

CALHOUN COUNTY
PROCEEDINGS OF THE
BOARD OF COMMISSIONERS

June 21, 2012

1. CALL TO ORDER/ROLL CALL

The Regular Session of the Calhoun County Board of Commissioners convened at 7:00 p.m., Tuesday, June 21, 2012 in the Commissioners' Meeting Room, County Building, Marshall, MI.

Chairman Kale called the meeting to order and requested the Deputy Clerk call the roll.

Present: Comrs. Dunn, Todd, Haadsma, Camp Seifke, Frisbie, VanSickle and Kale

Staff Present: County Administrator/Controller Kelli Scott, Assistant Administrator Brad Wilcox, Corporation Counsel Richard Lindsey, Human Resources Director Kim Archambault and Deputy Clerk Chris McComb

2 and 3. INVOCATION AND PLEDGE OF ALLEGIANCE

The Board held a moment of silence followed by the Pledge of Allegiance led by Comr. Todd.

4. APPROVAL OF AGENDA

"Moved Comr. Haadsma, supported by Comr. Todd to approve the agenda of the June 21, 2012 Regular Session of the Calhoun County Board of Commissioners as presented."

On a voice vote, Motion CARRIED

5. APPROVAL OF MINUTES

A. Minutes of the June 7, 2012 Regular Session

"Moved Comr. VanSickle, supported by Comr. Frisbie to approve the minutes of the June 7, 2012 Regular Session of the Calhoun County Board of Commissioners as presented."

On a voice vote, Motion CARRIED

6. CITIZENS' TIME

Duane Richards of Leroy Township asked the Board to support the funding for the Leroy Drain.

7. ELECTED/APPOINTED COUNTY OFFICIALS' COMMENTS

There was none.

8. SPECIAL ORDER OF BUSINESS

Comr. Kale announced there would be a celebration to honor Dr. Comai and Dr. Maurer on June 26 and Comr. Dunn would present the proclamations at that time.

A. Proclamation to Honor William B. Comai, M.D.

The Proclamation was read into the record by Comr. Dunn.

WHEREAS, Dr. Comai is a 1961 graduate of the University of Michigan Medical School and completed his internship and orthopedics residency at Saint Mary's Hospital in Grand Rapids; and

WHEREAS, William B. Comai, M.D. was a respected Orthopaedic Surgeon in Calhoun County for four decades, retiring from Battle Creek Health System in 2007; and

WHEREAS, He served as a captain and orthopedic surgeon in the U. S. Army at Fort Belvoir, VA. from 1966-68 before moving to Battle Creek; and

WHEREAS, Dr. Comai was elected chief of staff at both BCHS and Southwest Regional Rehabilitation Center (SRRC) and was a hospital trustee when Leila and Community Hospitals merged in 1988; and

WHEREAS, He was a recipient of the 2008 Dale G. Griffin Healthcare Leadership Award recognizing exemplary contributions that improve the quality and accessibility of health care in greater Battle Creek; and

WHEREAS, He ran an amputee clinic at the American Legion Hospital (which transitioned into SRRC) for a quarter of a century; and

WHEREAS, Outside of the hospital, Dr. Comai served as Member and Past President of the Calhoun County Medical Society and was a trustee of the Southwest Rehabilitation Foundation; and

WHEREAS, Dr. Comai was inducted into the Bronson Battle Creek Physician's Hall of Fame in 2012; and

WHEREAS, Dr. Comai is a Member and Chair of the Department of Human Services Board, on the Board of Trustees for the Southwest Rehab Foundation and a Board Member of the Kingman Museum of Natural History; and

NOW, THEREFORE, BE IT RESOLVED, the Calhoun County Board of Commissioners hereby recognizes William B. Comai, M.D. for his tremendous contributions for the Calhoun County medical practice.

Res. 63-2012

“Moved Comr. Frisbie, supported by Comr. Camp Seifke to approve the following: Resolved the Calhoun County Board of Commissioners do hereby approve the proclamation to honor William B. Comai, M.D.”

On a voice vote, Motion CARRIED.

B. Proclamation to Honor James J. Maurer, M.D.

The Proclamation was read into the record by Comr. Dunn.

WHEREAS, James J. Maurer, M.D. was a respected Neurosurgeon in Calhoun County from 1964 until his retirement in 1986; and

WHEREAS, He was instrumental in the planning and building of the Marian E. Burch Adult Day Care Center, which opened in 1992; and

WHEREAS, Dr. Maurer is dedicated to the Marian E. Burch Adult Day Care Center and remains the Advisory Board Chair; and

WHEREAS, He is a Family Health Center Board Member; and

WHEREAS, Dr. Maurer is a Member and Past President of the Calhoun County Medical Society; and

WHEREAS, He is a former Chief of Staff at Leila Hospital, a former Health Department Board member and former Member and Chair of the Department of Health Services Board; and

NOW, THEREFORE, BE IT RESOLVED, the Calhoun County Board of Commissioners hereby recognizes James J. Maurer, M.D. for his commitment to the Marian E. Burch Adult Day Care Center and for his tremendous contributions for the Calhoun County medical practice.

Res. 64-2012

“Moved Comr. Dunn, supported by Comr. Frisbie to approve the following: Resolved the Calhoun County Board of Commissioners do hereby approve the proclamation to honor James. J. Maurer, M.D.”

On a voice vote, Motion CARRIED.

C. Enbridge Oil Spill Responder Proclamation for the Environmental Protection Agency

The Proclamation was read into the record by Comr. Frisbie.

WHEREAS, on July 26 2010, Enbridge energy partners reported a massive 30-inch pipeline rupture in their Lakehead System 6-B pipeline located in Marshall Michigan.

WHEREAS, the release of tar sand oil estimated at approximately 1- million gallons entered Talmadge Creek and flowed into the Kalamazoo River, a Lake Michigan tributary.

WHEREAS, the spill had a significant impact upon human and animal life affecting over 30-miles of the Kalamazoo River including marshlands, residential areas, farmlands and businesses.

WHEREAS, dedicated local, state and federal responders worked collectively and tirelessly responding to this, the largest inland waterway environmental disaster in history.

WHEREAS, tens of thousands of hours have been dedicated to responding to this disaster resulting in one million gallons of oil being reclaimed.

NOW, THEREFORE, BE IT RESOLVED, that Calhoun County Board of Commissioners and the Calhoun County Board of Health will be forever grateful to the Environmental Protection Agency for their dedicated and exemplary long-term commitment to responding to the 2010 Kalamazoo River Oil Spill.

Res. 65-2012

“Moved Comr. Dunn, supported by Comr. Todd to approve the following: Resolved the Calhoun County Board of Commissioners does hereby approve the Enbridge Oil Spill Responder Proclamation for the Environmental Protection Agency.”

Comr. Haadsma inquired how long the commitment from the EPA going would continue.

Health Officer Rutherford stated based on discussions he believed the Environmental Protection Agency would be handing things over to the Michigan Department of Environmental Quality at the end of the summer.

Ralph Dollhopf of the Environmental Protection Agency (EPA) announced the river was opened earlier in the day so almost the entire length of the impacted area was now in use. He stated the work that was required of Enbridge by the EPA was almost complete. He stated the EPA would ensure that Enbridge would complete what was required and by the end of the summer the EPA would hand the cleanup over to the Department of Environmental Quality.

Comr. Todd asked why the river would be reopened if the cleanup wasn't complete.

Rutherford stated the reality was that we experienced a major calamity but the majority of the cleanup was done. He stated some of the oil sunk but they have never been able to quantify how much. He stated he couldn't answer how long it would be until the process was complete. He noted the spring assessment was favorable so they opened the river again and that there has been a significant amount of shore work but there was still some oil in the more sensitive areas.

Dollhopf stated they had to make sure the cure wasn't worse than the disease, meaning it didn't make sense to turn the river into a ditch just to get every drop of oil. He stated they had tried to clean up the river without damaging the sensitive areas.

Comr. Camp Seifke thanked the EPA for their cooperation and the update reports.

Comr. Haadsma inquired in weighing the environmental risks against the harm, what's expected for the EPA to do this summer.

Dollhopf stated no more heavy equipment would be on the river potentially creating more damage than good. Everything they do has to be balanced with the risk.

On a voice vote, Motion CARRIED.

D. Enbridge Oil Spill Responder Proclamation for the Michigan Department of Community Health

The Proclamation was read into the record by Comr. Frisbie.

WHEREAS, on July 26 2010, Enbridge energy partners reported a massive 30-inch pipeline rupture in their Lakehead System 6-B pipeline located in Marshall Michigan.

WHEREAS, the release of tar sand oil estimated at approximately 1- million gallons entered Talmadge Creek and flowed into the Kalamazoo River, a Lake Michigan tributary.

WHEREAS, the spill had a significant impact upon human and animal life affecting over 30-miles of the Kalamazoo River including marshlands, residential areas, farmlands and businesses.

WHEREAS, dedicated local, state and federal responders worked collectively and tirelessly responding to this, the largest inland waterway environmental disaster in history.

WHEREAS, tens of thousands of hours have been dedicated to responding to this disaster resulting in one million gallons of oil being reclaimed.

NOW, THEREFORE, BE IT RESOLVED, that Calhoun County Board of Commissioners and the Calhoun County Board of Health will be forever grateful to the Michigan Department of Community Health for their dedicated and exemplary long-term commitment to responding to the 2010 Kalamazoo River Oil Spill.

Res.66-2012

“Moved Comr. VanSickle, supported by Comr. Dunn to approve the following: Resolved the Calhoun County Board of Commissioners does hereby approve the Enbridge Oil Spill Responder Proclamation for the Michigan Department of Community Health.”

Dr. Linda Dykema of the Michigan Department of Community Health (MDCH) stated they became involved within 24 hours of the spill and had continued to be active as a supporting agency. She stated the MDCH intended to remain involved as long as they were needed.

Comr. Haadsma inquired if Dr. Dykema knew how long it would be before the cleanup was complete.

Dr. Dykema stated the MDCH didn't expect any long term effects from the oil that had settled at the bottom of the river. She stated there was ongoing sampling of private wells but they had not seen contaminates. She stated they would produce surface water and fish contaminate data but the fish samples show no impact from the spill.

On a voice vote, Motion CARRIED.

E. Enbridge Oil Spill Responder Proclamation for the Michigan Department of Environmental Quality

WHEREAS, on July 26 2010, Enbridge energy partners reported a massive 30-inch pipeline rupture in their Lakehead System 6-B pipeline located in Marshall Michigan.

WHEREAS, the release of tar sand oil estimated at approximately 1- million gallons entered Talmadge Creek and flowed into the Kalamazoo River, a Lake Michigan tributary.

WHEREAS, the spill had a significant impact upon human and animal life affecting over 30-miles of the Kalamazoo River including marshlands, residential areas, farmlands and businesses.

WHEREAS, dedicated local, state and federal responders worked collectively and tirelessly responding to this, the largest inland waterway environmental disaster in history.

WHEREAS, tens of thousands of hours have been dedicated to responding to this disaster resulting in one million gallons of oil being reclaimed.

NOW, THEREFORE, BE IT RESOLVED, that Calhoun County Board of Commissioners and the Calhoun County Board of Health will be forever grateful to the Michigan Department of Environmental Quality for their dedicated and exemplary long-term commitment to responding to the 2010 Kalamazoo River Oil Spill.

Res.67-2012

“Moved Comr. VanSickle , supported by Comr. Frisbie to approve the following: Resolved the Calhoun County Board of Commissioners does hereby approve the Enbridge Oil Spill Responder Proclamation for the Michigan Department of Environmental Quality.”

Mark DuCharme of the Michigan Department of Environmental Quality (MDEQ) stated they had been actively engaged since the time of the spill. He stated the MDEQ would be looking at the residual impacts of the spill and moving forward with the remedial assessment process. He noted the condition of the river itself was good, you could not tell there was an oil spill and the habitats were mostly intact.

Comr. Camp Seifke stated she was appreciative of the resources given by the DEQ and the EPA.

Comr. Todd asked if there had been any further conversations to replace the pipeline.

DuCharme suggested people go to the National Transportation and Safety Board website for that information, as pipeline replacement is governed by them.

On a voice vote, Motion CARRIED

Rutherford stated the proclamations presented were to recognize the agencies, State and Federal, that the County had worked with during the oil spill. He stated the Health Department wanted an opportunity to recognize individuals with a Friend of Public Health Award. He stated these three individuals had given up a significant part of their lives to be here and help the County recover from the oil spill disaster. He noted that 3 1/2 million hours have been given to this effort and without these people leading the way we never would have gotten to this point.

Rutherford presented Ralph Dollhopf of the USEPA, Dr. Linda Dykema of the MDCH and Mark DuCharme of the MDEQ with a “Friend of Public Health Award” plaque and a proclamation of appreciation for their assistance through the 2010 Oil Spill.

9. CONSENT AGENDA

A. Petitions, Communications, Reports

1. HR Personnel Report for May 2012

B. Resolution

1. Transfer of FCC License to Calhoun County Consolidate Dispatch Authority
2. Oscoda County Resolution in Opposition of Michigan Natural Resources Trust Fund Dollars Being Diverted to Fund State Projects
3. Oscoda County Synthetic Marijuana and Dangerous Products Emergency Ordinance

Res. 68-2012

“Moved Comr. Dunn, supported by Comr. Todd to approve the following: Resolved the Calhoun County Board of Commissioners do hereby approve the June 21, 2012 Consent Agenda as presented.”

On a voice vote, Motion CARRIED.

Comr. Frisbie noted that synthetic marijuana was outlawed by the Governor on this date.

10. SPECIAL COMMITTEE/ WORKSHOP/BOARD REPORTS

Comr. Camp Seifke stated the Local Emergency Planning Committee had met and she presented business cards from Enbridge for their assistance line which was manned 24 hours a day.

Comr. Camp Seifke stated on June 25 from 5-8 p.m. at the Marshall Activity Center, Enbridge would meet with individual land owners to answer questions one on one about the oil spill cleanup and the pipeline replacement.

Comr. Camp Seifke passed out Family Preparedness Guides to the Commissioners.

Comr. Camp Seifke thanked the EPA for the update on the river cleanup and the description of the beauty as you are traveling down the river. She stated there are photos that show a lot of detail was preserved and restored.

Comr. Kale stated the Road Commission Task Force would be meeting Friday, June 22 at 7:30 a.m. He stated they would be finalizing a survey to be delivered to the Road Commission to give to its employees on June 25. He stated they would also be talking about the Phase 1 audit presentation regarding comparing the key financial data of the Calhoun County Road Commission to other Michigan County Road Commissions.

11. UNFINISHED AND OLD BUSINESS

There was none.

12. NEW BUSINESS AND COUNTY ADMINISTRATOR’S REPORT

A. County Administrator/Controller’s Report

Administrator/Controller Scott updated the Board on the joint police facility, which was last discussed about 5 months ago. She stated the County Sheriff’s Department, the State Police and the City of Marshall Police Department were asked to create a wish list building, which came in at an estimated \$24 million and the County would be expected to pick up half. She stated the operational costs would be \$270,000 per year. She noted the old jail facility is inadequate and the County needed to decide what we were going to do. She stated there was an economic vitality incentive program grant available but they needed to submit an application. She stated the County was not in a position to increase the operating budget but they needed to go forward. She stated they couldn’t afford the Cadillac plan but

they could perhaps settle on something else. Scott stated they would meet with the City and the architect to scale back the building to better suit our operating costs. She stated the City and the State police planned to move forward regardless of what the County did so we needed to decide if we were willing to at least apply for the grant.

Comr. Kale confirmed the grant application had no financial impact right now and there was no financial commitment to submit an application.

Scott stated we should not apply if we don't intend to move forward, as the grant application is due in a couple months, requires a 50% match and the Board should be aware there are discussions going on. She stated she did not specifically know what a scaled down version of the building would be but they could remove the shooting range and lockup. She stated one of the primary reasons for the County to be a part of this building was to get the Sheriff's Office in the County Seat and it is a great opportunity for shared space and potential savings.

Comr. Frisbie stated the project as it is was well beyond what the County could absorb. He stated we needed to have a target of where we need to be before we go forward and say yes. He stated the Board needed to know it wouldn't impact the budget.

Scott noted if the August 7, 911 ballot initiative passed, the County General Fund would not be paying \$600,000 to the Calhoun County Consolidated Dispatch Authority and they would be able to use that money to assist with payments on the new law enforcement facility.

B. New Business

1. Levy 2012 Calhoun County Summer Property Taxes

Administrator/Controller Scott stated the resolutions were needed to levy summer and winter taxes. She stated the County held public hearings in November as part of the budget and the millage rate was the maximum we could levy.

Res. 69-2012

"Moved Comr. VanSickle, Supported by Comr. Frisbie to approve the following: Resolved the Calhoun County Board of Commissioners do hereby approve the resolution to approve the levy for 2012 Calhoun County Summer Property Taxes.

WHEREAS, Calhoun County is authorized under the General Property Tax Act, Public Act 206 of 1893, as amended, to levy County property taxes; and

WHEREAS, a public hearing concerning the budget was held on November 17, 2011; and

WHEREAS, the Calhoun County Board of Commissioners adopted a fiscal year 2012 Appropriations Act on December 1, 2011.

WHEREAS, the General Property Tax Act was amended by Public Act 357 of 2004, being Michigan Compiled Law 211.44a, to require all Michigan Counties to levy summer property taxes, with the full amount of the mills authorized for the County through a separate tax limitation vote to be levied and collected as a summer tax levy in 2012.

NOW, THEREFORE, BE IT RESOLVED that, pursuant to Public Act 357 of 2004, the 2012 Calhoun County operating taxes shall be levied and collected on July 1, 2012 at the rate of 100 percent of the mills authorized for the County through a separate tax limitation vote after the application of the "Headlee" millage reduction fraction required under Michigan Compiled Law 211.34d, or 5.3779 mills; and

BE IT FURTHER RESOLVED that the Treasurer of each City, Village, and Township in Calhoun County is directed to account for and deliver all the total 2012 County operating taxes in accordance with the provisions of Public Act 357 of 2004; and

BE IT FURTHER RESOLVED that this resolution constitutes certification of the summer taxes by the County and authorizes collection of the County operating taxes on July 1, 2012, at the rate of 100 percent of the mills authorized for the County through a separate tax limitation vote after application of the Headlee millage reduction fraction, or 5.3779 mills; and

BE IT FURTHER RESOLVED that the Equalization Department, on behalf of the Clerk of the Board of Commissioners, shall deliver a copy of this resolution to the County Treasurer and a copy to the Supervisor/Treasurer of each City, Village, and Township in Calhoun County.

On a roll call vote, Yes – 7. Motion CARRIED.

2. Levy 2012 Calhoun County Winter Property Taxes

Res. 70-2012

“Moved Comr. Dunn, Supported by Comr. Todd to approve the following: Resolved, the Calhoun County Board of Commissioners do hereby approve the resolution to levy the 2012 Calhoun County Winter Property Taxes.”

WHEREAS, Calhoun County is authorized under the General Property Tax Act , Public Act 206 of 1893, as amended, to levy County property taxes; and

WHEREAS, a public hearing concerning the budget was held on November 17, 2011; and

WHEREAS, the Calhoun County Board of Commissioners adopted a fiscal year 2012 Appropriations Act on December 1, 2011; and

WHEREAS, Calhoun County's maximum authorized millage for 2012 is 6.3713 mills , including all summer and winter levies for the County, after application of the 'Headlee' millage reduction fraction required under Michigan Compiled Law (MCL) 211.34d; and

WHEREAS, Calhoun County's 2012 maximum authorized millage rate of 6.3713 mills consists of 5.3779 mills authorized through a separate tax limitation vote for General Operations, 0.2482 mills for the County's medical care facility, and 0.7452 mills to provide senior services; and

WHEREAS, as required by Public Act 357 of 2004, being MCL 211.44a, 100 percent of the mills authorized for the County through a separate tax limitation vote, or 5.3779 mills, are to be levied with the summer taxes in 2012; and

WHEREAS, the County's medical care facility millage and millage to provide services for seniors remain to be levied with the winter levy in 2012, those millages being 0.2482 mills and 0.7452 mills, respectively;

NOW, THEREFORE, BE IT RESOLVED that a total 2012 millage rate for Calhoun County of 6.3713 mills is hereby adopted; and

BE IT FURTHER RESOLVED that the 2012 Calhoun County winter tax levy shall consist of the following two individual millage levies, with the total 2012 winter levy of the County being 0.9934 mills as follows:

0.2482 mills for medical care
+ 0.7452 mills for senior services
0.9934 mills for total winter levy

BE IT FURTHER RESOLVED that this resolution constitutes certification of Calhoun County's two winter millages shown above and authorizes the collection of these taxes on December 1, 2012; and

BE IT FURTHER RESOLVED that the Treasurer of each City, Village, and Township in Calhoun County is directed to account for and deliver all the total 2012 County operating taxes in accordance with the provisions of Public Act 357 of 2004; and

BE IT FURTHER RESOLVED that the Equalization Department, on behalf of the Clerk of the Board of Commissioners, shall deliver a copy of this resolution to the County Treasurer and a copy to the Supervisor/Treasurer of each City, Village, and Township in Calhoun County.

On a roll call vote, Yes – 7. Motion CARRIED.

3. Community Corrections Grant Application

Administrator/Controller Scott stated Community Corrections brought forth an annual application in the amount of \$231,435, which funds most of the office staff. She stated there was a 2013 budget request to fund the rest of the staff through the General Fund. She stated there was not a matching fund but also this was not a mandated service.

Community Corrections Director Jerry Lambert thanked Comr. Camp Seifke for representing the Board at CPAC meetings. He stated the funding allowed for efficient management of the jail population and the funds paid for 3 full time, 1 part time position and rehabilitation programs.

Res. 71-2012

“Moved Comr. Frisbie, supported by Comr. Camp Seifke to approve the following:
Resolved, the Calhoun County Board of Commissioners does hereby approve the 2013 PA 511 Grant Application in the amount of \$231,145.00.

On a roll call vote, Yes – 7. Motion CARRIED.

4. Resolution to Pledge Full Faith and Credit of the County for Drainage District Bonds

Administrator/Controller Scott stated the County needed to adopt the resolution written by the County's bond counsel as presented from Water Resources requesting full faith and credit of the County for Leroy Drainage District Section 1 & 12, Brs. 3 & 4 Drain for a principal amount of \$800,000 for a term not to exceed 20 years.

Bobby Bedzinski of Bedzinski & Company stated the drain bonds were issued in an amount equal to amounts of assessments outstanding at the time of issuance and the time frame would be less than 15 years with an amount that could be less than \$800,000, if the County or residents prepay their share. He stated the drain bonds weren't issued without the County full faith and credit because Water Resources was not a taxing authority so bondholders were looking for the additional security.

Dave Masteron of Miller Canfield stated in the event the delinquent tax process still results in a deficiency to the County, the Drain Code requires the Water Resources Commissioner to do a deficiency settlement that will be a follow up assessment and make up the shortfall to the County.

Cortright stated the project was started with a Chapter 8 petition from residents, brought in an engineer, had a preliminary design drawn up and took it to the Board of Review. He stated the Board of Review determined it was appropriate to move forward with the project. They looked at three options including pumping, using the existing drain or moving forward with this projects.

Res. 72-2012

“Moved Comr. VanSickle, supported by Comr. Camp Seifke to approve the following:
Resolved, the Calhoun County Board of Commissioners does hereby approve the resolution pledging full faith and credit for the Leroy Township Sections 1 & 12, Branches 3 and 4 Drain Drainage District.

WHEREAS, the Leroy Twp. Sections 1 & 12, Branches 3 and 4 Drain Drainage District (the “Drainage District”) has previously been established within the Township of Leroy (the “Township”), a township located within the County of Calhoun (the “County”), pursuant to the provisions of Act 40, Public Acts of Michigan, 1956, as amended (the “Drain Code”); and

WHEREAS, the County hereby determines that improvements to and maintenance of the Leroy Twp. Sections 1 & 12, Branches 3 and 4 Drain (the “Project”) are necessary for the protection of the public health; and

WHEREAS, pursuant to the Drain Code, the Water Resources Commissioner of the County (the “Water Resources Commissioner”) is in the process of preparing a special assessment roll providing for special assessments (the “Special Assessments”) to be levied in the aggregate principal amount of not to exceed \$800,000 to pay for the construction and financing of the Project; and

WHEREAS, the Special Assessments shall be paid by the Township and benefited lands according to apportionments to be determined by the Water Resources Commissioner acting pursuant to Section 262 of the Drain Code, in annual principal installments over a period of not to exceed twenty (20) years as determined by the Water Resources Commissioner, with interest thereon at such interest rate as shall be calculated to be sufficient to pay interest on any bonds to be payable from the Special Assessments; and

WHEREAS, the Water Resources Commissioner, by order, will authorize the issuance of bonds by the Drainage District to be designated as the 2012 DRAINAGE DISTRICT BONDS (GENERAL OBLIGATION LIMITED TAX) in the aggregate principal amount of not to exceed \$800,000 (the “Bonds”) in anticipation of the payment of the Special Assessments; and

WHEREAS, the Drain Code authorizes the County to pledge its full faith and credit for the payment of the Bonds if the Board of Commissioners of the County has adopted a resolution by a majority vote of its total membership; and

WHEREAS, it is to the best interest of the County that the Bonds be secured by a pledge of the full faith and credit of the County as authorized by Section 276 of the Drain Code in order that the Bonds may be sold at the lowest and most favorable interest cost.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CALHOUN COUNTY:

1. Full Faith and Credit Pledge of County. Pursuant to the authorization provided in the Drain Code, the Board of Commissioners of Calhoun County does hereby irrevocably pledge the full faith and credit of the County for the prompt payment of the principal of and interest on the Bonds when due, and pursuant to said pledge, in the event that the collection of the Special Assessments is insufficient to pay the Bonds or the interest thereon when due, the amount unpaid shall be promptly advanced from County funds as a first budget obligation, and the County Treasurer is directed to immediately make such advancement to the extent necessary.
2. Reimbursement of Advance from Special Assessment Roll. In the event that pursuant to the pledge of its full faith and credit the County advances out of County funds all or any part of the principal of and interest on the Bonds, it shall be the duty of the County Treasurer and the Water Resources Commissioner, for and on behalf of the County, to take all actions and proceedings and pursue all remedies permitted or authorized by law for the reimbursement of such sums so paid, including without limitation the reassessment by the Water Resources Commissioner of the special assessment roll as provided in Section 276 of the Drain Code.
3. Tax Covenant. To the extent permitted by law, the County shall take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for general federal income tax purposes under Internal Revenue Code of 1986, as amended, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure of proceeds of the Bonds and moneys deemed to be proceeds of the Bonds.
4. Rescission. All resolutions and parts of resolutions insofar as the conflict with the provisions of this resolution are hereby repealed. This resolution shall become effective immediately upon its passage.

Comr. Camp Seifke stated Cortright spoke about the scope of project and he told her rather than build this for future expansion, he would do the minimum to alleviate the problem. She asked if he could guarantee her that was what he had done.

Cortright stated yes.

Comr. Camp Seifke thanked Cortright for doing town hall meetings and fielding her questions regarding this project. She stated she had a concern with the difference in 5 years of financing from what was presented to the residents and the proposal given at the meeting. She stated she understood the overall cost was less if the project was done in less years but the reason she asked about the scope of the project was because there was a particular resident on a fixed income who was being assessed another \$200 per year and with the 4.5% interest it was another \$90 per year, which means a higher per year payment over 15 years. She stated the resident explained to her that he lives in a rural area and has \$50 per month for gasoline and the calculations for 20 years would be another \$25 per month for the assessment, which would leave him \$25 for gasoline. She stated when you look at numbers I need you to put a face to it and this is just a case study not an actual name but these are people who can't make these payments. Camp stated when we go through the Board of Determination it's deemed necessary, but it's not practical to raise people's taxes \$300 per year, it takes up all of their discretionary funding. Camp stated I'm between a rock and a hard place and I didn't realize the Board had the option of killing the project if the bonds are not willing to be sold but looking at 6-8% interest versus 4.5%, unfortunately I say, please let's support this. She stated my heart is wishing there was a more economical way to deal with this, but it's been miserable for the residents who have had to deal with the water, we need a community solution and I won't argue with that. She stated when I see the price tag associated with this; I would like to vote no using an expletive. So I need you to answer for me, how do we talk to the residents, is there a way to make it a 20 year bond so the people who need those extra 5 years to make the payments will have it?

Bedzinski stated the assessments were payable over time, depending on what was decided by the Water Resources Commissioner. He stated if a property owner wanted to prepay their assessment, they were allowed at any time. He stated it was his understanding that most assessments were under \$1000 per year and when that is divided by 20 versus 25, the increase was not that much more. He reminded everyone that if any property changed hands, the assessment would have to be prepaid, as required by most mortgage companies, and the Water Resources Commissioner is responsible to make up any difference when the bonds sell.

Comr. Camp Seifke stated that even though the residents were provided a sheet that showed their payments for 20 years, we will decide that what they have already been given is not valid and we are going to ensure that they are going to pay more each year.

Masteron noted the resolution does state 20 years but the decision is ultimately one of what the market would bear and Mr. Bedzinski decided the Water Resources Commissioner should go shorter.

Comr. Camp Seifke asked Cortright if she could have his assurance that he would do 20 years instead of 15 for these residents who can't afford it at 15 years. She stated they can't afford it at 20 and as you have explained the County is not at risk because there is the delinquent revolving fund and to explain what that means in real simple terms, if people can't pay their taxes in full, the County Treasurer takes out a loan to make all government entities whole and holds that balance. She went on to say when someone sells their property because they lost it because of the tax forfeiture process, then as explained here, it has to be paid in full. She stated as a representative, she was going to tell what had been told to her in the township, in the last week, they are throwing around the word foreclosure, forfeiture. She stated she was not exaggerating to say there was more than one individual household who don't think they can carry this burden. She asked Cortright what assurances he could give her since he was ultimately going to make these decisions.

Comr. Kale asked if there was a difference in interest rates from 15 to 20 years and what kind of impact would that have on the entire project.

Bedinski stated the shorter you borrow, the lower the rate, which in today's market would be about a half percent or about 4 to 4.5%. He noted that in all the projections they ran, they used 4.5%.

Cortright stated any resident who had that big of an issue could contact him and they would work through it.

Comr. Camp Seifke stated she wasn't sure what options there were after the Day of Apportionments were done.

Cortright stated he hadn't set anything in stone yet.

Comr. Dunn inquired if there were a few people who couldn't make it work, was there a way to allow them 20 years.

Masteron stated the assessment would be uniformly split among the properties.

Bedzinski noted for every 25 basis points in interest rate reduction it amounts to \$10 on a \$4000 assessment.

Comr. Dunn stated it sounds like the numbers are less than what Comr. Camp Seifke was thinking.

Scott noted she had attended the Day of Apportionment and it was made very clear to everyone who attended that everything was estimates, the project cost was a little high, the rates were estimated and nothing was set in stone. She stated she didn't believe we would put anyone in a position of paying more and we need to find the best financial situation for everyone. She stated the apportionment was appealed by the township and as a result of that the County is being assessed for 40% of the entire project.

Lindsey stated he, Scott and Cortright had a phone conference last week with Mr. Bedzinski and Cortright wanted to finance for 20 years but after looking at the numbers, Scott suggested 15 years would be better. He stated ultimately it would depend on what would be the most fiscally responsible when Bedzinski sells the bonds. He stated the resolution gives us the flexibility to do it but there are a lot of considerations that go into the final decisions so he would be real hesitant to have Cortright commit to certain things today because there are a lot of things that need to be weighed.

Cortright stated there were about 85 residents affected.

Bedzinski stated at 4.5% interest on a \$4000 assessment the first year is \$180 or \$200 +\$180, and then goes down \$9 each year. He stated at 4% interest the first year's interest would be \$160, going down \$8 each year.

Comr. Kale clarified the resolution reads 20 years but it will depend on what the best economic value is at the time to whether it goes for 15 or 20 years.

Comr. Haadsma referenced a previous meeting of the Board in which several homeowners presented a petition and several complained about a project. He asked if this was the project.

Cortright confirmed it was the same project.

Comr. Haadsma asked what the consensus of the homeowners in the affected area had been.

Cortright stated it was about half and half, against and for.

On a roll call vote, Yes – 7. Motion CARRIED.

5. Personal Leave of Absence Request

Human Resources Director Archambault stated the Fiscal Officer at the Health Department had been having health issues and was asking for an additional 60 days off. She stated this request was consistent with the way we have handled other leaves.

Comr. Camp Seifke inquired if the leave was without health benefits.

Archambault confirmed the leave was without benefits and the employee had been provided COBRA information.

Res. 73-2012

“Moved Comr. Haadsma, supported by Comr. Camp Seifke to approve the following:
Resolved, the Calhoun County Board of Commissioners does hereby approve a 60 day leave of absence request for the Fiscal Officer of the Health Department.”

On a roll call vote, Yes – 7. Motion CARRIED.

6. Amendment to Group Policy with Guardian Life Insurance Company of America

Administrator/Controller Scott stated the GELC contract bargaining agreed on eliminating long term disability benefits paid by the county; those benefits are offered to employees at their own cost.

Human Resources Archambault stated this was a formality, they had already done open enrollment with the GELC pursuant to contract approved by the Board a few months ago and this was getting the plan document in place.

Scott stated this was an amendment of the group policy.

Res. 74-2012

“Moved Comr. Camp Seifke, supported by Frisbie to approve the following: Resolved, the Calhoun County Board of Commissioners does hereby approve the amendment to the group policy with Guardian Life Insurance Company of America.”

On a roll call vote, Yes – 7. Motion CARRIED.

7. PA 2 Budget Amendment

Administrator/Controller Scott stated there was a considerable amount of carry over funding of \$192,000 from unused alcohol tax from previous years so the substance abuse treatment providers and drug and sobriety court were asked if they needed more funding. She stated Sobriety Court asked for \$21,363 to take them back to previous allocation because their support had been cut this year, Psychological Consulting asked for \$20,000 for additional drug testing funds, Substance Abuse Prevention Services asked for \$5000 for administrative and clerical support and Substance Abuse Council asked for the \$10,000 unused allocation from last year. She stated there would be a new PA2 budget coming before the Board in a few months and there would still be a considerable carryover again.

Comr. Frisbie asked if these dollars came from a resource we can only use in these matters.

Scott stated the PA2 requires 50% of alcohol tax funding and use it for treatment and prevention.

Comr. Frisbie expressed support for Sobriety Court, stating they make a tremendous impact on the lives of those they help.

Comr. Haadsma asked why Substance Abuse Prevention needed Administrative Support.

Scott stated they had auditor recommendations for help.

Comr. Kale stated they had been trying to use high school students and it led to their reporting not being consistent. He noted this support would be through September.

Comr. Haadsma noted Scott was part of a substance abuse workshop and wondered if the workshop participants were supportive of this distribution.

Scott stated the Substance Abuse Work Group met June 4 and discussed the 5,000 for sap was not discussed

8. May 2012 Financials

Scott stated the financials are in line and revenues and expenditures are within expectations, except public safety, which was being monitored and trending upward. She stated Finance requested expected variances for the rest of the fiscal year from Department Heads and Elected Officials.

Res. 75-2012

“Moved Comr. Haadsma, supported by Comr. Frisbie to approve the following: Resolved the Calhoun County Board of Commissioners do hereby approve the May 2012 Financials as presented for informational purposes.”

On a voice vote, Motion CARRIED.

13. CITIZEN'S TIME

Larry Holcomb of the Convis Township Planning Commission stated there was a lot of interest in renewable energy and asked if the County had a policy, rules or county regulations for wind turbines used for energy. He stated he did not think we could support the taller wind turbines with the amount of birds we have coming in and out of this county.

Larry Skelding of Pennfield Township stated Pennfield was also having a meeting on wind turbines on July 2 and could use some guidance.

14. COMMISSIONERS TIME

Comr. Frisbie stated he had gotten Convis and Pennfield Townships in touch with each other when he saw that they were both discussing wind turbines. He hoped they could work together for a solution and suggested maybe it was something the Michigan Township Association should discuss.

Comr. Frisbie stated he attended the Road Commission Board meeting and there were statements made accusing the Road Commission Task Force of seeking out or selecting Road Commission employees. He stated the only employees they talked to were ones who contacted them and they had permission to talk to. He stated the Road Commission Task Force asked the Road Commission Board not to enter into long term contracts; they ignored it and entered into a new contract with the Director.

Comr. Camp Seifke addressed the Commissioners on the Road Commission Task Force, stated I appreciate getting minutes, agendas and a copy of the Phase 1 report. She stated I am framing my comments from trying to move forward without knowing what your conversations had been with one another so if I step on any toes it is purely because I don't know what I am talking about yet hence I want to start the public dialogue. She stated I have a history if I don't get enough information by the time there is a motion before us I tend to vote no and I tend to articulate all the points of what I wish I had and why didn't I have it. She stated this was my attempt to come to you early, at least somewhat early, and address some concerns that I have and to be clear that I will need some of things answered before I move forward. She noted the Road Commission Task Force had given two different timelines of when they would like to move forward so she would like the timeline clarified. She asked if the Road Commission Task Force was considering something middle of the road, not necessarily leaving things as they are with the Road Commission but not necessarily taking it over. She stated she sat on a number of Boards where there are grantors who have stipulations of what the people that spend the money have to do and at some point there is a report that comes back to show findings. She stated the County has fronted the money for the Phase 1 study, you've learned a lot from it, I've had a chance to look through it and I wonder if you would consider forging ahead with a less adversarial relationship, I'm just saying on your part, I understand there's a number of dynamics, and setting forth what would need to happen in a certain time frame based on what you are gleaming from the information you are collecting. She stated I also read the summary of how difficult it is to change back to a Road Commission should the Board of Commissioners take this over so I would just like assurances that you have at least considered a temporary plan, I don't believe we are bound by any time frame that we must take over the Road Commission immediately if we have concerns. She stated I know we all have concerns so just for consideration to recap what I'm trying to express can you come up with a list of findings of what you would like to see happen, a timeline you would like to see happen and attempt to work with the current

Road Commissioners to implement it. She stated should that fail, I would certainly be more supportive of assuming the role of the Road Commission.

Comr. Frisbie asked Comr. Camp Seifke to clarify what she meant by a middle of the road option, did she mean to ask them to do something, have them implement it then view the results?

Comr. Camp Seifke stated that was what she meant by a middle of the road option and asked if they had a feel yet that if we assume the responsibilities of the Road Commission would there be a millage, some kind of assessment. She stated I am wondering when you come back with a summary, I need it made clear to me, looking at the Board of Commissioners as a policy board and as a budget board are the allocations of the FTE for employment and all the various policies that have budget impact and the oversight of supervisors etcetera, are those so extreme they would answer why the roads were in the shape they are in and why we can't improve them or is it simply that there's not enough revenue. She stated if it is more the revenue side then what plight is this because that's what my residents are asking me, should the County assume these responsibilities, is there going to be a push for a millage, is there going to be an assessment, is it going to be a big money thing, then the conversation goes what would the Road Commission have done if they had X, Y, Z amounts of money. She stated that was another area for them to explore and she would like responses later. She asked what the department would look like in the county because knowing how we function as a Board of Commissioners, knowing that we have presentations given to us from various departments; I have a concern whether this department, if there was such a department, would look similar to other departments the county has or function very, very differently. She stated it seems like different townships who work directly with the Road Commission and/or residents who have concerns and/or something new, you would almost need a full time person for marketing complaints and to explain what's going on and if we, as the Board of Commissioners, are going to be held directly responsible for a turn around and what may or may not happen or where it happens in the community, we need someone who can articulate that to somebody and that's not typically what we, as Commissioners, ask of any department in the county. She asked the Task Force if their intention was to have the autonomy under Administrator/Controller Scott or do something different. She stated that was just something for them to think about and get back to her with because that's where her thoughts are today and she appreciated them listening.

Comr. Kale stated the timeline was on the website and the Task Force was still at a discovery stage and they were not preordained to make a decision that was why the Phase 1 study was done. He stated people were not interested in a millage until the Road Commission was being handled better. He noted there would be two public hearings before the Board down the road and they wanted input on questions that were put together. He stated they would discuss concerns and comments with Rehmann Robson.

Comr. Frisbie explained the Task Force had originally had a longer timeline but the Road Commission employees were wondering what was happening because changes will directly impacts them so the Task Force sped up the timeline so they wouldn't be in limbo and not know what was going to happen.

Comr. Kale stated he sat in on the Leroy Township Board of Review and the problem was that Leroy protested the assessment but the County could not speak because we did not protest. He stated that if anyone protests the assessment, the County needs to automatically do the same to protect our interests and so we have a chance to respond.

Corporation Counsel Lindsey stated there was a very fast timeline to file protests and we don't always have a Board meeting before the filing deadline. He stated he would file appeal then have the Board approved at the following meeting.

15. CLAIMS PAYABLE

A. Claims Payable for June 1 - 14, 2012 in the Amount of \$2,683,391.77

Res. 62-2012

“Moved Comr. VanSickle, supported by Comr. Todd to approve the following: Resolved the Calhoun County Board of Commissioners does hereby approve the Claims Payable Listing for May 11-31, 2012 in the amount of \$1,719,019.72.”

On a roll call vote, Yes –7. Motion CARRIED

16. ANNOUNCEMENTS

Comr. Kale gave a shout out to the Albion High School boys track team as they took their fourth state title; coaches are Mike Jurasek and Rob Ferguson. He congratulated Sophomore Nolan Mitchell who has won seven state titles in track in the last two years. He also congratulated Coach Rob Ferguson’s daughter, Alexandria, who won the state title in discus.

Comr. Camp Seifke invited everyone to the 4th of July parade in Newton Township at the Home Grange at 10 or 11 in the morning and they will have a hot dog lunch and games.

Comr. Kale wished Comr. Frisbie a Happy Birthday tomorrow.

17. ADJOURNMENT

The meeting was adjourned at 9:20 p.m. at the call of the Chair.

cam

Chairman
Calhoun County Board of Commissioners

Clerk
Calhoun County Board of Commissioners