

Buildings, Lands & Infrastructure Committee

Ed Boettcher

Chuck Johnson, Chairman

Bryan Smith

Minutes November 1, 2016

Members: Chuck Johnson, Ed Boettcher, Bryan Smith
Members absent: None
Others: Pete Garwood, Mike Crawford, Janet Koch, Mike Bertram

1. The meeting was called to order at 9:00 a.m. by Chairman Chuck Johnson.

2. Public Comment

Mike Bertram spoke against revising the Nifty Thrifty lease.

3. Building Department Update

Mark Haynes, Building Official, had included a written update in the agenda packets. He noted that the September expenses had been higher primarily based on the fact that the month had had three pay periods. Pete Garwood, County Administrator, said he was working with Mr. Haynes regarding a method of contacting a property owner that was an entity and not an individual.

4. Soil Erosion Control (SEC) Update

Heidi Shaffer, Soil Erosion Control Officer, had included an update with the agenda packets. The total of number of permits was on track to increase in 2016 from 2014 and 2015. She noted that the 2016 fee increases had brought in slightly more revenue. The Committee noted that cooperation from contractors regarding soil stabilization was as important, if not more important, than the revenue stream from permit fees.

Ms. Shaffer noted the departure of Dianna Robinson, the Conservation District's Office Manager and said that the ACD was planning to hire their AmeriCorps Protection Technician, Bethany Springsdorf, as the new office manager and to bring in a new AmeriCorps volunteer in 2017.

5. Forestry Update

Trust Fund Grant Application (property adjacent to Mohrmann Park)

Mike Meriwether, County Forester, said he'd been told by the Michigan Natural Resources trust fund staff that a grant can't be awarded for an amount that is above an appraised price; he said there was no current appraisal. Mr. Meriwether said there are two gas wells on the property. Janet Koch, Associate Planner, noted that the Board of Commissioners had approved funding the appraisal in late 2015.

Motion by Ed Boettcher, seconded by Bryan Smith, to recommend the Finance Committee find the funding for, and the Board of Commissioners approve, an appraisal for the East 1/2 of the Southwest fractional 1/4 of Section 31, Town 31 North, Range 7 West, with the intent that the appraisal be completed before the next Committee meeting. Motion carried – unanimous.

6. Parks Update

Eileen Wallick, Parks Manager, distributed a copy of the Barnes Park receipts to date for 2016 (see attached pg. 7).

Paving Improvements

Ms. Wallick discussed paving repairs at Barnes Park; it was the Committee's consensus that the project should wait until 2017.

Elk Rapids Day Park

A copy of a quote to repair the walkway had been faxed to the Administration Department and was distributed to the Committee (**see attached pg. 8**). Ms. Wallick said the total length of the asphalt was 400 feet and that the 9A material specified was Afton stone. Ms. Wallick and the Committee agreed that Afton stone was easier to maintain considering the type of traffic the park was now receiving.

Ms. Wallick said the existing budget for the Day Park had \$3,000 in contractual services, \$1,000 in building maintenance, and \$264.43 in equipment maintenance.

Motion by Ed Boettcher, seconded by Bryan Smith, that the Finance Committee find the funding for, and the Board of Commissioners approve, a not-to-exceed amount of \$8,150 for the quoted improvements at the Elk Rapids Day Park. Motion carried – unanimous.

Ms. Wallick said repairs to the plumbing in the bathhouse would be scheduled in 2017.

7. Operator of Dams Update

Mark Stone, Operator of Dams, said progress was being made on the renovations to the Elk Rapids Hydrodam. He had worked with Deb Haydell, Finance Director, regarding budget amendments for the first portions of the project, which would be completed in 2016. The funding would come from Fund 582, Elk Rapids Hydro Utility System, as described on page 7 of the Finance Committee minutes of September 12, 2016. Mr. Stone asked for a \$5,000 budget amendment that would cover the engineering costs and an analysis for lead and cadmium.

Mr. Stone also needed a budget amendment to cover a cost of \$328.02. This was 20% of the total cost for a dissolved oxygen analysis, which was required by the Michigan Department of Environmental Quality. This would also come from the Fund 582 fund balance.

Motion by Ed Boettcher, seconded by Bryan Smith, to recommend the Finance Committee approve a \$5,000 budget amendment for Fund 582, capital outlay, and a \$328.02 budget amendment for Fund 582, contractual services, for work at the Elk Rapids Hydrodam. Motion carried – unanimous.

8. Grass River Natural Area (GRNA) Update

Haley Breniser, Executive Director of GRNA, showed trail cam video from the Grass River featuring otters, a deer, and a bobcat. She reminded the Committee that hunting was allowed at GRNA except for an area near the nature center and many of the trails.

Ms. Breniser said GRNA had 80 volunteers in 2015 but have already had 150 volunteers in 2016; most is maintenance to infrastructure and field work. She expected that the number of visitors to GRNA would meet or exceed numbers from 2015.

A new relationship was being developed with Grayling schools, Ms. Breniser said, and the new GRNA signage was on track to be installed by the end of the year. She also noted there were 3 new GRNA board members and that she is applying for a number of grants that would benefit GRNA.

Ms. Breniser told the Committee she'd been having conversations with property owners regarding the rail trail. The Committee and Mr. Garwood discussed ownership of the rail trail and who had the authority to erect gates and install locks.

The Administration Department was directed to ask civil counsel about the County's authority regarding the properties under question of ownership and to pursue the Board of Commissioner's motion from their August meeting regarding the former ownership of the former Chesapeake and Ohio Railway property.

9. Grass River Natural Area (GRNA)

Lori Sak, President of GRNA, said the GRNA Board appreciated the continuation of GRNA's appropriation for 2017 and that their Board also appreciated the commitment of the commissioners to fund the improvements to the road to Grass River over a three-year period.

Ms. Sak read a statement regarding the history of the GRNA acquisitions, concluding with the opinion that the State of Michigan considers all of the different GRNA properties as one project. She noted that selling parcel 05-04-006-032-50 would restrict access to other GRNA properties and pointed out that Section 19 of the grant agreement refers to protecting the project area and any lands affected by the project. Ms. Sak said the trust fund should be contacted about the proposed easement.

The GRNA Board, Ms. Sak said, unanimously voted to oppose selling the parcel or granting an easement across the property. She added that the sale or the granting of an easement could damage the public trust.

The Committee took a recess at 10:30 a.m.

The Committee returned from recess at 10:40 a.m.

10. Maintenance Update

Dave Vitale, Maintenance Director, described a number of projects the Maintenance Department had been working on. Mr. Vitale said the installation of the County Building's new boiler system had been completed and he'd been working on some issues regarding the natural gas service line, but that everything was now functioning properly.

11. Nifty Thrifty Lease (see attached pgs. 9-13)

Mr. Garwood said regardless of the decision, the County will hold building insurance for the Maltby Building, which houses the Nifty Thrifty Shop, a nonprofit corporation. Ms. Palka asked that an additional signature line be added to the lease.

Motion by Ed Boettcher, seconded by Bryan Smith, to recommend the Board of Commissioners approve the proposed amendments to the lease agreement between Antrim County and Nifty Thrifty Shop, Inc. approved by the Board of Commissioners on October 13, 2016 and the chairman of the Board of Commissioners be authorized to sign the amended lease agreement. Yes votes – Ed Boettcher, Bryan Smith; No votes – Chuck Johnson.

12. Jump Easement

It was the consensus of the Committee that the sale of the County-owned parcel 05-04-006-032-50 was not in the County's best interest.

The Administration Department and Ms. Sak said the property was not part of the trust fund grant acquisition, but it had been included in the project area and had been used as a match for the acquisition. Ms. Sak said the intent of the GRNA acquisition had been to reduce development on the river, but granting the easement would encourage more development. The Administration Department was directed to contact the trust fund to find out if property used as a match for a trust fund grant is subject to trust fund restrictions.

Don Jump said their current septic system does not meet the health department's current standards, but they can continue to use their existing dwelling and the existing drain field. Mr. Jump said if they pursued an easement directly to the north of their property, it would go through existing wetlands; that accessing the current unused drain field would be less damaging to the environment. Ms. Sak said a purchaser has the responsibility to determine whether or not the property could be developed; that it was not the County's responsibility to ensure that all properties have the ability for construction. Compensation to the County for an easement was mentioned.

Motion by Bryan Smith, seconded by Ed Boettcher, to recommend the Board of Commissioners approve an intent to establish a sewer utility easement across the County-owned parcel 05-04-006-032-50 for the purpose of connecting a home at 5713 Brake Road to the unused existing drain field on the County's parcel, with the cost of the easement's legal description and recording fees to be paid by Don and Michelle Jump, and that the Board of Commissioners will make a final motion regarding the proposed sewer easement after receiving and reviewing the legal description, contingent upon receiving info from MNR trust fund staff that the easement would not jeopardize the conditions of the grant or future grants. Motion carried – unanimous.

13. Glacial Hills Timber Sale

Mr. Meriwether said the sale was to clear out the diseased ash and beech, that the intents of the timber sale were salvage and safety. He told the Committee that the contract was for two winters and was restricting the contractor to do the work only in the winter. Mr. Meriwether said they will be taking out many diseased trees that are adjacent to the trails. He added that he will be making adjustments to the pricing structure due to the nature of the market and the trees being taken out.

Motion by Ed Boettcher, seconded by Bryan Smith, to recommend the Board of Commissioners authorize the Chairman to execute a timber sale agreement with Fahl Forest Products on a portion of the County-owned property known as the "Glacial Hills Pathway and Natural Area" with a revised pricing structure. Motion carried – unanimous.

Mr. Boettcher said the Glacial Hills trails will have temporary signage regarding firearm hunting season. Mr. Meriwether said he will make more efforts to close off the trails in phases during the timber cuts.

Community Grant

Mr. Garwood said he would be contacting civil counsel regarding the legalities of the County implementing a grant program.

14. Forestry Ordinance Amendment (see attached pgs. 14-21)

Mr. Meriwether said he had sent the commissioners a letter stating his opposition to the ordinance amendment (see attached pgs. 22-24). He said the existing ordinance already included a procedure in place for selling or trading County-owned properties. Mark Stone, Operator of Dams, said the existing ordinance established a social covenant that protects donated property. He encouraged that commissioners talk to the businesses in the Eastport area about a proposed route for the proposed trail.

Mr. Boettcher said the amendment wasn't primarily concerned with the proposed Traverse City to Charlevoix trail; it was about increasing the value of County properties. He added that the Forestry ordinance applied only to the specific parcels listed in the ordinance.

Regarding the County-owned 40 acre parcel north of Lore Road, Mr. Meriwether said the State deed restrictions had been removed, but the State retained the mineral rights and 50% of the ownership.

Motion by Ed Boettcher, to recommend the Board of Commissioners approve the proposed amendment to the Antrim County Forestry Ordinance, and to include a requirement that the sale of a Forestry parcel would require a 70% vote of the Board. There was no second to the motion.

Mr. Garwood suggested eliminating the language in the ordinance that restricts the ability to transfer property. For the next Committee meeting, staff was asked to bring back information about the date of the next general election and about the State of Michigan percentage regarding the sale of the 40 acres.

15. Bids (see attached pgs. 25-27)

Mr. Garwood said only one bid had been received for the each of the three projects, which were providing the Barnes Park firewood, providing portable toilets for various County parks, and trash removal at various County facilities.

Motion by Ed Boettcher, seconded by Chuck Johnson, to recommend the Board of Commissioners approve the bid from Sandra Barnes for the provision of firewood for Barnes Park Campground at \$3.25 per bundle for the camping seasons of 2017, 2018 and 2019.

Motion carried – unanimous.

Motion by Ed Boettcher, seconded by Bryan Smith, to recommend the Board of Commissioners approve the bid from Gmoser's Septic Service, Inc. for the years 2017, 2018 and 2019 for the provision and servicing of porta johns at the various Antrim County parks as outlined on the attached bid sheet. Motion carried – unanimous.

Motion by Bryan Smith, seconded by Chuck Johnson, to recommend the Board of Commissioners approve the bid from American Waste for trash removal for the years 2017, 2018 and 2019 at the various Antrim County facilities as outlined on the attached bid sheet.

Motion carried – unanimous.

16. Various Matters

Antrim Creek Natural Area (ACNA) Endowment Fund

Mr. Stone, who is chair of the ACNA Endowment Fund Committee, said he had spoken to the other committee members regarding a line item of \$17,000 that the fiduciary for the endowment, the Grand Traverse Regional Community Foundation, had noted should be either rolled back into the endowment or moved to the ACNA Fund 234. Mr. Stone said the consensus of the ACNA Committee had been to move the monies to the ACNA Fund 234.

Barnes Park - Electrical Pedestal Project Change Orders (see attached pgs. 28-31)

Mr. Garwood reminded the Committee of the County's policy regarding change orders during construction projects, which addresses the need for an immediate decision regarding a change order. Mr. Garwood said, per policy, he had contacted the Chair of the Committee (Mr. Johnson) and the Chair of the Board of Commissioners (Mr. Crawford) about the need for a \$5,500 change order to use a "Vibra Plowing" method to bury the new electrical cable instead of trenching and filling and received their permission to move forward.

In addition, the contractor said the project would need an additional 750 feet of electrical cable at a cost of \$2,175. Both change orders needed to be approved by the Committee for recommendation to the Board for payment.

Motion by Bryan Smith, seconded by Chuck Johnson, that the Board of Commissioners approve change order #1 at a cost of \$5,500 and change order #2 at a cost of \$2,175 for a total cost of \$7,675. Motion carried – unanimous.

Department of Health and Human Services Lease (see attachments pg. 32-50)

Mr. Garwood said he had received a letter from the State of Michigan dated October 17, 2016 noting that the intention of the State was to move ahead with the lease as it had been presented to them. Once signed by the County Chair it will be forwarded to the Attorney General for review and approval and then approved by their committee.

The Committee asked Mr. Garwood to include a copy of the lease with the minutes and that the lease be discussed at the November 10 Board of Commissioner meeting.

Antrim Creek Natural Area

Ms. Koch said approval from the Army Corps of Engineers for the modification to the boat landing project (the addition of 6" of gravel underneath the concrete slabs) was still pending.

Lake Level Benchmarks

Ms. Koch told the Committee that the lake level benchmark project was complete. The report submitted by the County Surveyor, Scott Papineau, was being sent to the Building Department, which will allow them to provide the information to area builders.

17. Public Comment

None.

The meeting adjourned at 12:40 p.m.

TICKET #	TICKET AMOUNT	RESERVATIONS	SHOWERS COLLECTION	PAVILIONS RENT	DUMP STATION	FIRE-WOOD	ICE	CLOTHING SALES	COKE	TOTAL
05/31/16	26544	11,988.00	14,556.00	0.00	200.00	0.00	0.00	0.00	0.00	26,744.00
06/15/16	4120	3,822.00	298.00	140.00	300.00	0.00	250.00	54.00	0.00	4,864.00
06/30/16	22800	21,754.00	1,046.00	136.00	150.00	0.00	160.00	78.00	169.00	23,493.00
07/15/16	24617	24,617.00	0.00	433.00	0.00	0.00	290.00	348.00	198.00	25,886.00
07/31/16	34136	33,202.00	934.00	700.00	150.00	0.00	140.00	327.00	358.00	35,956.00
08/15/16	27426	27,426.00	0.00	0.00	0.00	300.00	215.00	377.00	219.00	28,537.00
08/31/16	26914	26,038.00	876.00	780.00	400.00	0.00	400.00	231.00	0.00	28,725.00
09/15/16	12500	12,500.00	0.00	0.00	0.00	0.00	0.00	150.00	289.00	12,939.00
09/30/16	6902	6,902.00	0.00	188.00	0.00	0.00	95.00	0.00	84.00	7,269.00
10/20/16	6305	6,305.00	0.00	0.00	250.00	605.00	35.00	18.00	135.00	7,348.00
YEAR TOTAL		174,554.00	17,710.00	2,377.00	1,450.00	905.00	1,585.00	1,583.00	1,452.00	201,761.00
		total camping	192,264.00							201,761.00

RATES ELECTRIC:\$28	INCOME ahead 2009	70,026.00	
NON ELECTRIC: \$24	INCOME ahead 2010	65,249.00	
PAVILIONS: \$50.	INCOME ahead 2011	60,577.00	
FIREWOOD: cost \$3 sell for \$5.00 park= \$2	INCOME ahead 2012	60,903.00	
DUMP STATION :\$15 / XXL- \$20	INCOME ahead 2013	52,074.65	
ICE cost 1.35 sell for \$3.00/ Park \$1.65	INCOME ahead 2014	51,642.00	
COKE sell \$1.00 machine quit working	INCOME ahead 2015	23,598.25	
	Occupancy Electric		0
	Occupancy Rustic		

PROPOSAL

6725 Birch Lake Road
Kewadin, MI 49648

231-264-1100
Fax 231-264-6452



EXISTING CONTRACT WITH: <u>Antrim County</u>		PHONE <u>675-1168</u>	DATE <u>10-7-16</u>
STREET		JOB NAME	
CITY, STATE & ZIP		JOB LOCATION <u>Antrim County Day Park Ell Rapids</u>	
ARCHITECT	DATE OF PLANS	JOB PHONE	
		<u>att. Irene</u>	

WE HEREBY SUBMIT SPECIFICATIONS AND ESTIMATES FOR:

1) Walkin path asphalt removal and place 9a spec 2" thick - \$2403

→ 100' x 8' x 2"

2) 300' x 8' x 2" removal and replace with 9a spec \$5000

100' x 8' x 2"

3) fill in pot holes and Rd way deviation bumps with 9a spec \$750

WE PROPOSE HEREBY TO FURNISH MATERIAL AND LABOR — COMPLETE IN ACCORDANCE WITH ABOVE SPECIFICATIONS, FOR THE SUM OF

_____ DOLLARS (\$_____).

PAYMENT TO BE MADE AS FOLLOWS:

upon invoicing at finish

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

AUTHORIZED SIGNATURE

Carl W. Steuer

Note: This proposal may be withdrawn by us if not accepted in 30 days.

ACCEPTANCE OF PROPOSAL - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Date of Acceptance _____

Signature _____

LEASE
between
Nifty Thrifty Shop, Inc.
and
County of Antrim

THIS LEASE, entered into this 25th day of October, 2016 between the COUNTY OF ANTRIM, a governmental entity (hereinafter referred to as “LESSOR”) whose address is the Antrim County Building, 203 East Cayuga Street, P.O. Box 520, Bellaire, Michigan, 49615 and NIFTY THRIFTY SHOP, INC, a nonprofit Michigan Corporation (hereinafter referred to as “LESSEE”) whose address is P.O. Box 992, Bellaire, Michigan, 49615.

In consideration of the mutual and promises contained in this Lease, the parties agree as follows:

ARTICLE 1
TERM AND PREMISES

LESSOR hereby leases to LESSEE the following described premises, commonly known as the Maltby Building, for a period of five (5) years, beginning on October 31, 2016:

Lot 24; also the South 100 feet of Lot 25; all in Block ‘C’ of the Plat of the Village of Bellaire, Michigan.

LESSEE shall also have the option of extending the current lease for one (1) additional five (5) year period at the LESSOR’s discretion with ninety (90) days prior written notice.

ARTICLE 2
PURPOSE

LESSEE agrees to operate a retail thrift store, or other similar operation, on the premises.

ARTICLE 3
POSSESSION

LESSOR shall deliver possession of the leased property to LESSEE on the date this Lease is executed.

ARTICLE 4
RENT

The LESSEE shall pay to the LESSOR as rent consideration for the leased premises at the rate of One and 0/100 dollars (\$1.00) per year, payable annually in the month of October.

ARTICLE 5
ALCOHOL PROHIBITED

LESSEE agrees that no alcoholic beverages or intoxicants of any kind may be possessed or consumed on the premises by any person. LESSEE further agrees that neither its officers, directors, members, employees, volunteers, invitees, visitors, guests, nor participants in sponsored events, shall possess or consume or permit any other person to possess or consume any alcoholic beverages or intoxicants of any kind on the premises. A violation of this section shall be grounds for immediate termination of this Lease.

ARTICLE 6
REPAIR AND MAINTENANCE

LESSEE shall maintain the premises in, at a minimum, as good a condition as it is on the date that possession is given to LESSEE, reasonable wear and tear accepted. All repairs and maintenance on the premises, equipment or any fixtures located thereon, ~~regardless of the cause,~~ shall be the responsibility of the LESSEE at its sole expense. The repair of major facilities such as heating, lighting, plumbing, the roof and the four outer walls of the premises and the sidewalks and parking area on the premises shall also be the duty and responsibility of the LESSEE during the term of this Lease.

ARTICLE 7
IMPROVEMENTS

LESSEE, at its sole expense may, with the prior written consent of LESSOR, make any improvements to the premises that it deems necessary. All work shall be done in a good and workmanlike manner and in accordance with all applicable laws, ordinances, and codes. If any improvements are made by LESSEE, the improvements shall become and remain part of the property upon the expiration of this Lease.

ARTICLE 8
UTILITIES

LESSEE shall be responsible for payment of all utilities and shall see that those payments are made before any liens attach to the premises for nonpayment; this shall include waste removal.

ARTICLE 9
SNOW REMOVAL

LESSEE shall be responsible to keep the premises, including the parking area, sidewalks, and all entrances and exits free from unreasonable accumulations of ice and snow.

ARTICLE 10
LAWN MAINTENANCE

LESSEE shall be responsible for all lawn maintenance on the premises, including the mowing of grass, raking of leaves, and trimming of vegetation.

ARTICLE 11
INDEMNIFICATION

LESSEE shall indemnify and hold harmless LESSOR, their public officials, officers, board members, successors, assigns, agents, servants, employees, and insurance companies from any damages, legal fees or expenses, awards, demands, rights, causes of action, including but not limited to, causes of action for contribution, indemnification, or recovery of any liens of any kind or nature, losses, claims and actions which may, do, or shall arise out of or grow out of the LESSEE'S use or occupancy of the leased premises. This provision shall apply to any and all claims by LESSEE, its directors, officers, agents, servants, employees, volunteers, successors or assigns.

ARTICLE 12

CASUALTY AND LIABILITY INSURANCE

- A. *LESSOR shall keep the building in which the leased premises are located insured against loss or damage by fire and other hazards covered by customary insurance coverage in the amounts determined by LESSOR.* LESSEE shall procure at its own expense liability insurance covering LESSOR with public liability insurance and property damage insurance in the sum of not less than ONE MILLION and 00/100 DOLLARS (\$1,000,000.00). The insurance policy shall include an endorsement stating the following shall be Additional Insureds: The LESSOR, all elected and appointed officials, all employees and volunteers, agents, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming the LESSOR as additional insured, coverage afforded is considered to be primary and any other insurance the LESSOR may have in effect shall be considered secondary and/or excess.
- B. The insurance policy shall carry an endorsement requiring that LESSOR shall be given 10 days written notice before any change in or any cancellation of the policy. LESSEE shall keep all such insurance in force during the term of this Lease and deliver a copy of all such policies to LESSOR. If LESSEE fails to comply with this provision, then the LESSOR may, in addition to treating LESSEE'S failure to obtain or maintain the required insurance as a breach of this Lease, procure such insurance and charge the expense thereof to LESSEE.

ARTICLE 13

WASTE AND NUISANCE

LESSEE shall not commit, or cause to be committed, any waste on the premises, nor shall it maintain, commit, or permit the maintenance or commission of any nuisance on the premises.

ARTICLE 14

DEFAULT

A default shall be deemed to have occurred if LESSEE breaches any provision of this Lease and such breach continues for thirty (30) days after receipt by LESSEE of written notice of the breach. If any default as specified herein occurs, LESSOR shall have the right to re-enter the premises and regain possession or to take such other action as permitted by law.

ARTICLE 15

TERMINATION

Either party may terminate this Lease by giving the other party ninety (90) days written notice of termination.

ARTICLE 16

MISCELLANEOUS

- A. The premises covered by this Lease shall not be used for any unlawful purpose.
- B. LESSEE shall abide by all federal, state and local laws in respect to the operation of any activity on the premises and in respect to the manner in which they use the premises.
- C. On LESSOR's written approval, LESSEE may at its sole expense erect or cause to be erected one (1) outdoor sign advertising the activities and/or organizations using the premises. The sign shall be in compliance with all governmental regulations and be harmonious in size, style, and content with those of any adjoining businesses.

- D. LESSEE agrees that if the interest created by this Lease shall be taken in execution or by other process of law or if the LESSEE shall dissolve, become bankrupt or insolvent, according to law, or any receivership be appointed for the business or property of the LESSEE, then this Lease may be cancelled at the option of the LESSOR.
- E. This Lease shall be binding upon the heirs, executors, personal representatives, successors and assigns of the parties.
- F. If any provisions of this Lease shall be declared invalid or unenforceable, the remainder of the Lease shall continue in full force and effect.
- G. This Lease contains the entire agreement between the parties and any subsequent agreement made hereafter shall be ineffective to change, modify or discharge this Lease, either in whole or in part, unless such an agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought.
- H. This Lease shall be construed under and in accordance with the laws of the State of Michigan. Venue for any action brought under this Lease shall lie in Antrim County, Michigan.
- I. No waiver by the parties hereto of any default or breach of any term, condition, or covenant of this Lease shall be deemed to be a waiver of any breach of the same or any other term, condition, or covenant contained herein.
- J. LESSEE shall not be allowed to reassign any or all portion of this lease agreement.
- K. The LESSEE shall not discriminate against any worker, employee, or applicant for employment because of race, color, religion, height, weight, marital status, national origin, ancestry, sex, age, (except where requirements as to age is based upon a bona fide occupational qualification), or disability (that is unrelated to the individual's ability to perform duties of a particular job or position) pursuant to 1976 PA 453, as amended, MCL 37.2101 et seq. (Elliot-Larsen Civil Rights Act).

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

WITNESSES:

NIFTY THRIFTY SHOP, INC.

By: _____

Its:

**ANTRIM COUNTY
BOARD OF COMMISSIONERS**

By: _____

Michael Crawford

Its: Chairman



February 19, 2009

At the February 12, 2009 meeting of the Antrim County Board of Commissioners, the following Resolution was offered:

ORDINANCE # 1 of 2009 by Bernard Blackmore, seconded by Michael Crawford

**FORESTRY PROPERTY AREA
ORDINANCE**

The County of Antrim does hereby ordain:

ARTICLE 1

- 1.01 **PURPOSE:** The Board of Commissioners of the County of Antrim has for a number of years managed certain forestry property received from the State of Michigan under section 6 of former 1931 PA 217, now being P.A. 1994, No. 451, 52701, added by P.A. 1995, No. 57, 1, Imd. Eff. May 24, 1995 being MCL 324.52701 et seq 451. Section 6 now allows the County to seek relinquishment of certain reversionary interest now held by the State of Michigan. The County has determined that continued management of such property is important for the purpose of forestry and that property is maintained for forestry purpose, to protect the diversity and natural features found upon the properties and to keep it accessible for compatible recreation and educational use by the public.
- 1.02 **PROPERTY DESCRIPTION:** The forestry properties are located throughout the county and as more fully set-forth in attachment "A". (see page)

ARTICLE 2

- 2.01.1 **RULE MAKING:** Because of the unique character of forestry property, there is a need to respond to activities and use of the property that could, if not abated, have an irreparable impact upon the lands. The Board of Commissioners, by a majority of elected members, shall supervise and manage all lands devoted to forestry and may provide labor on forest land by foresters and other as may be necessary for the proper care and maintenance of the land as a forest producing area, to make reasonable rules and regulations concerning the land not inconsistent with the ordinance or law for the use and occupancy forestry property, and to expend money as may be appropriated or received for this purpose.

2.02 SALE OR DISPOSAL OF FOREST LANDS:

The County shall not sell, exchange, lease or in any way place a lien or dispose of the forest property set forth in attachment "A", unless and except the proposition for such purpose shall first have been submitted, at a regular or special election held for the purpose in the manner provided by law, to the qualified voters of the County and approved by them by a three-fifths (3/5) majority vote of the electors voting thereon.

ARTICLE 3

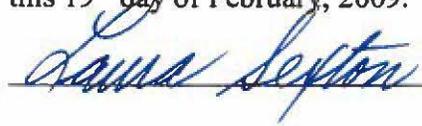
3.01.1 SAVINGS CLAUSE: The provisions of this ordinance are hereby declared to be severable and if any clause, sentence, word, section, or provision is declared void or unenforceable, for any reason, by a court of competent jurisdiction, the remaining portions of said Ordinance shall remain in force.

3.02 EFFECTIVE DATE: This Ordinance shall take effect upon publication of notice of adoption.

- Yes - Dawson, Bargy, White, Howelman, Crawford, Stanek, Blackmore and Allen
- No - None;
- Absent - Drenth.

ORDINANCE #1 OF 2009 DECLARED ADOPTED.

ANTRIM COUNTY CLERK, BELLAIRE MI
 STATE OF MICHIGAN, COUNTY OF ANTRIM ss
 I, Laura Sexton, Clerk of the County of Antrim do certify
 the foregoing is a true and exact copy of the original
 record now remaining in this office.
 IN TESTIMONY WHEREOF, I have set my hand and
 official seal at the Village of Bellaire in said county
 this 19th day of February, 2009.

 County Clerk

Attachment A
ANTRIM COUNTY FOREST LAND

Kearney Township (E) T.30N -R.07W.

1. N ½, NW ¼, and N ½, SE ½, NW ¼, Section 8
 05-10-008-003-00
 Pete Wilks Memorial Forest 98.4 acres on Ritt Road
 Abstract Feb. 10, 1983
 Liber 103, page 461
 Reverter YES, Eligible YES
 Surveyed: No
 Other:

2. N FRL ½ of NE FRL ¼ Section 6
 05-10-006-001-00
 90 acres South of Road
 Liber 103, page 461
 Reverter YES, Eligible YES
 Surveyed:
 Other: Gas lease and developed, landlocked with agreed access to date

3. SE ¼, NE ¼, Section 29
 05-10-029-011-00
 Batchelder Road 40 acres
 Abstract January 11, 1985
 Liber 158, page 380
 Unrestricted Private Purchase
 Survey:
 Other: Gas leased

4. NE ¼ NW ¼ EXC that part North of Cedar River, Also that part lying South of Stover Road Section 28. AND S ½ SW ¼, EXC that parcel of land located in the SE ¼, of the SE ¼ of the SW ¼ Section 21. AND S ½ SE ¼ Section 20, Inc. EJ RR R/W.
 Cedar River Natural Area 190 acres
 05-10-020-024-00, 05-10-021-005-00, 05-10-028-005-00
 Abstract: None
 Liber 608 page 819
 Private purchase easement in place.
 Survey: 2002
 Other: Gas Leased/non-development

Kearney Township (W) T.30N. R.08W.

5. Government Lot 7 except out substation Section 1
 05-10-101-004-00
 45.70 acres – contiguous with Government lot 6
 Abstract: Feb. 28, 1984
 Liber 114, page 408
 Reverter YES, Eligible MAYBE
 Surveyed:
 Other: Gas leased/un-developed, power line easement

6. Government Lot 6
 Section 1
 05-10-101-008-00
 12 +1-acres of Mohrmann park
 Abstract October 28, 1983
 Liber 185, page 29
 Private Purchase no restrictions
 Surveyed:
 Other: Gas leased/un-developed, well and maintenance building on property

7. NW FRL ¼ of NE FRL ¼ Section 1
05-10-101-002-00
Remaining 48 acres of Mohrmann Park
Liber 103, page 457
Reverter YES, Eligible YES
Surveyed:
Other: Gas leased / undeveloped, Power line easement

Star Township T.30N -R.05W

8. NE ¼, NW ¼, Section 10
Star Township 40 acres
05-13-010-003-00
Abstract: September 26, 1995
Liber 14, Page 573
Reverter YES, Eligible YES
Surveyed:
Other: Gas leased / developed, ingress and egress easement secured

9. SE ¼, SW ¼, Section 26
Lakes of the North 40 acre parcel
05-13-026-008-00
Abstract Feb. 9, 1983 Liber 14, page 574
Reverter YES, Eligible YES
Surveyed:
Other: Gas leased / un-developed, landlocked no agreed access to date

10. W ½ SW ¼ SE ¼ Section 27
Lake of the North 20 acre parcel
5-13-027-009-00
Abstract Feb. 9, 1983 Liber 14, page 574
Reverter YES, Eligible YES
Surveyed:
Other: Gas leased / developed, landlocked no agreed access to date

Custer Township T.29N -R.07W

11. SE ¼, SW ¼, and SW ¼ of SE ¼, Section 28
Leonard Road 80 acre parcel
05-04-028-014-00
Abstract Feb. 12, 1985
Liber 103, page 459
Reverter YES, Eligible YES
Surveyed: 2007
Other: Gas leased/undeveloped, ingress and egress easement

12. SE ¼, SW ¼, Section 4
Frog Hollow 40 acre parcel
05-04-004-009-00
Abstract June 7, 1984
Liber 14, page 574
Reverter YES, Eligible YES
Surveyed: 2005
Other: Gas leased / developed

13. E ½, E ½, SE ¼, Section 16
Del mason 40 acres
05-04-016-009-00
Abstract: June 7, 1984
Liber 103, page 459
Reverter YES, Eligible YES
Surveyed:
Other: Gas leased and developed. Ingress and egress easement granted

14. SW ¼, Section 12
Simpson Road 160 acres
Abstract June 4, 1984
Liber 103, page 459
Reverter YES, Eligible NO
Surveyed:
Other: Gas/developed, Power line easement

15. E ½, SE ¼, SE ¼, Section 17
Lake of the Woods 20 acres
Abstract: needed
Liber 103, page 459
YES, Eligible YES
Survey: Needed
Other: 40 split with Custer Township

Forest Home Township T.30N -R.08W

16. N ½, NW ¼, except a piece of land commencing at the SW corner, north 20 rods;
East 96 rods; South 20 rods; West 96 rods to beginning.
05-07-214-011-00
Vandermark 68 acres
Abstract March 9, 1983
Liber 103, page 457
Reverter YES, Eligible YES
Survey: June 23, 1999
Other: Gas leased / un-developed, ingress and egress easement

17. SW ¼, SE ¼, SW ¼, Section 14
10 acres of Section 14
Abstract: NONE
Liber 110, page 32
Reverter YES, Eligible YES
Survey: June 23, 1999
Other: Gas lease/un-developed, landlocked no access to date

18. E ½, SE ¼, SE ¼, Section 14
20 acres Orchard Hill Road
Abstract: NONE
Liber 103, page 457
Reverter YES, Eligible YES
Survey:
Other: Gas leased run-developed

19. E ½, NE ¼, NW ¼, Section 23
20 acres Vandermark Road
Abstract: NONE
Liber 110, page 32
Reverter YES, Eligible YES
Survey: 1999
Other: Gas Leased/un-developed

20. NW ¼, NE ¼, also: NW ¼, also SW ¼, except the NE ¼, SW ¼, all in Section 13
320 acres Kirkpatrick Forest
05-07-213-016-00
Abstract Feb. 9, 1983
Liber 103, page 457
Reverter YES, Eligible NO
Survey:
Other: Gas leased/Developed

Echo Township T.31N -R.07W

21. SW ¼, NE ¼, Section 27
Intermediate River N. 40 of 80 acres
05-05-027-002-00
Liber 103, page 461
Reverter YES, Eligible NO
Survey:
Other: Easement to old state rd.

22. NW ¼, SE ¼, Section 27
Intermediate River S. 40 of 80 acres
05-05-027-021-00
Abstract April 25, 1984
Liber 103, page 445
Reverter YES, Eligible NO
Survey:
Other:

23. W ½, SW ¼, Section 31
Muckle Road
05-05-031-003-00
80 acres south end of Muckle Road
Abstracted with SW of Section 31 but not contiguous
Liber 89, page 499
Reverter YES, Eligible MAYBE
Survey:
Other: Gas leased/undeveloped, ingress, egress easement-forestry only

24. SE ¼, Section 31
End of Dickerson Road 160 acres
Abstracted with Muckle road parcel
Liber 89, page 499
Reverter YES, Eligible NO
Survey:
Other: Lease/developed, landlocked with unsecured access

25. S ½, NW ¼, less 4 acres owned by Echo Township, Section 28
Murphy Park 76 acres
05-05-028-006-00
Abstract September 16, 1983
Liber 103, page 461
Reverter YES, Eligible YES
Survey:
Other: Gas leased and developed. Has issue with twp. cemetery/plat vs. deed

26. S ½, NE ¼, Section 24
Lewis Road 80 Acres
05-05-024-002-00
Abstract Feb. 1984
Liber 110, page 317
Reverter Yes, Eligible YES
Survey:
Other: Gas leased/developed, ingress and egress agreement forestry only

27. SE ¼, Section 34
160 acres Skinkle Road
05-05-034-010-00
Liber 103, page 461
Reverter YES, Eligible NO
Survey: 2007
Other: Power line easement granted

Jordan Township T.31N.-R.06W.

28. 28. S ½, SW ¼, and SW ¼, SE ¼, Section 27
05-09-027-013-00
Morris Road 120 acres
Abstract June 16, 1987
Liber 103, page 458
Reverter YES, Eligible YES
Survey:
Other: Landlocked

Mancelona Township (W) T.29N -R.06W

29. SE ¼, NW ¼, Section 15
Valley Road 40 acres
05-11-115-007-00
Abstract: None
Liber, 110, page 32
Reverter YES, Eligible YES
Survey: April 2003
Other: Access secured in 2008 from valley rd

Mancelona Township (E) T.29N. -R. 05W.

30. SE ¼, Section 16
Hawk Lake 160 acres
05-11-016-005-00
Abstract June 9, 1992
Liber 79, page 474
Reverter YES, Eligible NO
Survey:
Other: Gas lease/developed

Torch Lake Township T.31N.-R.09W.

31. SW ¼, NE ¼, E ½, NW ¼, SE ¼, and NW ¼, SE ¼, SE ¼, and E ½, SW ¼, SE ¼,
all in Section
80 acres contiguous with Barnes Park acreages
Abstract May 4, 1993
Liber, 103, page 459
Reverter YES, Eligible YES
Survey: 1999
Other:

Banks Township (W) T.32N. -R.09W

32. SW ¼, NW ¼, Section 36
Lore Road 40 acres
Abstract None
Liber 103, page 461
Reverter YES, Eligible YES
Survey:
Other: Landlocked

Chestonia Township T.30N. -R.06W.

33. W ½ NW ¼ EXC D&C RR R/w Section 28
74.7 acres Alba Road
05-03-028-006-00
Abstract May 1982
Liber 103, page 461
Reverter YES, Eligible MAYBE

Survey:
Other: Gas leased / developed

34. N 1/2 SE 1/4 NE 1/4, Section 29
20 acres east side of M66
05-03-029-001-00
Liber 103, page 461
Reverter YES, Eligible MAYBE
Survey:
Other:

35. N 1/2, NE 1/4, Section 29
80 acres Bundy hill
Abstract: None
Liber 103, page 461
Reverter YES, Eligible MAYBE
Survey:
Other:

October 31, 2016

**ANTRIM COUNTY COMMISSIONERS
FORESTRY
ORDINANCE AMENDMENT DISCUSSION**

FROM: MIKE MERIWETHER

Dear County Commissioners,

I would like to express my opinion regarding the recent amendment proposed to our Forestry Property Ordinance. I realize many of you are not likely up to speed regarding this issue. I hope to clarify some of the issues and express my personal opinion here. I will also be attending the upcoming BLM committee meeting. The ordinance amendment is an agenda item at tomorrow's meeting.

HISTORICAL SUMMARY

Prior to 2006, most of our County Forest land was deed restricted by the State of Michigan. The deed restriction basically stated that municipal deeds obtain from the state would be managed for forestry purposes. Violations of the deed restriction could result in the properties reverting back to the State of Michigan.

In addition, the state retained all of the mineral rights.

In 2006 Public Act No. 179 was adopted by the State. This PA allowed for the relinquishment of the reverter interests on municipal forest deeds.

The State would retain all mineral rights and retained 50 percent of any proceeds generated from any properties sold or conveyed.

At the time, the county discussed the pros and cons of removing the reverter interest from our deeds. Charlie Koop felt it would be beneficial to remove as much State involvement with our properties as possible. The forester, Mike Meriwether, was concerned that removing the reverter could open the door to the disposal of our properties in the future.

In short, it was decided that the removal of the reverter interest should be pursued. It was also agreed that all properties should have some level of protection regarding disposal. A County ordinance was discussed.

In 2008 - An application was made to the Department of Natural Resources (DNR) to relinquish their reversionary interest on county forest lands impacted by the reverter clause. 15 of 25 parcels were approved for the relinquishment of the reversionary interests held by the State.

In 2009 the County adopted a Forestry Property Ordinance that addressed the continued forest management of such properties and the disposal procedure should the County find a need to dispose or convey any county owned properties. The disposal of properties required a regular of special election of qualified voters as well as a 3/5 majority vote of the electors.

CURRENT ISSUE

In October of 2016, an amendment to the Forestry Ordinance has been proposed. The amendment proposes the removal of the disposal language allowing the disposal of County owned lands through the use of public hearings.

FORESTER OPINION / DISCUSSION

I am very concerned that the adoption of the amendment proposed will jeopardize the future of our forest land holdings. Antrim County has done an outstanding job protecting and maintaining our forest lands for the past 80 years. Our forest lands have provided sustainable revenues, recreational opportunities, wetland protection and provide valuable open space that defines the character of Antrim County itself.

My fear is that making the disposal of properties easier will set a precedent for future disposal proposals submitted.

It is my understanding that the proposed changes were generated from the desire to trade a 40 acre parcel located north of Lore Road for a parcel on Lore Road that abuts our Barns Park properties. The purpose for the trade is to facilitate the construction of a paved bike path that travels into the park itself. The bike path is part of a regional trail being proposed from Charlevoix to Traverse City.

The Lore Road property owned by the County is primarily wetland. It has very limited forest product value. Approximately 15 acres has received forest management treatments. The parcel is also landlocked. I do not consider the Lore Road property as valuable as many of our other properties relative to forestry management. It also has limited recreational values. It is primarily used by the contiguous neighbor for hunting.

Issue: The bike path is opposed by our park manager. Ilene has stated that adding traffic to the park will not increase park attendance. In fact, it may place undue pressure on the bathrooms and bathhouse facilities from pass thru bikers during peak summer months. This will impact the paying customers / campers that visit the park.

Issue: The properties to the North of the park are a complex wetland environment. It will take a considerable investment to construct raised boardwalk pathway to accommodate biking.

Issue: Mark Stone had indicated that the owners of the Eastport Market support the bike path and would like to see the pathway travel the 131 corridor adding patronage to their business. They oppose the routing of the trail around their business.

Issue: The MDOT proposed route for the 131 trail uses Old Dixie Highway to Lore Road to 131 then south through Eastport. To my knowledge there has been no public hearings or meetings with the businesses in Eastport that discussed the re-routing of the trail from the proposed MDOT route. The County should consult the business community in Eastport prior to making any decisions.

Again, I would like to express my opposition to adopting any amendments or ordinances that may jeopardize the public ownership of such an important asset.

Please feel free to contact me with any questions.

Sincerely,

Mike Meriwether
Forester
Antrim Conservation District
231-350-3963

Bid Sheet – Firewood Supplier, Barnes Park

Bid per bundle \$ 3.25

NAME: Sandra Barnes

Phone: 231-599-2533

COMPANY: Torch Lake Firewood

Cell: _____

ADDRESS: PO Box 34

Eastport, MI 49627

Email: rsbarnes@charter.net

Signature: Sandra Barnes

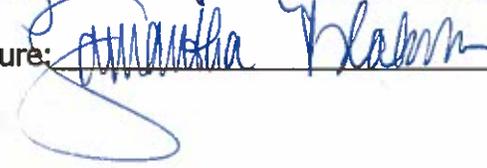
Date: 10/10/16

Bid Sheet – Porta-John Supplier

Attach the following:

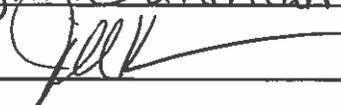
- Proof of insurance for general liability, workers' compensation, vehicle
- Copy of septage hauler business license.

	One-Year Contract, Monthly Bid	Two-Year Contract, Monthly Bid	Three-Year Contract, Monthly Bid
Wetzel Lake – 1 handicap	\$160/mo.	\$160/mo.	\$160/mo.
Wetzel Lake – 1 regular	\$105/mo.	\$105/mo.	\$105/mo.
Antrim Creek Natural Area – 2 handicaps	\$320/mo.	\$320/mo.	\$320/mo.
Noteware's Landing – 1 handicap	\$160/mo.	\$160/mo.	\$160/mo.
Willow Day – 1 handicap	\$160/mo.	\$160/mo.	\$160/mo.
TOTAL	\$905/mo.	\$905/mo.	\$905/mo.

NAME: Gmoser's Septic Service, Inc. Phone: 231-264-8838COMPANY: Whit Blakeslee Cell: _____ADDRESS: 2804 Whitney Rd.
Williamsburg, MI 49690Email: gmoserseptic@aol.comSignature:  Date: 10/17/16

Bid Sheet – Trash Removal

	One-year contract	Three-year contract
County Building	\$125.00 per mo.	\$125.00 per mo.
Antrim County Transportation	\$65.00 per mo.	\$65.00 per mo.
Jail	\$250.00 per mo.	\$250.00 per mo.
Animal Shelter	\$65.00 per mo.	\$65.00 per mo.
Airport	\$10.00 per mo.	\$10.00 per mo.
Barnes Park: on call	\$30.00 per empty	\$30.00 per empty
Barnes Park: mid season	\$295.00 per mo.	\$295.00 per mo.
Barnes Park: early, late season	\$145.00 per mo.	\$145.00 per mo.
Elk Rapids Day Park	\$65.00 per empty	\$65.00 per empty
TOTAL	* Monthly totals vary based on seasonal changes of service. *	

NAME: Jill HarrisPhone: 231-258-9080COMPANY: American WasteCell: 231-564-2553ADDRESS: 3947 US 131 N.Kalkaska, MI 49646Email: jilh@americanwaste.orgSignature: Date: 10/19/16

CHANGE ORDER #1

DATE: October 27, 2016

PROJECT: Barnes Park; Electrical Pedestals and Underground Wiring

OWNER: Antrim County
203 E. Cayuga Street
PO Box 520
Bellaire, MI 49615

CONTRACTOR: Shoreline Power Services
6724 E. Railway Commons
Williamsburg, MI 49690

Original Contract Amount: \$ 49,850.00

Change Order Amount:

1. Vibra Plow in lieu of trencher: \$ 5,500.00

NEW CONTRACT AMOUNT: \$ 53,350.00

COUNTY OF ANTRIM

By: _____ Date: _____
Michael Crawford, Chairman
Antrim County Board of Commissioners

SHORELINE POWER SERVICES, INC.

By: _____ Date: _____
Scott Dawson
Account Manager

October 27, 2016

Peter Garwood

Antrim County Administration Office
203 E. Cayuga St.
Bellaire, MI 49615

RE: Vibra Plow in lieu of trencher at Barnes Park Campground

Dear Peter:

Shoreline Power Services is pleased to offer this budget pricing for you. This price is based on information supplied by you at the time of request.

Scope of Work:

- Provide labor and material for installation of the following:
 - Use of “Vibra Plow” in lieu of trencher at Barnes Park Campground pedestal project.

Total Price: \$5,500

Qualifications:

- Quote is based on work performed Monday-Friday 7:30 am-4:30 pm.

Time plus Material Rates

Should additional assistance be requested by your company for T&M installation services, such service would be charged at current service rates. Hourly service rates are based on a standard eight (8) hour day Monday through Friday. Services provided outside the standard work day will be charged at one and one-half times the straight time rate, except Sundays and holidays, in which case the services will be charged at two times the base rate. The base service rate is \$69.00 per hour.

CHANGE ORDER #2

DATE: October 28, 2016

PROJECT: Barnes Park; Electrical Pedestals and Underground Wiring

OWNER: Antrim County
203 E. Cayuga Street
PO Box 520
Bellaire, MI 49615

CONTRACTOR: Shoreline Power Services
6724 E. Railway Commons
Williamsburg, MI 49690

Original Contract Amount	\$49,850.00
Change Order #1 – Vibra Plow:	<u>5,500.00</u>
	\$53,350.00
 Change Order #2 – Additional cable:	 \$ <u>2,175.00</u>
 NEW CONTRACT AMOUNT:	 \$57,525.00

COUNTY OF ANTRIM

By: _____ Date: _____
Michael Crawford, Chairman
Antrim County Board of Commissioners

SHORELINE POWER SERVICES, INC.

By: _____ Date: _____
Scott Dawson
Account Manager

From: [Koch, Janet](#)
To: [Schrader, Tina](#)
Subject: FW: Additional cable-barnes park
Date: Wednesday, November 02, 2016 2:27:08 PM

From: Garwood, Peter
Sent: Tuesday, November 01, 2016 8:27 AM
To: Scott Dawson
Cc: Koch, Janet
Subject: RE: Additional cable-barnes park

Thanks Scott.

Pete

From: Scott Dawson [<mailto:scottd@Shorelinepowerservices.com>]
Sent: Friday, October 28, 2016 11:59 AM
To: Garwood, Peter
Subject: Additional cable-barnes park

Pete,

The additional cable(750') needed would be an added charge of \$2,175.

Let me know.

Thanks.

Scott Dawson

Service Account Manager

Cell Phone: 231.499.6009

Phone: 231.267.3267 | 6724 East Railway Commons | Williamsburg, MI 49690

www.shorelinepowerservices.com





LEASE

State Lease #10171-2016

between

**Antrim County, as Lessor
and**

THE STATE OF MICHIGAN, as Lessee

ARTICLE I - DEFINITIONS

- 1.1 A.N.S.I.
- 1.2 Cancellation
- 1.3 Construction
- 1.4 Executive
- 1.5 Maintenance
- 1.6 Occupancy
- 1.7 Reserved
- 1.8 Possession
- 1.9 Potable Water
- 1.10 Purpose
- 1.11 Remodel
- 1.12 State Government Managed
- 1.13 State Government Owned
- 1.14 Substantial Completion
- 1.15 Tenantable
- 1.16 Tenant Improvements

ARTICLE II - POSSESSION

- 2.1 Square footage Leased
- 2.2 Location of Leased premises
- 2.3 Early possession
- 2.4 Initial term of possession
- 2.5 First renewal option
- 2.6 Second renewal option
- 2.7 Deleted, Not Applicable
- 2.8 Deleted, Not Applicable
- 2.9 Ninety-day holdover
- 2.10 Assignment/sublet
- 2.11 Quiet enjoyment
- 2.12 Lessor access to Leased premises
- 2.13 Lessor provides equivalent premises

ARTICLE III - LESSOR OBLIGATIONS

- 3.1 Lessor obligations
- 3.2 Asbestos
- 3.3 Toxic, hazardous, injurious substances
- 3.4 Defense against claims
- 3.5 Commence remodeling or construction
- 3.6 Complete remodeling or construction
- 3.7 Standards and specifications
- 3.8 Construction change orders
- 3.9 Remodeling required by future law
- 3.10 Damage to Leased premises
- 3.11 First right of refusal for adjacent
- 3.12 Discrimination prohibited
- 3.13 Structural loading
- 3.14 Notice of Ownership Transfer
- 3.15 Year 2000
- 3.16 Time Extension
- 3.17 Public Notifications
- 3.18 Energy Efficiency

**ARTICLE IV
LESSEE OBLIGATIONS, DUTIES, AND
OPTIONS**

- 4.1 Lessee obligations
- 4.2 Notification to maintain and repair
- 4.3 Lessee option to add/remove improvements
- 4.4 Quality of improvements by Lessee
- 4.5 Move-out condition
- 4.6 Payment for sign ordinance variances
- 4.7 Lessee repairs for damage
- 4.8 Recording of lease
- 4.9 Protection of Leased premises by Lessee
- 4.10 Lessee prohibited conduct

ARTICLE V - RENT CONSIDERATION

- 5.1 Frequency of rent payment
- 5.2 Late possession - no rent
- 5.3 Rent during initial term
- 5.4 Mid Term Rent Increase
- 5.5 Rent during 1st renewal option
- 5.6 Consumer Price Index increases
- 5.7 Rent adjustment for operating expenses
- 5.8 Rent adjustment for real property taxes
- 5.9 Real property tax exemptions
- 5.10 Real property tax assessment appeals
- 5.11 Waiver of rent adjustments
- 5.12 Remodeling/get-ready costs
- 5.13 Reserved
- 5.14 Reserved
- 5.15 Remodeling/maintenance costs deduct
- 5.16 Rent reduced for documentation
- 5.17 Rent abated for untenable premises
- 5.18 Prepaid rent refunded upon damage

ARTICLE VI - STATE OPTION TO PURCHASE

- 6.1 Definition of seller
- 6.2 Exclusive right to purchase
- 6.3 Duration of option
- 6.4 Written notice
- 6.5 Purchase price
- 6.6 Appraiser qualifications
- 6.7 Payment of appraisals
- 6.8 Encumbrances considered
- 6.9 Delivery of title insurance
- 6.10 Objection to title and cure
- 6.11 Restrictions, termination of option
- 6.12 Removal of title defects
- 6.13 Transfer of title free and clear
- 6.14 Lessee delivery of purchase price payment
- 6.15 Title free of other possessory interest
- 6.16 Seller payment for transfer tax
- 6.17 Payment for recording documents
- 6.18 Real Property Tax Adjustment
- 6.19 Waste to Leased premises
- 6.20 Reserved
- 6.21 Toxic, hazardous, or injurious substances

**ARTICLE VII
EMINENT DOMAIN/CONDEMNATION**

- 7.1 Lessor to notify Lessee
- 7.2 Whole taking, rents prorated
- 7.3 Taking
- 7.4 Lessor option to terminate
- 7.5 Award of damages

ARTICLE VIII - ESTOPPEL

- 8.1 Timeliness, Lessee obligations

**ARTICLE IX
MANAGEMENT AGREEMENT
Reserved**

ARTICLE X - LESSOR'S MORTGAGEE

- 10.1 Identification of Lessor's mortgagee
- 10.2 Disclosure of mortgagees, nondisturbance
- 10.3 Mortgagee right to cure defaults
- 10.4 Attornment

ARTICLE XI - CANCELLATION

- 11.1 Cancellation by Lessee
- 11.2 Cancellation by Lessee
- 11.3 Cancellation by Lessee
- 11.4 Cancellation by Lessor

**ARTICLE XII
NOTICE, APPLICATION, AND APPROVALS**

- 12.1 Notice mailing addresses and delivery
- 12.2 Application of laws
- 12.3 Binding application
- 12.4 State government approvals required
- 12.5 Supercede and cancellation
- 12.6 Severability
- 12.7 Entire agreement and enclosures
- 12.8 Electronic Funds Transfer



LEASE

State Lease #10171-2016

between

**Antrim County, as Lessor
A Governmental Agency**

and

THE STATE OF MICHIGAN, as Lessee

THIS LEASE is entered into by **Antrim County**, as Lessor, whose address is **203 E. Cayuga Street, Bellaire, Michigan**, and the State of Michigan by the Department of Technology, Management & Budget for the Department of **Health and Human Services**, as Lessee.

The parties, for the considerations specified in this Lease, agree to the following terms, conditions, and covenants:

ARTICLE I - DEFINITIONS

1.1 - A.N.S.I.: American National Standards Institute, Inc., a New York corporation that identifies public requirements for national standards and coordinates voluntary standardization activities. A.N.S.I. standards are used in calculating square footage used in this Lease.

1.2 - Cancellation: Ending all rights and obligations of the Lessor and Lessee, except for any rights and obligations that are due and owing.

1.3 - Construction: Assembling of foundation, structural, architectural, electrical, and mechanical systems, on the Leased premises, where none existed prior.

1.4 - Executive: An Executive Order of the Governor pursuant to the Constitution 1963, Article 5, § 2 and 20, or a decision by the Director of the Department of Technology, Management & Budget in conjunction with the head of the principal State department or agency for whose use the Lease was entered.

1.5 - Maintenance: That effort, including repair, replacement, or removal, required to keep the Leased premises and the appearance of said Leased premises functioning or operating as originally designed, constructed, or installed, including but not limited to mechanical, electrical, architectural, or civil systems within the Leased premises, outside the Leased premises, or those systems otherwise attached thereto.

1.6 - Occupancy: Actual physical presence by the Lessee in the Leased premises.

1.7 - Reserved

1.8 - Possession: Lawful availability and physical access to install the Lessee's furnishings and compliance with paragraphs 3.1(z) and 3.7.

1.9 - Potable water: Water free from impurities present in amounts sufficient to cause disease or harmful physiological effects and conforming in its bacteriological and chemical quality to the requirements of the Public Health Service Drinking Water Standards or the regulations of the public health authority having jurisdiction.

1.10 - Purpose: The purpose for this Lease is office space use for the department or agency mentioned in the Lease in the specific geographic location described in paragraph 2.2 of the Lease.

1.11 - Remodel: Includes alterations, renovations, and any related demolition, and is the rearranging of existing architectural, civil, electrical, and/or mechanical systems within the Leased premises. Remodeling does not include enlarging or decreasing of structural or foundation systems, or new construction.

1.12 - State Government Managed: Property management tasks and responsibilities provided or contracted for and managed by a) the State of Michigan; b) any of the several departments, boards, commissions, offices, or agencies of the executive, legislative or judicial branches of state government; c) any institution of higher learning funded in whole or in part by the State of Michigan; or d) any entity created by act of the Legislature as an instrumentality of Michigan State government.

1.13 - State Government Owned: Real property fee title to which is held by a) the State of Michigan; b) any of the several departments, boards, commissions, offices, or agencies of the executive, legislative or judicial branches of state government; c) the State Building Authority; d) any institution of higher learning funded in whole or in part by the State of Michigan; or e) any entity created by act of the Legislature as an instrumentality of Michigan State government.

1.14 - Substantial Completion: The construction work has been completed in accordance with Enclosure C and C-1, to the extent that the Lessee can use or occupy the Leased premises for the use intended, without any outstanding or concurrent work remaining, except as required to complete minor punch list items. The Lessee has the sole discretion to determine whether punch list items are "minor". Prerequisites for substantial completion include (a) receipt by the Lessee of all required operating and maintenance documentation, (b) all systems have been successfully tested and demonstrated by the Lessor for their intended use, and (c) the Lessee has received all required certifications and/or occupancy approvals from the State and any other political subdivisions having jurisdiction over the work. Receipt of all certificates and/or occupancy approvals in and of itself does not necessarily connote substantial completion.

1.15 -Tenantable: Habitable for the effective conduct of the Lessee's intended business.

1.16 -Tenant Improvements: Remodeling, attachment of fixtures, erection of additions, partitions, structures or signs by the Lessee in and upon the Leased premises after the Lessee has acquired possession.

ARTICLE II - POSSESSION

2.1 - The Lessor leases to the Lessee **6,025 usable** square feet of space, referred to as the "Leased premises", which is outlined on a plan attached as Enclosure "A". This square footage is based upon the A.N.S.I. Z65.1 - 1996 method for calculating space.

2.2 - The Leased premises, located on the property described in Enclosure "B" also known as **203 E. Cayuga Street**, in the **Village of Bellaire**, County of **Antrim**, State of Michigan.

2.3 - If the Leased premises are available for possession by the Lessee prior to the commencement of the term defined in paragraph 2.4, the Lessee, at its sole option, may possess the Leased premises when the same are available. The Lessor shall provide written notice to the Lessee of such availability. For each day of possession prior to commencement of such term, the Lessee shall pay to the Lessor, at the same time that rent consideration for the first month of the regular term of the Lease is due, 1/365 of the initial annual rent consideration set forth in Article V.

2.4 - The Lessor shall furnish the Leased premises with their appurtenances to the Lessee for a **ten-year** initial term of possession beginning upon actual possession or at 12:01 a.m. on **January 1, 2017**, and ending at 11:59 p.m. on **December 31, 2026**, or such later date as provided in paragraph 3.6. If the Leased premises are not ready by the possession date, the beginning and ending dates may be altered by mutual written consent to reflect the correct possession date. If the initial possession date is changed, paragraphs 2.5, 2.6, and Article V shall also be changed accordingly.

2.5 - This Lease may, at the option of the Lessee, be extended for a **five-year** term beginning at 12:01 a.m. on **January 1, 2027**, and ending at 11:59 p.m. on **December 31, 2031**, provided notice be given in writing to the Lessor **ninety (90)** days before this Lease or extension expires.

2.6 - This Lease may, at the option of the Lessee, be extended for a **five-year** term beginning at 12:01 a.m. on **January 1, 2032**, and ending at 11:59 p.m. on **December 31, 2036** provided notice be given in writing to the Lessor **ninety (90)** days before this Lease or extension expires.

2.7 - Deleted, Not Applicable

2.8 - Deleted, Not Applicable

2.9 - The Lessee may, upon written notice to the Lessor, at least thirty (30) days prior to termination of this Lease or any extension, remain in possession of the Leased premises for the period specified in the notice, not to exceed **six months**. **The Lessor must provide written approval or denial within ten (10) days of receiving the request. Written approval by the Lessor shall not be unreasonably withheld.** The Lessee shall pay the Lessor for each month or part of a month a sum equal to 1/12 of the annual rent consideration set forth in Article V.

2.10 - The Lessee may assign this Lease or may sublet the Leased premises in whole or in part, with prior written consent of the Lessor, which shall not be unreasonably withheld. The Lessee, through its Department of Technology, Management & Budget may assign or reassign any or all of the Leased premises to any branch, department, board, agency, commission or other instrumentality of State government without the necessity of obtaining consent of the Lessor. The Lessor specifically consents to the Lessee installing, or having installed through a third-party agreement, automatic teller machines (ATMs) within the Leased premises.

2.11 - The Lessee, upon payment of the rental consideration specified in Article V and upon performing all covenants, shall and may peacefully and quietly have, hold, and enjoy the Leased premises for the term of this Lease or any extension.

2.12 - The Lessor or Lessor's agent may enter the Leased premises with reasonable advance notice for the purpose of conducting repairs, preventive maintenance, or providing replacements, as required under Article III.

2.13 - If for any reason relating to ownership of the Leased premises the Lessor is unable to lawfully put and maintain the Lessee in possession of the Leased premises as of the commencement of the term of this Lease or any proper extension thereof, the Lessor shall immediately **make all reasonable efforts to secure other premises** which in the Lessee's sole judgment is substantially equivalent to the Leased premises described herein, at a rental rate to the Lessee which shall not exceed the rental consideration in this Lease.

ARTICLE III - LESSOR OBLIGATIONS

3.1 - The Lessor shall furnish to the Lessee and pay the cost of the following:

- a) Heating, mechanical ventilating, cooling, and humidification system capable of providing a temperature range of 68°F to 78°F, measured at 30" above the finished floor, and 12" inside any exterior wall, and a humidification range of 30% to 50%, at all times occupied. Ventilation in restrooms shall be a minimum of 100 cfm, exhausted to the outdoors.
- b) Electrical power distribution system throughout the Leased premises, for the operation of all business machinery and equipment.
- c) Natural and/or artificial interior illumination that provides a minimum **50** foot-candles, measured at desk level, at all times, throughout the Leased premises. Artificial illumination shall be by incandescent or fluorescent lamps, and shall include tubes, bulbs, starters, ballasts, and fuses used inside the illumination fixture, and the replacement thereof for the Leased premises and common areas.
- d) Domestic plumbing system to restrooms and break rooms capable of supplying hot and cold water, and removing sanitary waste water. Hot water delivery shall be not more than 120°F and not less than 110°F, measured at the tap.
- e) Potable water shall meet the requirement of the Safe Drinking Water Act, 1976 PA 399, as amended, MCL 325.1001 et seq.
- f) Metered utility costs for electricity, natural gas, water, sewerage, steam, fuel oil, or coal.
- g) Adequate roof, vertical, and foundation thermal insulation in accordance with applicable codes.
- h) Complete moisture protection from all exterior weather sources, on all sides, floors, and roof of the Leased premises.
- i) Sound attenuation between any mechanical system or other tenant in the premises and the Leased premises, which provides not greater than 45dbA sound level readings, under conditions with all Lessee business equipment shut down.
- j) Vibration isolation between any mechanical, plumbing, electrical, or other building system attached to and a part of the Leased premises.
- k) Any equipment, portable or fixed, including alarm notification systems, required by the local public fire marshal authority.
- l) Commercial grade, heavy-duty locking hardware.

m) Pest control, including but not limited to: insects, rodents, flying animals, etc. Spraying must be performed after business hours or on weekends.

n) Trash removal from office wastebaskets, dumpsters, or equivalent containers.

o) Exterior grounds maintenance, including grass and weed cutting, clippings removal, leaf raking, litter removal, sidewalk surface and parking lot surface maintenance, de-icing, and snow removal. Snow removal is required anytime the accumulated depth is 2" or more, 24 hours after the most recent snowfall, and there shall be a clear path from the handicapper motor vehicle parking spaces to the barrier free entrances.

p) Janitorial supplies, equipment, personnel, and supervision to provide cleaning services as described in Enclosure "F".

In the event the janitorial service provided by the Lessor is not satisfactory to a reasonable industry standard, the Lessee may provide janitorial service as described above and the Lessee's rent will then be reduced by the actual cost plus a 15% administrative fee per occurrence.

q) Paved, striped, illuminated, and common motor vehicle parking on the Leased premises, for 50 motor vehicles, including overnight parking for state-owned motor vehicles. The striping on the parking lot shall be repainted by the Lessor **as determined by the Lessor based upon the condition of deterioration of the striping**. Illumination shall be not less than 2 foot-candles, with a uniformity not greater than 4 to 1, measured on the parking surface. The Lessor shall provide replacement tubes, bulbs, starters, and fuses, i.e., all parts and equipment necessary to provide and maintain this exterior illumination.

r) Leased premises shall comply with the barrier free design requirements of 1966 PA 1, as amended, MCL 125.1351 et seq. (Utilization of Public Facilities by Physically Limited).

s) Complete maintenance of the Leased premises, except for any obligations expressly undertaken by the Lessee set forth in Article IV. The Lessor shall keep the Leased premises in good repair, and able to perform and operate as designed, free from dangerous or defective conditions, and in tenantable condition, and at the Lessor's sole expense, properly and in a manner customarily accepted by the skilled trades, make all repairs and/or replacements, structural or nonstructural, of whatever nature. The Lessor shall provide inspections and preventive maintenance for heating and cooling systems in accordance with manufacturers' standards and any local codes or ordinances. The Lessor shall have a reasonable period of time, not to exceed thirty (30) days after receipt of a detailed written notice from the Lessee, to cure any maintenance defect. Additional time to cure any such maintenance defects may be allowed provided, in the Lessee's discretion, the Lessor proceeds with due diligence both during and after such thirty (30) day period, and the total time period to cure does not exceed ninety (90) days. This provision is cross referenced in paragraphs 4.2, 5.15, 5.17, and 11.3.

t) A listing of all important service or repair contractors to be contacted by telephone by the Lessee for emergency service or maintenance. These emergency telephone numbers shall be used by the Lessee only after attempting contact with the Lessor, given the scope and nature of the emergency. The Lessor shall maintain an updated or otherwise current listing. Lessor's failure to provide the emergency telephone numbers or to notify the Lessee of changes to the current listing shall be considered as authorization for the Lessee to contact an emergency service or maintenance contractor of choice.

u) Full replacement value insurance, for the Leased premises identified in paragraphs 2.1 and 2.2, having only standard exclusions, i.e. for acts of war, nuclear disaster, or civil riots.

v) General premises liability insurance for the Leased premises identified in paragraphs 2.1 and 2.2, which provides full coverage for the Lessor, the Lessee, and their respective agents and employees and which protects against all claims, demands, actions, suits, or causes of action, and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of the Leased premises, **so long as such claims, demands, actions, suits or causes of action for bodily injury or property damage are not caused by the negligent or intentional act or omission of the Lessee.** The Lessor agrees to maintain minimum policy limits in the amount of \$500,000.00 per occurrence for property damage, and \$1,000,000.00 per occurrence for bodily injury, with a \$2,000,000.00 aggregate. The Lessor shall provide to the Lessee a certificate of insurance listing the Lessee, its several departments, boards, agencies, commissions, officers, and employees as additional insureds, within thirty (30) calendar days following execution and delivery of this Lease to the Lessor, and every year thereafter. The insurance policy shall provide that it may not be modified, cancelled, or allowed to expire without thirty (30) days prior written notice given to the Lessee.

w) A written report, not more than sixty (60) days old from the date of first possession, from the local public fire marshal authority, indicating the Leased premises are approved for occupancy. If a renewal option is exercised, the Lessor shall provide the Lessee with an updated report within sixty (60) days from the beginning date of each renewal period.

x) A legible photocopy of the recorded warranty deed, or other instrument conveying current legal possession or title, with right to lease or sublease the Leased premises, as found in paragraphs 2.1 and 2.2, to the Lessor; and copies of all other documents limiting or restricting the use of the Leased premises or affecting title to the lands and Leased premises.

y) A legible photocopy of the current legal entity documents (corporation, partnership, trust, D.B.A., etc.) of the Lessor. This shall include signature authorizations indicating the signatory of this Lease is authorized to act on behalf of the legal entity, in this real estate transaction.

z) A legible photocopy of any certificates of occupancy, as approved by the local public building department or authority, if remodeling or construction is performed in paragraph 3.7.

aa) Deleted, Not Applicable

bb) Adequate and easily accessible indoor space in the vicinity of any shipping and receiving docks, areas, or platforms, for the purpose of the placement of holding containers for state-government recyclable materials and supplies, in accordance with 1994 PA 451, as amended, MCL 324.16501 et seq.

cc) Deleted, Not Applicable

dd) Signage located at all areas of ingress, egress and other conspicuous areas clearly designating "No Smoking" and/or the international "no smoking" symbol in sufficient number to communicate that smoking within the Leased premises is prohibited. If the Leased premises includes both enclosed and unenclosed space, this signage must be located at comparable areas of any enclosed space.

ee) A designated smoking area located outside of the Leased premises at a sufficient distance from windows and ventilation systems to ensure that smoke does not enter the Leased premises; a sufficient number of receptacles specifically designed for smoking related trash to accommodate all smokers who work and conduct business in the Leased premises; and disposal of smoking related trash. If the Leased premises includes both enclosed and unenclosed space, the smoking area must

be located outside any enclosed space at a sufficient distance from windows and ventilation systems to ensure that smoke does not enter the enclosed space.

3.2 - The Lessor warrants that any asbestos contained within the Leased premises has been removed prior to the Lessee taking possession; or if not removed, is present or installed in a manner that will not harm or injure human occupants. The parties agree that the Lessee assumes no liability or responsibility for the presence of asbestos in or on the Leased premises.

3.3 - a) The Lessor covenants that he/she has undertaken an environmental assessment of the Leased premises, satisfactory to and for the benefit of the Lessee, that is adequate to establish the liability exemptions and defenses available in Sections 20126(1)(c) and 20126(3)(h) of the Natural Resources and Environmental Protection Act (NREPA), MCL 324.20126(1)(c) and 324.20126(3)(h) and Section 107(b)(3) of the Comprehensive Environmental Response Compensation Liability Act, 42 USC 9607(b)(3), and that the Leased premises, and property on which the Leased premises is located, do not contain a concentration of any hazardous substance above applicable criteria.

b) The Lessor covenants that in the event a release or the threat of a release of a hazardous substance is discovered after execution of the Lease, to exist on, in or below the Leased premises, the Lessor shall:

1) Promptly notify both the State, as the Lessee, and the Michigan Department of Environmental Quality (DEQ) of the release or threatened release.

2) Report, investigate, remediate, and take all other actions consistent with Federal, State and local laws and regulations including, without limitation, Part 201 of the Natural Resources and Environmental Protection Act (NREPA), MCL 324.20101, et seq.

3) Inform the Lessee, the DEQ, and all other parties required to be notified under Federal, State or local law, of all actions taken under (2) above.

4) Provide the Lessee, the DEQ, and all other parties required to be notified under Federal, State or local law, with all reports, data, analyses and other documents and information related in any way to the investigation, remediation or other steps taken under (2) above.

c) The Lessor, except as otherwise provided herein, agrees to hold the Lessee harmless and to indemnify the Lessee for any claims brought against the Lessee related to asbestos or the release or threatened release of any hazardous substance on, in or below the Leased premises that may have occurred prior to or after the Lessee's occupancy of the Leased premises. This indemnification and hold harmless provision shall survive the termination of the leasehold interest and the sale of the Leased premises by the Lessor.

d) The Lessor agrees to take no administrative or judicial action against the Lessee including, without limitation, any action for damages, contribution, cost recovery, or injunctive relief to compel the Lessee to investigate or take remedial action, declaratory relief, or any action associated with the Lessor's obligations to comply with Federal, State or local law as a result of asbestos or the release or threat of release of any hazardous substance on, in or below the Leased premises, except if the release or threatened release is caused solely by the Lessee.

e) The Lessor and Lessee mutually agree that they shall not release on, in, or below the Leased premises any hazardous substance. The Lessee assumes responsibility, to the extent provided by law, for a release or threatened release of a hazardous substance caused by the Lessee. The Lessor need

not indemnify or defend the Lessee if the release or threatened release is caused solely by the Lessee, or is the result of any negligent or intentional act or omission by the Lessee.

3.4 - The Lessor is responsible for defending the Lessee against any claim whether meritorious or frivolous, by any person challenging the Lessor's right to Lease the Leased premises, and shall at its sole expense satisfy any judgment against the Lessee.

3.5 – Deleted, Not Applicable

3.6 – Deleted, Not Applicable

3.7 – Deleted, Not Applicable

3.8 - During the remodeling or construction of the Leased premises, either party may request remodeling or construction changes, for the purposes of economizing, or Lessee program changes. The Lessor shall submit a complete description and itemized cost estimate for prior written approval to the Real Estate Division of the Department of Technology, Management & Budget, prior to performing the work required by the requested change. If the changes, and any resulting cost differences, are mutually agreed upon in writing by the Lessor, Lessee, and Real Estate Division, the Lessee shall make a lump-sum payment with, or lump-sum deduction from, the first month's rental consideration due the Lessor. Failure to include in the complete itemized cost estimate any cost directly or indirectly incurred as a result of the change constitutes Lessor's waiver of entitlement to such costs, except in the event that the Lessor or Lessor's contractor provides a detailed reservation of its right to additional costs which cannot be reasonably calculated as of the date the cost estimate is submitted.

3.9 - Remodeling of the Leased premises required by any existing or future laws, ordinances, or regulations of the city, village, township, county, state, or federal government, or other public building authority, shall be made by the Lessor, at no expense to the Lessee.

3.10 - In the event that less than ten percent (10%) of the replacement value of the Leased premises are damaged or destroyed by any casualty insured under the Lessor's insurance policy, the Lessor shall at its own expense, as speedily as circumstances permit, repair said damage and restore the Leased premises to its prior condition, within thirty (30) days notice after the damage or destruction. In the event that between ten percent (10%) and fifty percent (50%) of the replacement value of the Leased premises are damaged or destroyed by any casualty insured under the Lessor's insurance policy, the Lessor shall at its own expense, as speedily as circumstances permit, repair said damage and restore the Leased premises to its prior condition, within ninety (90) days notice after the damage or destruction. In the event that more than fifty percent (50%) of the replacement value of the Leased premises are damaged or destroyed by any casualty insured under the Lessor's insurance policy, the Lessor shall have the option of repairing or reconstructing, or canceling this Lease, which option shall be exercised within ninety (90) days after the damage or destruction. This covenant is cross referenced in Articles IV, V and XI.

3.11 - The Lessor shall not rent or otherwise occupy any adjoining space which is or becomes vacant on the Leased premises known as **203 E. Cayuga, Bellaire, MI** during the term of this Lease, or any extensions thereof, without first offering for a period of ten (10) days, the space to the Lessee at the Lessee's current rental rate, and under the same terms and conditions found in this Lease.

3.12 - The Lessor shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq, and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant

for employment, to be employed in the performance of this real estate contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Lessor agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this real estate contract. This covenant is cross referenced in Article XI.

3.13 - The Lessor shall have the right to specify positioning of safes or other concentrated loads, that do not exceed the structural loading capacities, in the floor design layout.

3.14 - The Lessor shall, within forty-five (45) days after transfer of its ownership interest in the Leased premises, provide notice to the Lessee of said transfer and identify the new owner.

3.15 – Deleted, Not Applicable

3.16 - Time extension requests must be submitted in writing to Lessee each month in which the Lessor believes he/she is entitled to more time. Such requests shall detail the length of time extension requested and indicate why the Lessor believes more time is warranted. Lessee will respond to such requests and may extend the timeframe allowed for substantial completion. If no time extension is requested in writing, it will be assumed that no additional time is needed and no timeframe extension will be allowed for that month.

3.17 - The Lessor shall permit the Lessee to display public notifications of applicable public meetings as required by 1976 PA 267, as amended, MCL 15.261 et seq., in public lobby areas of the building wherein the Leased premises are located, in a manner consistent with the decor of the public lobby areas. Any display cases or other means used to display such public notifications shall be at the Lessee's expense.

3.18 - Lessee requires that all newly constructed buildings leased by the State of Michigan shall be designed and constructed in accordance with the Leadership in Energy and Environmental Design (LEED) Green Building Rating System developed by the United States Green Building Council and complies with Energy Star® designation.

ARTICLE IV - LESSEE OBLIGATIONS, DUTIES, and OPTIONS

4.1 - The Lessee shall furnish:

- a) Deleted, Not Applicable
- b) Deleted, Not Applicable
- c) Deleted, Not Applicable
- d) Deleted, Not Applicable
- e) Deleted, Not Applicable
- f) Deleted, Not Applicable

g) Telecommunications system and equipment.

h) Intrusion alarm system monitoring.

i) Reimbursement to the Lessor, for any repairs to the Leased premises, from damage that exceeds the normal wear and tear expected from the lawful and proper use of the Leased premises, and the sole cause of which was the negligent acts or omissions of the Lessee's employees, agents, wards, clients, or customers.

j) Deleted, Not Applicable

k) Deleted, Not Applicable

4.2 - The Lessee shall give detailed written notice to the Lessor, and if applicable, to the Lessor's mortgagee, of the need for any maintenance which is the obligation of the Lessor pursuant to Article III. This provision is cross referenced in paragraphs 3.1(s), 5.15, and 5.17.

4.3 - a) The Lessee shall have the option to add tenant improvements to the Leased premises during this Lease or any extension at the Lessee's expense. The tenant improvements to the Leased premises shall be and remain the property of the Lessee, and may be removed by the Lessee prior to cancellation or termination of this Lease. In the event the Lessee exercises its option to remove any tenant improvements to the Leased premises under this paragraph upon cancellation or termination of this Lease, the Lessee shall restore or otherwise return the Leased premises, and adjoining space, if impacted as determined by the Lessee, to the Lessor in an "as found" condition, except for normal wear and tear, unless otherwise agreed upon in writing.

b) In the event the Lessee removes any fixtures, finishes, additions, or structures owned by the Lessor, placed in or attached to the Leased premises, upon termination or cancellation of this Lease, the Lessee shall restore or otherwise return the Leased premises to the Lessor in an "as found" condition, except for normal wear and tear, unless otherwise agreed upon in writing.

4.4 - All tenant improvements by the Lessee, made pursuant to paragraph 4.3, shall be performed in a manner customarily accepted by the skilled trades, and in accordance with all federal, state, and local rules, ordinances, laws, codes, or nationally recognized standards of good construction practice.

4.5 - Upon cancellation or termination of this Lease, the Lessee shall clean the Leased premises to "broom-clean condition", and shall remove all furnishings from the Leased premises. Furnishings remaining in or on the Leased premises after the cancellation or termination effective date shall be considered abandoned property, and the Lessee shall be obligated to pay the Lessor for all reasonable removal costs.

4.6 - The Lessee shall be responsible to request and obtain any local government sign ordinance variances and the payment of any related fees.

4.7 - In the event the Lessor fails to proceed with repairs necessitated by damage or destruction that is fifty percent (50%) or less, as referenced in paragraph 3.10, the Lessee may proceed, after affording insurance surveyors or adjusters opportunity to inspect the damages, with repairs for the account of and at the expense of the Lessor.

4.8 - If the Lessee records this Lease with the county register of deeds, the Lessee shall record a discharge or notice of cancellation or termination of Lease within thirty (30) days after the cancellation

or termination of this Lease is effective. The discharge from the public record shall include any recorded amendments to this Lease.

4.9 - The Lessee shall close all open windows, skylights, doors, or other exterior openings to the Leased premises, within the control of the Lessee, to avoid possible damage from fire, storms, rain, or freezing, when leaving the Leased premises at the close of the business day, or prior to any times when the Leased premises shall be unoccupied.

4.10 - The Lessee shall not permit:

a) Bicycles, mopeds, or other vehicles used for personal transportation, to be stored within the Leased premises or other common areas, unless otherwise specifically authorized elsewhere in this Lease, or agreed upon in writing with the Lessor.

b) Any items to be attached to suspended acoustical ceiling grids.

c) Access to any roof or overhang structure, except as under emergencies to maintain the roof moisture barrier or any rooftop mechanical system affecting the Leased premises.

ARTICLE V - RENT CONSIDERATION

5.1 - Rent consideration installment payments shall be made during the month for which the installment applies.

5.2 - If the Leased premises are not ready for possession by the date established in paragraphs 2.4 and 3.6, the Lessee shall not be responsible for rent until taking possession, nor shall the Lessee waive any claims to damages which the Lessee may have suffered.

5.3 - The Lessee shall pay to the Lessor as annual rent consideration for the Leased premises from 12:01 a.m. **January 1, 2017**, through 11:59 p.m. **December 31, 2026**, at the rate of **Ninety Eight Thousand Nine Hundred Ninety and 76/100 dollars (\$98,990.76)** per year, payable in installments of **Eight Thousand Two Hundred Forty Nine and 23/100 dollars (\$8,249.23)** per month.

5.4 – Deleted, Not Applicable

5.5 - In the event the Lessee exercises the renewal option pursuant to Article II, paragraph 2.5, the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. **January 1, 2027**, through 11:59 p.m. **December 31, 2031**, at the rate of **One Hundred Twelve Thousand Nine Hundred Eight and 48/100 dollars (\$112,908.48)** per year, payable in installments of **Nine Thousand Four Hundred Nine and 04/100 dollars (\$9,409.04)** per month.

a) In the event the Lessee exercises the renewal option pursuant to Article II, paragraph 2.6, the Lessee shall pay to the Lessor as rent consideration for the Leased premises from 12:01 a.m. **January 1, 2032**, through 11:59 p.m. **December 31, 2036**, at the rate of **One Hundred Nineteen Thousand Three Hundred Fifty Five and 24/100 dollars (\$119,355.24)** per year, payable in installments of **Nine Thousand Nine Hundred Forty Six and 27/100 dollars (\$9,946.27)** per month.

5.6 - Deleted, Not Applicable

5.7 - Deleted, Not Applicable

5.8 - Deleted, Not Applicable

5.9 - Deleted, Not Applicable

5.10 – Deleted, Not Applicable

5.11 - Deleted, Not Applicable

5.12 – Deleted, Not Applicable

5.13 - Reserved

5.14 - Reserved

5.15 - If the Lessor fails to provide maintenance or complete the remodeling or construction, as referenced in Article III, the Lessee may provide the required maintenance, or complete the required remodeling or construction, and deduct the costs from future rent consideration payments due the Lessor.

5.16 - If the Lessor fails to provide supporting documentation or warranties, as required by Article III, fifteen percent (15%) of the monthly rent consideration shall be held by the Lessee, until the required documentation is provided to the Lessee.

5.17 - The Lessee shall be entitled to an abatement of rent consideration for the period during which the Leased premises are rendered untenantable or incapable of the use for which the premises were leased as described in paragraph 1.10. In the event that only a part of the Leased premises are untenantable or incapable of such use, the rent shall be reduced in proportion to the entire area rented by the Lessee. This covenant is cross referenced in Articles III, IV and XI.

5.18 - Any rent consideration prepaid in advance to the Lessor, shall, upon damage or destruction as identified in paragraph 3.10, be repaid by the Lessor to the Lessee, within thirty (30) days of cancellation.

ARTICLE VI – Deleted, Not Applicable

ARTICLE VII - EMINENT DOMAIN/CONDEMNATION

7.1 - The Lessor shall notify the Lessee within ten (10) days of the commencement of eminent domain/condemnation proceedings against the Leased premises described in paragraphs 2.1 and 2.2 by a public agency authorized by law to condemn property. The Lessor shall timely notify the Lessee of the Lessor's intent to contest eminent domain/condemnation proceedings. The Lessor shall notify the Lessee within ten (10) days of acquisition by eminent domain/condemnation of the Leased premises described in paragraphs 2.1 and 2.2 by a public agency.

7.2 - If a total taking of the Leased premises by any public authority under the power of eminent domain/condemnation occurs, then the term of this Lease shall cease as of the day of possession and the rent shall be paid up to that day with a proportionate refund by the Lessor of such rent as may have been paid in advance for a period subsequent to the date of the taking. This covenant is cross referenced in Article XI.

7.3 - If a partial taking of the Leased premises by any public authority under eminent domain/condemnation occurs, the Lessee shall have the right either to terminate this Lease and declare same null and void, or, subject to the Lessor's right of termination as set forth below, to

continue in possession of the remainder of the Leased premises, and shall notify the Lessor in writing within ten (10) days after such taking of the Lessee's intention. In the event the Lessee elects to remain in possession, all of the terms herein provided shall continue in effect, except that the fixed annual rental shall be reduced in proportion to the amount of the Leased premises taken and the Lessor shall, at its own cost and expense, make all the necessary repairs or alterations to the building, as originally installed by the Lessor, so as to constitute the remaining Leased premises a complete architectural unit.

7.4 - If more than fifty (50%) percent of the Leased premises are taken under the power of eminent domain/condemnation, the Lessor may, by written notice to the Lessee delivered on or before the date of surrendering possession to the public authority, terminate this Lease.

7.5 - All damages awarded for either a total or partial taking under the power of eminent domain/condemnation, of the Leased premises, including fee title, described in paragraphs 2.1 and 2.2 shall belong to and be the property of the Lessor, except damages awarded as compensation for diminution in value to the leasehold interest which shall belong to and be the property of the Lessee. The Lessee shall be entitled to all damages and costs flowing from its loss of the leasehold interest including, but not limited to, loss of the value of the remaining terms of the Lease, the economic value of the Lease, depreciation and cost of removal of the Lessee's supplies and fixtures, and relocation cost.

ARTICLE VIII - ESTOPPEL

8.1 - The Lessee shall, within fourteen (14) days of receipt of a request by the Lessor, pursuant to paragraph 12.1, certify, to the extent the Lessee believes the information to be true and deliver to the Lessor an executed estoppel certificate (Enclosure "D"). The Lessee's failure to deliver such statement shall be conclusive upon the Lessee that:

- a) This Lease is in full force and effect without modification except as may be represented by the Lessor,
- b) There are no uncured defaults in the Lessor's performance,
- c) Not more than one (1) month's rent has been paid in advance.

ARTICLE IX - Deleted, Not Applicable

ARTICLE X - LESSOR'S MORTGAGEE

10.1 - For purposes of this Article, the term "Lessor's mortgagee" means any party of record holding a mortgage or deed of trust on the Leased premises described in paragraphs 2.1 and 2.2, or any part thereof. The Lessor shall give the Lessee written notice that such party holds such lien or deed of trust, and written evidence of the date the mortgage or deed of trust was executed, together with notice of the address of Lessor's mortgagee. A lien held by a Lessor's mortgagee on the Leased premises, or any portion thereof, is herein referred to as a "Lessor's mortgage".

10.2 - Pursuant to paragraph 10.1, the Lessor has disclosed all mortgages or deeds of trust affecting the Leased premises set forth in paragraphs 2.1 and 2.2 which exist as of the execution date of this Lease. If a mortgage or deed of trust exists or existed, as of the execution date of the original Lease, the Lessor shall cause each mortgagee to execute in favor of the Lessee the Nondisturbance Agreement, attached as Enclosure "E", whereby said mortgagee agrees that it will not disturb the Lessee's tenancy in the event of foreclosure or other succession to the interest of the Lessor.

Enclosure "E" shall be executed before this Lease becomes effective. Any mortgage is to be subordinate to this Lease, and any future amendment thereto unless specifically provided otherwise in writing.

10.3 - If the Leased premises are at any time during the term of this Lease subject to a Lessor's mortgage, then, whenever the Lessee gives notice to the Lessor alleging default by the Lessor in performance of any covenant or obligation under this Lease, the Lessee shall simultaneously give a copy of such notice to the Lessor's mortgagee (at the address of the Lessor's mortgagee provided pursuant to paragraph 10.1). Lessor's mortgagee shall have the right (but not the obligation) to cure or remedy Lessor's default during the same time period that is permitted to the Lessor hereunder for the remedying or curing of such default. Lessee will accept such curative or remedial action taken by a Lessor's mortgagee with the same effect as if such action had been taken by the Lessor. Any claims for damages by the Lessee shall not be waived by the Lessor's mortgagee's corrective or remedial action.

10.4 - In the event that the Lessor's mortgagee of record (or any other party) shall acquire title to the Leased premises or shall succeed to the Lessor's interest in this Lease, whether through foreclosure of the Lessor's mortgage, conveyance in lieu of foreclosure, or otherwise (collectively, a "foreclosure"), the Lessor's mortgagee (or other such party) shall thereupon, and without the necessity of attornment or other act or agreement, be substituted as the Lessee's landlord under this Lease, and shall be subject to the obligations thereof. The rights acquired by the Lessor's mortgagee are subordinate to this Lease and all of the Lessee's rights under the Lease continue undisturbed.

ARTICLE XI - CANCELLATION

11.1 - This Lease may be cancelled by the Lessee during the any period of possession if the Lessor is notified in writing at least **ninety (90)** days prior to the effective date of cancellation.

11.2 – Deleted, Not Applicable

11.3 - This Lease may be cancelled by the Lessee provided the Lessor is notified in writing at least thirty (30) days prior to the effective date of cancellation and any one of the following occur:

a) The Lessor or any subcontractor, manufacturer or supplier of the Lessor appears in the register compiled by the **State of Michigan** pursuant to 1980 PA 278, as amended, MCL 423.321 et seq. (Employers Engaging in Unfair Labor Practices Act).

b) The Lessor or any subcontractor, manufacturer or supplier of the Lessor is found guilty of discrimination, pursuant to 1976 PA 453, as amended, MCL 37.2101 et seq. (Elliott-Larsen Civil Rights Act); or 1976 PA 220, as amended, MCL 37.1101 et seq. (Persons with Disabilities Civil Rights Act). This covenant is cross referenced in Article III.

c) The Leased premises do not comply with the barrier free design requirements of 1966 PA 1, as amended, MCL 125.1351 et seq. (Utilization of Public Facilities by Physically Limited). This covenant is cross referenced in Article III.

d) The Leased premises are taken for a public purpose by eminent domain/condemnation proceedings by a governmental unit. This covenant is cross referenced in Article VII.

e) The Lessee's use of the Leased premises is in violation of local adopted ordinance, or recorded deed restrictions.

f) The Lessee acquires fee title to the Leased premises in paragraphs 2.1 and 2.2. This covenant is cross referenced in Article VI.

g) The Lessor fails to maintain the Leased premises in a tenantable condition, described in and subject to the notice provision in paragraph 3.1(s). The Lessee shall provide detailed written notice to the Lessor, of not less than thirty (30) days, to correct defaults.

h) The Lessor fails to repair or restore the Leased premises for damage specified in paragraph 3.10. This covenant is cross referenced in Articles III, IV, and V.

i) The Lessor fails to deliver the Leased premises, according to the plans, specifications, and timeframe for remodeling or construction, found in paragraph 3.6.

j) Damage or destruction, specified in paragraph 3.10, is so extensive as to constitute a total destruction of the Leased premises. This covenant is cross referenced in Articles III, IV and V.

11.4 - This Lease may be cancelled by the Lessor if the Lessee is notified in writing at least sixty (60) days prior to the effective date of cancellation and any one of the following occur:

a) Damage or destruction to the Leased premises exceeds fifty percent (50%) of the replacement value of the Leased premises, as referenced in paragraph 3.10. This covenant is cross referenced in Articles III, IV and V.

b) The Leased premises are taken by eminent domain/condemnation proceedings, as referenced in Article VII.

ARTICLE XII - NOTICE, APPLICATION, AND APPROVALS

12.1 - Any notice to Lessee required by this Lease shall be complete if submitted in writing and transmitted by personal delivery (with signed delivery receipt), or certified or registered mail return receipt request, or by a nationally recognized overnight delivery service. Unless either party notifies the other in writing of a different mailing address, notice to the Lessor and/or Lessee shall be transmitted to:

Lessor	Lessee
Antrim County	Robert M. Burns, Director, Real Estate Division
Attn: Peter Garwood, Administrator	Michigan Department of Technology, Management & Budget
203 E. Cayuga Street	
Bellaire, MI 49615	For private carrier delivery:
	3111 W. St. Joseph Street
	Lansing, MI 48917
	For U.S. Postal service delivery:
	P.O. Box 30026
	Lansing, MI 48909
E-mail: garwoodp@antrimcounty.org	Copy to Department of Health and Human Services
Telephone: 231-533-6265	
Fax: 231-533-8111	Department of Health and Human Services
	Attn: Kurt Warner
	235 S. Grand Ave, 15 th Floor
	Lansing, MI 48909

The notice shall be deemed effective as of Noon, Eastern Time on either (i) the third business day following the date of mailing, if transmitted by mail or (ii) the date on which the noticed party receives or refuses receipt of the notice, if transmitted by personal delivery, or a nationally recognized overnight delivery service. Business day is defined as any day other than a Saturday, Sunday, legal holiday, or day preceding a legal holiday. A receipt from a U.S. Postal Service, or successor agency, performing such function shall be conclusive evidence of the date of mailing.

12.2 - This Lease shall be interpreted in accordance with the laws of the State of Michigan.

12.3 - This Lease shall be binding upon and to the benefit of the heirs, executors, administrators, and assigns of the Lessor; and upon and to the benefit of the assignees and sublessees of the Lessee.

12.4 - This Lease shall not be binding or effective on either party until approved (and notarized as necessary) by the Lessor, Lessee, Department of the Attorney General, Department of Technology, Management & Budget, Building Committee of the State Administrative Board, and the State Administrative Board. If this Lease or any subsequent amendments to it fall within the requirements of 1984 PA 431, as amended, MCL 18.1101 et seq. (Management and Budget Act), this Lease and any subsequent amendments to it shall also require approval of the Joint Capital Outlay Subcommittee of the Legislature.

12.5 – This Lease supersedes and cancels a Lease between Lessor and Lessee, which was approved by the State Administrative Board, Item #18, on **September 6, 1994**, between **County of Antrim**, as Lessor, and the State of Michigan, Department of **Social Services**, as Lessee, for premises located at **203 E. Cayuga Street, Bellaire, MI**, consisting of **6,025 usable** square feet of space, which is a part of the Leased premises herein described, which said Lease shall be null and void when this Lease becomes effective.

12.6 - Should any provision of this Lease or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Lease, and such action shall not affect the enforceability of the remaining provisions of the Lease.

12.7 - This Lease, with all enclosures and attachments as listed below, constitutes the entire agreement between the parties with regard to this transaction and may be amended only in writing and executed in the same manner as this Lease was originally executed, as under paragraph 12.4.

12.8 - Electronic Funds Transfer (EFT): Public Act 533 of 2004 requires that payments under this Lease be processed by electronic funds transfer (EFT). Lessor is required to register to receive payments by EFT at the Contract & Payment Express website (www.mi.gov/cpexpress).

Enclosure "A" - 1 page, floor plan

Enclosure "B" - 4 pages, legal description

Enclosure "C" - Deleted, Not Applicable

Enclosure "C-1" - Deleted, Not Applicable

Enclosure "D" - 1 page, Estoppel

Enclosure "E" - 2 pages, Nondisturbance Agreement

Enclosure "F" - 5 pages, Janitorial Schedule