016	199

Name / Address
Leelanau County

Project

Description	Qty	Rate	Total
Century Topper (Ultra)	1	1,500.00	1,500.00
Side Window Deleted	1	-100.00	-100.00

Subtotal	$1,400.00
Sales Tax (6.0%)	$0.00
Total	$1,400.00

TRADITIONAL DESIGN MEETS UNSURPASSED VALUE

The Ultra offers a classic yet stylish design with 1/3 sliding side windows and a dependable recessed frame rear door. Sturdy double T-Handles provide secure access to the truck bed. Generous list of useful options. Break free from the average cap and step up to the Ultra.

STANDARD FEATURES

- Fixed Front Window
- Side Windows: Recessed 1/3 Sliders with Screens
- Rear Door: Recessed Framed
- Rear Door Hardware: Double T-Handles
- Dark Tint on All Glass Excluding Front Window
- Insulated Roof
- Interior 12V Dome Light
- Recessed LED Third Brake Light - Red Lens
- DuPont Automotive Paint
- Custom Fit Design
- Fiberglass Base Rails
- Installation Bulb Seal
- J-Clamp Installation
- Limited Lifetime Warranty (Refer to Owner's Manual)

OPTIONS

- Interior Headliner (Black or Charcoal Grey)
- Front Slider Window
- Removable Front Picture Window
- Removable Front Slider Window
- Radius Side Windoors
- Radius Side Windoor Sliders
- Additional Battery or 12V Dome Light
- 12V Gas Prop Switch for LED Dome Light
- Interior Clothes Hanger (Single or double)
- Blank Sides (No windows)
- Three-Outlet 12V Powerblock
- Overhead Gear Net (Requires roof rack)
- Overhead Storage Bin (1 or 2, requires headliner)
- Thule® Tracker II Roof Rack System - Includes Locks
- Thule® Tracker II Roof Rack System with Fairing and Locks
- Thule® AeroBlade Roof Rack System - Includes Locks
- Thule® Tracks Only - Pair Installed
- Thule® Artificial Rain Gutter Brackets- Set of Four Installed
- Tracker II Load Stops 503 - Set of Four
- Thule® AeroBlade Load Stops 502 - Set of Four
- Thule® Load Straps 15' - Set of Two
- Thule® Quickdraw Ratchet System - 2 - 13' HD Rope Lines and 4 Steel Hooks
- Thule® Big Mouth Bike Carrier
- Thule® NEW Side Arm Bike Carrier
- Thule® Top Deck Kayak Carrier
- Thule® NEW Portage Canoe Carrier
- Thule® Flat Top Ski/Snowboard Carrier
- Thule® NEW Pull Top Telescoping Ski/ Snowboard Carrier
- Thule® Outbound Cargo Bag (Rack Mount Cargo Bag)
- Thule® NEW Board Shuttle Paddle/Surf Board Carrier
- Screen Protectors
- Cargo Hooks
- Cap-Pack Sport
- BEDSLIDE
- DECKED Organizer

PACKAGES

- **American Outdoorsman Package:** Headliner, Fishing Rod Holder, Overhead Storage Box, Clothes Hanger, Dual 12V Dome Lights

CENTURY™

TRUCK CAPS AND TONNEAUS

WITH YOU FOR THE LONG HAUL

www.centurycaps.com

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Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

Under the terms of the consent decree, which settled *Tribes v. Engler* (Case No. 1:90-CV-611, U.S. Dist. Ct., West. Dist. Mich.), the Grand Traverse Band of Ottawa and Chippewa Indians, as defined in the stipulation, has agreed to pay 2% of its video gaming revenue to local units of government (i.e., local township, village, city, county board of commissioners, public school system).

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN GTB'S 6-COUNTY SERVICE AREA WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: XX June XX Submission Date – June 30th
   ____ December ____ Submission Date – December 31st

2. Name of Applicant: Leelanau County Prosecutors Office
   Address: 8527 E. Government Center Drive, Ste. 202
   Suttons Bay, MI 49682
   Phone #: 231-256-9872 Fax #: 231-256-0133
   Authorized Signature: ____
   Printed Name: Joseph T. Hubbell
   Title: Leelanau County Prosecutors Office
   Contact person: Name: Laurie LaCross, Victims' Advocate and Gunther's Handler
   Telephone #: 231-256-9872 Fax #: 231-256-0133

3. Type of Applicant:
   X Local Government — X Local Court
   ____ Township — ____ County Commissioner — ____ Road Commission
   ____ Public School District — ____ College — ____ Charter School
   ____ Public Library — ____ Sheriff/Police Department — ____ Fire Department

4. Fiscal Data:

Amount Requested:	$ 2000.00	Percent: 56 %
Local Leveraging: (Match)	$ 880.00	Percent: 44 %
Total Budget:	$ 2880.00	Percent: 100 %

5. Target Population:
   X Children — X Adults — X Elders
   X Total GTB member Community — X Others
   (Indicate the number of GTB members)
   unknown as to how many are elem students

6. Counties Impacted: _____ Antrim _____ Benzie _____ Charlevoix
_____ Grand Traverse __X__ Leelanau _____ Manistee

7. Brief Description (purpose of funding); include statement of need:
SEE ATTACHED

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) **Program formula: (1) $5,000. Per school + (<u>$1,000</u> x # of GTB member students) = allocation.**

<u>Please note</u>: 1) In completing this section, only provide the student numbers of currently enrolled GTB members; do not include the general Native American data of your school system; and 2) there will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

The main purpose of having a Facility Dog is to provide emotional support to children, teens and occasionally adult victims of such heinous crimes as sexual assault or physical abuse, rape, incest. As a prosecutor and former defense attorney, I have witnessed the aftermath of trauma experienced by these victims and re-victimization that often occurs when the victim must again face their perpetrator during the prosecutorial process. It has proven that by the use of a canine during the various stages of investigation and prosecution, that the victims and witnesses have a deduction in their stress levels.

Over the years, numerous research studies have been undertaken to validate the benefits of animal assisted activity and in particular the contribution of facility dogs. Empirical evidence has shown that facility dogs can enhance children's psychological development, improve social skills, and increase self-esteem among other benefits. Dogs can also teach responsibility, compassion, and respect for other living things. Dogs in the classroom can be used to calm fears, relieve anxiety, and teach skills. Here is a summary of potential benefits (Data adapted from the Australian Companion Animal Council): • Physical – interaction with a furry friend reduces blood pressure, provides tactile stimulation, assists with pain management, gives motivation to move, walk and stimulates the senses • Social – a visit with a dog provides a positive mutual topic for discussion, promotes greater self-esteem and well-being, and focused interaction with others • Cognitive – companionship with a dog stimulates memory, problem solving and game playing • Emotional – an adorable four-legged visitor improves self-esteem, acceptance from others, and lifts mood often provoking laughter • Environmental – a dog in a facility decreases the feeling of a sterile environment, lifts students mood . Research has demonstrated that facility dogs properly managed in the school setting can not only make a measurable difference in terms of gaining various skills such as reading enhancement, but also in contributing critically to emotional and relational development. School counselors are finding that the presence of a facility dog can decrease anxiety and enable students to work through issues such as anger management, bullying tendencies and others psycho/social problems.

In May, 2015, Gunther III the Facility Dog through Canine Companions for Independence (CCI) was matched and placed with handler, Laurie LaCross, Victim Advocate with the Leelanau County Prosecutors Office. She personally pays for all expenses as it relates to Gunther (food, vet, shelter, etc) and CCI provides a $1 million dollar liability insurance policy during the working life of dog. The highly trained facility dog is worth approximately $40,000. Since May, Gunther has attended District Court sessions and gone to Sobriety Court in Traverse City on Thursdays, offering emotional support to the adult participants. Gunther has also accompanied child victims to court, lying down at their feet as they testify in court, attended meetings with prosecutors and law enforcement officers, offering comfort to child victims and their families.

Along with assisting in the courthouse setting, Gunther and his handler have presented bully prevention and canine safety lessons at Northport School this spring (see attachment) and will be doing so again in the fall, as well as presenting to the other local elementary schools in the 2016/2017 school year. "No More Bullying!" to 3rd – 5th grade (5 one hour sessions) and "Be A Buddy and a Bucket Filler" KG-2nd Grade (3 one hour sessions) These are bully prevention and canine safety lessons using the common core values of responsibility, compassion, self-control, self-respect, respect, courage, humane, integrity in a series of one hour lessons using a canine to promote positive behaviors and to be kind and considerate to others as well as animals. These programs are offered "free of charge" to the elementary students, and they receive age appropriate workbooks, with some giveaways such as pencils, rulers, stickers and important information on our local animal shelter and other guides to caring for animals and staying safe around them.

The request for this funding is to continue with training from the Courthouse Dogs Foundation people. They came to Michigan in June, 2015 and trained people in our various agencies on the usage of a Facility Dog. This request is to attend their 4th Annual International Conference in September. The request is for the primary handler to attend with Gunther to learn how to work him in various capacities. (see attached 2015 conference agenda). This training is the only type of training in the country and would be greatly beneficial to the handler and Gunther to assure that his usage is appropriate and what best practices are used. In addition the request is to cover costs for the bully prevention and canine safety lessons for 2 school years, so that workbooks and folders can be purchased with materials and giveaways to students participating in the lessons. All students will receive a booklet/folder and certificate of completion. Currently there are no prevention services provided by the Leelanau County Family Court for children under the age of 11. There is a significant need to provide this type of program to our young children as Bullying has been listed as a serious public health problem (see attached report by Jennifer C. Kerr, Associated Press, May 11, 2016).

2016

Gunther III

Bully Prevention
Canine Safety

Northport School

Report: Bullying is a serious public health problem

By JENNIFER C. KERR, Associated Press Wednesday, May 11th 2016

FILE - In this Sept. 4, 2012 file photo, a student at Indian Lake Elementary in Kalamazoo, Mich., boards a bus on the first day of school. Bullying is a serious public health problem, and should no longer be dismissed as merely a matter of kids being kids, a leading panel of experts warned Tuesday, May 10, 2016. Bullying behavior is seen as early as preschool and peaks during the middle school years, the researchers said. And the problem has morphed from the traditional bully-in-the-schoolyard scenario to newer forms of electronic aggression, such as cyberbullying on social media sites. (AP Photo/The Kalamazoo Gazette, Mark Bugnaski, File)

WASHINGTON (AP) Zero-tolerance policies are ineffective in combating bullying, an independent government advisory group says in urging schools to take a more preventative approach that includes teaching tolerance to address this "serious public health problem."

In a report released Tuesday, the National Academies of Sciences, Engineering, and Medicine said bullying should no longer be dismissed as merely a matter of kids being kids. "Its prevalence perpetuates its normalization. But bullying is not a normal part of childhood," the report said. Schools, the researchers concluded, should end zero-tolerance policies that automatically suspend students for bullying.

"There's no evidence that they are impactful in a positive way," said Catherine Bradshaw, a professor and associate dean at the University of Virginia, and part of the committee that wrote the report. "They can actually do more harm than good and in fact don't provide the skill training or replacement behaviors for youth that are suspended or expelled."

The report also said zero-tolerance policies may lead to an underreporting of bullying because suspensions are perceived as too punitive.

Frederick Rivara, chairman of the committee and a professor of pediatrics and epidemiology at the University of Washington, cautioned that bullying has lasting negative consequences and cannot be ignored. "While there is not a quick fix or one-size-fits-all solution, the evidence clearly supports preventive and interventional policy and practice," he said.

Programs that teach children how to get along with one another and what to do if they see kids who are being bullied, are more effective, Rivara said. Parents, too, can do their part, he said, by encouraging children to tell them if they're being bullied, reporting it to the school or teacher and making sure their schools have effective anti-bullying programs in place.

Another committee member, Sandra Graham, a professor at UCLA, said schools need to be more proactive in teaching tolerance. "We need to be able to learn to live and accept and get along with people who are different from us," she said.

"Bullies are often very popular ... there are a lot of kids who bully to maintain their popularity and social status, so schools need to be addressing that," Graham added.

Bullying behavior is seen as early as preschool and peaks during the middle school years, the researchers said. The problem has morphed from the traditional bully-in-the-schoolyard scenario to newer forms of electronic aggression, such as cyberbullying on social media sites.

The report said both bullies and their victims can suffer short and long-term consequences, including poor grades, anxiety and depression.

A government report this month on school crime from the National Center for Education Statistics and the Justice Department suggested bullying is down sharply from more than a decade ago. It found the percentage of public schools reporting bullying at least once a week decreased from 29 percent in 1999-2000, to 16 percent in 2013-14.

The National Academies was more cautious about trying to gauge the extent to which bullying is a problem across the country. In its report, it said bullying likely affects between 18 percent and 31 percent of young people. It had lower estimates for cyberbullying victims, saying it ranged from about seven to 15 percent of youngsters.

The committee also looked at the relationship between bullying and school shootings, but concluded that the data are unclear on the role of bullying as a factor or cause in the shootings. It also found no causal link between being bullied and suicide.

9. What are the start and completion dates of the proposed project?

Start 8/1/16 Completion 6/1/2018

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

X YES _____ NO. If yes, please list the start and end dates and amount:

2/1/15 - 12/31/15 - Courthouse Dogs Foundation Training and amounts: $6776.00

_____ - _____ _____

_____ - _____ _____

11. Are all of the previous allocations expended? X YES _____ NO.

If no, what are the start and end dates and amounts:

_____ - _____ and amounts: _____

_____ - _____ _____

_____ - _____ _____

_____ - _____ _____

12. Is the proposed project new _____ or a continuation project X ?

If this is a continuation project, please explain why there is a need to continue funding:
Continued training on the usage of a facility dog in the court setting. This is in Seattle Washington and out of state travel in not allowed through my Victim Services grant from State of Michigan, and there is not other training like this in the country. To be able to have ample supplies to give workbooks and folders with little giveaways during the Bully Prevention/Canine Safety sessions.

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).
Canine is available to all victims of crime if they must go through the criminal justi systems. The Bully Prevention/Canine safety helps the children of the local population. With this there will be less dog bites, more humane children to care for their pets and teaching and exhibiting the common core values that all people should adhere too. The education to the younger student help them form a great foundation of kindness that will be supported by their school and community.

14. How will the success of the project be assessed (evaluation plan)? By outcomes of the criminal cases where children must testify. In the bully prevention programs, each student does a pre-test and post test to see if they have learned the lessons taught. Other things may be more success with people on probation and increase usage of canine

15. If new staff is required, will preference be given to Native American applicants?

_____ YES _____ NO

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit **before the deadline from the cover letter you received**

PLANNED BUDGET:

Project Date: 9/1/2016 – 6/1/2018
Bully Prevention Materials for Elem Students - $750.00
(Folders, booklets, reading books for lessons, pencils, rulers, stickers, snacks, etc for 2 years)

Courthouse Dogs Foundation International Conference – September 23 & 24, 2016
Airline Ticket – TC – Seattle, WA – Delta Airlines – Sept. 22-25, 2016 = $650.00

Hotel Stay at conference site – Hyatt Regency Hotel, Bellevue, WA = $600.00
3 nights – Oct. 1-5, 2015

2% Grant Request Total: $2000.00

In Kind Match (44%) = $880.00
International Conference Registration fee = $335.00
Food expenses = $120.00
($30/daily)
"No More Bullying!" Curriculum by Wayside Waifs, Bully Prevention materials(3rd-5th grade); Bucket Filler materials (KG-2nd grade) and copies, certificates - $425.00

GRAND TOTAL OF ESTIMATED BUDGET: $2880.00

Grant monies were granted from the 2014 December 2% cycle and Courthouse Dog Foundation Training **(www.courthousedogs.org) – was approved. There staff comes and trains criminal justice professionals** in how to utilize a courthouse facility dog in investigation and prosecution of crime without creating legal issues. They also help educate staff on how the dog can be incorporated into the office to serve clients. Training would be at the Leelanau, GT County, GTB facilities and the Traverse Bay Area Children's Advocacy Center. The funds requested for 2016 July 2% cycle would be to send Gunther III and, Ms. LaCross to the Courthouse Dogs Foundation International Conference in October. This would continue for usage of facility dog in court settings, as GTB granted 2% money to bring the Courthouse Dogs Foundation people to Michigan in June of 2015.

Please inquire if you have any additional questions – 231-256-9872

2015 International Courthouse Dogs Conference

Preconference Roundtable Discussions

3:30 – 5:00 PM Sunday, Oct. 4 Marriott Hotel

Canine Behavior - Your Questions Answered

Want to know the many ways a dog communicates information with his tail and what it means? What are the personality differences between Labrador and golden retrievers, and why are they often the breed of choice for facility dogs? Why do my dogs walk in circles before lying down? How do I introduce a new dog into my multi-dog household? Come with all of your dog-related questions because Jim has the answers.

***Jim Ha**, PhD, CAAB has been extensively trained in the social behavior of birds and mammals, with a special focus on highly social species like domestic dogs. He has received a Ph.D. in Zoology with a specialization in animal behavior from Colorado State University (1989), and professional credentialing as a Certified Applied Animal Behaviorist, which is the highest level of certification in dog behavior that is available. Since 1990, Jim has worked as a Research Professor in the Animal Behavior Program at the University of Washington where he teaches and conducts research in complex social behavior and cognition of several animal species. He performs in-home evaluations and treatments on behavior issues (80% aggression) in dogs, cats and parrots and advises on an additional 220 cases per year. He has also been involved with the development of the professional certification program for applied animal behaviorists through the Animal Behavior Society and has served as a member of the Animal Behavior Society's Executive Committee for many years.*

Prison Dog Programs

Back by popular demand, Sister Pauline will share her experiences with starting the first prison dog program at the Washington Corrections Center for Women in 1981 and her efforts to expand this practice across the nation and around the world. Sister Pauline will explain how to start this type of program and which inmates are good candidates for training a dog. She'll also discuss some of the difficulties of working in prisons where the staff are forced into being a part of the prison, and what has driven her to help prisoners heal by giving back to the community.

***Sister Pauline Quinn** is a Dominican sister who not only developed the first prison dog program that became the model for the rest of the world but has personally helped to start many prison dog programs in other states and countries. She is also devoted to providing worldwide assistance to children with disabilities, orphans, and war refugees. Her experiences as a child and young adult with*

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institutionalization, homelessness, and befriending a dog named Joni gave her the strength to help others through dark periods of their lives. Sister Pauline is now focusing on helping victims of crime using her own story to share the benefits of using specially trained dogs as a healing tool to help victims cope, heal and recover. She currently lives in Wisconsin with her service dog Pax.

Train Your Dog to Interact with Children

Cecilia Marre is the Executive Director of Bocalon Confiar, an assistance dog organization located in Santiago, Chile. Cecilia trains many types of animals but one of her specialties is training dogs to engage in extended activities with children to relax them, build confidence, and repair relationships with family members. Come speak with Cecilia and she will teach you how to teach your dogs these same skills.

***Cecilia Marré Marré**, DVM, UW - AAB received her degree in Veterinary Medicine from the University of Chile in 1998 and went on to receive a certificate in Applied Animal Behavior from the University of Washington. She first worked as an assistance dog instructor in Spain in 2003, and then continued to become a director of Animal Assisted Intervention International. She is also the Founder and President of Corporación Nacional de Fomento a la Integración Animal en la Rehabilitación Bocalán Confiar. She acts as a Director in several assistance dog programs, including Bocalan Confiar's assistance dog program for people with physical disabilities, autism and diabetes, and Bocalan Confiar's dog assisted therapy programs in several other locations. Since January 2010, Cecilia has acted as Director of the Courthouse Dog Program in Chile.*

A Courthouse Facility Dog for Your CASA/GAL Program

Carrie-Leigh, the Executive Director of Chaves County, NM CASA and Brenda, a Guardian ad Litem in Tampa, Florida, are pioneers in expanding the practice of facility dogs assisting children in juvenile, family, and domestic relations courts. These dogs are providing a much-needed service to abused and neglected children that have ended up in foster care. There were many challenges along the way, but their success has been indisputable. Find out how you can be a pioneer in your state.

***Carrie-Leigh Cloutier** has been the Executive Director of the Chaves County Court Appointed Special Advocates (CASA) Program in Roswell, NM for 28 years. A public servant, leader and passionate social entrepreneur, Carrie-Leigh has led the creation of innovative programs for abused and high-risk children throughout New Mexico. These include Court Appointed Special Advocates, Supervised Visitation, Kinship Care, youth programs, courthouse dogs programs, Children's Advocacy Centers and many others. Emma the CASA Dog, a talented golden retriever trained by Assistance Dogs of the West, has inspired Carrie-Leigh to help advocacy programs throughout the nation get courthouse facility dogs to help child victims through the trauma of the court system. She is now the primary handler of courthouse facility dog Zia.*

***Brenda Kocher** and facility dog Tibet began working in the 13th Judicial Circuit, Tampa, Florida in February of 2014. Since beginning their work together, the team has been active in working with hundreds of children in courtroom waiting areas, hearings, trials, forensic interviews, sexual assault*

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examinations, psychological evaluations and treatment sessions, and public awareness events. Brenda has been a Guardian ad Litem in Tampa since 2009 and upon learning she had been accepted to team training, now devotes approximately 24 hours per week as a volunteer to making Tibet available in the various venues listed above. Brenda was awarded Child Advocate of the Year 2014 in Hillsborough County, Florida and Statewide Guardian ad Litem of the Year (2014) for her work in creating the Facility Dog Program and its contribution to the system of Dependency court care in Florida.

Courthouse Dogs 101

Thriving courthouse dog programs are complex, multifaceted structures, so attending this conference can feel jumping right into the deep end of the pool. Wade into the water first and learn the basics about successful courthouse dog programs and how you can implement them at your own office. With this foundation, you will have a much richer conference experience.

Ellen O'Neill-Stephens *is the founder of the Courthouse Dogs Foundation, a non-profit organization that educates legal professionals and promotes best practices for the use of these dogs during the investigation and prosecution of crimes. She retired in 2011 as a senior deputy prosecuting attorney from the King County Prosecutor's Office in Seattle, Washington after 26 years of service. In 2003 she pioneered the use of facility dogs that are graduates of assistance dog organizations to provide emotional support to everyone in the legal justice system. Ellen graduated from the University Of Oklahoma School Of Law in 1983. In 2010 Bark Magazine named her among the "100 Best and Brightest for Amazing Advancements in the Dog World over the past 25 years". In 2013 Oprah Magazine named Ellen a "Local Hero" for her work and she also received recognition from the Hague Institute for the Internationalization of the Law for a successful innovation in their competition for the Innovating Justice Award. Ellen's son Sean and his service dog Jeeter were the inspiration for her efforts to make the criminal justice system more humane.*

Celeste Walsen*, the Executive Director of the Courthouse Dog Foundation, assisted in the creation of the Courthouse Dogs Foundation in 2008. Celeste has raised four puppies for Guide Dogs for the Blind and Canine Companions for Independence. One of those puppies was Jeeter's sister Junie, who also became a service dog. Celeste also served on the Board of Directors for the non- profit organization Seattle Purebred Dog Rescue. Celeste graduated from UC Berkeley with a BA in Psychology and obtained her degree in veterinary medicine from Louisiana State University in Baton Rouge. Celeste facilitates the scientific research in this field between the assistance dog organizations, the academic community, the courthouse facility dog handlers and the Courthouse Dogs Foundation. Celeste provides expert advice on best practices for the successful incorporation of a facility dog into office, child advocacy center and courthouse settings.*

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2015 International Courthouse Dogs Conference

Program

Sunday, October 4

3:30-5:00	**Roundtable Discussion**
5:00-7:00	**Early Registration**

Monday, October 5

8:00 - 8:30	**Registration and Continental Breakfast**
8:30 - 8:45	**Welcome** Celeste Walsen
8:45 - 9:15	**The Beginning: A Mother's Reflections on How a Traumatic Event Became a Triumph for her Daughters** Kelly Dempsey and Ellen O'Neill-Stephens

Kelly will share what it was like for her to learn that Erin and Jordan, her 7-year-old twin daughters, had been sexually assaulted by their father and how they struggled through the investigation and prosecution of the case. Then they met a service dog named Jeeter and with his with help they were not only able to testify in court but now have fond memories of the process. Today her daughters feel empowered and proud to have participated in the beginning of the courthouse dogs movement.

9:15 - 10:00	**A Child's Reaction to a Dog Isn't Always Positive** Brinda Jegatheesan

Brinda Jegatheesan is an associate professor at the University of Washington who specializes in the bond between animals and children. She works primarily with vulnerable immigrant, refugee and indigenous children. She will discuss the cultural differences and attitudes in how children from diverse backgrounds view/interact with dogs and what that means when these children become involved in the legal system.

10:00 – 10:15	**Break/Door Prize**

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Celeste Walsen DVM
Executive Director
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10:15 – 11:15 **Municipal and RCMP Police-Based Victim Services Dogs Working in Rural Alberta, Canada** Michelle Hauser and Deb Winstone

Michelle Hauser, coordinator for the Victim Services Unit and her dog Lucy began their career together assisting the Camrose Police Department and Royal Canadian Mounted Police (RCMP). Following Michelle's lead, Deb Winstone, Assistant Coordinator for Bonnyville Victim Services and her dog Odie began working with the RCMP in their district. Lucy and Odie were trained by Dogs with Wings.

Every law enforcement organization is unique, and implementing their victim services program with their dogs in two very different police agencies has been as challenging as it has been rewarding. Their presentation will describe what it is like to respond to daily call outs in a large rural area to provide victim services to people of all ages and backgrounds. Because of the great geographic distances, Lucy and Odie often have to "tag team" one another with one preparing a victim for court and the other providing court support because many times crimes happen in a different place than where the victim lives. Sometimes working in small communities also has big benefits. Convincing their crown counsel and judges to allow Lucy and Odie to accompany testifying witness in the courtroom was surprisingly easy, and they have been assisting victims and witnesses in this manner for some time.

Their pioneering efforts to bring this service this rural part of Alberta are greatly appreciated. In June 2015 Lucy and Michelle received the Alberta Solicitors General Community Justice Award for Innovation.

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11:15 **Willow, the First Courthouse Facility Dog to Work in a Family Justice Center** Tamara Martin

The One Place Family Justice Center in Montgomery, Alabama provides services to about 100 victims per month from seven counties on domestic violence, sexual assault, elder abuse, child abuse and stalking cases. The Center works closely with the Montgomery County District Attorney's Office during the investigation and prosecution of crimes.

Now courthouse facility dog Willow, a golden/Lab retriever trained by Canine Companions for Independence and handled by retired federal probation officer Tamara Martin, are part of the team and they have enhanced the services that One Place provides.

Investigating and prosecuting domestic violence cases can be challenging because the victims, children and perpetrators are family members. Taking that first step in recovery by walking into the family justice center is frightening, and many people want to turn around and walk out. But with presence of Willow in the waiting room, the Center feels more like a warm and friendly home and she makes people want to stay. Learn how Willow and Tamara have had great success in assisting children and adults during grand jury proceedings, trials and federal human trafficking cases.

12:00 – 1:00 **Lunch and Photos**

1:00 – 1:45 **How Assistance Dogs International (ADI) Provides National Standards for Facility Dogs Working in the Legal System** Cabell Youell

For the most part, legal professionals and staff assume that all "registered" or "certified" dogs are well-trained, safe for children and people from all walks of life to interact with, and that their behavior will not have an adverse impact on the investigation and prosecution of crimes and other legal matters. That is simply not the case.

Cabell Youell, the Executive Director of Saint Francis Service Dogs located in Roanoke, VA is also on the board of directors of Assistance Dogs International (ADI), which is a coalition of not-for-profit assistance dog organizations. Cabell will explain the mission of ADI and how its comprehensive accreditation system ensures that their members meet the high standards expected of assistance dog programs. Graduate Assistance dogs have to work to the highest possible standards of health, welfare and task work. The standards are a critical guide for all ADI members programs and are vital in defining what an assistance dog is. Of equal importance is that ADI believes that any dog the member organizations trains to become an assistance dog has a right to a quality life. Cabell will focus her presentation on the ethical requirements for training an assistance dog.

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1:45 - 2:45 **The Importance of Purpose-Bred Dogs** Jackie Clark

Good assistance dogs are worth their weight in gold, and at times they seem just as hard to come by. Join Jackie Clark, Breeding Program Manager for Pacific Assistance Dogs Society (PADS), as she discusses how a group of Assistance Dogs International North America schools have pooled their resources to create a reliable, relevant puppy supply with a high likelihood of maturing to dogs with the temperament to be successful working in a stressful courthouse environment with diverse groups of people.

2:45 - 3:00 **Break/Door Prize**

3:00 - 3:45 **Camry, the First Courthouse Facility Dog Working to Assist Judges in Family Court** Kathy Clark

Kathy, a social worker, is the Program and Grants Administrator for the Marion County Family Court in Ohio and part of her job is to implement innovative programs. Thinking that it might be difficult to persuade Judges Alspach and Fragale to add a facility dog to their staff, she enticed them to hear her lunch time pitch with the promise of her homemade lasagna. The lasagna wasn't necessary after all because the judges we so enthusiastic they became the driving force for the success of the program. Kathy is Camry's handler and he assists the judges during regular calendars and is on-call for emergency meltdowns in the courtroom. Their job description continues to grow and Kathy is happy that she is now providing direct services to families when she and Camry facilitate court-ordered visitations. Camry was trained by Canine Companions for Independence.

3:45 - 4:45 **Utilizing the Latest Scientific Findings While Working with your Facility Dog in the Legal System** Jim Ha

The dog-human bond is obviously a critical feature of a Courthouse Dog program, and the science behind this cross-species relationship is growing quickly. In this presentation, certified animal behaviorist Jim Ha will review new discoveries in the science of the dog-human bond and will emphasize the importance of understanding your dog's psychological well-being as he/she works with you.

5:00 - 7:00 **Reception at the Marriott**

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Tuesday, October 6

8:00 - 8:30 **Continental Breakfast**

8:30 - 8:45 **Welcome** Celeste Walsen

8:45 - 9:45 **Creating Synergy: Pima County Arizona Courthouse Dog Program** Colleen Phelan and Kathy Rau

The Pima County Courthouse Dog Program grew out of a vision from County Attorney Barbara La Wall. The collaboration between their Victim Services Division and the Southern Arizona Children's Advocacy Center has created a continuity of services for children and teenagers in the community through the victim's interactions with Russell and Blake. This presentation will discuss the success of the collaboration and the lessons learned along the way. Russell and Blake were trained by Assistance Dogs of the West.

9:45 - 10:45 **Attachment and Complex Trauma: the Healing Impact of Facility Dogs on Children** Marianne Schroer

Marianne Schroer, the Executive Director of the Williamson County, Tennessee CASA program and the handler for Rocklin, trained by Canine Companions for Independence has 30 years of experience as a licensed psychological examiner and was previously the 21st Division Drug Court coordinator for non-violent offenders with drug or alcohol addictions in four counties.
Her presentation will provide an overview of secure and insecure attachment relationships and how those relationships impact the lives of children. It will also highlight a connection between attachment and complex trauma, the impact of trauma on a child's brain development, and the meaning of children's behavior as it relates to these early childhood experiences. These children have difficulty trusting people in general and could find interacting with the police and legal professionals impossible. Marianne will describe the impact a facility dog has on children who have experienced trauma in their lives.

10:45 - 11:00 **Break/Door Prize**

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11:00 - 12:00 **Fundacion Vicki Bernadet: Child Abuse treatment, Community Awareness, and Continual Innovation in Barcelona, Catalonia, Spain** Vicki Bernadet

Vicki was the victim of sexual abuse between ages 9 to 17 and did not disclose what happened until she was 34. Why? She did not know what her family's reaction would be and there was nowhere to go for help. Her fighting spirit and determination led her to create the institution that now bears her name because she didn't want other victims to live with the same rejection, misunderstanding and loneliness.

In 1997 the organization was created with the aim of providing specialized and comprehensive care to all those directly or indirectly affected by child sexual abuse. The Foundation also believes that child sexual abuse is a public health problem that requires not just specialized care, but a societal change to address the issue so that the circle of silence will be broken.
One of the Foundation's values is continuous innovation. When the Courthouse Dogs Foundation gave a presentation last December at a conference in Barcelona sponsored by Vicki Bernadet, there was a great deal of support for the program. Why not bring a Spanish version of a courthouse dog program to Catalonia to be a model for the rest of Spain?

12:00 - 1:00 **Lunch**

1:00 - 1:45 **PADS Assistance Dogs Fossey and Wren, a Mother and Daughter Team, Expand Their Services for Children** Samantha Dover

Fossey and Wren joined Zebra Child Protection Centre, located in Edmonton, Alberta, two years ago. Now, in addition to assisting children during forensic interviews and meetings with detectives and staff from Child and Family Services at the Centre, they have recently begun accompanying children in the courtroom.

The Canadian legal system does its best to make the experience as child-friendly as possible when children have to participate in legal proceedings. This includes preventing the child from seeing the accused, allowing children to hold comfort items, and offering the reassuring presence of a support person. When the dogs first joined the Centre, Crown Counsel didn't believe there would be much need for a dog to help a child as well. Zebra House child advocate Samantha Dover, who specializes in preparing children for court ,will describe how the dogs have now expanded to working in the courtroom and how they provide that special sense of security that was lacking before.

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1:45 - 2:30 **They Have a Special Bond - Seattle Police Officer Mark Wong and Patrol Dog Ziva Picked Each Other** Mark Wong

Mark and Ziva are a patrol dog team that have spent their work and home lives together since 2010. While Ziva's job is primarily locating people, she can also assist Mark should dangerous situations involving physical confrontation arise.

Ziva is one of two female police dogs working in Washington state and Mark bristles when other officers question her ability to do her job as well as a male dog. Mark considers Ziva's small size and 60 pound weight a huge benefit because he is able to lift her with one hand and carry her on his shoulder if necessary. In 2012 Mark achieved the level of "Master Handler" with Ziva under the Washington State Police Canine Association guidelines. Two years later the team received a scholarship to attend an advanced training course for the dogs to track targets leaping from helicopters and boats. Ziva passed with flying colors. Mark says her breeding for law enforcement work makes a huge difference. Stand back boys... Ziva just arrived to finish the job.

2:30 - 2:45 **Break/Door Prize**

2:45 - 4:15 **Mock Trial: Lessons Learned** Seth Fine, Cynthia Gevedon, Ellen O'Neill-Stephens, and Mara Rozzano

This mock trial is based on a real case from Ohio. Forensic Interviewer Cynthia Gevedon, with facility dog Nanook trained by Canine Companions for Independence, interviewed a 16 year old girl who was sexually assaulted by multiple people. It was clear that this case could be attacked by the defense in many ways and the prosecution team decided to ask the judge for Nanook to accompany the girl when she testified in court.
Monroe Municipal Court Judge Mara Rozzano will preside over this trial, Cynthia will defend the interview, Seth Fine will play the role of deputy prosecutor, a role he knows well from his many years working as the Assistant Chief Criminal Deputy at the Snohomish County Prosecutor's Office and Ellen O'Neill-Stephens gets to act like a lawyer again by playing the role of defense counsel.

A debriefing will take place after the "trial" is completed.

4:15 - 4:30 **Closing Remarks** Celeste Walsen and Ellen O'Neill-Stephens

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Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

[illegible]

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN GTB'S 6-COUNTY SERVICE AREA WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: __X__ June _____ Submission Date – June 30th
   _____ December _____ Submission Date – December 31st

2. Name of Applicant: **Leelanau County Family Court**

   Address: **8527 E. Government Center Dr. , Suite #203**
   Suttons Bay, MI 49682

   Phone #: **231-256-9803** Fax #: **231-256-9845**

   Authorized Signature: _____

   Printed Name: **Larry Nelson**

   Title: **Family Court Judge**

   Contact person: Name: **Mary Stanton, Director, Leelanau Christian Neighbors**

   Telephone #: **231-271-5523** Fax #: **231-271-3733**

3. Type of Applicant:

_____ Local Government	__X__ Local Court	
_____ Township	_____ County Commissioner	_____ Road Commission
_____ Public School District	_____ College	_____ Charter School
_____ Public Library	_____ Sheriff/Police Department	_____ Fire Department

4. Fiscal Data:

Amount Requested:	$ **29,000**	Percent: **25.0** %
Local Leveraging: (Match)	$ **87,000**	Percent: **75.0** %
Total Budget:	$ **116,000**	Percent: **100.0** %

5. Target Population: __X__ Children __X__ Adults _____ Elders

   (Indicate the number of GTB members) ***Please see attached notes*** Total GTB member Community _____ Others

6. Counties Impacted: _____Antrim _____Benzie _____Charlevoix
_____Grand Traverse _X_____Leelanau _____Manistee

7. Brief Description (purpose of funding); include statement of need:
Please see attached notes

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) **Program formula: (1) $5,000. Per school + (<u>$1,000</u> x # of GTB member students) = allocation.**

<u>Please note</u>: 1) In completing this section, only provide the student numbers of currently enrolled GTB members; do not include the general Native American data of your school system; and 2) there will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____YES _____NO

(c) Describe parent involvement in project: _____

(d) Does the school receive Title IX Indian Education Funds? _____YES _____NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start **7/1/2016** Completion **6/30/2017**

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

X YES _____NO. If yes, please list the start and end dates and amount:
_____- _____and amounts:

Please see attached document for a complete list of dates and amounts received by Leelanau Christian Neighbors

_____- _____ _____
_____- _____ _____

11. Are all of the previous allocations expended? _____YES **X** NO.

If no, what are the start and end dates and amounts: **(for Children thru Co. Office of Prosecutor)**

Jan. 1, 2016 - **Dec. 31, 2016** and amounts: **NA**

_____- _____ _____
_____- _____ _____
_____- _____ _____

12. Is the proposed project new _____or a continuation project **X**?

If this is a continuation project, please explain why there is a need to continue funding:

Leelanau Christian Neighbors has requested funding for its Neighborhood Assistance Ministry in the past. This request emphasizes the needs of families in Leelanau County when emergency situations arise, Such situations continue to be a problem for families in Leelanau County.

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

The number of people employed by the gaming industry and their wages has a high correlation to those served by Leelanau Christian Neighbors Neighborhood assistance Ministry program. For example, when gaming audiences are lower in the winter and early spring months, the number of employees in the industry and the hours they are working are reduced, thereby reducing their incomes. Those who are dependent on gaming industry incomes are, in many cases, Leelanau County families with children.

14. How will the success of the project be assessed (evaluation plan)? **Leelanau Christian Neighbors evaluates its programs against the goal of having no families suffer major devastation as a result of short term emergency issues which could have been resolved by assistance from its Neighborhood Assistance Ministry (NAM) program**

15. If new staff is required, will preference be given to Native American applicants?

_____YES **X**____NO

LCN is a volunteer organization and welcomes Native American Volunteers

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit **before the deadline from the cover letter you received**

Notes to Application

Paragraph 5 (p. 1 of Application)

Over the past year, approximately 12 percent of families assisted by the Neighborhood Assistance Ministry (NAM) program were Native Americans. GTB members have typically represented 23% of families using LCN food pantries and a survey completed during the 2013-14 school year indicated that 38% of LCN's Blessings in a Backpack program were Native American children.

Paragraph 7 (p. 2 of Application)

This request focuses on the needs of families in Leelanau County. Because the Family Court of Leelanau County encounters family issues that could be ameliorated by addressing emergency situations that arise in their lives, it is sponsoring this application which will be implemented by the Neighborhood Assistance Ministry Program (NAM) of Leelanau Christian Neighbors (LCN). This grant requests critical funds for the Neighborhood Assistance Ministry (NAM). Unexpected, often life changing, experiences can make it impossible to make ends meet for even the most closely monitored budget. Medical expenses, legal issues, divorce, job loss, or unexpectedly high heating bills are some of the many reasons that neighbors come to LCN for help with immediate, short-term financial emergencies. NAM volunteers, all retired human service professionals, meet weekly during business hours with those seeking assistance. The volunteers carefully review each request for financial assistance with housing (rent, mortgage, or emergency repairs); utilities; transportation (gasoline, auto repairs); or miscellaneous expenses (medical, funeral expenses, required clothing for employment, etc.). Where need warrants and funds allow, the volunteers authorize appropriate distribution of funds to a third party, assuring the money gets to the intended organization or individual.

The volunteers hold office hours once a week at Suttons Bay Middle School. This location is centrally located in Leelanau County and accessible to Peshawbestown. During the past twelve months (Mar 2015 thru April 2016) the program has served 371 families at a total cost of $111,629. Among those assisted, 45 percent represented families with dependents aged 18 or under.

LCN's 2016 budget for its NAM program is $116,000. This request is for 25% of that total or $29,000.

Prior Leelanau Christian Neighbors Awards Through the Tribe's 2 Percent Funding Allocation:

Awards to Food Pantries:

July 1, 2008 to June 30, 2009	$10,000
Jan. 1, 2010 to Dec. 31, 2010	16,000
Jan. 1, 2011 to Dec. 31, 2011	13,000
Jan. 1, 2012 to Dec. 31, 2012	14,500
Jan. 1, 2013 to Dec. 31, 2013	25,000
Jan. 1, 2014 to Dec. 31, 2014	18,898

Awards to Neighborhood Assistance Ministry (NAM):

July 1, 2007 to June 30, 2008	$10,000
July 1, 2008 to June 30, 2009	15,000
July 1, 2009 to June 30, 2010	15,000
July 1, 2010 to June 30, 2011	15,000
July 1, 2011 to June 30, 2012	15,904
July 1, 2012 to June 30, 2013	10,000
July 1, 2013 to June 30, 2014	14,871
July 1, 2014 to June 30, 2015	10,000

Award to Senior Assistance Portion of Neighborhood Assistance Ministry and Food Pantries:

July 1, 2015 to June 30, 2016	$20,000

Award to Needs of Children Portion of Food Pantries, Baby Pantry and Blessings in a Backpack:

Jan. 1, 2016 to Dec. 31, 2016	$22,000

Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

Under the terms of the consent decree, which settled *Tribes v. Engler* (Case No. 1:90-CV-611, U.S. Dist. Ct., West. Dist. Mich.), the Grand Traverse Band of Ottawa and Chippewa Indians, as defined in the stipulation, has agreed to pay 2% of its video gaming revenue to local units of government (i.e., local township, village, city, county board of commissioners, public school system).

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN GTB'S 6-COUNTY SERVICE AREA WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: X June — X Submission Date – June 30th
   December — Submission Date – December 31st

2. Name of Applicant: Leelanau County Land Bank Authority (LC-LBA)
   Address: 8527 E. Government Center Dr., Suite 108
   Suttons Bay MI 49682

   Phone #: 231-256-9812 Fax #: 231-256-0174
   Authorized Signature: _____
   Printed Name: John Gallagher, & Trudy J. Galla
   Title: Chairman – LC-LBA, Secretary – LC-LBA
   Contact person: Name: John Gallagher
   Telephone #: 231-256-9838 Fax #: 231-256-7850

3. Type of Applicant:
   X Local Government — Local Court
   Township — X County Commissioner — Road Commission
   Public School District — College — Charter School
   Public Library — Sheriff/Police Department — Fire Department

4. Fiscal Data:

Amount Requested:	$ 30,000	Percent: 66 %
Local Leveraging: (Match	$ 15,000	Percent: 34 %
Total Budget:	$ 45,000	Percent: 100 %

5. Target Population: XX Children — XX Adults — XX Elders
   (Indicate the number of GTB members) — Total GTB member Community — Others

6. Counties Impacted: _____ Antrim _____ Benzie _____ Charlevoix
_____ Grand Traverse __XX__ Leelanau _____ Manistee

7. Brief Description (purpose of funding); include statement of need:

Description:

The purpose of this request is for 2% allocation funding for Blight Elimination in the county. The LC-LBA is requesting $30,000 to clean up blighted properties in the county, and demolition of blighted, obsolete and/or unsafe buildings. The requested funds are in line with costs for similar projects completed by the LC-LBA in 2014. The LC-LBA successfully demolished two (2) blighted residential buildings, cleaned up the properties, and then put them back on the tax rolls. One of the homes was located within the Grand Traverse Band Tribal area on N. West-Bay Shore Dr., and was sold to a neighbor (see attached photos of before/after). Since completion of these two (2) projects, the LC-LBA has received additional calls and requests for assistance with blighted properties – including vacant commercial buildings in the county.

Small towns and villages in Michigan have properties suspected of contamination, or old buildings which have become eyesores because they are blighted and obsolete - and are in need of demolition. Leelanau County has many sites which would qualify as blighted, obsolete, or contaminated with pollutants, controlled substances, petroleum products or other hazardous substances.

These **2% Funds** will be matched with in-kind services from the County, and in-kind services from technical consultants conducting the necessary environmental activities. Applicants requesting assistance will also be encouraged to contribute a portion of the costs toward cleanup, resulting in the greatest opportunity for the **LC-LBA** to stretch the funds and conduct as much work as possible, and put these properties back into residential or commercial use.

Our request for $30,000 will allow cleanup of 2-3 sites in the county, depending on the size and cost for blight elimination. The LC-LBA will also seek other funding to match this initial $30,000, in order to have the greatest impact in our communities and to start a revolving fund for future projects. The $30,000 will be the 'seed money' to begin this important project.

Statement of Need:
Our communities are small, under-funded and under-staffed, with little financial or technical experience for managing these blighted properties. These communities look to the County for help with blighted, obsolete, and potentially contaminated sites. Requests for assistance on these properties has come from County Construction Codes office, local municipalities, property owners, and neighbors of blighted properties.

The **LC-LBA** has limited funds and does not have any funding for blight elimination projects, but there is a need for such projects in the county. These 2% allocation funds would allow us to address several very unsafe and unsightly properties, and work to get these properties into a productive use. Currently, there are 3 properties that have tax foreclosed and have dilapidated buildings and piles of junk on them that need to be demolished and cleaned up. The LC-LBA will use these 2% funds on such properties to clean them up, put them into use, increase the tax base, and improve the area for nearby residents as well as the community at large.

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) Program formula: (1) $5,000. Per school + ($1,500 x # of GTB member students) = allocation.

Please note: 1) In completing this section, only provide the student numbers of currently enrolled GTB members; do not include the general Native American data of your school system; and 2) there will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start July 2016 Completion December 2017

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

_____ YES X NO. If yes, please list the start and end dates and amount:

_____ - _____ and amounts: _____

_____ - _____ and amounts: _____

11. Are all of the previous allocations expended? ____ YES ____ NO.

If no, what are the start and end dates and amounts:

_____ - _____ and amounts: _____

12. Is the proposed project new X or a continuation project _____?

If this is a continuation project, please explain why there is a need to continue funding:

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

Gaming does not have a direct impact on this local Blight Elimination Grant program. However, the program may be of benefit to properties located in or around Tribal lands. The **LC-LBA** will consider any properties brought forward as potentially blighted and obsolete properties which require cleanup.

14. How will the success of the project be assessed (evaluation plan)? _____

Evaluation Plan:

We will focus on sites in Leelanau County which require cleanup activities in order to eliminate blight and improve unsafe, unhealthy conditions as well as sites which may be positioned for resale or redevelopment. The *General Plan* was adopted in 1995 as a county-wide Plan to guide and manage growth. It received an award from the American Planning Association and was last updated in 2012, in compliance with the Michigan Planning Enabling Act. The *General Plan* is a 'citizen driven' plan with input by over 2,500 county residents, ALL municipalities, the Grand Traverse Band of Ottawa & Chippewa Indians, schools, non-profits, and state and federal agencies. The Principal Goal of the Plan states:

"This plan recognizes that a healthy economy depends on a healthy environment".

We will support this goal through implementation of 2% funds for Blight Elimination.

The **LC-LBA** developed *Policies & Procedures* to insure projects meet outcomes such as: protecting human health and the environment, preservation of open space, and sustainable development. Our Evaluation Plan will track the environmental studies done on properties to assess environmental conditions, the number of parcels/acres cleaned up, and the number of parcels/acres put back into productive use. All environmental work will be completed with technical consultants who are insured and trained for such things as asbestos abatement, mold, lead based paint, and proper removal or treatment of petroleum and hazardous substances. Reports and success stories will be shared with the community, and posted on the community center website (www.leelanau.cc). The **LC-LBA** has experience working with environmental consultants to insure that all proper steps are taken on sites, safety precautions are put in place for workers and the general public, materials are properly disposed of, materials are recycled, and environmental investigations are properly completed. They are also very familiar with competitive bid processes, contracts, insurance requirements, oversight of projects, and tracking funds, invoices, lien waivers, and preparing reports.

Our Evaluation Plan includes the following Planned Outcomes:

- Retain jobs/create short-term jobs through demolition & cleanup activities,
- Reduce potential health risks and citizen concerns regarding these blighted properties,
- Increase the potential for sustainable development in the local neighborhood,
- Return tax reverted properties to the tax rolls,
- Increase property value and property taxes of blighted properties, and surrounding parcels,
- Recycle/reuse materials, infrastructure, and utilities at these sites, whenever possible,
- Remove hazardous materials before they end up in soil or water.
- Improve neighborhoods for our residents.

15. If new staff is required, will preference be given to Native American applicants?

_____ YES _____ NO

It is not anticipated that new staff will be required for this project. If new staff is required, the **LC-LBA** will follow the County's Equal Employment Opportunity policy adopted by the Leelanau County Board of Commissioners, and also distribute information on employment opportunities to the Grand Traverse Band for use in email blasts, newsletters, and flyers to tribal members.

Activities conducted will be done in accordance with County policies for competitive bids, and selection of contractors. Requests for bids are open to the public and will be posted on our website and in the local newspapers so interested firms and/or individuals can respond, including any Minority Owned Business/Women Owned Business. Request for bids for demolition activities on sites will be shared with the Grand Traverse Band.

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

- - - See Attached - - -

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit before the deadline from the cover letter you received

Leelanau County Blight Elimination Program
Proposed Activities & Budget

Based on approximately three (3) sites. Costs shown are based on bids received from demolition contractors and environmental consultants for past projects completed in Leelanau County. The **LC-LBA** will provide match funds through community outreach, public notices & ads, review of potential projects, preparation of bid specs, selection and award of contracts, and project oversight.

Activity:	Total Cost for 3 sites	MATCH FUNDS: LC-LBA and Environmental Consultants	REQUE[illegible]
Community Outreach, Public Notices, review of potential projects	$1,000	$1,000	[illegible]
Public Notices, Writing Bid specs for and reviewing bids for demolition work	$1,500	$1,500	$0
Award of Contracts, Oversight of Activities	$ 500	$ 500	[illegible]
Environmental Assessments (if required), Due Care Plans, demolition, fill, seeding, final reports	$42,000	$12,000	$30,000
TOTALS	$45,000	$15,000	$30,000

Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

Under the terms of the consent decree, which settled Tribe v. Engler (Case No. [illegible] West. Dist. Mich.), the Grand Traverse Band of Ottawa and Chippewa Indians, as defendant, agreed to pay 2% of its video gaming revenue to local units of government (i.e., local township, county board of commissioners, public school system).

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN [illegible] WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: __X__ June __X__ Submission Date – June 30th
   ____ December ____ Submission Date – December 31st

2. Name of Applicant: Leelanau County Solid Waste Council
   Address: 8527 E. Government Center Dr., Suite 108
   Suttons Bay MI 49682

   Phone #: 231-256-9812 Fax #: 231-256-0174
   Authorized Signature: [signature]
   Printed Name: Trudy J. Galla
   Title: Planning Director
   Contact person: Name: Trudy Galla, or William Perkins, Chairman of the Solid Waste Council
   Telephone #: 231-256-9812 Fax #: 231-256-0174

3. Type of Applicant:

	__X__ Local Government	____ Local Court
____ Township	__X__ County Commissioner	____ Road Commission
____ Public School District	____ College	____ Charter School
____ Public Library	____ Sheriff/Police Department	____ Fire Department

4. Fiscal Data:

Amount Requested:	$ 12,000	Percent: 81 %
Local Leveraging: (Match	$ 2,850	Percent: 19 %
Total Budget:	$ 14,850	Percent: 100 %

5. Target Population:

	__XX__ Children	XX Adults	XX Elders
(Indicate the number of GTB members)	__XX__ Total GTB member Community		XX Others

6. Counties Impacted: _____ Antrim _____ Benzie _____ Charlevoix
_____ Grand Traverse ___XX_ Leelanau _____ Manistee

7. Brief Description (purpose of funding); include statement of need:

Description:

Leelanau County has operated a Recycling Program since the mid 1980's. Several years ago, the county expanded the program to eight (8) recycling locations in Leelanau County open 24 hours a day/7 days a week. Materials collected at each of the recycling sites in the county are: paper, cardboard, glass, tin, plastic, and aluminum. Each of these sites has seen an increase in use and volume of materials collected. In 2009, a total of 2058 tons was collected, with 1,391 pulls made by the contractor to pull a full container and replace with an empty container. In 2013, 2560 tons of material were collected with 1,653 pulls. This equates to an increase of 502 tons in 5 years, and 262 additional pulls. Volumes continue to increase at each site, requiring more bins at the sites, and more frequent pulls to bring in empty containers. Busy times of the year include the holidays, and summer months.

Statement of Need:
The purpose of this 2% allocation request is for funding for two (2) new recycling containers for the Recycling Program. Additional containers are needed to be able to provide one (1) extra large container at each site during these busy times of the year. An extra container at each site allows for more material to be collected before the contractor needs to come and switch out full bins for empty bins. It also helps to assure that residents coming to the site can find space in one of the containers to leave their recyclables.

The requested **2% Funds** will be used to purchase two (2) new containers to help with the increased recycling demands at the sites during our busy months, and if needed – they will be used year round.

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) Program formula: (1) $5,000 Per school + ($1,000) x # of GTB members [illegible]

Please note: 1) In completing this section, only provide the student enrollment data for enrolled GTB members; do not include the general Native American data [illegible] There will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

_____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start July 2016 Completion September 2016

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

_X_ YES _____ NO. If yes, please list the start and end dates and amount:

December 1999 - December 2000 and amounts: $7,200

June 2013 - December 2013 and amounts: $6,000

11. Are all of the previous allocations expended? ___ YES _X_ NO.

If no, what are the start and end dates and amounts:

June 2013 - December 2013 and amounts: $6,000

12. Is the proposed project new _X_ or a continuation project _____?

If this is a continuation project, please explain why there is a need to continue funding:

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

Gaming brings many people into Leelanau County which results in the use of many materials that can be collected and recycled. It also draws tourists which have materials to recycle during the time they stay in Leelanau County. One of the eight (8) recycling locations in the County is across the street from the Leelanau Sands Casino and is a location that would benefit from having a third container for recycling.

14. How will the success of the project be assessed (evaluation plan)? _____

This project will be successful by having additional space at each of the recycling locations for recycling, especially during our busy months.

15. If new staff is required, will preference be given to Native American applicants?

_____ YES _____ NO

It is not anticipated that new staff will be required for this project. If new staff is required, the Leelanau County Solid Waste Council will follow the County's Equal Employment Opportunity policy adopted by the Leelanau County Board of Commissioners, and also pass information of the employment opportunity to the Grand Traverse Band for use in email blasts, newsletters, and flyers, to tribal members.

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

--- See Attached ---

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit **before the deadline from the cover letter you received**

Leelanau County Recycling Program

Proposed Budget

LINE ITEM	DESCRIPTION	2% FUNDS REQUESTED	MATCH FUNDS	TOTAL
Capital Outlay	**Recycling Site** Two (2) 30 yard roll-off containers, green color, for collection of materials to recycle.	$12,000	$2,000	$14,000
Freight	Charge for delivery of containers		$850	$850
TOTAL		**$12,000**	**$2,850**	**$14,850**

EXECUTIVE DOCUMENT SUMMARY

Department: Equalization Contact Person: Laurie Spencer Telephone No.: 231-256-9823	**Submittal Dates** ☒ Executive Board: 06/14/2016 ☒ Regular Session: 06/21/2016
Source Selection Method ☐ Select One ☒ Other: 2% Grant	VENDOR: Address: Phone:

Budgeted Amount: _____ Contracted Amount: _____

Document Description

☐ Select One ☒ Other 2% Grant

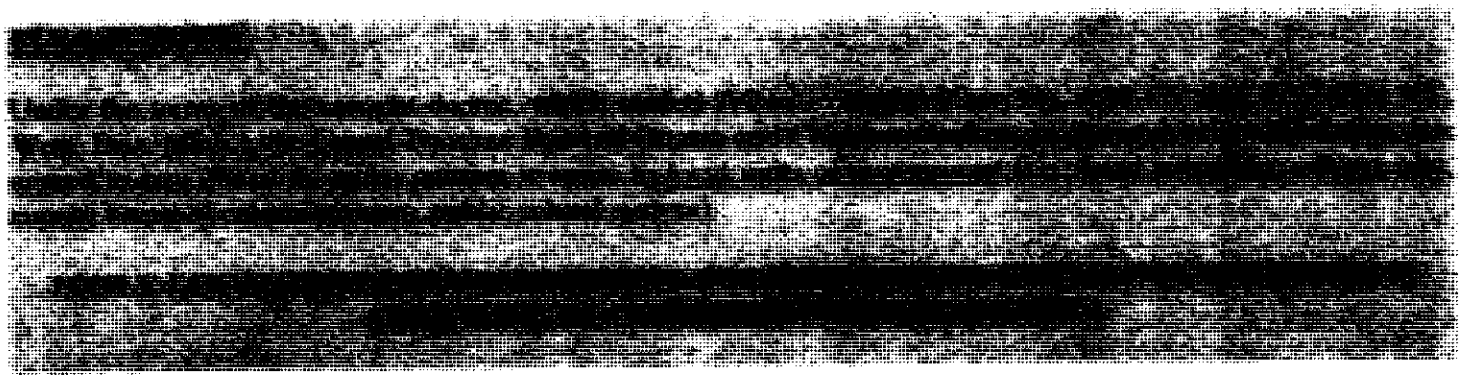
☐ **Request to Waive Board Policy on Bid Requirements**

The Equalization Department would like to apply for the Tribal Council Allocation of 2% funds. The Equalization Department proposes to establish a Continuously Operating Reference Station (CORS) in Leelanau County that will widely benefit uses of GPS technology including local government and the Grand Traverse Band of Ottawa and Chippewa Indians. We believe that the benefit of this technology to a wide variety of governmental, private sector and recreational users significantly outweighs the relatively low up-front costs. The costs for installation and maintenance are paid by Michigan's Department of Transportation (MDOT) which oversees and maintains all of the 99 CORS sites throughout the State.

Suggested Recommendation: Approve request for 2% grant for CORS station.

Department Head Approval: Laurie Spencer Date: 6/6/2016

Tribal Council Allocation of 2% Funds
Application Form



1. Allocation Cycle: X June X Submission Date – June 30th
   _____ December _____ Submission Date – December 31st

2. Name of Applicant: Leelanau County Equalization Department
   Address: 8527 E. Government Center Dr., Suite 102
   Suttons Bay MI 49682

   Phone #: 231-256-9823 Fax #: 231-256-8159
   Authorized Signature: _____
   Printed Name: Laurie A. Spencer
   Title: Equalization Director
   Contact person: Name: Laurie A. Spencer
   Telephone #: 231-256-8153 Fax #: 231-256-8159

3. Type of Applicant: X Local Government _____ Local Court
   _____ Township _____ County Commissioner _____ Road Commission
   _____ Public School District _____ College _____ Charter School
   _____ Public Library _____ Sheriff/Police Department _____ Fire Department

4. Fiscal Data:

Amount Requested:	$ $15,090	Percent: 90%
Local Leveraging: (Match)	$ $1,676	Percent: 10%
Total Budget:	$ $16,766	Percent: 100%

5. Target Population: _____Children __ Adults __ Elders

(Indicate the number of GTB members) _____ Total GTB member Community X Others

6. Counties Impacted: _____ Antrim _____ Benzie _____ Charlevoix
_____ Grand Traverse __X__ Leelanau _____ Manistee

7. Brief Description (purpose of funding); include statement of need:

Since the mid-1980s, Global Positioning System (GPS) technology has allowed a wide variety of users to accurately identify their location on the face of the earth. Using a constellation of satellites, earth-bound GPS receivers have helped aircraft pilots, ship captains, surveyors and recreational hikers find their way. Today, GPS technology is all around us from our in-car navigation systems to the smart devices we carry in our pockets and even the watches we wear on our wrists. In Leelanau County alone, GPS technologies are utilized by hundreds of recreational hikers, hunters and fishermen. Surveyors and construction firms increasingly depend on GPS to provide accurate spatial information. While farmers use GPS technology to automate agricultural equipment, the same technology guides police and firefighters to scenes of emergency. In sum, the ability to accurately identify and catalog a precise location on the planet is critical for a wide variety of users including local government.

Despites its widespread use, however, GPS technology has a variety of remedial limitations. In order to achieve a high degree of accuracy, GPS receivers need to communicate with as many satellites as possible. Terrain, over-head vegetation and weather can make this difficult. Accuracy can be improved by taking a GPS reading at a given location for a long period of time, but this is often impractical. GPS accuracy can also be improved by communicating with portable base-stations, but these privately owned devices are generally expensive and have limited range.

Noting the importance, but also the limitations of GPS technology, the Leelanau County Equalization Departments proposes to establish a Continuously Operating Reference Station (CORS) in Leelanau County. A CORS receiver placed in a specific, known location communicates with GPS units in the surrounding area and works to supplement the signal provided to the GPS units from satellites. This "correction" dramatically increases GPS accuracy and reduces the amount of time required to "take a fix" of the GPS unit's location. GPS users access the CORS station through an internet connection such as a cell phone or other wireless hotspot. Through this connection the GPS information from the CORS station combined with the user's GPS unit is capable of providing survey grade coordinates.

There are currently 99 CORS sites located throughout the State of Michigan. The nearest sites to Leelanau County are located in Traverse City and Charlevoix, but due to their location only provide partial coverage to Leelanau County. Extending CORS coverage by establishing a CORS site in Leelanau County would greatly assist local government with infrastructure and asset management and be of great value to local surveying, agricultural and construction businesses as well as law enforcement and local first responders.

A CORS site consists of a single, all-weather receiver placed in a geographically favorable position typically on the roof of a building or on a pre-existing tower. The receiver requires electrical power and an internet connection and is relatively easy to install. The up-front cost of a CORS receiver is approximately $17,000, but

costs for installation and maintenance are paid by Michigan's Department of Transportation (MDOT) which oversees and maintains all of the 99 CORS sites throughout the State.

In summary, the Leelanau County Equalization Department proposes to establish a Continuously Operating Reference Station (CORS) in Leelanau County that will widely benefit users of GPS technology including local government and the Grand Traverse Band of Ottawa and Chippewa Indians. We believe that the benefit of this technology to a wide variety of governmental, private sector and recreational users significantly outweighs the relatively low up-front cost.

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

[redacted]

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

_____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start ___August 1st, 2016_____ Completion ___December 31st, 2016_____

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

__X__ YES _____ NO. If yes, please list the start and end dates and amount:

_____July 2013_____ - _____Sept 2013_____ and amounts: __$7392

11. Are all of the previous allocations expended? __X__ YES _____ NO.

If no, what are the start and end dates and amounts?

_____ - _____ and amounts:

12. Is the proposed project new ____X____ or a continuation project _____?

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

Gaming will not have an impact on this program.

14. How will the success of the project be assessed (evaluation plan)?

Successful implementation of this project depends on the installation and activation of a CORS site in Leelanau County. We propose to utilize an assessment timeline of multiple checkpoints to document the progress of this project.

PPROJECT START: August 1st, 2016

1. MDOT Installation, support and maintenance contract signed.
2. Selection of suitable site.
3. Installation of CORS hardware
4. Activation of CORS equipment.
5. CORS site activated and 100% functional

PROJECT FINISH: December 31st, 2016

The first step towards completion of this project is to coordinate with MDOT to establish a contract for installation, support and maintenance of the CORS equipment. This contract will lay out MDOT's CORS site location requirements in addition to the equipment and hardware requirements. This information is critical and will inform the next phase of the assessment process: site selection. The Departments of Equalization and Information Technology at Leelanau County will work with MDOT to identify a suitable site location for the CORS receiver to be installed. Once a site has been selected and hardware purchased, MDOT will install the hardware and the CORS site will be activated and tested.

15. If new staff is required, will preference be given to Native American applicants?

_____ YES _____ NO

It is not anticipated that new staff will be required for this project. If new staff is required, the Leelanau County Equalization Department will follow the County's Equal Employment Opportunity policy adopted by the Leelanau County Board of Commissioners, as listed in the Leelanau County Personnel Policy which was adopted by the Leelanau County Board of Commissioners on April 21, 2015.

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

- - - See Attached - - -

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

Reference Station Proposal

Leelanau County 2% Grant Application

Leica Geosystems, Inc.
10880 Ridge View Trail
Fenton, Mi. 48430
Cell (313) 670-3395
Fax (810) 714-3180
Rick.Saue@Leicaus.com

Michigan Spatial Reference Network Equipment

31-May-16

Product #	Description	Qty.	Price	Extension
841155	GR50W Highline, GNSS Reference Server, 555 channels , multiple 1Hz native raw data logging and streaming including RTK corrections; ethernet, WLAN, serial, slot-in, USB host & client interfaces; on-board screen & keypad; dual power intput and slot-in battery; PPS out, event input and external oscillator port. (WLAN ready: needs GRL120 WLAN option for using WLAN connectivity.) Includes: * Full GNSS constellation & multi-frequency package: GLONASS, Galileo, BeiDou, QZSS; * Server Package: RINEX, FTP push, Multi-client & Ntrip caster.	1	19,250.00	19,250.00
774438	GEV243, "Y" cable 2.6m connects receiver to dual AC power sources.	1	750.00	750.00
722409	AC Power Supply for GR50W Highline Receiver	2	185.00	370.00
731772	ACPower Cable	2	10.00	20.00
793975	GEB242 Lithium-ion battery, 14.8V/4.6Ah, rechargeable, for TS30/TM30.	1	410.00	410.00
774440	GEV250 Wall Mount Kit for GR10 receiver. For attaching the receiver to a wall bench, table	1	95.00	95.00
	Price of GR50W Receiver			20,895.00
	Less 20% MiDeal Government Discount			(4,179.00)
	Price of GR50W with MiDeal Discount			16,716.00
	Shipping			50.00
	Purchase Price with Shipping			**16,766.00**

Signature & PO Number if Required :
The above is the equipment I would like shipped:

Sign , Date & Fax to Rick Sauve @ (810) 714-3180

Note: Net 30 / 1 Year Warranty on Hardware.

Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

Under the terms of the consent decree, which settled *Tribes v. Engler* (Case No. 1:90-CV-611, U.S. Dist. Ct., West. Dist. Mich.), the Grand Traverse Band of Ottawa and Chippewa Indians, as defined in the stipulation, has agreed to pay 2% of its video gaming revenue to local units of government (i.e., local township, village, city, county board of commissioners, public school system).

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN GTB'S 6-COUNTY SERVICE AREA WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: XX June _____ Submission Date – June 30th
   _____ December _____ Submission Date – December 31st

2. Name of Applicant: Leelanau County Construction Code Authority
   Address: 8527 E Government Center Drive
   Suttons Bay, Michigan 49682
   Phone #: 231-256-8303 Fax #: 231-256-8333
   Authorized Signature: _____
   Printed Name: Steven M Haugen
   Title: Building Official/Director
   Contact person: Name: Steven M Haugen
   Telephone #: 231-256-8303 Fax #: 231-256-8333

3. Type of Applicant: XX Local Government _____ Local Court
   _____ Township _____ County Commissioner _____ Road Commission
   _____ Public School District _____ College _____ Charter School
   _____ Public Library _____ Sheriff/Police Department _____ Fire Department

4. Fiscal Data:

Amount Requested:	$ 14,265	Percent: 90 %
Local Leveraging: (Match)	$ 1,585	Percent: 10 %
Total Budget:	$ 15,850	Percent: 100 %

5. Target Population: (Indicate the number of GTB members)
   ALL Children ALL Adults ALL Elders
   ALL Total GTB member Community ALL Others

6. Counties Impacted: _____ Antrim _____ Benzie _____ Charlevoix
_____ Grand Traverse XX Leelanau _____ Manistee

7. Brief Description (purpose of funding); include statement of need:

The Leelanau County Construction Code Authority is in place to protect the Health, Safety and Welfare of the general public. The devices we are looking at could greatly impact all the residents of the county, for the purposes of making their living environment safer and more comfortable. We can use the equipment for the safety of the inspectors and the property owners or renters. The equipment will be able to help us identify life safety issues for residents with faulty appliances and leaking gas piping or possible more dangerous chemical leaks in commercial applications. The thermal imaging camera will help us determine where the energy loss of a building is and then improve the for cost savings for residents. The moisture meter will enable us to test substrates for moisture content for code compliance, and environmental safety of the built environment. The equipment we would like to obtain is a Thermal Imaging Camera, moisture meter, light meter, combustible gas detector, a multi-gas detector and personal monitors for carbon monoxide for the inspectors safety at sites.

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) Program formula: (1) $5,000. Per school + (3) 1,200 x # of GTB member students) = allocation.

Please note: 1) In completing this section, only provide the student numbers of currently enrolled GTB members, do not include the general Native American data of your school system; and 2) there will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

_____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start Upon receipt Completion Within 60 days

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

XX YES _____ NO. If yes, please list the start and end dates and amount:

Dec 2007 - Dec 2008 and amounts: $21,000

_____ - _____ _____

_____ - _____ _____

11. Are all of the previous allocations expended? XX YES _____ NO.

If no, what are the start and end dates and amounts:

_____ - _____ and amounts: _____

_____ - _____ _____

_____ - _____ _____

_____ - _____ _____

12. Is the proposed project new XX or a continuation project _____?

If this is a continuation project, please explain why there is a need to continue funding:

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

14. How will the success of the project be assessed (evaluation plan)? We track all of our permits and enforcements in the county, so every time a piece of equipment is used it is documented.

15. If new staff is required, will preference be given to Native American applicants?

XX YES _____ NO

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit before the deadline from the cover letter was received

2016 ADOPTED BUDGET

Fund 642 Construction Code Fund
Department

County of Leelanau
Period Ending Date: August 31, 2015

Account Number / Account Name	2012 Audited	2013 Audited	2014 Audited	2015 Year-to-date	2015 Amended Budget	2016 Proposed Budget	2016 Requests	2016 BOC Adopted
Fund 642 Construction Code Fund								
Fiscal Year 2015								
Revenues								
000000-401.000 Fund Balance Forward	0.00	0.00	0.00	0.00	148,986.00	148,986.00	138,742.00	138,742.00
000000-478.000 Building Permits	234,761.00	315,128.40	337,194.05	220,252.00	252,000.00	252,000.00	252,000.00	252,000.00
000000-478.001 Electrical Permits	113,928.00	124,540.00	125,221.00	89,667.00	104,000.00	104,000.00	104,000.00	104,000.00
000000-478.002 Mechanical Permits	98,438.50	114,473.00	125,423.50	80,752.50	95,000.00	95,000.00	95,000.00	95,000.00
000000-478.003 Plumbing Permits	47,866.00	55,297.00	67,243.00	47,527.00	50,000.00	50,000.00	50,000.00	50,000.00
000000-478.004 Temporary Occupancy	700.00	900.00	1,600.00	1,600.00	1,000.00	1,000.00	1,000.00	1,000.00
000000-478.005 Extra Inspection Fees	14,585.00	3,937.50	14,018.00	14,535.00	8,000.00	8,000.00	8,000.00	8,000.00
000000-478.006 Const. Bd of Appeals Fee	600.00	0.00	0.00	0.00	600.00	600.00	600.00	600.00
000000-478.007 LCC Inspection Fees	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
000000-478.006 Fire Inspection Fees	0.00	0.00	0.00	0.00	500.00	500.00	500.00	500.00
000000-628.000 Copy Fees	752.30	898.45	901.25	732.00	500.00	500.00	500.00	500.00
000000-646.000 Code Books - Contractors	0.00	0.00	801.00	409.00	2,000.00	2,000.00	1,000.00	1,000.00
000000-687.009 Employee Jury/Witness Fees Reimb.	25.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenues Total	**511,725.94**	**615,174.35**	**672,401.80**	**455,474.50**	**662,586.00**	**662,586.00**	**651,342.00**	**651,342.00**
Expenses								
000000-702.000 Overtime	4,035.49	5,466.82	5,580.66	4,435.60	5,000.00	5,000.00	5,000.00	5,000.00
000000-703.000 Salaries	126,693.10	130,383.82	124,394.72	88,659.84	181,825.00	181,825.00	184,746.00	184,746.00
000000-703.001 Temp Office Assistant	0.00	0.00	4,407.54	2,770.46	2,771.00	2,771.00	0.00	0.00
000000-703.006 Salaries -non-work holiday	2,712.66	2,865.42	2,977.56	1,690.17	5,511.00	5,511.00	5,457.00	5,457.00
000000-703.014 Longevity	800.00	1,000.00	800.00	1,000.00	800.00	800.00	1,000.00	1,000.00

2016 ADOPTED BUDGET

County of Leelanau

Period Ending Date: August 31, 2015

Fund 542 Construction Code Fund

Department

Account Number / Account Name	2012 Audited	2013 Audited	2014 Audited	2015 Year-to-date	2015 Amended Budget	2016 Proposed Budget	2016 Requests	2016 BOC Adopted
000000-706.000 401(a) Pension Plan	300.00	300.00	600.00	0.00	900.00	900.00	600.00	600.00
000000-717.000 Social Security	10,060.94	11,090.77	11,056.99	7,918.80	15,295.00	15,295.00	15,644.00	15,644.00
000000-718.000 Hospitalization	36,204.00	36,204.00	36,204.00	29,418.00	52,800.00	52,800.00	52,800.00	52,800.00
000000-718.010 Hospitalization Buyout	0.00	3,960.39	6,789.24	1,382.94	0.00	0.00	0.00	0.00
000000-719.000 Retirement	20,146.39	14,299.80	15,448.29	12,555.01	22,231.00	22,231.00	23,659.00	23,659.00
000000-720.000 Life Insurance/Disability	1,460.16	1,261.57	1,629.81	1,253.61	2,750.00	2,750.00	2,750.00	2,750.00
000000-721.000 Unemployment Compensation	11,131.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
000000-727.000 Office/Operating Supplies	2,789.22	4,324.93	6,190.71	3,736.85	4,500.00	4,500.00	4,500.00	4,500.00
000000-728.000 Postage	1,767.21	1,742.45	1,663.03	1,405.69	2,000.00	2,000.00	2,000.00	2,000.00
000000-742.000 Uniforms	0.00	0.00	0.00	0.00	0.00	0.00	1,200.00	1,200.00
000000-743.000 Gas/Oil	597.11	2,066.41	3,567.64	2,237.20	2,500.00	2,500.00	3,000.00	3,000.00
000000-775.000 Repair and Maintenance	10.58	644.38	705.65	1,732.00	2,000.00	2,000.00	2,000.00	2,000.00
000000-800.000 Attorney Fees	0.00	0.00	0.00	0.00	4,000.00	4,000.00	4,000.00	4,000.00
000000-801.000 Contractual Services	173,635.00	196,515.00	209,900.00	131,408.00	165,000.00	185,000.00	120,000.00	120,000.00
000000-801.001 Contractual Plan Reviewer	0.00	0.00	65,260.00	53,040.00	65,000.00	65,000.00	70,000.00	70,000.00
000000-807.000 Membership Dues and Fees	894.00	555.00	690.00	921.50	1,500.00	1,500.00	1,500.00	1,500.00
000000-808.000 Subscriptions	114.00	27.50	27.50	27.50	330.00	330.00	330.00	330.00
000000-810.000 Service Charges	3,715.94	3,558.97	0.00	0.00	2,500.00	2,500.00	2,500.00	2,500.00
000000-823.000 Code Books	0.00	2,020.33	6,297.68	13,433.43	15,000.00	15,000.00	8,000.00	8,000.00
000000-823.001 Code Books - Contractors	0.00	0.00	1,100.00	786.00	1,500.00	1,500.00	1,500.00	1,500.00
000000-850.000 Telephone	3,457.00	3,457.00	3,457.00	2,592.75	3,457.00	3,457.00	3,301.00	3,301.00
000000-860.000 Travel	842.42	306.52	0.00	150.00	3,000.00	3,000.00	3,000.00	3,000.00

2016 ADOPTED BUDGET

Fund 542 Construction Code Fund
Department

County of Leelanau
Period Ending Date: August 31, 2015

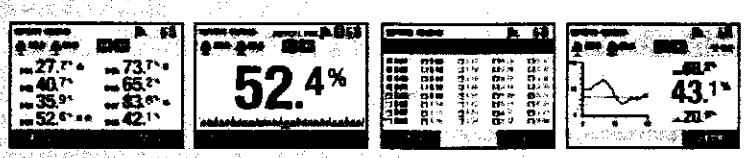
Account Number / Account Name	2012 Audited	2013 Audited	2014 Audited	2015 Year-to-date	2015 Amended Budget	2016 Proposed Budget	2016 Requests	2016 BOC Adopted
000000-900.000 Printing and Publishing	862.65	596.90	103.90	713.53	750.00	750.00	750.00	750.00
000000-940.000 Rental	765.86	2,623.04	5,712.99	2,246.14	1,000.00	1,000.00	0.00	0.00
000000-940.003 Vehicle Lease	0.00	0.00	0.00	2,198.79	0.00	0.00	17,500.00	17,500.00
000000-941.000 Computer Charges (Rental)	15,942.00	22,856.00	21,516.00	15,360.00	20,480.00	20,480.00	23,708.00	23,708.00
000000-942.000 Copy Machine Charges (Rental)	611.91	487.53	518.31	212.25	750.00	750.00	750.00	750.00
000000-943.000 Buildings & Grounds Charges	15,652.00	22,675.00	22,863.00	16,536.75	22,049.00	22,049.00	21,313.00	21,313.00
000000-960.000 Education	375.00	450.00	940.00	2,130.00	2,500.00	2,500.00	2,500.00	2,500.00
000000-964.000 Refunds	5,083.00	2,026.00	2,357.00	947.00	3,000.00	3,000.00	3,000.00	3,000.00
000000-970.010 Capital Outlay - under $2000.00	0.00	1,890.00	0.00	6,661.17	8,200.00	8,200.00	5,000.00	5,000.00
000000-999.001 Operating Trans Out - indirect cost	79,552.00	62,795.00	44,600.00	41,687.00	41,687.00	41,687.00	58,334.00	58,334.00
Expenses Total	**520,232.64**	**540,670.55**	**507,359.62**	**451,447.98**	**662,586.00**	**662,586.00**	**651,342.00**	**651,342.00**
	-8,506.70	**74,503.80**	**65,042.18**	**4,026.52**	**0.00**	**0.00**	**0.00**	**0.00**
Revenues Total	**511,726.94**	**615,174.35**	**572,401.80**	**455,474.50**	**662,586.00**	**662,586.00**	**651,342.00**	**651,342.00**
Expenses Fund Total	**520,232.64**	**540,670.55**	**507,359.62**	**451,447.98**	**662,586.00**	**662,586.00**	**651,342.00**	**651,342.00**
Net (Rev/Exp)	**-8,506.70**	**74,503.80**	**65,042.18**	**4,026.52**	**0.00**	**0.00**	**0.00**	**0.00**

EXTECH INSTRUMENTS
A FLIR COMPANY

Experience Advantage

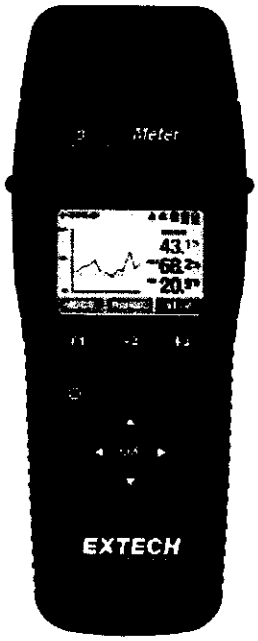
MO270 Wireless Pin/Pinless Moisture Meter

MO270 Color LCD Display Modes



Multi-Sensor Mode | Measurement Mode | Sensor Selection | Trend Mode Display

Wireless sensor affixes to telescoping handle



The Issue

Restoration Contractors, Weatherization Auditors and other Building Inspection Professionals need the ability to measure moisture with both pin and pin-less sensors which often means carrying multiple moisture meters. Since moisture meters generally display a numerical value without context, technicians must compare readings with a log of recorded moisture values in order to accurately assess document drying progress over time.

Depending on the scope of water damage, it may be necessary to perform readings on hard-to-reach overhead locations such as vaulted ceilings, cathedral ceilings, as well as expansive commercial buildings. Using a ladder and simultaneously viewing readings on a meter held overhead can be cumbersome and dangerous.

Additionally, effective site inspection and monitoring often requires time-consuming measurements at multiple points around a home or building. Manually measuring each location's progress is prone to errors and delays.

Moisture meter measurements are often collected in conjunction with infrared camera images. Accurately coordinating images and related moisture readings however can be challenging in a fast-paced restoration job site.

The Solution

The powerful new Extech MO270 Moisture Meter introduces several innovative industry firsts that make it easier than ever to effectively measure moisture and to accurately monitor drying progress. As a combination pin and pin-less moisture meter, the MO270 offers the flexibility needed to measure moisture in various materials. The MO270 also features a full-color display with first-ever graphing capabilities.

To safely and quickly reach overhead locations without a ladder or step, the MO270 uses a detachable wireless sensor module that can be affixed to several telescoping handles ranging to 16.4ft (5m). This accelerates inspections, eliminates the need for carrying a ladder throughout a job site, and eliminates an occupational safety hazard.

Extending its capabilities beyond a single-point moisture meter, the MO270 also serves as a datalogging hub for up to 40 remote sensor modules placed throughout a job site with a wireless range of up to 65ft (20m) (available 2012). Data from sensors are simultaneously recorded on the MO270's SD card for easy downloading, reporting, and analysis.

Specifications subject to change without notice. Copyright © 2011 Extech Instruments Corporation. All rights reserved including the right of reproduction in whole or in part in any form.

The MO270's vivid color LCD can simultaneously display logged or real-time readings from 8 sensors. Extech's MO270 is also the first-ever moisture meter with a graphical trending feature. By graphically displaying real-time moisture readings, the meter allows users to easily identify moisture locations while quickly scanning across large surface areas. The dynamically updated display provides users with an easy-to-understand big-picture sense of drying progress at-a-glance.

And, for accelerated inspections, MO270 readings can also be transmitted via METERLiNK™ to your FLIR thermal imager. By using Bluetooth technology, the METERLiNK makes it easy for inspectors to instantly record moisture data in thermal images dramatically improving the accuracy of coordinated readings and eliminating the need for error-prone manual note-taking.

The MO270 comes complete with 3.7V rechargeable Li-Polymer battery, wireless moisture sensor, external pin probe, replacement pins, 4ft (1.2m) telescoping handle, AC adaptor, protective cap, 2G SD card, and hard case.

Wirelessly transmits moisture data to your FLIR infrared camera to incorporate meter readings with thermal images

Specifications

Pinless Range/Depth	0 to 99.9 (relative)/0.75" (22mm)
Pin Range	6.0 to 99.9%
Transmission Frequency	2.4GHz (pin/pinless sensor to display)
Transmission Range	65 ft (20m) unobstructed view
Dimensions	8 x 2.3 x 1.7" (203 x 58.4 x 43.2mm)
Weight	7.2oz (204g)

Ordering Information:

MO270.....Combination Pin/Pinless Moisture Meter with Wireless Sensor

MO270-X.....Optional Wireless Moisture Sensor

MO-P1.....Remote Moisture Pin Probe for MO270

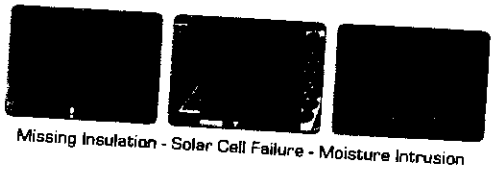
EXT-1.....4ft (1.2m) Telescoping Handle

EXT-3.....9.8ft (3m) Telescoping Handle

EXT-5.....16.4ft (5m) Telescoping Handle

MO200-PINS.....50 Replacement Pins

Applications



Missing Insulation - Solar Cell Failure - Moisture Intrusion

Radiant Heat Tubing - Cold Draft - Air Infiltration

Imaging Specifications

	FLIR E40bx	FLIR E50bx	FLIR E60bx
Thermal sensitivity (N.E.T.D)	<0.045°C at 30°C	<0.045°C at 30°C	<0.045°C at 30°C
Detector Type - Focal plane array (FPA) uncooled microbolometer	160 x 120 pixels	240 x 180 pixels	320 x 240 pixels
MSX® Thermal Image Enhancement	Yes	Yes	Yes
Picture-in-Picture (P-i-P)	Fixed P-i-P	Scalable P-i-P	Scalable P-i-P
MPEG 4 Video Recording	Yes	Yes	Yes
Video Camera w/Lamp & Laser	3.1MP/LED Lamp/Laser Pointer	3.1MP/LED Lamp/Laser Pointer	3.1MP/LED Lamp/Laser Pointer
Digital Zoom	2X Continuous	4X Continuous	4X Continuous
Image modes	Thermal, Image Gallery, Visual	Thermal, Image Gallery, Visual	Thermal, Image Gallery, Visual
Image annotation	Voice (60s)/Text Comments	Voice (60s)/Text Comments	Voice (60s)/Text Comments
Moveable Spot	3 Spotmeters	3 Spotmeters	3 Spotmeters
Area Box	3 Area Boxes (full image with min/max/avg)	3 Area Boxes (full image with min/max/avg)	3 Area Boxes (full image with min/max/avg)
Delta T	Yes	Yes	Yes
Data Communication Interface	USB-mini, USB-A, Composite Video, Bluetooth, Wi-Fi	USB-mini, USB-A, Composite Video, Bluetooth, Wi-Fi	USB-mini, USB-A, Composite Video, Bluetooth, Wi-Fi
Temperature range	-4 to 248°F (-20 to 120°C)		
Frame Rate	60Hz		
Field of view / Focus	25° x 19° / Manual (Minimum focus distance 1.3ft/0.4m)		
Spectral range	7.5 to 13µm		
Display	Built-in 3.5" color LCD		
Image Storage	>1000 radiometric JPEG images (SD card memory)		
Laser Classification/Type	Class 2/Semiconductor AlGaInP Diode Laser: 1mW/635nm (red)		
Set-up controls	Mode selector, color palettes, configure image info, units, language, date and time formats, and image gallery		
Measurement modes	Auto hot/cold spot, Isotherm (above/below/interval), insulation and humidity alarms		
Measurement Correction	Reflected ambient temperature & emissivity correction		
Battery Type/Operating Time	Li-Ion/ >4 hours, Display shows battery status		
Charging system	In camera AC adapter/2 bay charging system		
Shock/Vibration/Drop/ Encapsulation; Safety	25G, IEC 60068-2-29/ 2G, IEC 60068-2-6/ Drop-proof 2m (6.6ft) / IP54; EN/UL/CSA/PSE 60950-1		
Dimensions/Weight	9.7x3.8x7.2" (246x97x184mm)/<1.82lbs (825g), including battery		
Dimensions/Weight	9.7x3.8x7.2" (246x97x184mm)/<1.82lbs (825g), including battery		

Ordering Information

64501-0501 ..... FLIR E40bx Bldg. IR Camera w/MSX 160 x 120 Resolution/60Hz
64501-0501-KIT..... FLIR E40bx w/MSX 160 x120 Resolution/60Hz with FLIR Tools +
64501-0601 ..... FLIR E50bx Bldg. IR Camera w/MSX 240 x 180 Resolution/60Hz
64501-0601-KIT..... FLIR E50bx w/MSX 240 x 180 Resolution/60Hz with FLIR Tools +
64501-0702 ..... FLIR E60bx Bldg. IR Camera w/MSX 320 x 240 Resolution/60Hz
64501-0702-KIT..... FLIR E60bx w/MSX 320 x 240 Resolution/60Hz with FLIR Tools +

ACCESSORIES
T197752 ..... Li-Ion Rechargeable Battery
T910814..... AC Adapter Charger (110-240V, U.S. Plug)
1910490 ..... Cigarette Lighter Adapter Kit, 12VDC (1.2m cable)
T198125 ..... 2-Bay Battery Charger including Power Supply (multi plugs)
T197771 ..... Bluetooth® Headset
T127648..... FLIR Tools+ (license only)
1196961..... 15° Telephoto Lens with Case
1196960..... 45° Wide Angle Lens with Case
T197926 ..... Tripod adapter
T127100 ..... Sunshield
T911087 ..... Pouch

5-10-2 Protection

10-Year Detector Protection
5-Year Battery
2-Year Parts & Labor

FLIR®

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PH: +1 978.901.8000

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FLIR Systems, Inc.
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CANADA

FLIR Systems, Ltd.
PH: +1 800.613.0507

MEXICO/LATIN AMERICA

FLIR Systems Brasil
Av. Antonio Bardella
PH: +55 15 3238 8070

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NASDAQ: FLIR

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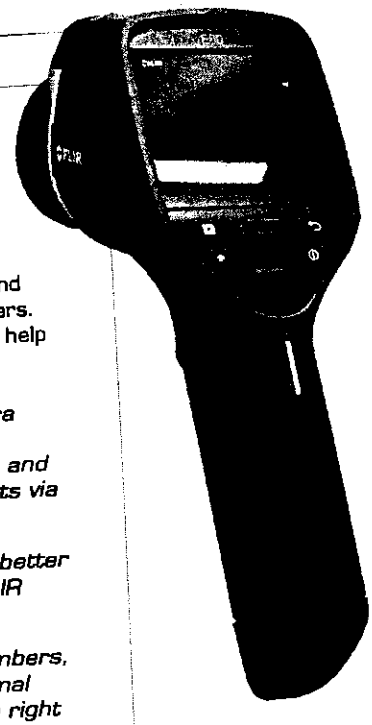


FLIR E-Series bx

The New E40bx, E50bx and E60bx, Now with MSX® Advanced Thermal Imaging Camera Performance

Get more IR inspections done, create professional detailed reports easier, and share images and findings faster with FLIR's latest E-Series bx thermal imagers. Featuring a fresh array of imaging, communication, and productivity tools to help you take care of more customers.

FLIR Tools Mobile Communication – *Connect an E-Series bx camera to smartphones and tablets with our Wi-Fi app. Stream live video so customers can watch along. Import radiometric JPEGs, adjust levels and color, add measurement tools, then send images off in simple reports via email to get a faster yes for repairs.*

Superior Thermal Imaging – *Up to 76,800 pixels (320 x 240) for better long-range accuracy and the highest level of point & shoot camera IR resolution.*

MSX Thermal Image Enhancement – *See structural features, numbers, and other key visual details not normally apparent in a regular thermal image with an all-in-one thermal picture that instantly orients you to right where heat issues are.*

Onboard Digital Camera – *3.1MP resolution provides clear visible light reference pictures; includes built-in LED lamp that doubles as a flashlight plus a laser pointer to mark locations.*

Large Touchscreen with Auto-Orientation – *The E-Series touchscreen provides an intuitive interface that takes full advantage of the entire 3.5" display for easy access to diagnostics tools – now with auto-orientation to keep measurement and other data overlays upright no matter how you hold the camera.*

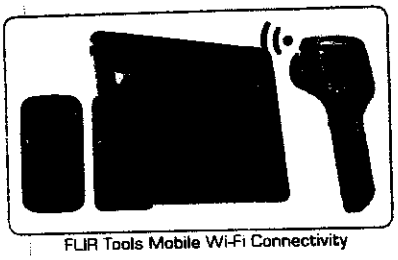
Picture-in-Picture – *Overlay thermal images onto digital scenes for extra location documentation.*

Multiple Measurements – *Add up to 3 box areas and 3 moveable spots using the touchscreen to gather more detailed temperature information*

MeterLink® – *Measure more than temperature. Send diagnostics data by Bluetooth from compatible clamp and moisture meters directly to E-Series bx cameras to embed extra information into thermal images as you capture them that further supports findings.*

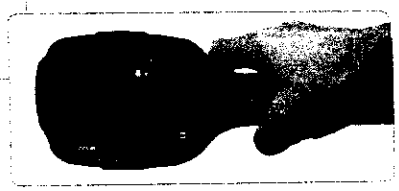
Interchangeable Lenses and Manual Focus – *Optional wide-angle and telephoto optics let you capture more of a scene in one shot or get in closer to measure smaller, distant targets. Full focus control help you dial in the sharpest clarity and accuracy.*

Greater Temperature Sensitivity – *See subtler temperature patterns and detail with <0.045°C sensitivity.*



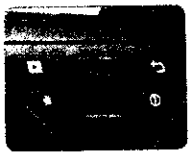
FLIR Tools Mobile Wi-Fi Connectivity

Large 3.5" Touchscreen



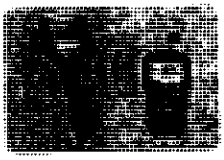
Auto-Orientation Keeps Diagnostics Overlays Upright

Visible Light Pictures Align with Thermal Images: 3.1MP Digital Camera, LED Lamp, and Laser Pointer

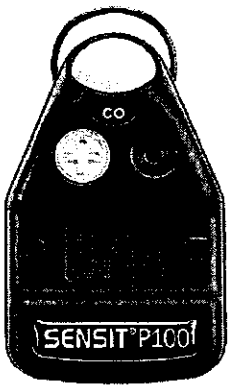


Large Buttons for Easy Glove-Handed Operation

MSX Image Enhancement



Bluetooth® METERLINK® Communication



SENSIT

P100 Personal Monitor, CO, Carbon Monoxide

Price
$301.00 / each

Deliver one time only

Auto-Reorder Every 1 Month

1 Add to Cart

+ Add to List

Confirm ZIP Code to determine availability.

49401 Save

Be the first to write a review

How can we improve our Product Images?

Compare

Item # **35ZD02** Mfr. Model # **CO** UNSPSC # **46171613**

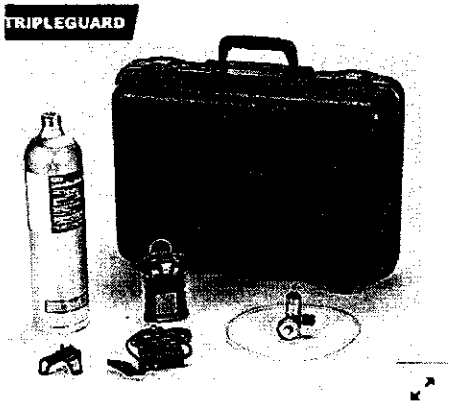
Catalog Page # **N/A** Shipping Weight **0.4 lbs.**

Country of Origin **USA** | *Country of Origin is subject to change.*

Note: Product availability is real-time updated and adjusted continuously. The product will be reserved for you when you complete your order. More

Technical Specs

Item	**P100 Personal Monitor**	Battery Life	**2 yr.**
Gas Type	**CO**	Display	**LCD**
Detects	**Carbon Monoxide**	Interchangeable Sensors	**No**
Sensor Range	**0 to 999 ppm**	Height	**3-13/16"**
Resolution	**1 ppm**	Width	**2-5/16"**
Housing Color	**Black**	Depth	**7/8"**
Operating Temp Range	**-4 Degrees to 122 Degrees F (-20 Degrees to 50 Degrees C)**	Standards	**UL 913 Class 1, Div1 Groups A, B, C, & D, ATEX 1G EX, T4, -20-50C; CSA 22.2 No 157; EMI/EMC;IP65**
Alarm Setting	**Adjustable**	Features	**Power On/Off, IR Download Through Docking Station, Event Storage**
Alarm Type	**Audible and Visual**	Includes	**Belt Clip, Instruction Manual**
Battery Type	**Lithium**		



MSA

Multi-Gas Detector, 4 Gas, -4 to 122 F, LCD

Price
$2,777.00 / each

Deliver one time only

Auto-Reorder Every 1 Month

1 Add to Cart

+ Add to List

Confirm ZIP Code to determine availability.

49401 Save

Be the first to write a review

How can we improve our Product Images?

Compare

Item # 6RRC0 | Mfr. Model # 10110488 | UNSPSC # 46171613

Catalog Page # 2213 | Shipping Weight 1.2 lbs.

Country of Origin USA | *Country of Origin is subject to change.*

Note: Product availability is real-time updated and adjusted continuously. The product will be reserved for you when you complete your order. More

Product Details

Featuring audible, visual, and vibrating alarms, this multi-gas detector features a large LCD and a 24-hour Li-poly battery. The large buttons allow easy operation, even with gloved hands. The MotionAlert™ sensor activates the unit when it does not detect movement for 30 seconds. Additional features include data logging, a charger, a calibration cap, and tubing.

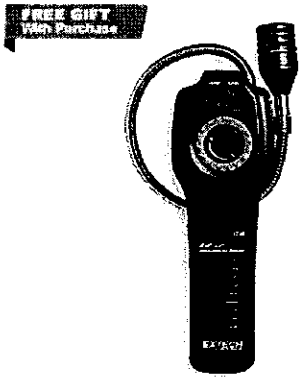
View Less

Technical Specs

Item	**Multi-Gas Detector, 4 Gas**
Detects	**Oxygen, Carbon Monoxide, Hydrogen Sulfide, Lower Explosive Limit**
Gas Type	**LEL, O2, CO, H2S**
Sensor Range	**O2 0 to 30%, CO 0 to 1999 ppm, H2S 0 to 200 ppm, LEL 0 to 100%**
Resolution	**O2 0.1% Vol, H2S 1 ppm, CO 1 ppm, LEL 1%**
Operating Temp Range	**-20 to 50 Degrees C (-4 to 122 Degrees F)**
Alarm Setting	**Adjustable**
Alarm Type	**Audible, Visual, Vibrating**
Battery Type	**Lithium Polymer**
Battery Life	**24 hr.**
Display	**LCD**
Standards	**ETL Class I Division 1 ABCD Class II Division I EFG. CSA Class I Division 1 Groups ABCD C22.2 152. ATEX II 1G Ex ua IIC T4. ANZ EX ia s IIC T4. IEC Ex ia IIC T4.**
Features	**Confined Space, Resistant To Radio Frequency Interference**
Height	**4-3/8"**
Width	**3"**
Depth	**1-1/4"**
Includes	**Rechargeable Battery Pack, Charger, Calibration Cap, Tubing, Carrying Case and CD Manual, Calibration Cylinder and Regulator**

Test Instruments \ Indoor Air Quality \ Combustible Gas Detectors \ **Combustible Gas Detector,Flex Gooseneck**

Print Email



EXTECH

Combustible Gas Detector, Flex Gooseneck

Price
$149.10 / each

Deliver one time only

Auto-Reorder Every 1 Month

1 Add to Cart

+ Add to List

Confirm ZIP Code to determine availability.

49401 Save

How can we improve our Product Images?

Compare

Jump to: Required Accessories (2)

4.0 of 5 | 1 review | Write a Review

Item # 2ELP8 Mfr. Model # EZ40 UNSPSC # 26131701

Catalog Page # 784 Shipping Weight 1.5 lbs.

Country of Origin China | *Country of Origin is subject to change.*

Note: Product availability is real-time updated and adjusted continuously. The product will be reserved for you when you complete your order. More

Product Details

Handheld service instrument helps you identify unsafe concentration of gas near furnaces and other equipment. One-hand operation with thumb controlled sensitivity adjustment to help eliminate background gas levels.

Technical Specs

Item	**Combustible Gas Detector**	Battery	**C**
Detects	**Natural Gas, Methane, Ethane, Propane, Butane, Acetone, Alcohol, Ammonia, Steam, Carbon Monoxide (Not To Quantify), Gasoline, Jet Fuel, Hydrogen Sulfide, Smoke, Industrial Solvents, Lacquer Thinner, and Naphtha**	Includes	**3 Batteries and Instructions**
		Manufacturers Warranty Length	**1 yr.**
Indicator	**Audible and Visual**		
Features	**16" Flexible Gooseneck For Easy Access Into Hard to Reach Locations**		

You have 4 out of 5 products to compare selected. Clear All Add Item + Hide

Item # 6YNG4 Item # 4LZK9 Item # 6YNG5 Item # 6YNG8

View Compare

FREE GIFT With Purchase

EXTECH

Light Meter, NIST Cert

Price
$563.00 / each

Deliver one time only

Auto-Reorder Every 1 Month

1 Add to Cart

+ Add to List

Confirm ZIP Code to determine availability.

49401 Save

How can we improve our Product Images?

Compare

Jump to: Required Accessories (1)

Be the first to write a review

Item # **15E590** Mfr. Model # **SDL400-NIST** UNSPSC # **41115308**

Catalog Page # **653** Shipping Weight **3.7 lbs.**

Country of Origin **Taiwan** | *Country of Origin is subject to change.*

Note: Product availability is real-time updated and adjusted continuously. The product will be reserved for you when you complete your order. More

Technical Specs

Item	**Light Meter**
Lighting Types	**All Visible Light**
Measuring Range	**0 to 10,000 FC, 0 to 100,000 Lux**
Resolution	**0.1Fc/1Lux**
Accuracy	**+/-4%**
Display	**9,999 Count Backlit LCD**
Data Hold	**Yes**
Min./Max. Memory	**Yes**
Data Logging	**20M Readings**
Interface	**SD Card and RS-232**
Memory	**2G SD Card**
Auto Power Off	**Yes**
Battery Type	**AA**
Sensor	**Photo Diode and Color Correction Filter, Spectrum Designed to Meet CIE**
Cord Length	**39" (1m)**
Calibration Certificate	**NIST Certificate included**
Includes	**(8)AA batteries, SD Card, Light Sensor with Protective Cover, Carrying Case, NIST Certificate of Calibration, and Instructions**
Manufacturers Warranty Length	**3 Years**

You have 3 out of 5 products to compare selected Clear All Add Item + Hide

Item # 15E590 Item # 2ENE7 Item # 2ENE6

View Compare

Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

Under the terms of the consent decree, which settled *Tribes v. Engler* (Case No. 1:90-CV-611, U.S. Dist. Ct., West. Dist. Mich.), the Grand Traverse Band of Ottawa and Chippewa Indians, as defined in the stipulation, has agreed to pay 2% of its video gaming revenue to local units of government (i.e., local township, village, city, county board of commissioners, public school system).

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN GTB'S 6-COUNTY SERVICE AREA WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: **X** June **6/21/16** Submission Date – June 30th
   _____ December _____ Submission Date – December 31st

2. Name of Applicant: **Leelanau County Veterans Affairs Director and Administrator**
   Address: **8527 E. Government Center Dr., Suite 101, Suttons Bay, MI 49682**
   Phone #: **231-256-8101** Fax #: **231-256-0120**
   Authorized Signature: _____
   Printed Name: **Joe Meredith** and **Chet Janik**
   Title: **Accredited Services Officer** **County Administrator**
   Contact person: Name: **Chet Janik**
   Telephone #: **231-256-8100** Fax #: **231-256-0120**

3. Type of Applicant: **X** Local Government _____ Local Court
   _____ Township _____ County Commissioner _____ Road Commission
   _____ Public School District _____ College _____ Charter School
   _____ Public Library _____ Sheriff/Police Department _____ Fire Department

4. Fiscal Data:

Amount Requested:	$ **5,000.00**	Percent: **5** %
Local Leveraging: (Match)	$ **105,285.00**	Percent: **95** %
Total Budget:	$ **110,285.00**	Percent: **100** %

5. Target Population: _____ Children **Approx 2,000 Vets** Adults **X** Elders
   (Indicate the number of GTB members) **Approx. 200 Vets:** Total GTB member Community _____ Others

6. Counties Impacted: _____ Antrim _____ Benzie _____ Charlevoix
_____ Grand Traverse **X** Leelanau _____ Manistee

7. Brief Description (purpose of funding); include statement of need:

We are requesting funding to support the Mid-Michigan Honor Flight with their mission of sending Leelanau County Veterans on a free trip to Washington, D.C., to see the memorials built to honor their service and sacrifices. The Mid-Michigan Honor Flight Hub services 51 counties in the State of Michigan, including Leelanau. To date, they have flown approximately 24 Veterans and Guardians from the County, in over four completed missions (flights). Currently they are concentrating on WW II Veterans, our most senior, and then will transition to Korean, Vietnam, etc. There is a waiting list for this opportunity of both WW II Veterans, now well into their 90s, and Korean War Veterans. The latest count from the Hub shows 16 WW II Veterans from Leelanau County on their list, and 11 Korean War Veterans. The Hub receives 2 -3 applications per week for Veterans and Guardians, so that number could rise.

It costs $500.00 to fly a Veteran to Washington, D.C. They travel with a trained escort, called Guardians, who pay their own way. On average, one entire mission costs $107,000.00. The Hub has been able to complete two missions per year since 2014. The Hub is successful due to the generosity of private citizens, corporations and companies, grants and fundraisers. Mid-Michigan Honor Flight is an official Regional Hub of the national Honor Flight Network (www.honorflight.org). Mid-Michigan Honor Flight is a 501(c)(3) non-profit organization with a 100% volunteer Board of Directors and staff.

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) **Program formula: (1) $5,000. Per school + (<u>$1,000</u> x # of GTB member students) = allocation.**

<u>Please note</u>: 1) In completing this section, only provide the student numbers of currently enrolled GTB members; do not include the general Native American data of your school system; and 2) there will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

_____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start: **September, 2016** Completion: **On-going, dependent on Leelanau County applicants**

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

_____ YES **X**_____ NO. If yes, please list the start and end dates and amount:

_____ - _____ and amounts: _____

_____ - _____ _____

_____ - _____ _____

11. Are all of the previous allocations expended? _____ YES _____ NO.

If no, what are the start and end dates and amounts:

_____ - _____ and amounts: _____

_____ - _____ _____

_____ - _____ _____

_____ - _____ _____

12. Is the proposed project new **X**_____ or a continuation project _____?

If this is a continuation project, please explain why there is a need to continue funding:

_____

_____

_____

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

A unique opportunity for Leelanau County and the Grand Traverse Band of Ottawa and Chippewa Indians to show its respect by honoring our County's Veterans, who served in past wars and conflicts.

14. How will the success of the project be assessed (evaluation plan)? **$500.00 will be allocated to every Leelanau County Veteran that has applied and has been accepted to be part of the Mid-Michigan Honors Flight Program.**

_____

_____

15. If new staff is required, will preference be given to Native American applicants? **– Not applicable**

_____ YES _____ NO

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit **before the deadline from the cover letter you received**

Mid-Michigan Honor Flight
2016 Flight Season
contact: Tricia Donegan, Hub Director
231.803-4255

Flight Date:

SPONSOR PARTICIPATION OPPORTUNITIES	*Costs	Sponsor
charter plane	$ 70,000.00	
commemorative photo book & mailing	$ 5,325.00	
housing	$ 8,000.00	
jackets for Vets & Guardians	$ 5,000.00	
Buses in DC	$ 3,880.00	
"Meet & Greet" reception with meal	$ 2,000.00	
postage, supplies	$ 2,000.00	
Police Escort in DC	$ 1,980.00	
tee shirts for Vets & Guardians	$ 1,900.00	
lunches & water in DC	$ 1,900.00	
buses (MI transport to airport & back)	$ 1,700.00	
misc. Items (linen rental, toiletries for housing)	$ 1,700.00	
food service at airport	$ 1,200.00	
Challenge Coins	$ 700.00	
Food/Beverage for welcome Home	$ 700.00	
registration materials	$ 700.00	
cinchpack, snack bags & items	$ 900.00	
tips	$ 500.00	
poster making supplies for Welcome Home	$ 200.00	
	$ 110,285.00	

sponsoring a Veteran	$ 500.00

*average costs, not actual

Mid-Michigan Honor Flight is planning two flights for 2016. Above costs are per flight.

Mid-Michigan Honor Flight will work with each sponsor to insure that their support receives the maximum recognition possible in accordance with their preference. Any special requests will be discussed with the Board for approval.

MID-MICHIGAN HONOR FLIGHT

Tribal Council Allocation of 2% Funds
Application Form

PLEASE NOTE:

Under the terms of the consent decree, which settled *Tribes v. Engler* (Case No. 1:90-CV-611, U.S. Dist. Ct., West. Dist. Mich.), the Grand Traverse Band of Ottawa and Chippewa Indians, as defined in the stipulation, has agreed to pay 2% of its video gaming revenue to local units of government (i.e., local township, village, city, county board of commissioners, public school system).

***ONLY LOCAL UNITS OF GOVERNMENT LOCATED WITHIN GTB'S 6-COUNTY SERVICE AREA WILL BE CONSIDERED FOR 2% GRANTS.**

1. Allocation Cycle: ___ June ___X___ Submission Date – June 30th
   ___ December ___ Submission Date – December 31st

2. Name of Applicant: LEELANAU COUNTY COMMISSIONERS FOR "THE LEELANAU PENINSULA HISTORY NETWORK (LPHN)
   Address: 118 NAGONABA P.O. BOX 453
   NORTHPORT, MI. 49670
   Phone #: 231-386-9936 Fax #: SAME # → CALL 1ST
   Authorized Signature: Ty Wessell / [signature]
   Printed Name: ALLEN M. NOFTZ / Ty WESSELL
   Title: LPHN MEMBER + NORTHPORT AREA HERITAGE ASSOCIATION BOARD MEMBER
   Contact person: Name: ALLEN NOFTZ
   Telephone #: 231-386-9936 Fax #: SAME # → CALL 1ST.

3. Type of Applicant:

___ Local Government	___ Local Court	
___ Township	___X___ County Commissioner	___ Road Commission
___ Public School District	___ College	___ Charter School
___ Public Library	___ Sheriff/Police Department	___ Fire Department

4. Fiscal Data:

Amount Requested:	$ 19,905.64	Percent: 100 %
Local Leveraging: (Match)	$ ___	Percent: ___ %
Total Budget:	$ 19,905.64	Percent: 100 %

5. Target Population: (Indicate the number of GTB members)

All Children	All Adults	All Elders
___ Total GTB member Community		___ Others

Revised 2% form - approved at the March 25, 2009, Tribal Council Special Session

6. Counties Impacted: _____ Antrim _____ Benzie _____ Charlevoix
_____ Grand Traverse ___X___ Leelanau _____ Manistee

7. Brief Description (purpose of funding); include statement of need:

THROUGHOUT THE COUNTY, WE HAVE COUNTLESS MOVIES + MICROFILM OF NEWSPAPERS, PLAT RECORDS, ETC. THEY ARE BEING LOST OR NOT ACCESSIBLE IN DIGITAL FORMATS SO THEY CAN BECOME A VALUABLE PART OF THE COUNTY'S HISTORY. OUR GROUP OF 11 ORGANIZATIONS CANNOT AFFORD THE EQUIPMENT INDIVIDUALLY, BUT IF THIS EQUIPMENT IS PURCHASED, IT WILL BE EASILY PORTABLE + SHARED THROUGHOUT THE COUNTY.

8. This question only pertains to Public School Systems. If you are not a Public School system, skip to question 9.

(a) **Program formula: (1) $5,000. Per school + (<u>$1,000</u> x # of GTB member students) = allocation.**

<u>Please note</u>: 1) In completing this section, only provide the student numbers of currently enrolled GTB members; do not include the general Native American data of your school system; and 2) there will be a cap of $100,000 per school, based on the school's GTB membership count.

(b) Recommendation from Parent Committee: _____ YES _____ NO

(c) Describe parent involvement in project: _____

_____

(d) Does the school receive Title IX Indian Education Funds? _____ YES _____ NO

If yes, how much: _____

9. What are the start and completion dates of the proposed project?

Start June 2016 Completion ONGOING

10. Has applicant received prior awards through the Tribe's 2% funding allocation?

_____ YES ___X___ NO. If yes, please list the start and end dates and amount:

_____ - _____ and amounts: _____

_____ - _____ _____

_____ - _____ _____

11. Are all of the previous allocations expended? _____ YES _____ NO.

If no, what are the start and end dates and amounts:

_____ - _____ and amounts: _____

_____ - _____ _____

_____ - _____ _____

_____ - _____ _____

12. Is the proposed project new NEW or a continuation project _____?

If this is a continuation project, please explain why there is a need to continue funding:

_____

_____

_____

13. Impact of Gaming on local program: (e.g., increase in student population, resulting from increase in Tribal employment or increase in emergency services to Casino patrons).

THE DIGITAL DATA + PROMOTIONAL RACK CARDS WILL ENCOURAGE + INCREASE COUNTY TOURISM.

14. How will the success of the project be assessed (evaluation plan)? WE WILL KEEP RECORDS OF ATTENDANCE AT THE 11 LPHN ORGANIZATIONS OVER THE NEXT YEAR. AS THE RACK CARDS ARE TAKEN, IT WILL BE AN INDICATION OF INTEREST IN THE COUNTY MUSEUM NETWORK.

15. If new staff is required, will preference be given to Native American applicants?

__X__ YES _____ NO

16. Budget: Please attach a one-page itemization of the planned budget. Include explanation for each category of the budget.

Note: **A final report on expenditure of funds and project results will be due to the Tribal Council 30 days after project completion.**

BEFORE YOU MAIL, PLEASE REMEMBER TO:

1) Execute authorized signature
2) Attach 1-page budget
3) Submit **before the deadline from the cover letter you received**

To: Leelanau County Board of Commissioners
From: Leelanau Peninsula History Network (LPHN)
Date: June 6, 2016
Re: 2% Grant Funding Application

The Leelanau Peninsula History Network is requesting your support of our application for 2% funding from the Tribal Council. We intend to present our application for the June 30 , 2016 deadline. Our request is for $19,905.64 which will purchase advanced digitization equipment to preserve and promote Leelanau County history. *See Attached list!

This equipment will be portable and accessible to the eleven organizations within our LPHN network, (listed below). Individual organizations cannot afford this equipment, but this collaborative network allows all eleven organizations to preserve our valuable resources. Leelanau Historical Society Museum will act as fiduciary for this project.

LPHN Members:

1. Eyaawing Museum and Cultural Center
2. Northport Area Heritage Association (NAHA)
3. Omena Historical Society
4. Leelanau Historical Museum
5. Rex Dobson Ruby Ellen Farm
6. Empire Area Museum Complex
7. Port Oneida Community Alliance
8. Preserve Historic Sleeping Bear
9. Grand Traverse Lighthouse Museum
10. Maritime Heritage Alliance
11. Fishtown Preservation Society

Respectfully submitted,
Al Noftz, LPHN Member & NAHA Board Member

The Leelanau Peninsula History Network Proposed Budget

RetroScan Universal 8 and 16mm movie Scanner & Software	**$5199.95**
ScanPro 3000 Microfilm Scanner and Software	**$11,500**
(2) Protective Shipping Containers @ $200each	**$400**
LG Super Multi External Blu-ray Archival "M" Disk Burner	**$115**
(10) Pack of DVD "M" Disks	**$30**
(15) Pack of Blu-ray "M" Disks	**$65.50**
Hp ProBook Business Laptop Computer	**$1000**
Promotional Rack Card Design and printing for the Network	**$1000**
NEC 29" Vertical Monitor for Microfilm Scanner	**$595.19**
TOTAL	**$19,905.64**