

**GRAND TRAVERSE COUNTY BOARD OF COMMISSIONERS**

Wednesday, October 4, 2017 @ 5:30 p.m.

Governmental Center, 2<sup>nd</sup> Floor Commission Chambers

400 Boardman, Traverse City, MI 49684

General Meeting Policies:

- ❖ Please turn off all cell phones or switch them to silent mode.
- ❖ Any person may make a video, audio or other record of this meeting. Standing equipment, cords, or portable microphones must be located so as not to block audience view.

If you need auxiliary aid assistance, contact 231-922-4760.

CALL TO ORDER:

1. OPENING CEREMONIES OR EXERCISES  
(Pledge of Allegiance)
2. ROLL CALL
3. APPROVAL OF MINUTES  
(Reading aloud is waived as long as the Board has been furnished a copy in the packet prior to the meeting)
  - a. Minutes of June 21, 2017 (Regular Session) ..... 3
  - b. Minutes of August 2, 2017 (Special Session) ..... 8
  - c. Minutes of September 20, 2017 (Regular Session) ..... 9
  - d. Minutes of September 27, 2017 (Special Session) ..... 14
  - e. Minutes of September 27, 2017 (Joint Study Session) ..... 15

4. FIRST PUBLIC COMMENT

Any person shall be permitted to address a meeting of the Board of Commissioners which is required to be open to the public under the provision of the Michigan Open Meetings Act. Public Comment shall be carried out in accordance with the following Board Rules and Procedures:

Any person wishing to address the Board shall state his or her name and address.

No person shall be allowed to speak more than once on the same matter, excluding time needed to answer Commissioners' questions, if any. The Chairperson shall control the amount of time each person shall be allowed to speak, which shall not exceed three (3) minutes. The Chairperson may, at his or her discretion, extend the amount of time any person is allowed to speak.

Public comment will be solicited during the two public comment periods noted in Rule 5.4, Order of Business. However, public comment will generally be received at any time during the meeting regarding a specific topic currently under discussion by the board. Members of the public wishing to comment should raise their hand or pass a note to the clerk in order to be recognized, and shall not address the board until called upon by the chairperson.

5. APPROVAL OF AGENDA

6. CONSENT CALENDAR:

The purpose of the Consent Calendar is to expedite business by grouping non-controversial items together to be dealt with by one Commission motion without discussion. Any member of the Commission, staff or the public may ask that any item on the Consent Calendar be removed and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected.

If any item is not removed from the consent calendar, the action noted (receive & file or approval) is approved by a single Commission action adopting the consent calendar.

All Information identified on the Consent Calendar can be viewed in it's entirety at [www.grandtraverse.org](http://www.grandtraverse.org).

a.	Receive and File:	
1)	Northwestern Regional Airport Commission Minutes of August 22, 2017 .....	17
2)	Road Commission Report for September 20, 2017 meeting .....	19
b.	Approvals:	
c.	Action:	
7.	SPECIAL ORDERS OF BUSINESS:	
a.	Public Hearings:	
1)	Traverse City Place Amended Brownfield Plan .....	20
2)	Approval of Report for the Closure of the Creekside Clinic CDBG Loan (Venture North) .....	29
b.	Annual Report Presentation – Northern Lakes Community Mental Health .....	55
8.	ITEMS REMOVED FROM CONSENT CALENDAR	
9.	DEPARTMENTAL ITEMS:	
a.	Commission on Aging:	
1)	Agreement for Personal Emergency Response Units (Guardian) .....	63
2)	Agreement for Back-Up Commission on Aging Services (Comfort Keepers) .....	68
b.	District Court:	
1)	86 <sup>th</sup> District Court Reorganization .....	73
c.	Health Department:	
1)	Lease Agreement for Kingsley Adolescent Health Clinic (Southtown Property Mgmt.) .....	90
d.	Information Technology (IT):	
1)	Memorandum of Understanding for the Provision of a Shared Chief Information Security Officer .....	99
e.	Human Resources/Facilities:	
1)	Letter of Understanding – Teamsters (Team Leader) .....	109
10.	OLD/UNFINISHED BUSINESS:	
a.	County Officers Compensation Committee Discussion .....	112
b.	Purchasing Policy Discussion .....	116
11.	NEW BUSINESS:	
12.	SECOND PUBLIC COMMENT (Refer to Rules under Public Comment/Input above.)	
13.	COMMISSIONER/DEPARTMENT REPORTS:	
14.	NOTICES:	
15.	CLOSED SESSION IF NEEDED:	
16.	ADJOURNMENT	

GRAND TRAVERSE COUNTY  
BOARD OF COMMISSIONERS

Regular Meeting  
June 21, 2017

Chairwoman Crawford called the meeting to order at 5:30 p.m. at the Governmental Center.

OPENING CEREMONIES OR EXERCISES

The Pledge of Allegiance to the Flag of the United States of America was recited.

PRESENT: Ron Clous, Bob Johnson (arrived at 5:36 p.m.), Dan Lathrop, Tom Mair, and Carol Crawford

EXCUSED: Addison Wheelock, Jr. and Cheryl Gore Follette

APPROVAL OF MINUTES

June 7, 2017 – Special Session

June 7, 2017 – Regular Meeting

There being no corrections to the minutes listed above, they were approved as presented.

PUBLIC COMMENT

Rebecca Dornoff – spoke regarding Pavilions

APPROVAL OF AGENDA

Moved by Lathrop, seconded by Clous to approve the agenda as presented. Motion carried.

CONSENT CALENDAR

The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with by one Commission motion without discussion. Any member of the Commission, staff, or the public may ask that any item on the consent calendar be removed and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected.

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A. RECEIVE AND FILE

1. Resolution of Support – MSU to assist with the eradication of the Spotted Wing Drosophila (Oceana)
2. Conservation District – May Report
3. Road Commission – June Report
4. April 2017 Monthly Finance Report

5. June Staff Report

B. APPROVALS

- 1. Resolution 64-2017  
Resource Recovery  
Hauler Licenses
- 2. Resolution 65-2017  
Sheriff's Office  
Fixed Asset Disposal Request
- 3. Resolution 66-2017  
Finance  
May 2017 Claims Approval
- 4. Resolution 67-2017  
Finance  
FY 2017 Budget Amendments
- 5. Resolution 68-2017  
Grand Traverse Band 2% Grant Applications
- 6. Resolution 69-2017  
Equalization  
2017 Tax Rate Request L-4029

ACTION ON THE CONSENT CALENDAR

The Chief Deputy County Clerk read the Consent Calendar for the record

Moved by Johnson, seconded by Lathrop to approve the Consent Calendar as presented.  
Motion carried.

SPECIAL ORDERS OF BUSINESS

None

ITEMS REMOVED FROM CONSENT CALENDAR

None

DEPARTMENT ACTION ITEMS

**a. Drain Commissioner**

- 1. Revolving Drain Fund 639 – Advance Funding  
Steven Largent, Drain Commissioner, reviewed request for advance funding and answered questions.

Resolution 70-2017  
Drain Commissioner  
Revolving Drain Fund 639 – Advance Funding

Moved by Crawford, seconded by Lathrop to approve Resolution 70-2017  
Motion carried.

**b. Deputy Civil Counsel and Planning Director**

1. County-Owned Properties Report

Chris Forsyth, Deputy Civil Counsel, reviewed Boards authority regarding property and answered Commissioners’ questions.

John Sych, Planning Director, reviewed Civic Center, Pavilions, Governmental Center, Twin Lakes, Power Island, Maple Bay Properties and answered Commissioners’ questions.

John Roth, Parks & Recreation Board President, spoke regarding Twin Lakes and Power Island. He also spoke on Keystone Road Property and answered Commissioners’ questions.

**Public Comment**

Andy Marek – spoke on sale of Keystone Property.

Ryan Walsh – spoke on Keystone Property.

Dave Petrove – spoke on the buying and selling of property by government.

**OLD BUSINESS**

**a. Pension Stabilization Plan**

1. Shall the Board approve the MERS Retiree Healthcare Funding Vehicle for funding the County’s OPEB Liability and authorize payment of \$250,000 of General Fund unrestricted fund balance?
2. Shall the Board adopt the MERS Investment Services Program Resolution for investing funds to be utilized for stabilizing payments in to the pension plan in future years, to off-set the impact of market volatility and/or changes in actuarial assumptions which may impact the annual required contributions?
3. Shall the Board request voters consider a dedicated millage to pay for the County’s pension obligations?
4. Shall the Board direct staff to proceed with engaging Bond counsel and a financial advisor through an RFP to issue a bond to pay for all or part of the County’s pension obligations?
5. Shall the Board dissolve the Pension Advisory Board?

Commissioners discussed options for the Pension Stabilization Plan.

Tony Radjenovich, MERS Regional Manager, answered Commissioners questions.

Moved by Lathrop, seconded by Johnson, to recommend the County not issue a bond to manage County Debt.

Roll Call Vote: Yes 3 No 2 Excused 2

Nays: Mair and Crawford

Motion failed – required majority of those elected and serving.

Moved by Johnson, seconded by Lathrop, to recommend the County not request voters to consider dedicated millage to pay for the County’s pension obligations.

Roll Call Vote: Yes 5 No 0 Excused 2

Moved by Lathrop, seconded by Clous approve the MERS Retiree Healthcare Funding Vehicle for funding the County’s OPEB Liability and authorize payment of \$250,000 of General Fund unrestricted fund balance.

Motion carried

Moved by Lathrop, seconded by Clous to retain the Pension Advisory Board, discuss the role of the Board at a later date and appoint three (3) citizen members. Motion carried.

Ad Hoc Committee Members for Pension Advisory Board interview:  
Commissioners Crawford, Lathrop and Mair

**b. Update on Administrator Search**

Chairwoman Crawford updated the Board on the Administrator search.

NEW BUSINESS

None

PUBLIC COMMENT

Jeri LeRoi – inquired what spending cuts have been made at the County.

John Roth – spoke on construction near Civic Center property.

Andy Marek – praised Commissioners on their recent actions.

COMMISSIONER/DEPARTMENT REPORTS

**a. Assign Ad Hoc Committee (interviews for Building Authority)**

Ad Hoc Committee members for Building Authority interview:

Commissioners Crawford, Gore, Wheelock

**b. Department Update (Community Development)**

Jean Derenzy, Director of Community Development and Codes gave update on Community Development.

Commissioner Mair was excused at 8:46 p.m.

NOTICES

- a. **Animal Control Discussion – June 28<sup>th</sup>**
- b. **NACo Conference – July 21-24 – Columbus, OH**
- c. **MAC Conference – September 24-26 – Mackinac Island**
- d. **MERS Conference – September 21-22 - Detroit**

CLOSED SESSION

None

Meeting adjourned at 8:50 p.m.

\_\_\_\_\_  
Sarah B. Lutz, Chief Deputy County Clerk

\_\_\_\_\_  
Carol Crawford, Chairwoman

APPROVED: \_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Initials)

DRAFT

GRAND TRAVERSE COUNTY  
BOARD OF COMMISSIONERS

Special Session  
August 2, 2017

Chairwoman Crawford called the meeting to order at 4:31 p.m. at the Governmental Center.

OPENING CEREMONIES OR EXERCISES

The Pledge of Allegiance to the Flag of the United States of America was recited.

CITY COMMISSIONERS PRESENT:

Michelle Howard, Richard Lewis, Amy Shamroe, Tim Werner, Gary Howe, and Jim Carruthers

EXCUSED: Brian Haas

COUNTY COMMISSIONERS PRESENT:

Ron Clous, Cheryl Gore Follette, Bob Johnson, Dan Lathrop, Tom Mair, Addison Wheelock, Jr., and Carol Crawford

PUBLIC COMMENT

**John Porter** spoke about IT needs.

IT – STRATEGIC TECHNOLOGY PLAN PRESENTATION

Paul Knific, Epic Technology Solutions, and Ming Mays, IT Director, gave a presentation about the strategic technology plan and answered Commissioners' questions.

QUESTIONS FROM THE PUBLIC

The following people from the public asked additional questions to Mr. Knific and Ms. Mays:

**Benjamin Ingwerson**

**John Porter**

PUBLIC COMMENT

The following people gave additional comments about the IT Strategic Technology Plan:

**Jackie Gwyn**

**John Porter**

Meeting adjourned at 5:31 p.m.

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Bonnie Scheele, County Clerk

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Carol Crawford, Chairwoman

APPROVED: \_\_\_\_\_  
(Date) (Initials)



GRAND TRAVERSE COUNTY  
BOARD OF COMMISSIONERS

Annual Meeting  
September 20, 2017

Chairwoman Crawford called the meeting to order at 5:31 p.m. at the Governmental Center.

OPENING CEREMONIES OR EXERCISES

The Pledge of Allegiance to the Flag of the United States of America was recited.

PRESENT: Ron Clous, Cheryl Gore Follette, Dan Lathrop, Tom Mair,  
Addison Wheelock, Jr. and Carol Crawford

EXCUSED: Bob Johnson

APPROVAL OF MINUTES

September 6, 2017 – Regular Session

Moved by Wheelock seconded by Mair to approve the minutes as presented. Motion carried.

PUBLIC COMMENT

Rick Buckhalter – Spoke on the Boardman Trail Memorandum of Understanding.

APPROVAL OF AGENDA

Add under New Business: Conflict of Interest Disclosure

Remove under Old/Unfinished Business: Commissioner Travel and Conference Costs.

Moved by Lathrop, seconded by Clous to approve the agenda as amended. Motion carried.

CONSENT CALENDAR

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A. RECEIVE AND FILE

1. Grand Traverse Conservation District August 2017 Report
2. Michigan State University (MSU) Extension Monthly Report
3. Genesee County Resolution regarding Great Lakes
4. Staff Report September 2017

5. Budget to Actual Revenue and Expenditure Report

**B. APPROVALS**

- 1. Resolution 98-2017  
Finance  
FY2017 Budget Amendments
- 2. Resolution 99-2017  
Finance  
August 2017 Claims Approval
- 3. Renewal of Child & Adolescent Health Center Grant Agreement – Kingsley – *Removed from calendar*
- 4. Renewal of Child & Adolescent Health Center Grant Agreement – Youth Health & Wellness Center – *Removed from calendar*
- 5. Resolution 100-2017  
Health Department  
Morgue Facility Use Agreement
- 6. Extend Phone System Maintenance Agreement – *Removed from calendar*

**ACTION ON THE CONSENT CALENDAR**

After the Chief Deputy County Clerk read the Consent Calendar for the record, the following items were removed.

Item #B-3	Page 56	By: Gore Follette
Item #B-4	Page 83	By: Gore Follette
Item #B-6	Page 117	By: Gore Follette

Moved by Wheelock, seconded by Mair to approve the Consent Calendar as presented. Motion carried.

**SPECIAL ORDERS OF BUSINESS**

- a. **Board of Canvassers Appointments**  
The Chief Deputy County Clerk provided instructions on the distributed ballots to the Commissioners.

The Chief Deputy County Clerk will tally the results and report back to the Commissioners under Old Business.

ITEMS REMOVED FROM CONSENT CALENDAR

**Item b-3 & b-4 Renewal of Child & Adolescent Health Center Grant Agreement – Kingsley and Renewal of Child & Adolescent Health Center Grant Agreement – Youth Health & Wellness Center.**

Wendy Hirschenberger, Health Officer, reviewed the grant agreements and answered Commissioners’ questions.

Resolution 101-2017  
Health Department  
Renewal of Child & Adolescent Health Center  
Grant Agreement – Kingsley

Resolution 102-2017  
Health Department  
Renewal of Child & Adolescent Health Center  
Grant Agreement – Youth Health & Wellness Center

Moved by Gore Follette, seconded by Clous to approve Resolutions 101-2017 and 102-2017. Motion carried.

**Item b-6 Extend Phone System Maintenance Agreement**

Jen DeHaan, Deputy County Administrator, explained phone system maintenance agreement and answered Commissioners questions.

Resolution 103-2017  
Information Technology  
Avaya  
Extend Phone System Maintenance Agreement

Moved by Gore Follette, seconded by Clous to approve Resolution 103-2017. Motion carried.

DEPARTMENT ACTION ITEMS

a. HEALTH DEPARTMENT

1. Agreement between Benzie-Leelanau District Health Department and Grand Traverse County Health Department for Reproductive Health Provider Services.  
Wendy Hirschenberger, Health Officer, spoke on the agreement.

Resolution 104-2017  
Health Department  
Benzie-Leelanau District Health Department  
Reproductive Health Provider Services

Moved by Gore Follette, seconded by Lathrop to approve Resolution 104-2017. Motion carried.

b. COMMUNITY DEVELOPMENT

- 1. Memorandum of Understanding – Boardman Lake Trail Loop  
Jean Derenzy, Community Development Director, reviewed the Memorandum of Understanding and answered Commissioners’ questions.

Resolution 105-2017  
Memorandum of Understanding  
City of Traverse City, Garfield Township and TART Trails  
Boardman Lake Trail Loop

Moved by Gore Follette, seconded by Clous to approve Resolution 105-2017.  
Motion carried.

OLD/UNFINISHED BUSINESS

- a. Results of Board of Canvassers Vote (County Clerk)  
The Chief Deputy County Clerk announced that the winner of the Board of Canvasser election for Democratic Canvasser is, Elizabeth Whelan. The results for the Board of Canvasser election for the Republican Canvasser was a tie 3 votes to 3 votes for Karen Goodrich and Anna Mouser. The Chief Deputy will follow up with the Bureau of Elections to determine the next step for a tie breaker.

Moved by Gore Follette, seconded by Lathrop to accept the election results for the Grand Traverse County Democratic Canvasser. Motion carried.

- b. NACo Membership  
Chairwoman Crawford briefed the Commissioners on the County’s NACo Membership and benefits.
- c. Commission on Aging Update  
Jen DeHaan, Deputy County Administrator, provided an update on the Commission on Aging and answered Commissioners’ questions.

NEW BUSINESS

- a. **Conflict of Interest Disclosures**  
Commissioner Wheelock, reviewed invoice from Wheelock & Sons Welding, Inc. and asked the Commission to approve for payment.

Moved by Lathrop, seconded by Clous to accept and pay invoice #50140 in the amount of \$25.  
Roll Call Vote: Yes 5, Abstained 1, Excused 1  
Abstained: Wheelock

PUBLIC COMMENT

None

COMMISSIONER REPORTS

Commissioner Clous reported he attended Grant and Mayfield Township board meetings, the townships are purchasing radios for the Buckley Fire Department.

NOTICES

- a. Joint Study Session with Parks & Recreation – September 27, 2017 at 5:30 p.m. (Training Room)
- b. The most recent Grand Traverse Band 2% Grant Cycle distributions have been made to various recipients.

CLOSED SESSION

- a. Civil Counsel
  - 1) Review attorney-client privileged communication related to the County’s former Medical Care Facility and Munson Medical Center.
- b. Updates from Labor Counsel:
  - 1) Contract Negotiations with Various Bargaining Units
  - 2) MERC Decision – Unfair Labor Practice filed by POAM/COAM/TPOAM
  - 3) Teamsters grievance regarding PA 152

Moved by Crawford, seconded by Clous to go into closed session per MCL 15.268(h), 15.268(c) and 15.268(e) for the purposes of reviewing attorney-client privileged communication related to the County’s former Medical Care Facility and Munson Medical Center as well as discussing with labor counsel (1) Contract negotiations for various bargaining units; (2) MERC decision on Unfair Labor Practices Charges filed by the POAM, COAM, and TPOAM regarding employee health insurance payment (PA 152); and (3) Teamsters grievance regarding PA 152, at 6:27 p.m.

Roll Call Vote: Yes 6, Excused 1

Moved by Crawford, seconded by Clous to return to regular session at 7:22 p.m.

Moved by Crawford, seconded by Gore Follette, to approve the Letter of Understanding with Teamsters Local 214 to settle their Grievance concerning PA 152 and authorize the Board Chairwoman to sign the Letter of Understanding.

Roll Call Vote: Yes 6, Excused 1

Moved by Crawford, seconded by Lathrop, to offer to settle with the POAM, COAM, and TPOAM their Unfair Labor Practice Charges concerning PA 152 pursuant to the four Settlement Agreements and Letters of Understanding. If accepted by the bargaining units, the Board Chairwoman is authorized to sign same.

Roll Call Vote: Yes 6, Excused 1

Meeting adjourned at 7:23 p.m.

\_\_\_\_\_  
Sarah B. Lutz, Chief Deputy County Clerk

\_\_\_\_\_  
Carol Crawford, Chairwoman

APPROVED: \_\_\_\_\_  
(Date) (Initials)

GRAND TRAVERSE COUNTY  
BOARD OF COMMISSIONERS

Special Session  
September 27, 2017

Chairwoman Crawford called the meeting to order at 5:15 p.m. at the Governmental Center.

OPENING CEREMONIES OR EXERCISES

The Pledge of Allegiance to the Flag of the United States of America was recited.

PRESENT: Tom Mair, Dan Lathrop, Bob Johnson, Ron Clous, Cheryl Gore Follette, and  
Carol Crawford

EXCUSED: Addison Wheelock, Jr.

PUBLIC COMMENT

None

RECONSIDERATION OF BOARD OF CANVASSER VOTE OF SEPTEMBER 20, 2017

A vote was taken on September 20, 2017 for the appointment to the Board of Canvassers. The vote for the Republican Representative resulted in a tie vote. The Bureau of Elections recommended that a new election be held.

The Clerk distributed the Republican ballots. The Board of Commissioner elected Karen Goodrich to serve as the Republican Representative on the Board of Canvassers for a four year term ending October 31, 2021.

PUBLIC COMMENT

None

Meeting adjourned at 5:20 p.m.

\_\_\_\_\_  
Bonnie Scheele, County Clerk

\_\_\_\_\_  
Carol Crawford, Chairwoman

APPROVED: \_\_\_\_\_  
(Date) (Initials)

GRAND TRAVERSE COUNTY  
BOARD OF COMMISSIONERS

Joint Study Session  
September 27, 2017

Chairwoman Crawford called the meeting to order at 5:31p.m. at the Governmental Center.

OPENING CEREMONIES OR EXERCISES

The Pledge of Allegiance to the Flag of the United States of America was recited.

COUNTY COMMISSIONERS PRESENT:

Ron Clous, Cheryl Gore Follette, Bob Johnson, Dan Lathrop, Tom Mair, Addison Wheelock, Jr., and Carol Crawford

PARKS AND RECREATION COMMISSIONERS PRESENT:

Pete Albers, Cheryl Gore Follette, David Grams, Rod Kivell, Rodetta Harrand, Steve Largent, Jeri Leroi, Andy Marek, Shirley Zerafa, and John Roth

PUBLIC COMMENT

None

COUNTY PARKS OVERVIEW

Kristine Erickson, Parks and Recreation Director, gave a presentation on the County Parks.

DISCUSSION OF THE PARKS

John Amrhein led a discussion between the two boards regarding their plans for the County parks and properties.

The Commissioners each indicated what was important to them in regards to the park lands. Mr. Amrhein proposed a procedure they could adopt when considering the sale of County property, which included having the Board of Commissioners pass a resolution requesting the Parks and Recreation Commission review any potential land sale and to report back to the Board their sale analysis and recommendations.

Commissioner Gore Follette was excused at 7:00 p.m.

Commissioner Mair was excused at 7:30 p.m.

PUBLIC COMMENT

None

NOTICES AND COMMISSIONER COMMENTS

John Roth, Parks and Recreation Director, spoke about the parks and the collaboration efforts of the two boards.

Meeting adjourned at 7:35 p.m.

\_\_\_\_\_  
Bonnie Scheele, County Clerk

\_\_\_\_\_  
Carol Crawford, Chairwoman

APPROVED: \_\_\_\_\_  
(Date)                      (Initials)



NORTHWESTERN REGIONAL AIRPORT COMMISSION  
CHERRY CAPITAL AIRPORT  
REGULAR MEETING  
**MINUTES**  
AUGUST 22, 2017  
3:00 P.M.

A. Pledge of Allegiance

B. Roll Call:

Present	Chairman	Mark Eckhoff
	Commissioners	Dan Ahrns, Doug DeYoung, Lee Foerster, Bob Johnson, Tom Kern, Debra Rushton
	Secretary	Kevin Klein
	Counsel	Karrie Zeits
	Others	Dan Sal, Heather Sexton, Stephanie Ward
Absent		None

The Chairman called the meeting to order at 3:00 p.m. The Secretary called the roll and advised the Chairman a quorum was present.

C. Review and Approval of the Agenda:

It was moved by Commissioner Kern and supported by Commissioner Ahrns to approve the agenda as presented. MOTION PASSED.

D. Public Comment:

Airport Director Klein shared Mead & Hunt's ad featuring Bill Ropposch, electrical engineer.

E. Reading and Approving Previous Meeting Minutes:

1. The regular meeting minutes of July 25, 2017 were reviewed by the Commission.

It was moved by Commissioner Kern and supported by Commissioner Rushton to approve the minutes as presented. MOTION PASSED.

F. Reading of Communications:

1. The MDOT Passenger Statistics Report for July 2017 was received and filed. Airport Director Klein noted that the July 2017 passenger totals are the best in the history of the airport.
2. Stephanie Ward, Mead & Hunt, presented a report on the Community Benefit Assessment conducted for MDOT.

G. Reports of Standing Committees: None

H. Reports of Special Committees: None

I. Unfinished Business: None

J. New Business:

1. Ordinance 2017-1 was introduced to the Board for possible enactment at the September 26, 2017 meeting.

Airport Director Klein reviewed the Ordinance which will regulate security at the Airport and prescribe the penalties and means of enforcement therefor.

K. 1. The Airport Director reviewed the Activity Report for the Commission.

A luncheon and presentation will be held on August 26 at 12:00 p.m. for the Colonel Demas T. Craw plaque.

A dedication ceremony for the USCG Falcon jet will be held on September 5 at 10:45 a.m.

2. The Airport Director reviewed the Operations Report for the Commission.

3. The Airport Director reviewed the Accounts Receivable Report for the Commission.

L. Public Comment: None

M. Commissioner Comment: None

N. Adjournment:

There being no further business to come before the Commission, the Chairman adjourned the meeting at 3:55 p.m.

Respectfully submitted,



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

**TO:** Chair – Board of Commissioners  
**FROM:** Jim Cook, Manager  
**DATE:** September 13, 2017  
**SUBJECT:** **REPORT FOR THE SEPTEMBER 20, 2017 MEETING  
AT 5:30 P.M. IN THE COMMISSION CHAMBERS  
400 BOARDMAN AVENUE, TRAVERSE CITY**

**cc:** Board of County Road Commissioners

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A commissioner or I will be available to provide more detailed responses at the BOC meeting on the following items:

1. **Crescent Shores Joint Project with Long Lake Township** - An agreement has been prepared and approved with Long Lake Township regarding the maintenance of items located outside the road right-of-way as part of the this joint project.
2. **East Bay Township SADs** - Bids received for English Woods and Canterbury Woods SAD road improvement projects greatly exceeded the budgeted amounts. We anticipate rebidding in late fall/early winter for both projects to be included in the 2018 construction season as we anticipate pricing will be better.
3. **Four Mile Road at Coon Lake** - At the request of the petitioner, this item was tabled for our September 28, 2107 meeting.
4. **Fence in Williamsburg Road Right-of-Way** - The Board upheld its position to remove obstacles located in the road right-of-way. The property owner was given thirty days to remove/relocate his tall fence out of the right-of-way.
5. **Asset Management Plans for 2017** - The 2017 Asset Management Plan (for road items) was approved by the Board. The plan reflects a substantial revenue increase since our original 2011 Plan and an increase from 38% to 62% fair-to-good rating of our county road system. Thanks goes to our county residents for the two successful millage proposals (2013 to 2020) and our legislature for improving road funding in 2016.
6. **County Road Association Unified Transportation Permits** - The Board adopted usage of the updated, statewide transportation permit forms. It did not act on adopting the statewide permit fees as there is not regional consensus at this time.
7. **Letters of Understanding with Teamsters Local 214** - We are currently negotiating with our bargaining unit on several issues. We expect to address these items at our September meeting.



## Action Request

Meeting Date:	October 4, 2017		
Department:	Community Development & Codes	Submitted By:	Jean Derenzy
Contact E-Mail:	jderenzy@grandtraverse.org	Contact Telephone:	231-922-4513
Agenda Item Title:	Public Hearing --- Traverse City Place Amended Brownfeild Plan		
Estimated Time:	10 <small>(in minutes)</small>	Laptop Presentation:	<input checked="" type="radio"/> Yes <input type="radio"/> No

**Summary of Request:**

Per statutory requirements, a public hearing has been published for the consideration for the approval of the Amended Traverse City Place Brownfield Plan.

The Brownfield Redevelopment Authority approved amending the Traverse City Place Brownfield Plan by adding one additional parcel into the Plan, being 205 N. Union and recognizing the new development of the Warehouse Flats. The Brownfield Plan Amending will not increase eligible activities.

The Traverse City Place Brownfield Plan was originally approved in 2001, and subsequently amended 6 times to facilitate redevelopment within the City of Traverse City. The overview of each amendment is contained on the attached Exhibit A. Although the Amendment does not increase any eligible activities, the past approvals and the remaining activities are outlined on Table 1 for Environmental and Table 2 for non-environmental. The Brownfield Plan area is depicted in Exhibit B.

Table 3 outlines the tax increment available on the one added parcel added to the Plan for the 15 years remaining.

City of Traverse City met on September 18, 2017 and provided concurrence of the Amended Brownfield Plan.

**Suggested Motion:**

Approval of the 2017 Amended Traverse City Place Brownfield Plan as outlined on the attached resolution of findings.

**Financial Information:**

Total Cost:	General Fund Cost:	Included in budget: <input checked="" type="radio"/> Yes <input type="radio"/> No
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If not included in budget, recommended funding source:

This section for Finance Director, Human Resources Director, Civil Counsel, and Administration USE ONLY:

Reviews:	Signature	Date
Finance Director		
Human Resources Director		
Civil Counsel		

**Administration:**  Recommended      Date: \_\_\_\_\_

Miscellaneous:

**Attachments:**

Attachment Titles:

**RESOLUTION**  
**#xx-2017**  
Findings for Approval  
Traverse City Place 2017 Amended Brownfield Plan

WHEREAS, The Brownfield Redevelopment Authority met on August 30, 2017 and reviewed the Traverse City Place Amended Brownfield Plan with recommendation for approval; and,

WHEREAS, Properties within Amended Brownfield Plan are in the City of Traverse City; and,

WHEREAS, Pursuant to Act 381, concurrence must be received by the governmental unit in which Brownfield Plan lies, being the City of Traverse City; and,

WHEREAS, Concurrence was received by the City of Traverse City on September 18, 2017; and,

WHEREAS, The Amended Brownfield Plan encompasses 25 parcels and is located south of West Grandview Parkway, between Hall and Union Streets; and,

WHEREAS, the Amended Brownfield Plan will facilitate new private investment of over \$24 million dollars; and,

WHEREAS, the Amended Brownfield Plan will remain in place and use Tax Increment Financing until 2032, and

WHEREAS, Local Site Remediation Fund will be collected for five years after the completion of reimbursement to the private developer, and the City of Traverse City only if available before the end of the Plan being before December 31, 2031.

NOW, THEREFORE, BE IT RESOLVED, THAT

1. The Amended Brownfield Plan constitutes a public purpose and will facilitate investment and redevelopment of the properties in the Amended Brownfield Plan.
  - a. In particular, the Amended Brownfield Plan will address environmental concerns on properties.
  - b. The Amended Brownfield Plan will facilitate new private investment of over \$25 million dollars, therefore increasing tax base.

2. The Amended Brownfield Plan is consistent with the requirements of Section 14(1) of Act 381 (MCL 125.2664). In particular:
  - a. The Amended Brownfield Plan provides all of the information required in Section 13 of Act 381 (MCL 125.2663).
  - b. Financing the costs of eligible activities will be through the capture of tax increment revenue created by the private investment on properties identified within the Traverse City Place Amended Brownfield Plan.
  - c. The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of the Brownfield Financing Act.
  - d. The taxable value generated by the redevelopment of all or part of the properties is sufficient to cover reimbursement, with the Amended Brownfield Plan ending in 2032.

Approved by County Board of Commissioners \_\_\_\_\_

## EXHIBIT A

### Brownfield Plan Amendments Summary

#### ***Original Brownfield Plan 2001 -***

The original Brownfield Plan (BFP) was approved by GTC on October 31, 2001. It identified eligible property and eligible activities to allow for contemplated future redevelopment of multiple parcels within a defined area of the city known as Traverse City Place. No Act 381 Work Plan was considered at the time.

The original Brownfield Plan included three parcels (the former Grand Traverse Auto properties). It identified \$4,947,059 (including interest) in BEA, due care, additional response, asbestos and lead, demolition, site preparation, and infrastructure activities.

The original Brownfield Plan has been amended six times as follows:

#### ***2002 Amendment -***

The 2002 Amendment to the Brownfield Plan was approved on October 30, 2002. It added 11 parcels to the eligible property, bringing the total number of parcels included to 14. The 2002 Amendment added eligible activity costs for BEA activities, due care, additional response activities, asbestos and lead, demolition, site preparation, and infrastructure improvements, bringing the total approved costs to \$15,000,000 (including interest).

#### ***2005 Amendment -***

The 2005 Amendment to the Brownfield Plan was completed on May 25, 2005. It added four parcels to the eligible property, bringing the total number of parcels included to 18. The 2005 Amendment added \$2,579,073 to the total approved costs, bringing the total approved costs to \$17,279,073 (including interest).

#### ***2007 Amendment -***

The 2007 Amendment to the Brownfield Plan was completed on September 26, 2007. It removed one parcel from the eligible property, bringing the total number of parcels included to 17. The 2007 Amendment did not change the previously approved costs of \$17,279,073 (including interest).

#### ***2010 Amendment -***

The 2010 Amendment to the Brownfield Plan was approved by Grand Traverse County on September 29, 2010. It added one parcel to the eligible property, bringing the total number of parcels included to 18. The 2010 Amendment added DEQ and MEGA eligible activities (the costs of which were \$1,538,602 (including interest): \$1,195,208 in MEGA, and \$343,394 in DEQ), but removed other costs from the Brownfield Plan so that the total “not-to-exceed” approval was reduced to \$15,835,176 (including interest). As a result, the 2010 Amendment

reduced the overall Brownfield Plan by \$1,743,897. Since the 2010 Amendment, one of the eligible property parcels has been re-platted and now comprises three parcels, bringing the total number of parcels included in the Brownfield Plan to 20.

***2012 Amendment -***

The 2012 Amendment was approved by the County Board of Commissioners in October, 2012. The amendment was specifically to add two parcels to the Brownfield Plan Area and to include \$784,000 in environmental costs to the overall Plan. The environmental costs were identified based on new environmental information provided by the Hotel Indigo project.

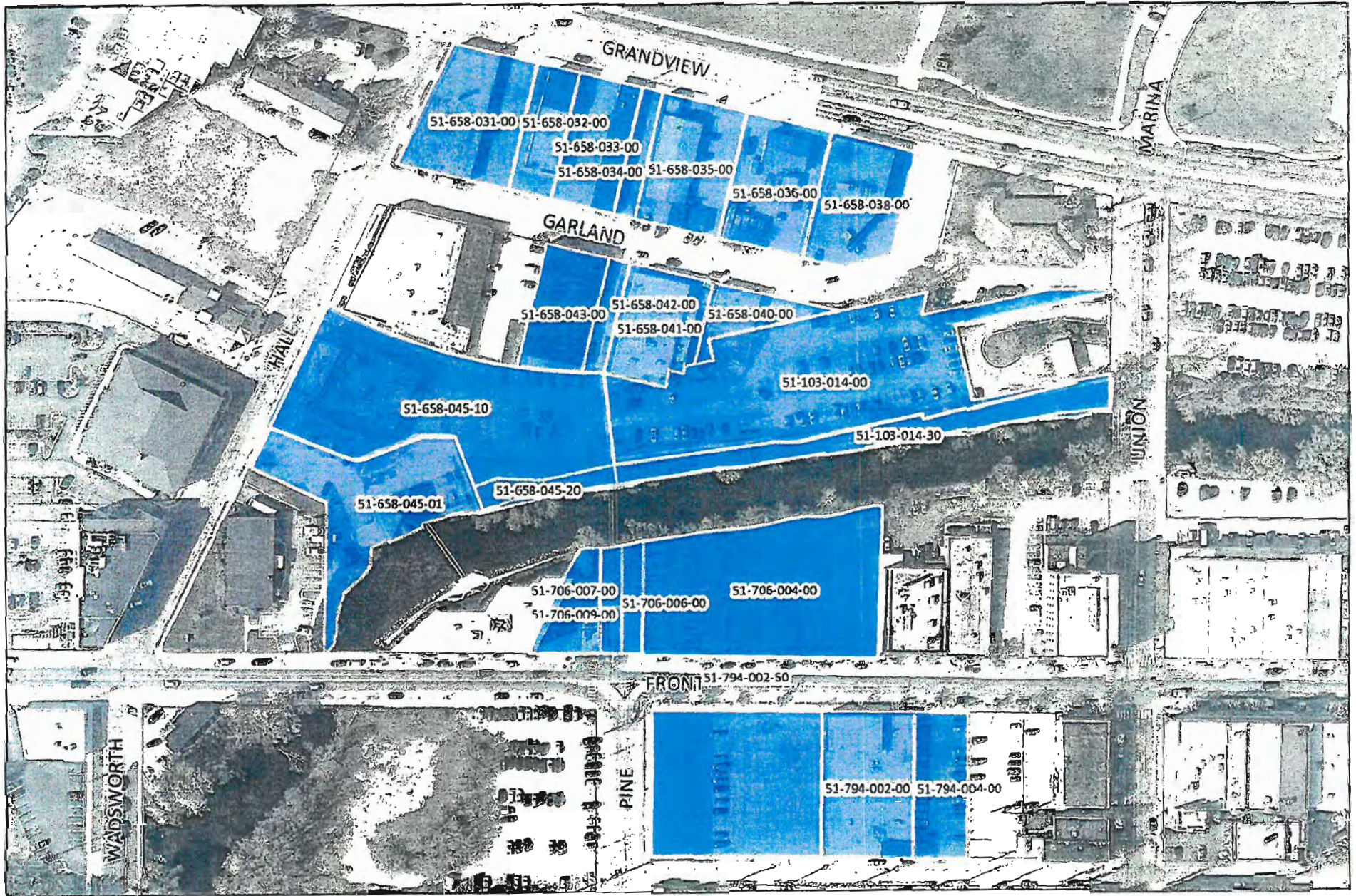
***2015 Amendment -***

The 2015 Amendment added environmental costs associated with the redevelopment at 124, 145 West Front Street, and 207, 211 221 West Grandview Parkway and environmental costs associated with the public infrastructure improvement for Garland Street.

***2017 Amendment -***

This 2017 Amendment will add one Eligible Property parcel at 205 N. Union Street to facilitate redevelopment of the area. Adjust already approved and recognized environmental and non-environmental eligible activity costs from prior Brownfield Plan Amendments and move a portion of those costs toward environmental activities associated with the three Project parcels located at 205 N. Union Street, 211 N. Union Street and 205 Garland Street. No increase to environmental and non-environmental eligible activity costs are included in this 2017 Amendment.





**T.C Place - BF Plan Parcels**



1/12/12

TABLE 1  
 TRAVERSE CITY PLACE ENVIRONMENTAL COSTS  
 CONTAINED WITHIN CURRENT APPROVED BROWNFIELD PLAN AS OF 08/30/17

ENVIRONMENTAL COSTS APPROVED W/ PLAN **\$ 10,629,697.00**

**Allocated Costs Per Project**

124 West Front Street \$ 2,272,447.00

Hotel Indigo \$ 2,001,976.00

Grandview Place \$ 3,077,744.00

DDA \$ 1,495,320.00

TOTAL ALLOCATED COSTS **\$ 8,847,487.00**

AVAILABLE ENVIRONMENTAL FUNDS **\$ 1,782,210.00**

TABLE 2  
 TRAVERSE CITY PLACE NON-ENVIRONMENTAL COSTS  
 CONTAINED WITHIN BROWNFIELD PLAN AS OF 08/30/17

NON-ENVIRONMENTAL COSTS APPROVED W/ PLAN \$ 13,459,438.00

Allocated Costs Per Parcels

DCA	\$ 5,608,339.00
124 West Front Street	\$ 1,495,000.00
Hotel Indigo	\$ 573,506.00
229 Garland	\$ 5,850.00
221 Gariand	\$ 18,595.00
City Public Infrastructure	\$ 2,000,000.00
Work Plan Reimbursement	\$ 11,500.00
TOTAL ALLOCATED COSTS	<u>\$ 9,712,790.00</u>

AVAILABLE NON-ENVIRONMENTAL FUNDS \$ 3,746,648.00

TABLE 3

FRONT STREET AND GRANDVIEW PARKWAY PROPERTIES  
Brownfield Plan-2017 Amendment

The following table presents a summary of the impact to taxing jurisdictions (if the redevelopment Project is completed). The specific impact to taxing jurisdictions for the added parcel, 205 N. Union St. (Tax ID #28-51-103-014-10) as a part of this 2017 Amendment which makes up 20% of Warehouse Flats Project is identified in the below table.

Table 3 - Impact to Taxing Jurisdictions				Added Parcel 2017 Amendment
Taxing Unit	Incremental Taxes Paid	Taxes Returned to Taxing Unit or Captured by DDA	Impact to Taxing Jurisdiction - All Parcels of Warehouse Flats Project	Impact to Taxing Jurisdiction - 205 N. Union St., Tax ID #28- 51-103-014-10 (20% of Warehouse Flats Project)
<b>CITY OF TRAVERSE CITY</b>	-	-	-	-
City Operating - Charter: Permanent	\$ 1,943,664	\$ 1,943,664	\$ -	\$ -
Act 345 - Police & Fire Pension System: Permanent	\$ 405,633	\$ 405,633	\$ -	\$ -
Downtown Development Authority (DDA): Permanent (per Treasury Form L-4029)	\$ 315,380	\$ 315,380	\$ -	\$ -
Recreational Authority - Traverse City & Garfield Township - Operating: through 2023	\$ 17,379	\$ 17,379	\$ -	\$ -
Recreational Authority - Traverse City & Garfield Township - Debt: through 2023	\$ 57,698	\$ 57,698	\$ -	\$ -
<b>GRAND TRAVERSE COUNTY</b>	-	-	-	-
County - Operating	\$ 871,114	\$ 871,114	\$ -	\$ -
Commission on Aging (COA): 6 years (2017-2022)	\$ 87,386	\$ 87,386	\$ -	\$ -
Senior Center - Operating: 7 Years (2016-2022)	\$ 17,467	\$ 17,467	\$ -	\$ -
Grand Traverse County Road Commission: 4 Years (2016-2019)	\$ 174,789	\$ 174,789	\$ -	\$ -
Grand Traverse County Veterans Affair: 6 Years (2017-2022)	\$ 20,981	\$ 20,981	\$ -	\$ -
<b>BAY AREA TRANSPORTATION AUTHORITY (BATA) - Operating: through 2017 [New election for 0.5 Mills on 5/2/2017 for 5 years (2018-2022)]</b>	\$ 60,268	\$ 60,268	\$ -	\$ -
<b>LIBRARY</b>	-	-	-	-
Traverse Area District Library (TADL) - Operating: 10 Years (2016-2025)	\$ 166,869	\$ 166,869	\$ -	\$ -
Traverse Area District Library - Debt: Permanent	\$ 23,184	\$ 23,184	\$ -	\$ -
<b>INTERMEDIATE SCHOOL DISTRICT (ISD)</b>	-	-	-	-
Traverse Bay Area Intermediate School District (TBA ISD) - Operating: Permanent (unless revoked)	\$ 34,549	\$ -	\$ 34,549	\$ 6,910
Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	\$ 349,684	\$ -	\$ 349,684	\$ 69,937
Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	\$ 128,037	\$ -	\$ 128,037	\$ 25,607
<b>COMMUNITY COLLEGE</b>	-	-	-	-
Northwestern Michigan College (NMC) - Operating: Permanent	\$ 379,267	\$ 379,267	\$ -	\$ -
Northwestern Michigan College (NMC) - Bond Debt: through 2019	\$ 113,647	\$ 113,647	\$ -	\$ -
<b>LOCAL SCHOOL MILLAGES: excludes State School millages</b>	-	-	-	-
Traverse City Area Public Schools (TCAPS) - Debt: Permanent	\$ 542,010	\$ 542,010	\$ -	\$ -
<b>STATE SCHOOL MILLAGES: excludes Local School millages</b>	-	-	-	-
State Education Tax - SET	\$ 1,049,051	\$ -	\$ 1,049,051	\$ 209,810
Local School Operating - LSO: 18.0 mills for Non-Homestead/Non-PRE Real Property; 0 mills for Homestead/PRE Real Property; 6 mills for Personal Property	\$ 3,102,117	\$ -	\$ 3,102,117	\$ 620,423
<b>Totals</b>	<b>\$ 9,860,173</b>	<b>\$ 5,196,736</b>	<b>\$ 4,663,437</b>	<b>\$ 932,687</b>
<b>Total Tax Increment Revenues Captured</b>			<b>\$ 4,663,437</b>	<b>\$ 932,687</b>



## MEMORANDUM

September 27, 2017

**To:** Grand Traverse County Commissioners

**From:** Laura Galbraith, Executive Director

In 2014, Creekside Clinic PLC received a \$490,000 Community Development Block Grant (CDBG) loan for additional working capital. The project met HUD's national objective because Creekside Clinic PLC created the fourteen (14) full time positions over the course of two years, of which, at least 51% of these positions were available to low to moderate-income individuals. Please reference the attached Part 1 application, which provides an overview of the company and the project.

The purpose of the Public Hearing is to close out the project and highlight its accomplishments. Grand Traverse County must provide a brief description of the public hearing including the date of hearing, number of citizens attending the hearing and a summary description of substantive comments made at the hearing (meeting minutes will be appropriate).



**STATE OF MICHIGAN  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

**Business Development Part I Application**

For eligible activities administered by the Michigan Economic Development Corporation (MEDC)  
on behalf of the Michigan Strategic Fund (MSF)

Michigan Strategic Fund  
c/o Michigan Economic Development Corporation  
Community Development Block Grant  
300 North Washington Sq., Lansing, MI 48913  
CDBG@michigan.org | www.michiganbusiness.org  
July 2014

**Unit of General Local Government (UGLG) IDENTIFICATION Summary**

Identification of UGLG		Funding Sources Totals (if multiple properties, include	
Unit of General Local Government (UGLG)	GRAND TRAVERSE COUNTY	CDBG	\$490,000
Street/PO Box	400 Boardman Ave	UGLG	
City	Traverse City	Private	\$
County	Grand Traverse	Other	
State/Zip	MI 49684	Other	
Chief Elected Official Name	Herbert Lemcool	Other	\$
Chief Elected Official Title	Chairman	<b>Total</b>	\$490,000
Chief Elected Official Email	hlemcool@grandtraverse.org		
UGLG Project Contact (PC) Name	Dave Benda	UGLG's SAM/Cage Code# (SAM#)	
UGLG PC Title	Administrator	621111	
UGLG PC Address	400 Boardman Ave	UGLG's DUNS Number (DUNS#)	
UGLG PC Telephone Number	(231) 922-4780	80341472	
UGLG PC Fax Number	(231) 922-4636	UGLG's Federal Identification Number	
UGLG PC E-Mail Address	dbenda@grandtraverse.org		
state Government representation			
Senator Name	Howard Walker	Senate District	37
Representative Name	Wayne Schmidt	House District	104
federal Government representation			
Representative Name	Dan Benishek	Congressional District	1
UGLG Capacity and Conflict of Interest			
<p>1. If known, identify consultants who will be responsible for administering the proposed project (include names and contact information):</p> <p>N/A, consultant not yet known <input type="checkbox"/></p> <p>N/A, consultant not anticipated <input checked="" type="checkbox"/></p> <p>Contact information provided: <input type="checkbox"/></p> <p>Name:</p> <p>Business Address:</p> <p>Phone #:</p> <p>E-mail:</p> <p><b>Please Note: Refer to Application Guide for guidance on Administrative Costs.</b></p>			
<p>2. Has the UGLG received CDBG grants in the past five years and/or have any open CDBG grants? This includes CDBG grants provided by the MSF/MEDC and all MSHDA CDBG programs.</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>			

If yes, identify the projects and identify/describe all findings regarding those projects:

Project: Uptown Development For: Blight Elimination, Project/Source: County Allocation (MSHDA)  
For: Housing, Project/Source: HRF For: Housing, Project/Source: Enterprise Funds For: Housing

3. Does the applicant have any outstanding CDBG grants that have not been drawn down?

Yes  No

If yes, describe:

CDBG Housing and CDBG Uptown grants

4. Will local officials and staff be a party to any contract involving the procurement of goods and services assisted with CDBG funds?

Yes  No

If yes, describe:

5. Will any person who is an employee, agent, consultant, officer, elected or appointed official of the UGLG obtain a financial interest or benefit from a CDBG assisted activity or have an interest in any contract, subcontract or agreement with respect thereto, or in the proceeds hereunder, either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter?

Yes  No

If yes, describe:

6. Please indicate below whether or not the UGLG has a contractual relationship with one of more of the following entities:

Michigan Economic Development Corporation

Yes  No

Michigan Association of Realtors

Yes  No

Michigan Department of Licensing & Regulatory Affairs

Yes  No

Michigan Department of Treasury



Yes  No

Greenstone Financial

Yes  No

Michigan Regional Council of Carpenters

Yes  No

PNC Financial Services Group

Yes  No

Springfield Commercial Roofing

Yes  No

Grand Angels

Yes  No

Honigman, Miller, Schwartz and Cohn

Yes  No

If yes to any of the above, please describe the nature of relationship.

#### Project screening guidelines

7. Describe the company's expansion plans. Include all work activities, including but not limited to, leases, property/easement acquisitions, demolition, building construction or improvements, and machinery and equipment purchase/installation for which matching funds will be used.

Creekside Clinic has effectively grown from one location and four providers to five locations with sixteen providers in three specialties within the last three years. To support these staff, Creekside has also opened an administrative building with specialized staff to efficiently and better manage all aspects of patient care. Creekside has been able to facilitate four single provider transitions, which otherwise would have meant closing down healthcare options in local communities. Creekside has created over 35 local jobs, and is in need of 14 more employees over the next two years to complete this phase and meet the economy of scale needed for the organization to continue to flourish. CDBG funds will be used in the following manner: (1) Financing exam room furnishings (exam table, chairs, otoscope, ophthalmoscope, etc.(\$50,000) ; (2) Strategy to hire 14 new jobs. Two positions will be additional doctors to serve the outlying clinics and the remaining positions will include support staff for each of those clinics. The majority of the support staff positions will fall within the category of Low to Moderate Income (\$98,000); (3) Purchasing the required technology (computer equipment) to support these new members of their team (\$92,000); (4) Purchasing additional inventory of medical supplies and medicine (\$50,000); and (5) Financing receivables, each new doctor experiences about a 6 month lag on receipts from start date to steady monthly receipts due to credentialing process with each payer) (\$200,000).

8. Provide the history of the problems associated with this project and explain how this project will help alleviate those problems.

The company has encountered a short term cash flow issue. They took advantage of a rare opportunity to acquire multiple private practice clinics in rural low income areas (within Grand Traverse County). These private practice offices chose to retire their operations versus conforming to new federal HC Reform regulations. The existing traditional lender is not able to extend additional credit to Creekside. The company has grown from 12 employees three years to ago to over 44 employees today. They still plan on expanding staff within the 5 locations they serve. Creekside Clinic has been providing health care services to over 7,000 individuals within the region and plans on increasing their reach to over 20,000 individuals. The company's revenues have exceeded expectations over the past 6 months, increasing their client base from 100 new patients per month to now an average of 155 new patients per month.

9. Identify the impact the proposed project will have on the diversification of local and state economies and the significance of added value the project carries, including financial value added through sales, use of existing local and state suppliers and secondary jobs created.

The company has expanded its operations into sparsely populated and underserved regions (within Leelanau & Grand Traverse counties). There are many LMI families/individuals living in these communities seeking affordable health care.

10. **For Job Training Projects Only:** Does the proposed project involve vendor training costs using CDBG funds?

Yes  No

If yes, are multiple cost estimates or a certification attached?

Yes  No

11. **For Job Training Projects Only:** Describe the type of training NEW employees need in order for the company to expand. Include the following:

a. The type of training

On the Job -

Vendor -

b. The number of new employees to be trained

On the Job -

Vendor -

c. The number of training hours needed per employee

On the Job -

Vendor -

d. The training cost per employee

On the Job -

Vendor -

e. Describe how the training cost per employee was determined

On the Job -

Vendor -

f. Who will be responsible for conducting the training

On the Job -

Vendor -

12. **For Job Training Projects Only:** Describe the type of training EXISTING employees need in order for the company to expand. Include the following:

a. The type of training

On the Job -

Vendor -

b. The number of new employees to be trained

On the Job -

Vendor -

c. The number of training hours needed per employee

On the Job -

Vendor -

d. The training cost per employee

On the Job -

Vendor -

e. Describe how the training cost per employee was determined

On the Job -

Vendor -

f. Who will be responsible for conducting the training

On the Job -

Vendor -

#### Project scope

13. Provide a clear and concise description of the overall proposed project including all work activities. Include the number of businesses/properties involved, the type of assistance needed and why:

Creekside Clinic has effectively grown from one location and four providers to five locations with sixteen providers in three specialties within the last three years. To support these staff, Creekside has also opened an administrative building with specialized staff to efficiently and better manage all aspects of patient care. Creekside has been able to facilitate four single provider transitions, which otherwise would have meant closing down healthcare options in local communities. Creekside has created over 35 local jobs, and is in need of 14 more employees over the next two years to complete this phase and meet the economy of scale needed for the organization to continue to flourish. CDBG funds will be used in the following manner: (1) Financing exam room furnishings (exam table, chairs, otoscope, ophthalmoscope, etc.(\$50,000) ; (2) Strategy to hire 14 new jobs. Two positions will be additional doctors to serve the outlying clinics and the remaining positions will include support staff for each of those clinics. The majority of the support staff positions will fall within the category of Low to Moderate Income (\$98,000); (3) Purchasing the required technology (computer equipment) to support these new members of their team (\$92,000); (4) Purchasing additional inventory of medical supplies and medicine (\$50,000); and (5) Financing receivables, each new doctor experiences about a 6 month lag on receipts from start date to steady monthly receipts due to credentialing process with each payer) (\$200,000).

14. Provide the history of the problems associated with this project and explain how this project will help alleviate those problems.

Answered in #8

15. What is the square footage of public space being improved or reactivated?

Check here if Not Applicable:

16. Describe the specific work activities to be completed on UGLG or publicly owned property with CDBG funds and match funds (use bullets).

None

Complete Attachment C for work activities to be completed on privately owned property. Check here to indicate if Attachment C is needed:

17. Describe the location and boundaries of the project, including the street address and property ownership (i.e. UGLG property, other public property, private property) where all project activities will occur.

Description:

3 Jobs - 6170 US 31N, Acme MI;

4 Jobs - Administrative office located at S Airport in Traverse City (Grand Traverse County);

4 Jobs - 1225 W Front St, Traverse City;

3 Jobs - 4025 Chums Village Dr, Traverse City

18. Provide a detailed map showing all project activities and any district they are located within (i.e. LDFA).

Attached:  Yes  No

19. Historic Property Screening: Is the property? (check all that apply):

Listed in the National Register of Historic Properties

Potentially eligible to be listed in the National Register of Historic Properties

- Listed in a state or local inventory of historic places
- Designated as a state or local landmark or historic district
- None of the above

Comments, if needed:

20. Will the project result in the demolition or conversion of residential dwelling units, both occupied and vacant?

Yes  No

21. Will the project result in special fees (i.e., tap in / hookup fees, special assessments)?

Yes  No

22. Provide architectural renderings or pictures in color illustrating what the building will look like after project completion.

Attached:  Yes  No  Not Applicable

23. In addition to all prior questions, Planning Projects must answer the following (Not Applicable for Other Projects):

a. Describe the specific objectives and outcomes of the planning project.

NA

b. Describe the local and regional impact the planning project will have. Identify the development value and expected impact that the planning project will have on the community in six months, two years, and five years. Explain how the proposed planning project supports related local, regional and state community and economic development strategies.

NA

c. If the planning project is implemented in the future, what is the anticipated number of jobs created?

NA

d. What is the estimated number of low and moderate jobs created?

NA

24. Other than the preliminary cost estimates, describe the status of any engineering plans or specifications. If engineering plans or specifications have been completed, please provide copies.

If completed, are they attached?  Yes  N/A

**PLEASE NOTE: Costs for engineering and/or architectural plans to be funded with non-CDBG funds may be incurred at the UGLG's own risk with written authorization from the MSF and may be included in the project budget as match.**

**Costs for engineering and/or architectural plans to be funded with CDBG funds may be incurred with written authorization from the MSF once the Grant Agreement has been executed and may be included in the project budget. CDBG Procurement requirements apply to all CDBG funded CDBG funds may be jeopardized or withdrawn if written authorization from the MSF has not been provided prior to signing an engineering and/or architectural contract for expenses other than the preliminary costs for completing the Part I Application.**

25. Describe all temporary or permanent relocation of businesses, non-profit organizations, homeowners, or tenants needed in order to complete the project. Include the address, names of anticipated displaced parties, type of displacement (residential or business) and whether the parties are owners and/or tenants.

Not applicable, if completing Attachment C, check here to indicate:

26. Describe all leases, easements, and property option/purchase agreements needed in order to complete the project activities at this property location. Include the anticipated seller, buyer, property description/location and cost.

NA

**PLEASE NOTE: Costs for acquiring real property, to be fully funded with non-CDBG monies, may be included in the project budget as match and may be incurred at the UGLG's own risk once the environmental review and Uniform Act requirements have been completed and written authorization to incur these costs has been provided by the MSF.**

**Costs for acquiring real property, to be partially or fully funded with CDBG monies, may be included in the project budget and may be incurred with written authorization from the MSF once the environmental review and Uniform Act requirements have been completed and the Grant Agreement has been executed by all parties.**

**CDBG funds will be jeopardized or withdrawn if written authorization from the MSF has not been provided prior to signing option/purchase/lease/easement agreements.**

27. List and describe the status of any local, state and federal permits required for implementation of the proposed project.

NA

28. In the below space, provide an overall project schedule that includes the anticipated start and completion dates (attachments are not acceptable).

Activities	Start Date	End Date
Engineering and/or design	NA	NA
Property acquisition, if applicable	NA	NA
Bidding, if applicable	NA	NA
CDBG funded activities	10/1/2014	12/31/2014
UGLG funded activities	NA	NA
Other funded activities	NA	NA
Job Creation	10/1/2014	10/1/2016

**PLEASE NOTE: When completing the schedule, please refer to Application Guide with regard to when project costs can be incurred. The attached schedule will be incorporated into the Grant**

When project costs can be incurred. The attached schedule will be incorporated into the grant Agreement with the UGLG.

**Project budget (All projects)**

29. Complete Attachment A (Project Budget). Include all funding sources and identify all project activities. There must be separate line items for: Architecture and/or Engineering; Construction/Contingency; Planning; Demolition/Contingency; Administration; and Acquisition. Have you attached either three cost estimates or an independent third party quote for all CDBG funded costs (including administration)? **PLEASE NOTE: An appraisal is required for CDBG funded acquisitions.**

Yes  No

**PLEASE NOTE: Costs for preparing independent cost estimates may be incurred at the UGLG's own risk without written authorization, but may not be included in the project budget as match. Refer to Application Guide for guidance on administrative costs.**

30. List the specific source (i.e., DDA, Water & Sewer Fund, General Fund, Private Donation) and dollar amount of any local, state, or other federal funding associated with this project including grants and/or loans. Tax incentives should NOT be included on the project budget, but should be listed here.

31. Identify any program income from previously awarded CDBG grants that the UGLG has available.



PROJECT BUDGET  
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION  
MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

1. Applicant: Creekside Clinic		2. Project Title:				
3. Project Cost Elements		4. Project Funding Sources (identify all other funding sources).				
Activities	CDBG	Local	Private	Other	Other	TOTAL
Architecture and/or Engineering						\$0.00
Infrastructure Improvements						\$0.00
Building Improvements						\$0.00
Demolition						\$0.00
Acquisition						\$0.00
Planning						\$0.00
Administration						\$0.00
Working Capital	\$490,000.00			\$0.00	\$0.00	\$490,000.00
TOTALS	\$490,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$490,000.00

**ATTACHMENT B3 (if applicable)**

**PROJECT IS BEING QUALIFIED BASED ON JOB CREATION NATIONAL OBJECTIVE: WHERE AT LEAST 51% OF THE PROJECT BENEFICIARIES ARE LOW AND MODERATE INCOME PERSONS**

1. Complete Attachments D1 and D2 (if applicable) to explain how the business will meet the National Objective of benefitting low and moderate income persons. Include the anticipated number of jobs to be created and the anticipated number of jobs to be held by low and moderate income persons.

Attachment D1 and D2 Attached: es o

2. Explain how the business intends to target low and moderate income persons for employment. This explanation or Employment Plan may include use of a Michigan Works! Agency for targeting low and moderate income persons for employment (Attachment D3).

Attachment D3 Attached: Yes No

If not providing Attachment D3, please provide an explanation of the plan here:

**ATTACHMENT C**

**project details for business/private property driven projects  
(signature bldg, façade, infrastructure, blight) Complete one for EACH Property - There are 4 Properties**

**Property 1**

1. Describe the project to be completed at this property. Include the following:

- a. Property address: 3535 S Airport Rd Traverse City, MI 49684
- b. Current owner(s): 5/3 BANK
- c. Future ownership: 5/3 BANK, CREEKSIDE TO CONTINUE TO RENT
- d. Background on business locating / or that is located at property: 5/3 BANK OWNS BUILDING, CREEKSIDE CLINIC RENTS A PORTION

2. Check all statements that apply regarding occupancy:

The property does not have occupants (tenants, property owners, etc). Therefore, the Uniform Relocation Assistance and Real Property Acquisition Polices Act of 1970 will not apply.

The property does have occupants (tenants, property owners, etc). However, the occupants will not be permanently displaced. Please provide the following for each occupant:

- Property owner or tenant?: CREEKSIDE CLINIC LLC
- Name: DOUGLAS M SPENCE, JR, MD
- Address: 3535 S Airport Road Traverse City,
- Phone Number: MI 49684
- E-mail Address: 231 935 0788  
CREEKSIDEMGR@YAHOO.COM

- Property owner or tenant?: CREEKSIDE CLINIC LLC
- Name: MICHAEL F CARROLL, MD
- Address: 3535 S Airport Road Traverse City,
- Phone Number: MI 49684
- E-mail Address: 231 935 0788  
CREEKSIDEMGR@YAHOO.COM

3. What is the square footage of private space being improved or reactivated?

None

4. Have CDBG funds been used at this property and/or business address in the past?

Yes  No

If yes, explain:

5. Describe all leases, easements, and property option/purchase agreements needed in order to complete the project activities at this property location. Please identify all parties involved and any estimated costs associated with these activities:

N/A

**PLEASE NOTE: Incurring costs; including CDBG, local, and private costs prior to authorization and/or completion of the environmental review could jeopardize the proposed CDBG funding.**

6. Are there tenants at this property address?  Yes  No

If so, are they residential or business?

Residential  Business  N/A

Please provide the following for each tenant:

Name: Creekside Clinic

Business Address: 3535 S Airport Rd Traverse City, MI 49684

Phone #: 231-935-0788

E-mail: [creeksidemgr@yahoo.com](mailto:creeksidemgr@yahoo.com)

**PLEASE NOTE: Additional guidance on property acquisition and tenant relocation can be found in the Application Guide**

7. Describe the specific work activities to be completed with CDBG funds and match funds (use bullets).

Creekside Clinic has effectively grown from one location and four providers to five locations with sixteen providers in three specialties within the last three years. To support these staff, Creekside has also opened an administrative building with specialized staff to efficiently and better manage all aspects of patient care. Creekside has been able to facilitate four single provider transitions, which otherwise would have meant closing down healthcare options in local communities. Creekside has created over 35 local jobs, and is in need of 14 more employees over the next two years to complete this phase and meet the economy of scale needed for the organization to continue to flourish. CDBG funds will be used in the following manner: (1) Financing exam room furnishings (exam table, chairs, otoscope, ophthalmoscope, etc.(\$50,000) ; (2) Strategy to hire 14 new jobs. Two positions will be additional doctors to serve the outlying clinics and the remaining positions will include support staff for each of those clinics. The majority of the support staff positions will fall within the category of Low to Moderate Income (\$98,000); (3) Purchasing the required technology (computer equipment) to support these new members of their team (\$92,000); (4) Purchasing additional inventory of medical supplies and medicine (\$50,000); and (5) Financing receivables, each new doctor experiences about a 6 month lag on receipts from start date to steady monthly receipts due to credentialing process with each payer) (\$200,000).

8. Describe the source of the private funding and the status of any necessary approvals for financing:

9. Will the project relocate jobs from one labor market area to another?  Yes  No

**Property 2**

1. Describe the project to be completed at this property. Include the following:

- a. Property address: 1225 W Front Street, Traverse City, MI 49684
- b. Current owner(s): Creekside Medical Properties
- c. Future ownership: Creekside Medical Properties
- d. Background on business locating / or Creekside Medical Properties owns building; Creekside Clinic is a tenant

2. Check all statements that apply regarding occupancy:

- The property does not have occupants (tenants, property owners, etc). Therefore, the Uniform Relocation
- The property does have occupants (tenants, property owners, etc). However, the occupants will not be
  - Property owner or tenant?: CREEKSIDE CLINIC LLC
  - Name: DOUGLAS M SPENCE, JR, MD
  - Address: 1225 W Front Street, Traverse City,
  - MI 49684
  - Phone Number: 231 935 0788
  - E-mail Address: CREEKSIDEMGR@YAHOO.COM

•Property owner or tenant?: CREEKSIDE CLINIC LLC  
 •Name: MICHAEL F CARROLL, MD  
 •Address: 1225 W Front Street, Traverse City,  
 MI 49684  
 •Phone Number: 231 935 0788  
 •E-mail Address: CREEKSIDEMGR@YAHOO.COM

3. What is the square footage of private space being improved or reactivated?

None

4. Have CDBG funds been used at this property and/or business address in the past?

Yes  No

If yes, explain:

5. Describe all leases, easements, and property option/purchase agreements needed in order to complete the project

N/A

**PLEASE NOTE: Incurring costs; including CDBG, local, and private costs prior to authorization and/or completion of the environmental review could jeopardize the proposed CDBG funding.**

6. Are there tenants at this property address?  Yes  No

If so, are they residential or business?

Residential  Business  N/A

Please provide the following for each tenant:

Name: Creekside Clinic

Business Address: 1225 W Front Street Traverse City, MI 49684

Phone #: 231-935-0788

E-mail: [creeksidemgr@yahoo.com](mailto:creeksidemgr@yahoo.com)

**PLEASE NOTE: Additional guidance on property acquisition and tenant relocation can be found in the Application Guide**

7. Describe the specific work activities to be completed with CDBG funds and match funds (use bullets).

Same as above property

8. Describe the source of the private funding and the status of any necessary approvals for financing:

9. Will the project relocate jobs from one labor market area to another?  Yes  No

### Property 3

1. Describe the project to be completed at this property. Include the following:

a. Property address: 6170 US 31N, Acme MI

b. Current owner(s): JA Shepard, Inc

c. Future ownership: JA Shepard, Inc

d. Background on business locating / or JA Shepard, Inc owns building; Creekside Clinic is a tenant

2. Check all statements that apply regarding occupancy:

The property does not have occupants (tenants, property owners, etc). Therefore, the Uniform Relocation

The property does have occupants (tenants, property owners, etc). However, the occupants will not be

•Property owner or tenant?: CREEKSIDE CLINIC LLC  
•Name: DOUGLAS M SPENCE, JR, MD  
•Address: 6170 US 31N, Acme, MI  
•Phone Number: 231 935 0788  
•E-mail Address: CREEKSIDEMGR@YAHOO.COM

•Property owner or tenant?: CREEKSIDE CLINIC LLC  
•Name: MICHAEL F. CARROLL, MD  
•Address: 6170 US 31N, Acme, MI  
•Phone Number: 231 935 0788  
•E-mail Address: CREEKSIDEMGR@YAHOO.COM

3. What is the square footage of private space being improved or reactivated?

None

4. Have CDBG funds been used at this property and/or business address in the past?

Yes  No

If yes, explain:

5. Describe all leases, easements, and property option/purchase agreements needed in order to complete the project  
N/A

**PLEASE NOTE: Incurring costs; including CDBG, local, and private costs prior to authorization and/or completion of the environmental review could jeopardize the proposed CDBG funding.**

6. Are there tenants at this property address?  Yes  No

If so, are they residential or business?

Residential  Business  N/A

Please provide the following for each tenant:

Name: Creekside Clinic

Business Address: 6170 US 31N, Acme MI

Phone #: 231-935-0788

E-mail: creeksidemgr@yahoo.com

**PLEASE NOTE: Additional guidance on property acquisition and tenant relocation can be found in the Application Guide**

7. Describe the specific work activities to be completed with CDBG funds and match funds (use bullets).

Same as above property

8. Describe the source of the private funding and the status of any necessary approvals for financing:

9. Will the project relocate jobs from one labor market area to another?  Yes  No

#### Property 4

1. Describe the project to be completed at this property. Include the following:

- a. Property address: 4025 Chums Village Drive, Traverse City, MI  
 b. Current owner(s): Creekside Medical Properties  
 c. Future ownership: Creekside Medical Properties  
 d. Background on business locating / or CMP owns building; Creekside Clinic is a tenant

2. Check all statements that apply regarding occupancy:

The property does not have occupants (tenants, property owners, etc). Therefore, the Uniform Relocation

The property does have occupants (tenants, property owners, etc). However, the occupants will not be

- Property owner or tenant?: CREEKSIDE CLINIC LLC
- Name: DOUGLAS M SPENCE, JR, MD
- Address: 4025 Chums Village Drive,
- Phone Number: Traverse City, MI 49684
- E-mail Address: 231 935 0788  
CREEKSIDEMGR@YAHOO.COM

- Property owner or tenant?: CREEKSIDE CLINIC LLC
- Name: MICHAEL F CARROLL, MD
- Address: 4025 Chums Village Drive,
- Phone Number: Traverse City, MI 49684
- E-mail Address: 231 935 0788  
CREEKSIDEMGR@YAHOO.COM

3. What is the square footage of private space being improved or reactivated?

None

4. Have CDBG funds been used at this property and/or business address in the past?

Yes  No

If yes, explain:

5. Describe all leases, easements, and property option/purchase agreements needed in order to complete the project  
 N/A

**PLEASE NOTE: Incurring costs; including CDBG, local, and private costs prior to authorization and/or completion of the environmental review could jeopardize the proposed CDBG funding.**

6. Are there tenants at this property address?  Yes  No

If so, are they residential or business?

Residential  Business  N/A

Please provide the following for each tenant:

Name: Creekside Clinic  
 Business Address: 4025 Chums Village Drive, Traverse City, MI  
 Phone #: 231-935-0788  
 E-mail: [creeksidemgr@yahoo.com](mailto:creeksidemgr@yahoo.com)

**PLEASE NOTE: Additional guidance on property acquisition and tenant relocation can be found in the Application Guide**

7. Describe the specific work activities to be completed with CDBG funds and match funds (use bullets).



Same as above property

8. Describe the source of the private funding and the status of any necessary approvals for financing:

9. Will the project relocate jobs from one labor market area to another?  Yes  No

**ATTACHMENT D1**

**PERMIT CREATION AND/OR RETENTION FORM**

UGLG (Community):	Grand Traverse	Project Name:	Creekside Clinic
Business Entity Legal Name	Creekside Clinic LLC	Business Contact Name:	Heather Dubay
Street Address	1225 W Front St.	Contact's Title	Practice Administrator
City, State, Zip	Traverse City, MI 49684	Telephone Number	231-935-0788
Company DUNS# (DUNS#)	557144396	Fax Number	231-935-0787
SIC#	621111	E-mail Address	creeksidemgr@yahoo.com

Business's department of Licensing & Regulatory Affairs (LARA) six digit ID Number (LARA) or County registration:	B2711R	Business Entity's CCR# (CCR#)	
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Employment Category	Present Number of Permanent FT and FTE Jobs (Number)	Average hourly wage rate of existing jobs	Permanent FT and FTE Jobs to be Created During Project Period (Number)	New Hires Lowest Starting Hourly Wage Rates (Created Jobs Only)	New Hires Average Starting Hourly Wage Rates (Created Jobs Only)
Managerial	2	\$16.00	0	\$	\$
Professional	16	\$44.98	5	\$16.00	\$120.00
Technical	1	\$13.00	0	\$	\$
Sales	0	\$	0	\$	\$
Clerical	14	\$11.07	1	\$11.00	\$14.00
Craftsmen*	11	\$13.86	8	\$13.00	\$15.00
Operators**	0	\$	0	\$	\$
Laborers***	0	\$	0	\$	\$
Service Worker	0	\$	0	\$	\$
Totals	44		14	\$	\$

\*Skilled \*\*Semi-Skilled \*\*\* Unskilled

List of Fringe benefits to be provided for created jobs:  
 After 90 days, health insurance (Small cost share with employee), Life insurance, simple IRA retirement plan, voluntary vision, dental, AFLAC, Paid Time Off.

**Authorized Company Official**

Certification is made that the above data is the most accurate available based on current information and knowledge.

Signature:   
 Name: Douglas M Spence, Jr, MD Title: Partner Date: 09-09-14

Signature:   
 Name: Michael F Carroll, MD Title: Partner Date: 09-09-14

**DEFINITIONS AND INSTRUCTIONS FOR COMPLETION OF ESTIMATED EMPLOYMENT  
CREATION/RETENTION FORM**

For purposes of the Downtown Façade Job Creation Program, the following definitions apply:

**Full-Time Job (FT)** - An employee who has 2080 hours of paid employment on an annual basis or one that is paid for 35 or more hours per week.

**Full-Time Equivalent Job (FTE)** - A combination of employees that individually have less than 2080 hours of paid employment on an annual basis or work less than 40 hours per week, and are converted to full-time equivalent (FTE) jobs by dividing the total annual hours worked by 2080 hours or dividing the total weekly hours worked by 40 hours.

**New Job** - A new FT or FTE permanent job that did not exist prior to this project and came about as a result of this project. The jobs are intended to be permanent and sustainable. Jobs that exist prior to the start of the project or result independently from the project will not be considered.

**Instructions for completing Attachment D1:**

Present Number of Permanent FT & FTE Jobs (#/\$) - Identify the present number of all FT and FTE permanent private sector jobs and the average hourly pay rate of existing jobs.

Permanent FT & FTE jobs to be created during the project period (#) - Identify the number of new FT or FTE jobs that did not exist prior to this project and came about as a result of this project. The jobs to be created are intended to be permanent and sustainable. Jobs that exist prior to the start of the project or result independently from the project should not be considered.

**ONLY NEEDED FOR RETENTION PROJECTS-** Permanent FT & FTE jobs to be retained during the project period Identify the number of FT and FTE jobs to be retained as a result of the CDBG funded project that would not otherwise exist in the absence of the project.

Lowest Starting and Average Starting Hourly Wage Rates (\$/\$) - Identify the lowest starting hourly wage rate and the average hourly wage rates of the jobs to be created/retained.

Employment Categories are defined as follows:


- a) **Managerial** - occupations requiring administrative personnel who set broad policies, exercise overall responsibility for execution of these policies and direct individual departments or special phases of a firm's operations.
- b) **Professional** - occupations requiring either college graduation or experience of such kind and amount as to provide a comparative background.
- c) **Technical** - occupations requiring a combination of basic scientific knowledge and manual skills which can be obtained through approximately two years of post high school education, such as is offered in many technical institutions and junior colleges, or through equivalent on-the-job training.
- d) **Sales** - occupations engaging wholly or primarily in sales.
- e) **Clerical** - includes all clerical-type work regardless of level of difficulty, where the activities are primarily non-manual.
- f) **Craftsman (skilled)** - manual workers of relatively high skill level having a thorough and comprehensive knowledge of the processes involved in their work; exercise independent judgment and usually require extensive training.
- g) **Operators (semi-skilled)** - workers who operate machines or processing equipment or perform other factory-type duties of intermediate skill level which can be mastered in a few weeks and require limited training.
- h) **Laborers (unskilled)** - workers in manual occupations which generally require no special training.
- i) **Service worker** - all workers in service type industries.

**ATTACHMENT D2 (IF APPLICABLE)**

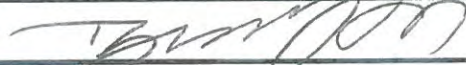

**DOCUMENTATION OF BENEFIT TO LOW AND MODERATE INCOME PERSONS FORM**

Grand Traverse County and Creekside Clinic LLC agree that 14 jobs will be created as a result of this project and that at least 51% of the jobs will be held by low and moderate income persons (income limits). Each party recognizes that the purpose for making an application for a CDBG grant is to create employment opportunities benefiting low and moderate income persons. Each party recognizes that should job creation goals for low and moderate income persons not be met, the project shall fail to qualify under the low and moderate income national objective. Each party recognizes that the State retains the right to require the applicant or the company to repay the full amount of any grant funds awarded should the project fail to qualify under this national objective.

**Authorized Official of UGLG (Community)**

UGLG: Grand Traverse County  
 Signature:   
 Herbert Lemcool Title: *Chairman* Date: *8/11/14*  
 Telephone Number: *231 943-9040* Email Address: *hlemcool@grandtraverse.org*

**Authorized Representative of Company**

Legal Business Name: Creekside Clinic LLC  
 Street Address: 1225 W Front Street  
 City, State and Zip Code: Traverse City MI, 49684  
 Signature:   
 Name: *Douglas A Spence, Jr., MD.* Title: *Partner*  
 Signature:   
 Name: *Michael F Carroll, MD* Title: *Partner*  
 Telephone Number: 231-935-0788 Email Address: *creeksidemgr@yahoo.com*

**ATTACHMENT D3 (IF APPLICABLE)**

**EMPLOYMENT AGREEMENT**

The Unit of General Local Government, Grand Traverse County (hereinafter the "UGLG"), the company, Creekside Clinic (hereinafter the "Employer") agree to be bound by the following hiring guidelines as required by the terms of the Michigan Community Development Block Grant (CDBG) Program Grant Agreement.

1. GENERAL TERMS

- A. These guidelines shall take effect when the UGLG and the Employer sign this agreement.
- B. The UGLG and the Employer wish to assure continuing employment opportunities for economically disadvantaged and low and moderate-income persons in the local area.
- C. The Employer commits to making at least 51 percent of the jobs available to low and moderate income persons and will provide training for any jobs requiring special skills and education.

2. RECRUITMENT AND SCREENING

- A. Hiring will be initiated by a classified advertisement in one or more of the following places so that the job(s) are advertised and made available to low and moderate income persons:
  - i. a local newspaper
  - ii. internet job sites
  - iii. company website
  - iv. Michigan Works! Agencies
  - v. other sources that may result in identifying prospective low and moderate income applicants

B. All applicants (including those who are not hired) will be required to complete an Income Certification Form and the form will be kept in the Employer's file.

3. RECORDKEEPING

- A. A listing of the permanent jobs filled will be kept by the Employer – this includes full time and part time jobs.
- B. A listing of the jobs to be filled that require special skills or education will be kept by the Employer.
- C. A list of all of all low/mod and non-low/mod people interviewed will be kept by the Employer.
- D. A list of all of the low/mod and non-low/mod people who were hired will be kept by the Employer.
- E. A description of the hiring process will be kept by the Employer.
  - i. this description must include an explanation of how low and moderate income people were given first consideration for the job openings.
  - ii. the job openings must be advertised in the media within a reasonable commuting distance of the work location and be held open a minimum of 30 days after starting to recruit low/mod people.

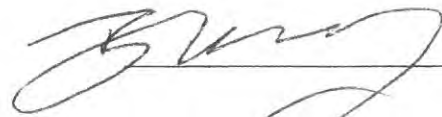
The UGLG and the Employer hereby consent to abide by these guidelines.

Signature: \_\_\_\_\_

Date: 9/11/14

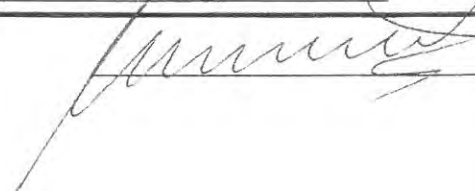
Name and Title of Authorized UGLG Official:  Chairman

Signature:  
Date: 09-09-14



Name and Title of Authorized Representative Employer: Douglas M Spence, Jr., MD

Signature:  
Date: 09-09-14



Name and Title of Authorized Representative Employer: Michael F Carroll, MD



# Northern Lakes

## COMMUNITY MENTAL HEALTH

### Our Vision

Communities of informed, caring people living and working together.

### Our Mission

To improve the overall health, wellness, and quality of life of our individuals, families and communities that we serve.

### Whom We Serve

We provide service and support for people of all ages who have serious mental illness, intellectual/developmental disabilities, substance use disorders, and/or serious emotional disturbances. We are also a regional MI Choice Waiver agent for the elderly and disabled.

### Our Values

We carry out our responsibilities consistent with our values in:

- Treating all people with compassion, dignity, and respect.
- Respecting diversity and individuality.
- Visionary public leadership, local decision-making, and accountability for our actions and decisions.

### Our Board of Directors

The Board represents the community and leads and ensures appropriate organizational performance. To promote excellence in governance, the Board establishes an annual plan of events, study sessions, stakeholder meetings, expert presentations, and other enriching activities designed to provide Board members with the greatest possible insight into community needs and values. Integration of health care, jail issues, health care compliance and legislation remain priority topics. The Board is annually updated or receives training in Finance and Compliance, Person Centered Planning, Self-Determination, Recipient Rights and Policy Governance.

#### BOARD MEMBERS

- Crawford:** Dave Stephenson, Lorelei King  
**Grand Traverse:** Carol Crawford, Randy Kamps, Gerald F. Micketti, Nicole Miller, Mary Marois, Armandina "Nina" Zamora  
**Leelanau:** Betty Bushey, Ty Wessell  
**Missaukee:** Pam Babcock, Dean Vivian  
**Roscommon:** Al Cambridge, Jr., Gary Stefanko  
**Wexford:** Michael MacCready, Cheryl Walker



## Annual Report to the Community

Fiscal Year 2016 (10/1/15-9/30/16) • Published Summer 2017



Karl V. Kovacs  
Chief Executive Officer

Dear Fellow Community Members,

On behalf of the Board of Directors and Staff of Northern Lakes Community Mental Health Authority (NLCMHA), I am pleased to present our Annual Report for Fiscal Year 2016 (10/1/15-9/30/16).

It was an intense year and a fruitful one. Four straight years of budget reductions at the same time that for-profit companies are lobbying to take over management of the public mental health system in Michigan has continued to make us examine everything that we do administratively and clinically. We have maintained our focus on the themes of improving consistency, effectiveness, efficiency and the use of data. We keep our eye on the prize, which is to be the area's premier provider of effective, efficient treatment and support that works and helps make people's lives better. We continue to make sure that medical necessity, least restrictive environment, cost effectiveness and equity are hallmarks of the Person Centered Planning process and the Individual Plan of Service.

Last year, we focused on several key improvement initiatives: We reorganized operations to create a dedicated Crisis Services Team, available 24/7 in locations where people need help, which is decreasing unnecessary use of hospital emergency departments. We developed a telepsychiatry hub to help ease the shortage of psychiatrists happening both here and nationwide and helping people in our rural area to access care. We expanded Autism services to include individuals up to age 21, increased from age 5 the previous year. We expanded infant mental health services and, for the first time, directly provided all Home Based services for children, discontinuing some outside contracts. Our Team continues to collaborate with other human services agencies to coordinate care at the local level, including creating a new hospital liaison position to assist with connecting with hospitals. We have made great strides in our efforts to integrate physical and behavioral health care. Staff in our four offices continue to pursue an integrated physical and behavioral health experience for the people we serve. We are happy to report that this effort has included opening the Northern Lakes Integrated Health Clinic in Traverse City, which is now open to anyone in the public, five days a week.

We thank all of you for your support. We are grateful for the financial support that we receive from the Federal Government, the State of Michigan, and our counties. It is a privilege to provide and arrange services for people with severe mental illness, serious emotional disturbance, intellectual/developmental disabilities and substance use disorders. As you review this Annual Report, the stories of the people served will give you a real sense of the impact of the public mental health system and why we at NLCMHA are proud to be a part of it.

Sincerely,

Karl V. Kovacs, Chief Executive Officer

### Helping people to have good lives



What makes a good life? Most people's answers begin with the basics: having a safe place to live, good food to eat and clean water to drink. From there, people often mention valuing good health, friends and family, and something to do that is meaningful. For people with disabilities, the answers are the same.

Northern Lakes' mission is all of these: *To improve the overall health, wellness, and quality of life of our individuals, families and communities that we serve.*

## Two Key Areas of Responsibility

The Michigan Department of Health and Human Services (MDHHS) contracts with Northern Lakes Community Mental Health Authority to serve in two primary roles:

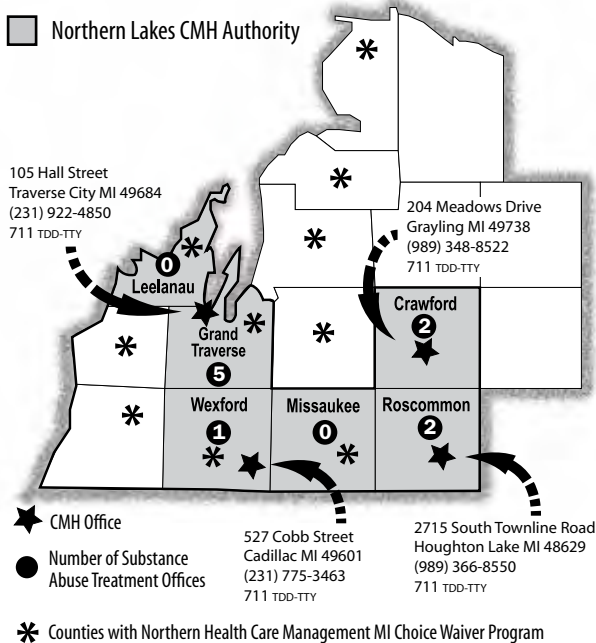


**Community Mental Health Services Program (CMHSP)** – In this role, as defined by the Michigan Mental Health Code, we provide and contract services for adults with mental illness, children with serious emotional disturbance, and persons with intellectual and developmental disabilities, in six counties. There are 46 CMHSPs in Michigan.



### Northern Health Care Management

**MI Choice Waiver Program** – In this role we coordinate the Home and Community Based Services for the Elderly and Disabled Waiver Program, in ten counties. Through this program, which is called Northern Health Care Management, eligible adults who meet income and asset criteria may receive Medicaid-covered services like those provided by nursing homes, but can stay in their own home or another residential setting. We also operate a grant-funded program on behalf of the State of Michigan and the Michigan Health Endowment Fund called **Senior Reach**, which reaches out to older adults with support that truly makes a difference, such as counseling, care management referrals, and connections to community resources. For more information, please call 1-800-640-7478.



## Our Region

We are part of the 21-county Northern Michigan Regional Entity (NMRE) which Northern Lakes created together with four other CMHSPs to administer Medicaid-covered behavioral health services for the region, effective January 1, 2014. See [www.nmre.org](http://www.nmre.org) for information.



## Accredited Programs

### ADULTS

- Assertive Community Treatment: Integrated Alcohol and Other Drugs/Mental Health

### ADULTS, CHILDREN AND ADOLESCENTS

- Assessment and Referral
- Case Management/Services Coordination
- Crisis Intervention
- Prevention: Integrated Alcohol and Other Drugs/Mental Health
- Outpatient Treatment

### CHILDREN AND ADOLESCENTS

- Intensive Family-Based Services

Re-accredited in 2015 for a full three years, through 2018!

[northernlakescmh.org](http://northernlakescmh.org)

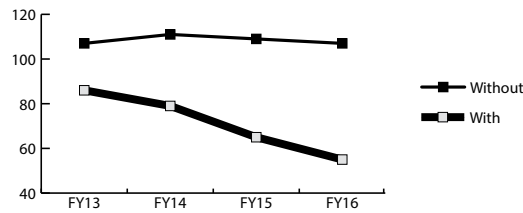
# Quality Matters

**Quality is never an accident but always the result of sincere effort.**

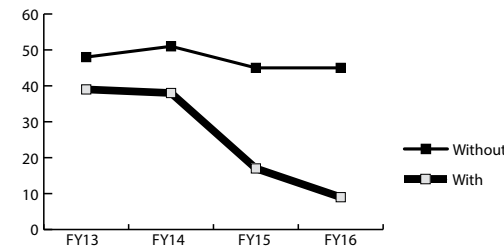
At Northern Lakes Community Mental Health Authority, continuous improvement involves everyone associated with the service experience and ensures the highest quality treatment and support services to persons we serve. We measure, monitor and manage organizational performance in a variety of ways. More information on our quality programs and accreditation may be found at [www.northernlakescmh.org](http://www.northernlakescmh.org).

## Results: ACT and Peer Services

Admissions to community hospitals decline after receiving Assertive Community Treatment (ACT) Services



Admissions to community hospitals decline after receiving Peer Services

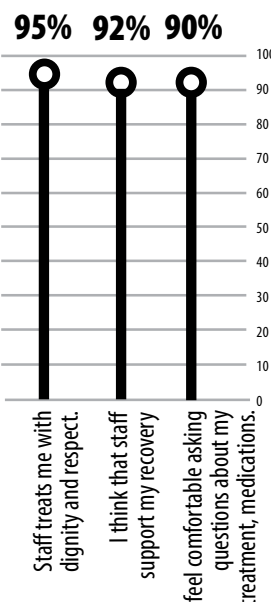


## High Satisfaction

93% of people who receive Clubhouse, Outpatient, Youth Case Management, Adult Case Management, and Medical Services from Northern Lakes report overall satisfaction. (Source: NMRE 2016 Snapshot Satisfaction Survey.)

Michigan Department of Health and Human Services' statewide point-in-time survey of people receiving Assertive Community Treatment services from Northern Lakes gives a general satisfaction rating of 98%.

A point-in-time survey of families receiving high-intensity, short duration, home-based services gave Northern Lakes an overall 96% satisfaction rating.



NMRE 2016 Snapshot Satisfaction Survey

## Mental Health First Aid

Hundreds of people from all walks of life have taken our Mental Health First Aid training to learn to: recognize signs and symptoms of a mental illness, talk with a person in crisis, and connect the person with a professional or other resources. School staff, police, court personnel, human service professionals, family members, business owners, and religious leaders are using the tools and resources every day. For upcoming classes, or to schedule training for your group, call (231) 935-3099.



## Children's Services

In FY2016, Northern Lakes served 901 children with Serious Emotional Disturbance and 175 children under age 21 with Autism Spectrum Disorder. We served another 436 children in the region who have intellectual/developmental disabilities. NLCMHA staff is seeing Children with a Serious Emotional Disturbance (SED) Diagnosis with very disturbing behaviors. Many of these children are in adoptive placements and have been diagnosed with Reactive Attachment Disorders. We provide and contract for a range of services including case management, home-based therapy, and infant mental health.

## Low Recidivism Rates



**10% children** Persons who are readmitted to an inpatient psychiatric unit within 30 days of discharge.   
**9% adults**

**Target goal < 15%**

## Administrative Efficiency

As a public sector provider, our focus is on direct treatment and support, keeping administrative costs as low as possible.

NLCMHA **8%**

FOR PROFIT INSURANCE COMPANIES **15%**

Our goal is to spend less than 9% on administration. In 2016 our administrative costs were 8%, compared to an average 15% among the for-profit insurance companies in Michigan which manage the Medicaid Health Plans for physical health.

## I/DD Services

Over half of our funding supports people with intellectual/developmental disabilities.



Of this, one third is for residential services.

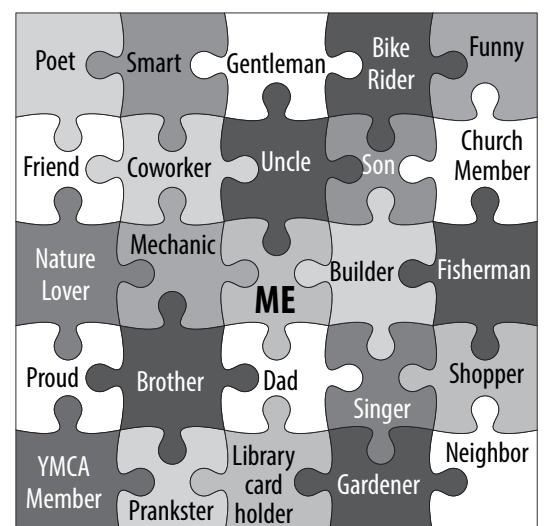
In the "dark ages," only a few decades ago, people with intellectual and developmental disabilities (I/DD) often were shuttered away in institutions. Now, facilities and services exist that allow people to live in their own communities, near their families. Not only is it the right thing to do, it is also cost effective.

## Culture of Gentleness

We embarked on an ambitious training program five years ago to train every one of our residential providers across six counties in the Culture of Gentleness, an approach built on the simple yet universally strong foundation of kindness and gentleness. Today, you can feel the love throughout our system.

companionship connectedness community

## Labels that encourage connection, companionship and a sense of community





## Jobs Provide Sense of Purpose

If you are interested in hiring employees who are loyal, hard-working, and who truly value their jobs, contact us and we will get you connected! Through partnerships with ability-minded employers, members of our Clubhouses gain confidence, a sense of worth, and become active and productive members of society again.

Right Brain Brewery owner Russell Springsteen knows this firsthand. He began providing a transitional workplace for Traverse House Clubhouse members to develop job skills and employment history about eight years ago. Springsteen is shown at right with State Representative Larry Inman and Traverse House members as he receives an award at the State Capitol recognizing his commitment to the program by providing job opportunities and fundraising.



Right Brain Brewery owner Russell Springsteen with Rep. Larry Inman and Traverse House members.



Habitat for Humanity Director Mike Niebauer, Reps. Phil Potvin and Darwin Booher and Club Cadillac members.

after years of being unemployed. Now she is clean and works a job with more hours at the Blue Heron Café.

Other employment partners include: Grand Traverse Resort, Hotel Indigo, Big Foot Manufacturing, Goodwill Industries, Cadillac Chiropractic, Love Inc., and many more. In addition, through collaboration with community partners, we are creating many on-the-job training opportunities for people with disabilities. Some partners include: Grand Traverse Industries, ROOC, Inc., Bay Area Recycling for Charities, Great Lakes Stainless, Traverse Area Chamber of Commerce, Home Depot, Traverse City Record-Eagle, Grain Train Natural Food Store, Spencer's Candies, and the Snack Shack at Higgins Lake.

## Integrated Care – Mind, Body, Spirit

As a healthcare provider, Northern Lakes is committed to improving the health and quality of life of the people we serve. We recognize that wellness includes both physical and mental health. Addressing both together helps in both areas, often with powerful and life changing results.

In Traverse City we have our own Northern Lakes Integrated Health Clinic. Having the clinic in our building has literally been a life-saver for people.

For example, Jennifer had abdominal pain and occasional breakthrough bleeding. She felt that other primary care providers had put her off, suggesting she try this or that medication. She thinks their response is likely because of her mental illness. As her pain increased, she came to us. After her examination, her PAP test came back abnormal. She was not able to get in to see a gynecologist for months so we ordered the appropriate tests at our clinic and found an aggressive uterine cancer. We were able to advocate for her to see a specialist quickly. She had a hysterectomy and

radiation. "This is the only place that took me seriously enough to look at my issues in depth," Jennifer shared.

Another happy ending involved a man in his thirties at his first appointment who shared that he was having some leg pain. The exam indicated there could be clots and he was immediately sent to the emergency room where they found four or five clots in each leg. These were successfully treated with medication and he was released. He had no idea of the severity of his condition and was gratified that it was discovered in time to prevent any serious event.

We are very pleased to open the Northern Lakes Integrated Health Clinic to anyone in the community. Using a \$1.2 million grant from the Substance Abuse and Mental Health Services Administration, the clinic is now open five days and accepting new patients. You do not need to have a mental health issue to be seen at the clinic. Call (231) 935-3062 for an appointment.



## Applied Behavioral Analysis: Benefits Last A Lifetime

No one is sure why, but Autism Spectrum Disorder (ASD) is the fastest growing serious developmental disability in the U.S. In 2016, the State of Michigan significantly expanded Autism services to provide Applied Behavioral Analysis (ABA) therapy for Medicaid-eligible children under 21 years of age. Before that – and only since 2012 – ABA services were available to Medicaid-eligible children in Michigan aged 18 months through 5 years. ABA therapy is strongly recommended for people with Autism. It has been researched for 30 years and is proven to work. It is an intensive approach, requiring a significant investment of time and energy, but huge results have been demonstrated. Unfortunately, there is a serious shortage of clinicians trained to provide ABA services. People struggle all over the state to access ABA therapy.

Northern Lakes has invested significant effort in building capacity to provide ABA services. When eligibility was increased, people experienced wait times. However, while we still struggle to provide access, we are pleased there are no longer waiting lists.

Emily's experience with ABA is typical: Before ABA, Emily would yell and interrupt her mother for her attention. Using ABA skills, Emily and her family now implement a plan where, to get her mother's attention, Emily will approach her mother and place her hand on her mother's forearm. Her mother will then place her hand on top of Emily's so that Emily is aware that the mother knows that she wants something. Emily will then wait patiently until her mother responds. This may sound like a small thing but, to Emily and her mother, it has made a world of difference in the quality of each of their days, as well as their relationship. Having this plan has helped Emily learn patience when waiting for an answer and has decreased her incidents of screaming. Emily's school has also reported she is having a lot more positive interactions with her classmates since she started ABA.

Emily's mom says, "Creating individual plans for individual scenarios and practicing the plans requires an investment of time and energy, but the dividends are great and very much worth the effort!"



## Reinvesting in the Community

### Number of Persons Served

Adults with Mental Illness .....	3,440
Children with Serious Emotional Disturbance .....	901
Persons with Intellectual/Developmental Disabilities .....	965
MI Choice Waiver (for the Elderly and Disabled) .....	454
Crisis Interventions (Face-To-Face) .....	3,503
People in the community .....	10,000+
with education/prevention programs	

### County Funding

Crawford .....	\$ 35,600
Grand Traverse .....	\$ 682,200
Leelanau .....	\$ 139,700
Missaukee .....	\$ 35,272
Roscommon .....	\$ 57,425
Wexford .....	\$ 76,543

### Spending By Program

Service Type	%	Cost
Comm Living Support/Training	33.9	15,327,115
Personal Care-Spec Residential	13.4	6,050,278
Supports Coord/Case Mgmt	9.7	4,391,450
Inpatient Svcs & Partial Hospital	5.7	2,588,250
Assessments/Evaluation/Reviews	5.0	2,251,959
Assertive Community Treatment	5.0	2,251,141
Skill Bldg Assistance/Family Train	4.2	1,877,444
Home-Based Svcs & Respite	3.9	1,746,892
Medication Admin/Review	3.1	1,412,613
Therapy & Counseling	3.0	1,363,510
Autism Services	3.0	1,340,376
Crisis Intervention/Emergencies	2.2	972,924
Person Centered Treatmt Planning	2.0	907,900
Clubhouse Programs	1.9	850,494
Crisis Residential Services	1.2	560,785
Support/Integ Employment/Train	1.0	454,119
Peer Directed/Operated Svcs	0.9	401,526
Nursing Home Monitoring	0.4	200,934
Health Services/Nursing	0.4	185,258
All Other Services	0.1	55,179

### Percent of Spending by Population

	13/14	14/15	15/16
I/DD	55.5%	55.9%	57.0%
Adults	34.9%	35.9%	35.2%
Children	9.6%	8.2%	7.8%

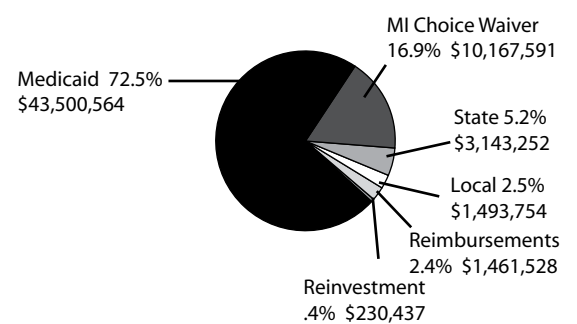
Provider Contracts: \$39,055,130 (65% of budget)

Number of Persons Directly Employed: 290

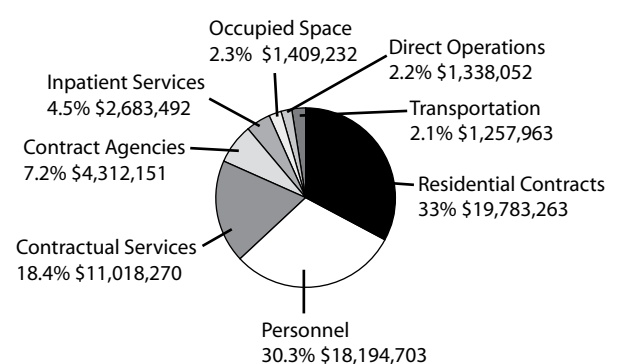
## Funding at a glance

Fiscal Year 10/1/15-9/30/16 (FY16)

REVENUES \$59,997,126



EXPENDITURES \$59,997,126



## Results: One Person at a Time

While each person's needs vary, everyone we serve has the same goal as people the world over: to have a happy life. We are in the business of helping people build happy lives, to the extent they are able, one person at a time.

**When a flower doesn't bloom, you fix the environment in which it grows, not the flower.**

The saying above exemplifies the philosophy which permeates every home with which Northern Lakes works. Northern Lakes is one of only three Community Mental Health (CMH) Service Programs in Michigan to own and operate its own homes for people with disabilities. We are very proud of all seven of the homes we operate, as well as the dozens of homes with which we contract. We are especially proud of a special home that we built from the foundation up specifically for four young gentlemen who have significant impairments from Autism. One young man is hearing impaired and communicates using American Sign Language. Two are under age 26 and ride the bus everyday to school at Crawford,



Oscoda, Ogemaw and Roscommon (COOR) Intermediate School District. The other two, who are over age 26, attend ROOC, Inc. each day, where they work and learn skills. They all enjoy watching movies and going on outings in the community to eat a meal, shop, or play at the park. The home is undergoing a sensory transformation inside and out and staff are excited about the activities they are creating for the young men. Inside, a giant octopus is being painted on the wall, which will have an interesting texture to touch on each arm, such as sandpaper, felt, leather, etc. There's a quiet room, with lava lamps, stars on the ceiling, and fluffy pillows and blankets in which to snuggle and get calm. There's a Lego wall for dexterity, and a board with light switches, knobs, and zippers. Outside, the staff is working on an adult-sized picnic table with built-in bins for playing with water and sand. The young men love watering flowers and caring for plants. At their new home, they can do all these things.

### Jenny

At 18, Jenny LaBarre was ready to go out in the world and start her life. She had been an equestrian since age 7 and active in 4H. She loved people and loved life. She had graduated from high school and had started at Northwestern Michigan College. A tubing accident changed all that. It was the last Saturday of Cherry Festival in 1994 and the Boardman River was high and fast. She got caught in a spillway and was pinned underwater for almost 15 minutes. She spent six weeks in the hospital in Traverse City then was transferred to a rehabilitation facility in Grand Rapids. She was conscious from nearly the beginning, and although she couldn't move, her parents understood that she was present and took turns with her grandma by her bedside the entire time.



Fortunately, her mother Mary is a Pediatric Critical Care Registered Nurse with good intuition and observation skills, and her father Scott is extremely organized and determined. Scott was in the service and also worked for Consumers Power, and between the two of them, they had structured a relatively secure life for themselves with a lot of skills and very understanding employers. They were absolutely determined to keep Jenny at home and, while they were unsure at that time of her recovery potential, they made a commitment to her that they would do all they could to maximize her life without being heroic. Aware of the stress they were facing, they also made a commitment to each other: there had been one victim and there would not be any more. (They have now been married 45 years.) When Mary stayed in Grand Rapids with Jenny, Scott went home to make the house work.

They had to start from scratch. They installed hard floors for a wheelchair and built a ramp to get her upstairs with the family. The community had a fundraiser to purchase a van with a lift. The Faith Reformed Church raised funds for a special whirlpool bath. Over time they added on to the house, installed an elevator, and made other improvements. While they were in Grand Rapids they learned of a Habilitation Waiver that was only available in large, downstate cities. Scott wrote a letter to Lt. Gov. Connie Binsfeld and was instrumental in getting the waiver extended to the north. This provided the necessary funds to support Jenny's program.

Scott explains that it always has been about teambuilding. They have two great primary care physicians who are willing to come to the house and be available by phone every day of the year. They have had help from the Department of Health and Human Services and three terrific caseworkers from Community Mental Health. They have managed to find great caregivers, with one recently retiring after 19 years and another, Sarah, who is still with them and is like a second mother to Jenny. They have engaged technology that allows Jenny to communicate using her eye gaze so she can choose to listen to music, watch a movie, look at pictures of family members, and tell people how she is feeling. She gets out of the house about four hours a week and enjoys going to visit the two horses her parents keep in Maple City, visiting the beach or lake, and shopping. She is a part of all family gatherings. "We all put our heads together, to figure out what is needed, what the family can manage, what the gaps are, and find a solution to get the supports in place," Scott said.

It has been 23 years. Jenny is stable and her needs are fairly consistent and predictable, but issues still come up. Using the principles of security, safety, dignity, and control, they have taken the management of their situation to the next level, using a process called Self-Determination. This is a formal arrangement that allows the family to control a budget for Jenny's care. It allows the family to set up a business in Jenny's name and ensure her future. The family interviews and hires caregivers. They have flexibility for negotiating rates and can recognize Sarah's longevity and commitment to Jenny without rates being set by an agency. "The team has become the primary asset with the self-determined arrangement, with the family and person served able to crowd source solutions," he says.

Since she has been home, Jenny has not been hospitalized since 1995. Her care at home is less expensive overall than it would be in an institution, and the quality of her life is far, far better.



### Krystina

Krystina was born with Fetal Alcohol Syndrome and placed into foster care as a young child. She was adopted at age four by a wonderful family who supports her and loves her very much. As an adult she now lives in an Adult Foster Home and works three days a week at Grand Traverse Industries where she makes mittens out of recycled wool. She is happy and says her life is bright.

"Today I look at the past and am not just appreciative for my wonderful family. I also would like to thank my wonderful staff and home operator who have helped me to be where I am today by helping me learn new skills to keep me safe. I want to thank both CMH and the psychiatrist for helping me with my decisions and my medications to help me control my moods and other issues. I would also like to thank the people at my job because they have helped me to learn new skills. I also thank my wonderful guardian who helps me with certain things I cannot handle by myself."

### Test Your Knowledge

**Nationwide, there is a shortage of:**

- A. Psychiatrists
- B. Mental health clinicians
- C. Applied Behavioral Analysis (ABA) specialists for people with Autism
- D. All of the above

Answer: D. There are shortages of all types of providers trained in mental health care. To help address the psychiatrist shortage, we set up a telehealth hub, where people can meet by Skype with a psychiatrist instead of in person. This has especially helped children and families to connect with child psychiatrists and has cut travel time down in some cases by several hours. To help address the clinician shortage, we work with several colleges and universities to promote our field and provide internship placements. To build capacity to treat children and young adults with Autism, we have contracted with several specialists.

**Where does Northern Lakes crisis response team go to help people?**

- A. Schools
- B. Hospitals
- C. Homes
- D. All of the above

Answer: D. We go to where we are needed in a crisis 24/7. In a behavioral health emergency, call (231) 922-4850 or (800) 442-7315.



Thanks to a state grant, people living in Northern Lakes' six counties may access an evidence-based health and wellness app called myStrength, the Health Club for Your Mind. This is a resource proven to work to help you to help yourself with your health and wellness concerns, available from wherever you are with an Internet connection. There are special areas on chronic pain, depression, reducing stress, and more. To sign up, go to myStrength.com and use the access code:

**NLCMHcommunity**

### Clubhouses



Cheryl works in the Kitchen Unit at Traverse House Clubhouse and loves to feed and nurture people. In a partnership this year with Taste the Local Difference Program at the Groundwork Center for Resilient Communities, both our Clubhouses, Traverse House and Club Cadillac, received a Building Healthy Communities grant which improved access for club members to healthy fruits and vegetables grown in Northern Michigan. Recognizing that the brain is an organ as sensitive to what we eat and drink as the heart, stomach, and liver, the funds helped purchase juicers and water pitchers to promote healthy beverage options, a greenhouse to increase the availability of fresh produce on-site, a refrigerated salad bar, nutrition education and more.

**NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY  
SUMMARY OF SERVICES DELIVERED IN FISCAL YEAR 2016 BY COUNTY**

Broad Area of Service	SIX COUNTY SERVICE DISTRIBUTION						
	CRAWFORD	GRAND TRAVERSE	LEELANAU	MISSAUKEE	ROSCOMMON	WEXFORD	GRAND TOTAL
Assessments	\$ 151,376	\$ 790,706	\$ 69,264	\$ 87,638	\$ 259,649	\$ 334,452	\$ 1,693,085
Case Mgmt. & Assertive Community Treatment	\$ 725,869	\$ 3,062,076	\$ 238,398	\$ 234,849	\$ 1,192,965	\$ 1,307,225	\$ 6,761,382
Crisis /Inpatient Screening	\$ 230,798	\$ 711,186	\$ 36,319	\$ 124,230	\$ 377,373	\$ 481,664	\$ 1,961,571
Inpatient	\$ 233,244	\$ 1,695,029	\$ 135,144	\$ 214,048	\$ 517,425	\$ 607,929	\$ 3,402,820
Psychiatric & Outpatient	\$ 888,064	\$ 2,475,973	\$ 166,328	\$ 343,076	\$ 901,236	\$ 1,356,563	\$ 6,131,240
Residential & Living Supports	\$ 1,468,189	\$ 10,292,910	\$ 1,914,814	\$ 1,307,624	\$ 2,836,820	\$ 4,277,905	\$ 22,098,263
Skill Building/Supportive Employment	\$ 222,887	\$ 1,102,566	\$ 146,217	\$ 323,495	\$ 546,725	\$ 799,895	\$ 3,141,785
<b>Net Total Claimed Services:</b>	<b>\$ 3,920,427</b>	<b>\$ 20,130,447</b>	<b>\$ 2,706,485</b>	<b>\$ 2,634,960</b>	<b>\$ 6,632,194</b>	<b>\$ 9,165,633</b>	<b>\$ 45,190,147</b>

<b>Other Non-Direct Service Costs</b> Includes Administration, Room & Board, DHS Worker Nursing Home Monitoring, Medications, Transportation, & Federal, State & Local Grants	\$ 390,763	\$ 2,006,476	\$ 269,765	\$ 262,636	\$ 661,055	\$ 913,573	\$ 4,504,269
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<b>Grand Total Cost by County:</b>	\$ 4,311,191	\$ 22,136,923	\$ 2,976,251	\$ 2,897,596	\$ 7,293,249	\$ 10,079,206	\$ 49,694,416
<b>Number of Registered People Receiving Services:</b>	495	2,331	197	299	822	1,173	5,317
<b>Average Cost per Registered Person Served:</b>	\$ 8,709	\$ 9,497	\$ 15,108	\$ 9,691	\$ 8,873	\$ 8,593	\$ 10,078
<b>Counties with Service Locations = *</b>	*	*			*	*	

Services as a Percentage of Costs	CRAWFORD	GRAND TRAVERSE	LEELANAU	MISSAUKEE	ROSCOMMON	WEXFORD	GRAND TOTAL
Assessments	3.9%	3.9%	2.6%	3.3%	3.9%	3.6%	3.7%
Case Mgmt. & Assertive Community Treatment	18.5%	15.2%	8.8%	8.9%	18.0%	14.3%	15.0%
Crisis /Inpatient Screening	5.9%	3.5%	1.3%	4.7%	5.7%	5.3%	4.3%
Inpatient	5.9%	8.4%	5.0%	8.1%	7.8%	6.6%	7.5%
Psychiatric & Outpatient	22.7%	12.3%	6.1%	13.0%	13.6%	14.8%	13.6%
Residential & Living Supports	37.4%	51.1%	70.7%	49.6%	42.8%	46.7%	48.9%
Skill Building/Supportive Employment	5.7%	5.5%	5.4%	12.3%	8.2%	8.7%	7.0%
<b>Net Total Claimed Services:</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<b>Service Transactions Provided:</b>	36,583	228,119	41,876	31,121	70,801	77,273	485,773
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<b>Average Cost by Transaction:</b>	\$ 118	\$ 97	\$ 71	\$ 93	\$ 103	\$ 130	\$ 102
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Services by Population of People Served	CRAWFORD	GRAND TRAVERSE	LEELANAU	MISSAUKEE	ROSCOMMON	WEXFORD	GRAND TOTAL
People with Developmentally Disabilities	68	447	54	70	143	183	965
People who are Adults with Mental Illness	334	1,484	118	176	547	792	3,451
People who are Children with Mental Illness	93	400	25	53	132	198	901
<b>Total People served</b>	<b>495</b>	<b>2,331</b>	<b>197</b>	<b>299</b>	<b>822</b>	<b>1,173</b>	<b>5,317</b>

\*11 Individuals were served as both children and adult due to turning 18 years of age.

Cost by Population with Overhead/Other Costs	CRAWFORD	GRAND TRAVERSE	LEELANAU	MISSAUKEE	ROSCOMMON	WEXFORD	GRAND TOTAL
Cost of People with Developmentally Disabilities	\$ 2,214,416	\$ 11,915,903	\$ 2,303,608	\$ 2,006,795	\$ 3,853,820	\$ 5,626,208	\$ 27,920,749
Cost of People who are Adults with Mental Illness	\$ 1,690,568	\$ 8,617,103	\$ 569,605	\$ 586,737	\$ 2,813,677	\$ 3,686,342	\$ 17,964,031
Cost of People who are Children with Mental Illness	\$ 406,207	\$ 1,603,917	\$ 103,038	\$ 304,064	\$ 625,753	\$ 766,656	\$ 3,809,636
<b>Cost of People Served</b>	<b>\$ 4,311,191</b>	<b>\$ 22,136,923</b>	<b>\$ 2,976,251</b>	<b>\$ 2,897,596</b>	<b>\$ 7,293,249</b>	<b>\$ 10,079,206</b>	<b>\$ 49,694,416</b>

On Average the Cost Per Person	CRAWFORD	GRAND TRAVERSE	LEELANAU	MISSAUKEE	ROSCOMMON	WEXFORD	GRAND TOTAL
Ave Cost of People with Developmentally Disabilities	\$ 32,565	\$ 26,658	\$ 42,659	\$ 28,668	\$ 26,950	\$ 30,744	\$ 28,933
Ave. Cost of People who are Adults with Mental Illness	\$ 5,062	\$ 5,807	\$ 4,827	\$ 3,334	\$ 5,144	\$ 4,654	\$ 5,205
Ave. Cost of People who are Children with Mental Illness	\$ 4,368	\$ 4,010	\$ 4,122	\$ 5,737	\$ 4,741	\$ 3,872	\$ 4,228

NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY

**GRAND TRAVERSE COUNTY**

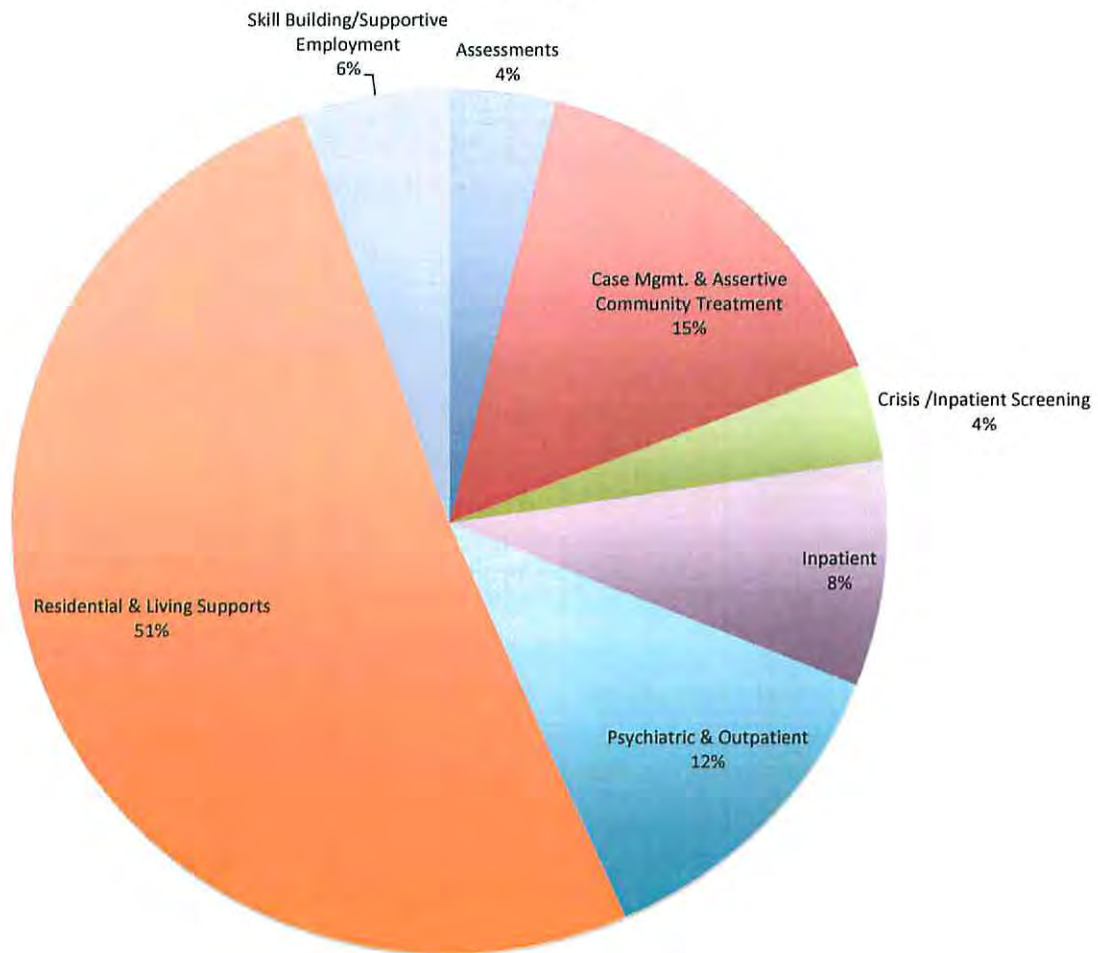
SUMMARY OF SERVICES DELIVERED IN FISCAL YEAR 2016 BY COUNTY

GRAND TRAVERSE COUNTY	FY 2016 SERVICES	PERCENTAGE
Assessments	\$ 869,519	3.9%
Case Mgmt. & Assertive Community Treatment	\$ 3,367,285	15.2%
Crisis /Inpatient Screening	\$ 782,072	3.5%
Inpatient	\$ 1,863,979	8.4%
Psychiatric & Outpatient	\$ 2,722,763	12.3%
Residential & Living Supports	\$ 11,318,842	51.1%
Skill Building/Supportive Employment	\$ 1,212,463	5.5%
<b>Net Total Claimed Services:</b>	<b>\$ 22,136,923</b>	<b>100.0%</b>

<b>People Served:</b>	<b>2,331</b>
<b>Service Claims or Transactions Provided:</b>	<b>228,119</b>
<b>Average Value of Service or Transaction:</b>	<b>\$ 97</b>

Services by Populations:	People Served	Cost of their Services
People with Developmentally Disabilities:	447	\$ 11,915,903
People who are Adults with Mental Illness:	1,484	\$ 8,617,103
People who are Children with Mental Illness:	400	\$ 1,603,917
<b>Total People served:</b>	<b>2,331</b>	<b>\$ 22,136,923</b>

**FY 2016 SERVICES**



NORTHERN LAKES COMMUNITY MENTAL HEALTH AUTHORITY

**ALL COUNTIES**

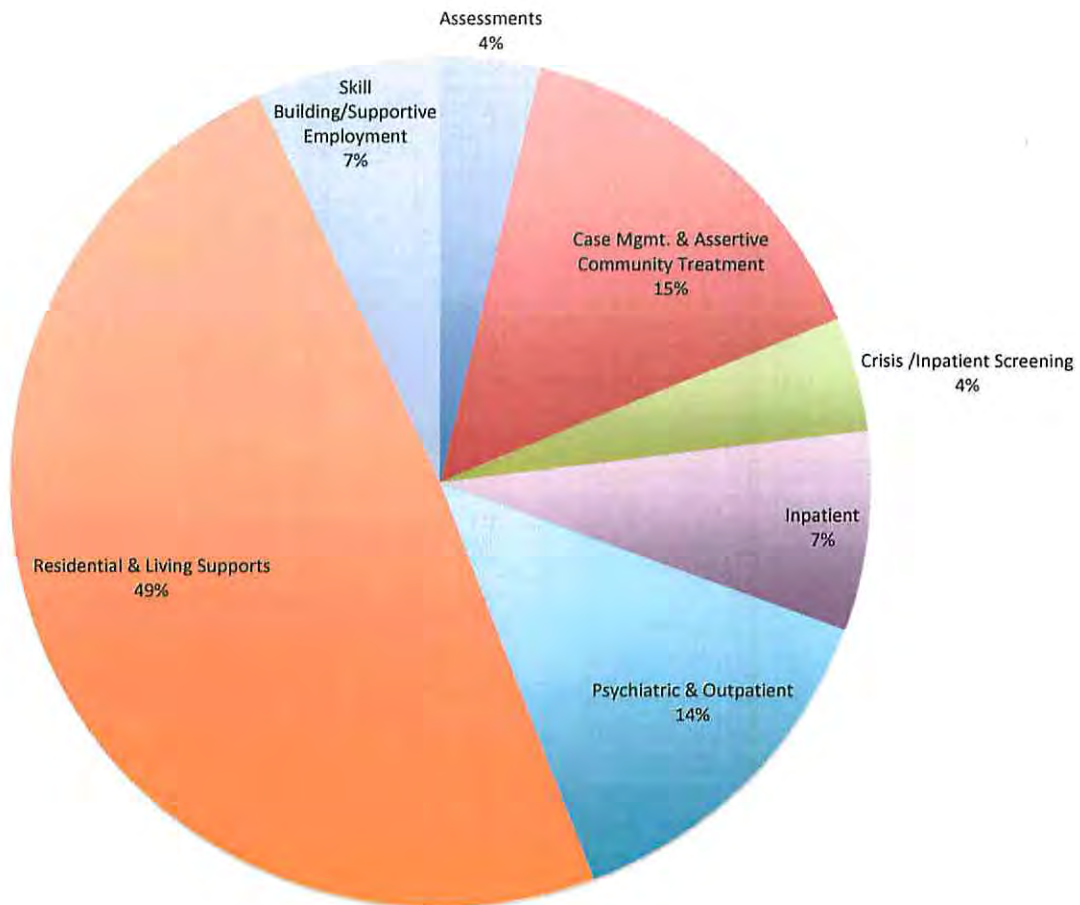
SUMMARY OF SERVICES DELIVERED IN FISCAL YEAR 2016 BY COUNTY

ALL COUNTIES	FY 2016 SERVICES	PERCENTAGE
Assessments	\$ 1,861,841	3.7%
Case Mgmt. & Assertive Community Treatment	\$ 7,435,314	15.0%
Crisis /Inpatient Screening	\$ 2,157,088	4.3%
Inpatient	\$ 3,741,992	7.5%
Psychiatric & Outpatient	\$ 6,742,363	13.6%
Residential & Living Supports	\$ 24,300,878	48.9%
Skill Building/Supportive Employment	\$ 3,454,939	7.0%
<b>Net Total Claimed Services:</b>	<b>\$ 49,694,415</b>	<b>100.0%</b>

<b>People Served:</b>	<b>5,317</b>
<b>Service Claims or Transactions Provided:</b>	<b>485,773</b>
<b>Average Value of Service or Transaction:</b>	<b>\$ 102</b>

Services by Populations:	People Served	Cost of their Services
People with Developmentally Disabilities:	965	\$ 27,920,749
People who are Adults with Mental Illness:	3,451	\$ 17,964,031
People who are Children with Mental Illness:	901	\$ 3,809,636
<b>Total People served:</b>	<b>5,317</b>	<b>\$ 49,694,416</b>

**FY 2016 SERVICES**



Northern Lakes Community Mental Health Authority (NLCMHA) continually strives to improve the outcomes of the service it provides and to strengthen its linkage with the communities it serves. As elected representatives of those communities, your assessment is vital to the continued improvement of those service outcomes. We thank you very much for your assistance and support.


**On a scale of 1 - 5 (1 worst – 2-3-4-5 is excellent) [please place your score on the line in front of each of the following questions.**

1. \_\_\_\_\_ How aware are you of the services provided by Northern Lakes Community Mental Health Authority (NLCMHA)?
2. \_\_\_\_\_ Based on what you know how do you rate the job NLCMHA is doing in your community?
3. \_\_\_\_\_ Based on your knowledge of NLCMHA how well do you think NLCMHA uses your community resources?

**Please write in a brief answer to the following questions on the line below each question.**

4. In your opinion how can persons with mental illnesses and developmental disabilities live productive lives in and be meaningful members of your community?  
\_\_\_\_\_
5. If you were going to recommend one thing NLCMHA could do better in your community what would that be?  
\_\_\_\_\_
6. What do you believe is the most important mental health issue or need in your community?  
\_\_\_\_\_
7. What do you think is the main strength of NLCMHA?  
\_\_\_\_\_
8. Based on the information provided by Northern Lakes Community Mental Health Authority what questions do you want addressed by NLCMHA?  
(We will respond in writing)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Action Request

	<b>Meeting Date:</b> September 28, 2017	
	<b>Department:</b> Administrator's Office	<b>Submitted By:</b> JDeHaan
	<b>Contact E-Mail:</b> jdehaan@grandtraverse.org	<b>Contact Telephone:</b> 922-4756
	<b>Agenda Item:</b> Approve Agreement for Personal Emergency Response Units	
	<b>Estimated Time:</b> 0.00	<b>Laptop Presentation:</b> No
<b>Type of Request:</b> Contract - New		<b>Requested Action:</b> Action
<b>Summary Of Request:</b> <p>The Commission on Aging maintains a leasing agreement with a provider to provides clients with access to Personal Emergency Response Units (PERS).</p> <p>The current agreement is set to expire on December 31, 2017.</p> <p>In 2017 an RFP was issued to identify qualified vendors and to seek bids for services. Three vendors submitted and Guardian Medical Monitoring continues to be the recommended vendor for services.</p> <p>The lease would be for the Basic Unit and be expanded to include options for seniors to utilize GPS and GSM units.</p>		
<b>Suggested Motion:</b> <p>Authorize the Board Chair and/or the County Administrator to effectuate the documents necessary to enter into a three year lease Agreement with Guardian Medical Monitoring.</p>		
<b>Financial Information:</b>		
Total Cost: \$106,000/year	Budgeted Item	Fund: 297-724
If not included in budget, recommended funding source:		
Local Preference: No	Vendor Selection: Sealed Bid	Grant Source:
<b>Impacts to Other Departments and/or External Agencies:</b>		
<b>Approved / Reviewed by:</b>		<b>Strategic Plan Impact:</b>
Administrator	<input checked="" type="checkbox"/> Approved <input checked="" type="checkbox"/> Reviewed	<input type="checkbox"/> Goal One <input type="checkbox"/> Goal Two <input type="checkbox"/> Goal Three
Finance Director	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	<input type="checkbox"/> Goal Four <input type="checkbox"/> Goal Five <input type="checkbox"/> Goal Six
Human Resources Director	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	<input type="checkbox"/> Goal Seven <input type="checkbox"/> Goal Eight
Civil Counsel	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	
Department Head	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	
<b>Proposed Performance Measures/Indicators:</b>		
<b>Follow-Up Requirements:</b>		
<b>Miscellaneous:</b>		
<b>Attachments:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<b>Attachment Titles:</b> Memo: Staff Recommendation PERS

Version Date: 02/2016



## **STAFF RECOMMENDATION**

To: Jennifer DeHaan, Deputy Administrator

From: Jill Case, Program Supervisor

Date: September 19, 2017

PROJECT: Personal Emergency Response Program – 3 year lease  
(Option to extend two additional years)

### **HISTORY:**

To lease Personal Emergency Response units with a minimum of 200 (combined) up to a maximum of 600 (combined). The Personal Emergency Response Units will be located in senior citizen homes through Grand Traverse County for a period of three (3) years for the calendar years of 2018 – 2020 beginning January 1, 2018, with the opportunity to extend the contract for two (additional years) 2021-2022. The current contract expires December 31, 2017 with Guardian Medical Monitoring.

The RFQ was placed out on BidNet (formally MITN) and received three responses. Attached is a list of the vendors that were mailed or emailed a packet.

In 1993, the Commission on Aging started offering this program. We had eight clients. We worked with Munson Medical Center through their Life Line Program from 1993 – 2006 at a cost of \$38 per month. In 2006, we placed the Personal Emergency Response Program out for bid. After reviewing the bids, the Commission on Aging worked with Guardian Medical Monitoring to offer these units at a lower cost and we were able to expand the program to 100 clients. For 2007, we assisted a total of 129 clients throughout that year. In 2016, we assisted 809 clients throughout the year in our Personal Emergency Response Program.

In 2015, staff requested from the Commission on Aging Board that an addendum be added to the current contract to include GSM style units. These units work for clients that did not have a landline or cable company phone. The County Board of Commissioners approved our request and the Commission on Aging offered the GSM unit as of June 11, 2015.

The Commission on Aging has been working with Guardian Medical Monitoring for ten years (since 2008). The Commission on Aging staff and clients has received excellent customer service from their sales to their customer service teams.

As of June 2017, we have 463 clients with the basic unit and 118 clients with GSM style of unit.



**Basic Personal Emergency Response Unit** needs to connect to a landline or cable phone system. Unit works only within their home.

**GSM Personal Emergency Response Unit** does not need a connection to a landline or cable phone system. Unit works only within their home.

**GPS Personal Emergency Response Unit** is like a cell phone. The client can take the button with them when they leave their home. This type of unit can detect if a client falls. This helps if the client does fall, but is unable to push their button, the call center would be notified. These work with cell towers.

<u>Company Name</u>	<u>Make/Model</u>	<u>Price</u>
Connect America	Basic PERS Unit	\$12/month
Guardian Medical Monitoring	Basic PERS Unit	\$13.95/month
Live Life Alarms	Basic PERS Unit	Does not offer
Connect America	GSM PERS Unit	\$22/month*
Guardian Medical Monitoring	GSM PERS Unit	\$20/month
Live Life Alarms	GSM PERS Unit	Does not offer
Connect America	GPS PERS Unit	\$38/month**
Guardian Medical Monitoring	GPS PERS Unit	\$27/month
Life Life Alarms	GPS PERS Unit	\$15/month + \$250 per unit

\*One page in bid packet states \$22/month and another page states \$29.95/month.

\*\*One page in bid packet states \$28/month and another page states \$28/month plus \$5/month for fall detection and \$5/month for two-way.

**BUDGET CONCERNS:**

We requested \$116,100 for the 2018 budget year. This was to cover the Basic and GSM units. If we want to offer the GPS style unit, we would need to add additional dollars.

**OTHER CONCERNS:**

Connect America listed two different prices on the GSM unit. Connect America also added an additional cost per GPS style unit for fall detection (\$5/unit) and two-way (\$5/unit). The indicated that their business is UL certified; however, did not provide that certificate.

Through the company Live Life Alarms, they only have the GPS style unit. All of the units would need to be switched over. The Commission on Aging would have to purchase the units at \$250 per unit. The company did not cover in their bid packet on when a unit is returned, how the reprogramming would take place, if there is a charge

to the reprogramming of the unit for a new client, or if a new unit has to be purchased.

We have had many requests for the GPS Unit style from seniors in the area. The increase for both GSM and GPS style units will only increase as the number of landline and cable company phones decrease. In our bid RFQ, we did ask the cost to privately pay for a GPS style unit. Residents can private pay for this style of unit. The costs from the bidding companies are:

Connect America	\$39.95/month
Guardian Medical Monitoring	\$40/month
Life Life Alarms	\$447 up front plus minutes per month

**RECOMMENDATION:**

To award the lease of the Personal Emergency Response Units to Guardian Medical Monitoring for three years (2018 – 2020) with the opportunity to extend the lease for two additional years (2021-2022). The lease would be for the Basic Unit, GSM Unit and the GPS unit. Recommend that the GPS unit be offered to seniors using a different sliding fee scale than the other two units.

Fee structure would be:

- 1<sup>st</sup> Level = \$3
- 2<sup>nd</sup> Level = \$4
- 3<sup>rd</sup> Level = \$8,
- 4<sup>th</sup> Level = \$17
- 5<sup>th</sup> Level = \$28

Please let me know if you have any questions or would like to sit down to review this recommendation.

RESOLUTION  
XX-2017  
**Commission on Aging**  
**Guardian Medical Monitoring**  
**Agreement for Personal Emergency Response Units**

WHEREAS The Commission on Aging maintains a leasing agreement with a provider to provide clients with access to Personal Emergency Response Units (PERS); and,

WHEREAS The current agreement is set to expire on December 31, 2017; and,

WHEREAS, In 2017 an RFP was issued to identify qualified vendors and to seek bids for services; and,


WHEREAS, Three vendors responded to the RFP and Guardian Medical Monitoring continues to be the recommended vendor for services; and,

WHEREAS, the lease would be for the Basic Unit and be expanded to include options for seniors to utilize GPS and GSM units.

NOW THEREFORE BE IT RESOLVED BY THIS BOARD OF COMMISSIONERS, THAT GRAND TRAVERSE COUNTY approves and authorizes the Board Chair and/or County Administrator to effectuate the documents necessary to enter into a three year lease Agreement with Guardian Medical Monitoring.

APPROVED: September 20, 2017

## Action Request

	<b>Meeting Date:</b> September 28, 2017	
	<b>Department:</b> Administrator's Office	<b>Submitted By:</b> JDeHaan
	<b>Contact E-Mail:</b> jdehaan@ggrandtraverse.org	<b>Contact Telephone:</b> 922-4756
	<b>Agenda Item:</b> Approve Agreement for Back-Up COA Services	
	<b>Estimated Time:</b> 0.00	<b>Laptop Presentation:</b> No
<b>Type of Request:</b> Contract - New		<b>Requested Action:</b> Action
<b>Summary Of Request:</b>		
<p>The Commission on Aging provides in-home services to Seniors in Grand Traverse County.</p> <p>In order to maintain programs and services to clients, the COA maintains a contract with a provider to provide back-up services for clients to cover staff vacancies, staff vacations/illness, Holidays, and personal time off.</p> <p>In 2016 and RFP was issued to provide services from January 1, 2017 to December 31, 2018 and the long-standing provider of back-up services was the only respondent.</p> <p>As of September 2017, the COA had expended approximately \$24,900 and we are requesting that the Board ratify the Agreement consistent with the County's Purchasing Policy such that home health, community living support, and home making services can continue to be provided.</p>		
<b>Suggested Motion:</b>		
<p>Authorize the Board Chair and/or the County Administrator to effectuate the documents necessary with the current vendor to continue providing back-up services for home health, community living support, and home making services.</p>		
<b>Financial Information:</b>		
Total Cost: Included in Budget	Budgeted Item	Fund: Commission on Aging - 297
If not included in budget, recommended funding source:		
Local Preference: No	Vendor Selection: Sealed Bid	Grant Source:
<b>Impacts to Other Departments and/or External Agencies:</b>		
<b>Approved / Reviewed by:</b>		<b>Strategic Plan Impact:</b>
Administrator	<input checked="" type="checkbox"/> Approved <input checked="" type="checkbox"/> Reviewed	<input type="checkbox"/> Goal One <input type="checkbox"/> Goal Two <input type="checkbox"/> Goal Three
Finance Director	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	<input type="checkbox"/> Goal Four <input type="checkbox"/> Goal Five <input type="checkbox"/> Goal Six
Human Resources Director	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	<input type="checkbox"/> Goal Seven <input type="checkbox"/> Goal Eight
Civil Counsel	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	
Department Head	<input type="checkbox"/> Approved <input type="checkbox"/> Reviewed	
<b>Proposed Performance Measures/Indicators:</b>		
<b>Follow-Up Requirements:</b>		
<b>Miscellaneous:</b>		
<b>Attachments:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<b>Attachment Titles:</b>

Version Date: 02/2016



**GRAND TRAVERSE COUNTY**  
**SERVICE CONTRACT**

Grand Traverse County Commission on Aging

**CONTRACTOR:** *Comfort Keepers*

**ADDRESS:** 1107 East Eighth Street  
Traverse City, MI 49686

GRAND TRAVERSE COUNTY AND THE CONTRACTOR AGREE AS FOLLOWS:

**Section 1.** Comfort Keepers of Traverse City, Michigan agrees to provide On-Call Contracting services to Grand Traverse County Commission on Aging for the home health care and community living support programs.

**Section 2.** Duration of Contract

Beginning Date:  
January 1, 2017

Ending Date:  
December 31, 2018

**Section 3.** Compensation

A. The County agrees to pay the Contractor as follows:

- a. Home Health Care
  - \$30 per hour, regular hours
  - \$45 per hour, holiday hours
- b. Community Living Support:
  - \$25 per hour, regular hours
  - \$37.50 per hour, holiday hours

B. Payment under this contract shall be made upon receipt and approval by the Project Manager of the Contractor's billing statement stating that the work for which payment is requested has been performed in accordance with the project specification attached to and incorporated in this contract.

C. Compensation is not to exceed \$30,000 per year, should costs exceed that amount, Board approval may be required and County will follow appropriate purchasing policies.

**Section 4.** Insurance Documentation

Documentation of liability and workers compensation insurance are attached to and made a part of this contract.



## GENERAL TERMS AND CONDITIONS

**Section 1.** Cancellation: *CANCELLATION OF THIS AGREEMENT* by the County may be for a) default by the Contractor, or b) lack of a further need for the service. Default is defined as the failure of the contractor to fulfill the obligations of this contract, and in this case, cancellation may be immediate. In the event the County no longer needs the service specified in this contract due to program changes, changes in laws, rules or regulation, relocation of office, or lack of funding, the County may cancel this contract by giving the contractor written notice of such cancellation thirty (30) days prior to the date of cancellation. If this contract is terminated, the County may require the Contractor to transfer title and deliver to the County such partially completed reports or other documentation as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated. Payments for completed reports and other documentation delivered to and accepted by the County shall be at the contract price. Payment for partially completed reports and other documentation delivered to and accepted by the County shall be in an amount agreed upon by the Contractor and Contracting Officer.

**Section 2.** Contractor's Liability: The Contractor will provide as Rider A of this contract documentation of public and professional liability, directors and officers, property damage, and workers' compensation insurance insuring, as they may appear, the interests of all parties to this Agreement against any and all claims which may arise out of Contractor operations under the terms of this contract. It is agreed that in the event any carrier of such insurance exercises cancellation, notice will be made immediately to the County of such cancellation.

**Section 3.** County's Liability: Grand Traverse County, its officers, agents, and employees shall not, in any manner, be liable for any loss or damage to any person or property connected to or resulting from any work done on this project. In addition, the selected firm agrees to indemnify, defend, and save harmless the County, its officers, agents, and employees from any and all claims and losses accruing or resulting from the negligent performance of work as described in this agreement. Further, if any recipient of a contract subcontracts for work, they will enter into a contract with such subcontractor(s) which indemnifies the County as provided herein.

**Section 4.** Assignability: This agreement is not assignable by the Contractor either in whole or in part, without the prior written consent of the Contracting Officer.

**Section 5.** Officials Not To Benefit: No member of the County Board of Commissioners or any individual employed by the County shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, unless the contract or transaction has been approved by 3/4 of the members of the County Board of Commissioners and so shown on the minutes of the Board together with a showing that the Board is cognizant of the member's or employee's interest.

**Section 6. Nondiscrimination:** The Contractor agrees to comply with all pertinent federal and state regulations and legislation involving civil rights, equal opportunity, and affirmative action including, but not limited to Title VI of the Civil Rights Act of 1964, and Act No. 453, Michigan Public Acts of 1976.

**Section 7. Oral Agreements:** This contract is to be considered a complete document between the County and the Contractor and each warrants that there are no mutual oral agreements.

**Section 8. Federal, State and Local Regulations:** The provisions of this contract shall be construed in accordance with the provisions of State and Federal laws, HIPAA, and local ordinances. The Contractor assumes sole liability for any non-compliance of these regulations.

**Section 9. Publication Rights:** All property rights, including publication rights, in the interim, draft and final reports and other documentation, including machine readable materials, produced by the Contractor in connection with the work provided for under this contract shall vest in the County. The Contractor shall not publish any of the results of the work without the written permission of the Contracting Officer.

**Section 10. Records, Accounts and Audits:** The Contractor shall maintain such records and accounts, including property and personnel records, time sheets, travel vouchers, fringe benefit rates, overhead rates and other necessary documentation to assure a proper accounting of all contract funds for a period of three (3) years. The retention period starts from the date of the Contractor's accepted final report. Such records shall be made available to the County upon request for audit purposes.

**Section 11. Signatories:** The signatories warrant that all statements contained in and riders attached to this contract are complete and accurate and that they are empowered to enter into this contract.

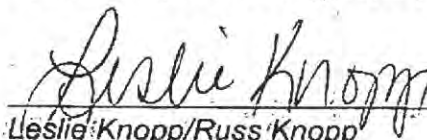
THIS CONTRACT IS HEREBY ACCEPTED:  
IN WITNESS THEREOF, we sign our names:



Jennifer DeHaan

Grand Traverse County Deputy Administrator

12/22/2016  
Date



Leslie Knopp/Russ Knopp

Comfort Keepers

12/24/2016  
Date

RESOLUTION  
XX-2017  
**Commission on Aging**  
**Comfort Keepers**  
**Agreement for Back-Up Services**

WHEREAS The Commission on Aging provides in-home services to Seniors in Grand Traverse County; and,

WHEREAS In order to maintain programs and services to clients, the Commission on Aging maintains a contract with a provider to provide back-up services for clients to cover staff vacancies, staff vacations/illness, Holidays, and personal time off; and,

WHEREAS, In 2016 an RFP was issued to provide services from January 1, 2017 to December 31, 2018 and the long-standing provider of back-up services was the only respondent; and,

WHEREAS, As of September 2017, the Commission on Aging had expended approximately \$24,900 and we are requesting that the Board ratify the Agreement consistent with the County's Purchasing Policy such that home health, community living support and home making services can continue to be provided; and,

NOW THEREFORE BE IT RESOLVED BY THIS BOARD OF COMMISSIONERS, THAT GRAND TRAVERSE COUNTY approves and authorizes the Board Chair and/or County Administrator to effectuate the documents necessary with the current vendor to continue providing back-up services for home health, community living support, and home making services.

APPROVED: September 20, 2017





### Action Request

Meeting Date:	10/4/2107		
Department:	86th District Court	Submitted By:	Carol Stocking
Contact E-Mail:	cstockin@grandtraverse.org	Contact Telephone:	231.922.4502
Agenda Item Title:	86th District Court Reorganization		
Estimated Time:	15 minutes <small>(in minutes)</small>	Laptop Presentation:	n/a

**Summary of Request:**

This is a 5 part request from the 86th District Court judges: (1) To retain the services of the 86th District Court Administrator as a permanent Leelanau County employee; (2) to add the position of Deputy Court Administrator; (3) to add a .5 fte Compliance Officer; (4) to eliminate a .6 fte Probation Officer; (5) to update the Intercounty District Court Operating Agreement to reflect these changes. (Please see attached documentation and financial impact)

**Suggested Motion:**

That Grand Traverse County retain the services of the current 86th District Court Administrator, Carol Stocking, as a permanent Leelanau County Employee, and further recommend that Grand Traverse County approves the creation of the Deputy Court Administrator position as a Grand Traverse County employee to ensure an effective succession plan for future transitions and to assist with the administrative workload of the court and to approve the amended Intercounty District Court Operating Agreement with these changes included.

**Financial Information:**

Total Cost:	\$35,856.00	General Fund Cost:	\$35,856.00	Included in budget:
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If not included in budget, recommended funding source:

N/A

This section for Finance Director, Human Resources Director, Civil Counsel, and Administration USE ONLY:

Reviews:	Signature	Date
Finance Director		
Human Resources Director		
Civil Counsel		

**Administration:** Recommended \_\_\_\_\_ Date: \_\_\_\_\_

Miscellaneous:

**Attachments:** 2 attachments

Attachment Titles: District Court Reorganization memo dated 10/4/17 and Excel Spreadsheet titled Financial Impact to Grand Traverse County for the 86th District Court Reorganization Plan

District Judges  
**THOMAS J. PHILLIPS**  
(231) 922-4543  
**MICHAEL S. STEPKA**  
(231) 922-4574



**STATE OF MICHIGAN**  
**86th Judicial District Court**  
GRAND TRAVERSE • LEELANAU • ANTRIM COUNTIES

**GRAND TRAVERSE COUNTY**  
780 West Michigan Street, N.E., 1st Fl.  
Traverse City, Michigan 49783  
(231) 922-4580  
Fax: (231) 922-4453  
Professional Fee: (231) 922-5684

**LEELANAU COUNTY**  
527 E. Government Center Dr., S.W.  
Spartanburg, Michigan 49782  
(231) 922-8780  
Fax: (231) 250-8700

**ANTRIM COUNTY**  
100 J.W.A. Dr.  
Rolland, Michigan 49775  
(231) 853-4444  
Fax: (231) 853-6322  
Professional Fee: (231) 853-7922

To: Grand Traverse County Board of Commission

From: Judge Michael Stepka  
Judge Thomas Phillips  
Carol Stocking

Date: October 4, 2017

Re: District Court Reorganization

The District Court has taken the recommendation of both Grand Traverse and Leelanau County Boards of Commission from last fall to propose a reorganization plan that will allow for a succession plan upon the departure of a Court Administrator, now and in the future. Our proposal has five parts:

- We are a three county court, with staff in all three counties. It has proven to be very difficult to supervise and manage three sites and approximately 40 employees with a single administrator. After surveying comparable courts from around the state and reviewing the staffing of other courts in our circuit along with county departments, we have one of the largest employee groups and we have the smallest management team consisting of just the Court Administrator. We feel strongly that now is the time to improve our organization with the addition of a Deputy Court Administrator. This position will make the District Court stronger with regard to management, training and leadership, provide for a future Court Administrator successor, and make our staffing structure similar to most other courts and county departments.

Some of the tasks that we foresee assigning to this position include:

- o OnBase Administrator
- o Oversee management of Specialty Court (Sobriety Court, Drug Court, Community Outreach Court and Eviction Diversion)
- o Grant Writing and Grant Management
- o Regular on-site management in Antrim and Leelanau counties
- o Policy and Procedure Documentation
- o Magistrate duties
- o Management of the Probation Department and Community Corrections

We have prepared a draft job description and have met with the Human Resource staff to determine the appropriate classification within the county classification and compensation plan.

- The Leelanau County Board of Commissioners, without renewing our request, voted unanimously to retain Carol Stocking, the current Court Administrator, as a permanent Leelanau County employee. The Antrim County Board of Commission has also approved this proposal. With two counties in agreement, we are asking Grand Traverse County to approve keeping the current Court Administrator, Carol Stocking, as a permanent Leelanau County employee.
- The Court is always looking for efficiencies. We are requesting to add a half time compliance officer at a grade F and eliminate a .6 fte probation officer at a grade II. This will provide a less expensive employee to complete routine paperwork that is now completed by a Probation Officer. In addition, we would agree to leave vacant a .4 fte probation officer position in 2018.
- With the above requests, the Intercounty District Court Operating Agreement will need to be updated to incorporate these changes. The agreement with the changes has been reviewed by legal counsel, Mr. Chris Fortsyth.
- The financial impact of this package to Grand Traverse County is:  
\$5,151

Please see the attached spreadsheet.

Financial Impact to Grand Traverse County for the 86th District Court Reorganization Plan

<u>Current Staffing Plan</u>		<u>G.T. share</u>	<u>Antrim</u>	<u>Leelanau</u>
Court Administrator	\$ 94,997.43	\$ 68,398.15	\$ 16,149.56	\$ 10,449.72
Probation Officer .6 fte (to be removed from staffing plan)	\$ 46,319.00	\$ 46,319.00		
Probation Officer .4 fte (agree not to fill in 2018)	\$ 30,880.00	\$ 30,880.00		
Total	\$ 141,316.43	\$ 145,597.15		
 <u>Proposed Staffing Plan</u>				
Court Administrator (Leelanau County employee)	\$ 80,350.39	\$ 57,852.28	\$ 13,659.57	\$ 8,838.54
Deputy Court Administrator	\$ 89,630.00	\$ 64,533.60	\$ 15,237.10	\$ 9,859.30
Compliance Officer .5 fte	\$ 28,362.25	\$ 28,362.25		
Total	\$ 198,342.64	\$ 150,748.13		
 Difference		\$ 5,150.98		

INTERCOUNTY DISTRICT COURT

OPERATING AGREEMENT

A Contract for the Funding and Operation  
of the 86th District Court

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INTERCOUNTY DISTRICT COURT

OPERATING AGREEMENT

A contract for the funding and operation of the Eighty-Sixth (86<sup>th</sup>) District Court.

**STATUTORY AUTHORITY**

The Eighty-Sixth District consisting of the Counties of Grand Traverse, Antrim and Leelanau, is a district of the first class and has two (2) Judges.

One or more district control units within any district may agree among themselves to share any or all of the expenses of maintaining, financing, or operating the district court. To become effective, such agreements must be approved by resolution adopted by the governing body of the respective political subdivisions entering into the agreement and upon approval such agreements shall become effective and binding in accordance with, to the extent of, and for such period stated in that agreement.

MCL 600.8104(3)

Two or more political subdivisions are authorized to enter into a contract with each other providing for the transfer of functions or responsibilities to one another or any combination thereof upon the consent of each political subdivision involved.

MCL 124.532

**PREAMBLE**

WHEREAS, The 86<sup>th</sup> District Court consists of the Counties of Grand Traverse, Antrim, and Leelanau, which is a district of the first class, and has two (2) *elected* Judges; and,

WHEREAS, It is the desire of the Counties of Grand Traverse, Antrim and Leelanau and the Judges of the 86<sup>th</sup> District Court to provide for Court operations through common funding and accounting of the costs and expenses thereof, in recognition of the common benefit derived from an equitable method of sharing the expenses of maintaining, financing and operating the 86<sup>th</sup> District Court and it is further the intent of the Parties to define such general costs and expenses as are the mutual responsibilities of the Counties of the District; and,

WHEREAS, It is further said, Counties desire to consolidate and transfer certain functions or responsibilities between themselves so as to provide uniformity within the 86<sup>th</sup> District Court; and,

WHEREAS, Section 8104(3) of the Revised Judicature Act, being MCL600.8104(3) and Public Acts 1967, No. 8 (Extra Session), being MC 124.531, et

seq, provides for and allows such agreements;

IT IS THEREFORE RESOLVED AND AGREED Jointly and separately by and between the County of Grand Traverse, the County of Antrim, the County of Leelanau, and the 86<sup>th</sup> District Court Judges as follows:

## **GENERAL PROVISIONS**

### Term

This Agreement shall become effective immediately upon approval and execution by all Parties. However, the transfer of positions and financial accounting/sharing of costs and expenses, shall be retroactive to March 26, 2000. This Agreement shall continue in force unless earlier modified or terminated according to the provisions herein.

### Joint District Judicial Commission

That a Joint District Judicial Commission (hereinafter referred to as the Commission) is hereby established to act as a liaison committee among the Parties hereto and coordinate the financial and administrative responsibilities between the three Counties and the 86<sup>th</sup> District Court (hereinafter referred to as the Court). The Commission shall also make recommendations as to any future modification of this Agreement. Said Commission shall consist of the District Court Judges, the Chairperson of the County Board, the Chairperson of the Finance Committee, County Administrator and the Chief Fiscal Officer from each County. The Commission will meet annually or as otherwise requested, on mutually acceptable dates and places, to adequately carry out their responsibilities, and the provisions of this Agreement.

### Fiscal Agent

Except as otherwise provided below in this Agreement, Grand Traverse County is hereby designated as the Fiscal Agent for the Court and shall be the Payor District Court Control Unit responsible for, but not limited to, the processing, audit and verification and payment of all claims, salaries and wages, fringe benefits and other operating expenses as agreed to herein and the maintaining of the District Court Operating Fund as hereinafter established. In addition, the Fiscal Agent shall be responsible for the keeping of accurate and necessary accounting records in accordance with generally accepted accounting principles, applicable statutes, and as sufficient to meet the requirements of the Agreement. Further, that Grand Traverse County create and maintain upon its financial records the District Court Operating Fund in such a manner as to properly reflect the assets, liabilities, fund equity and the results of operations of the Court.



Leelanau County shall be the fiscal agent for the Court only as it relates to being the Payor responsible for the payment of the Court Administrator's wage and benefits commencing January 1, 2017 and ending upon the retirement of the current Court Administrator. At that time of the current Administrator's retirement, Grand Traverse County would assume responsibility to pay the wage and benefits for the Court Administrator position.

### Modification

This Agreement may be modified at any time upon the consent of the District Court Judges and concurrent resolutions to the Counties of Grand Traverse, Antrim and Leelanau. Each party hereto agrees to give prompt and due consideration to any recommendations for modification as proposed by the Joint District Judicial Commission.

### Disputes

Disputes arising from interpretation or modification of this Agreement shall be referred to the Joint District Judicial Commission for adjustment and resolution.

### Termination

This Agreement may be terminated at any time upon the joint action of all Parties in writing. In the event that the District Court Judges or either County desires to terminate this agreement prior to the expiration of its term, written notice of such intent shall be given to the Chief District Court Judge and the Chairperson of the respective Boards of Commissioners. Notice of termination must be given prior to adoption of the budget for the succeeding fiscal year. Unless termination is upon written consent of all Parties, termination of this Agreement shall not occur within a fiscal operating year.

## **FINANCIAL PROVISIONS**

### District Court Operating Fund

The Parties hereby create the 86<sup>th</sup> District Court Operating Fund (hereinafter referred to as the Fund) to be administered by the Fiscal Agent. The Fund shall maintain an initial minimum balance at all times of approximately thirty (30) days of working capital based on the approved operating budget for the Fund. The working capital advance will be adjusted on an annual basis using the same method used for cost-shared expenses as explained under Division of Expenses.

Further, the Fiscal Agent shall bill each County monthly for their pro-rata share of actual expenses, payment for which shall be credited to the Fund for that County. Payment of the Fiscal Agent's invoices shall be made by each County within thirty (30) days of the invoice receipt.

Upon receipt by any County Board of Commissioners', the Commission shall review such statements to insure accuracy and conformity with this Agreement. Further, any County Board of Commissioners, at their own cost, may request an audit, whether certified or not, to determine accuracy and conformity with this Agreement. The parties agree to make all necessary information available for such review or audit. Further, subsequent to the close of each Fiscal Year, a Financial Report for the Fund will be prepared in accordance with generally accepted accounting principles and in sufficient detail to reflect the actual amounts compared to budgeted amounts and the relationship of actual amounts compared to appropriations. This Financial Report shall be submitted to the Commission for review and approval and subsequently presented to the Presiding District Court Judge and the respective County Boards of Commissioners for review and approval.

#### Definitions of Expenses

The Parties agree that the expenses of operating the 86<sup>th</sup> District Court shall be divided into two categories of "cost-shared" and "cost-direct", for purposes of defining each respective County's financial responsibility as it relates to those identified operating expenses.

Cost-shared expenses are determined to consist of the following:

- Judges salaries and fringe benefits, including travel expenses, professional dues, insurance, and library facilities;
- Recorders/Secretary salaries and fringe benefits;
- Court Administrator salary, fringe benefits, and travel expenses;
- Deputy Court Administrator salary, fringe benefits, and travel expenses;
- Grand Traverse Probation Clerks salaries and fringe benefits shared between Leelanau and Grand Traverse;
- Office space for Judges, Recorders/Secretary, Court Administrator, Deputy Court Administrator and Probation Clerks;
- Computer information technology support, hardware, software, and supplies for the Recorders/Secretary, Court Administrator, Deputy Court Administrator and Probation Clerks;
- Office supplies; postage; dues and subscriptions; service contracts; insurance and bonds; education and training;
- Capital expenditures necessary for the above and subject to prior budgetary approval by all Counties; and,

- Indirect Costs associated with the above.

Ownership of any assets purchased jointly under this Agreement shall remain joint between the Counties in the same proportion as the cost thereof was allocated and paid.

Cost-direct expenses are determined to consist of the following: office space for court clerks, probation staff, and magistrates; court clerk salaries and fringe benefits; magistrate salaries and fringe benefits; probation officers salaries and fringe benefits; the actual and necessary expenses associated with a specific county, to include but not limited to, travel expenses incurred by the recorders, court administrator, deputy court administrator, and any other staff when attending Court or meetings in a County other than the County in which they have their primary workstation; court appointed attorney fees; jury fees; witness fees (including experts); transcript fees; telephone; and, equipment repair.

#### Division of Expenses

Each County shall pay to the Fund, and be responsible for, those items designated herein as cost-shared expenses, and in the amount actually expended therefore, in the same proportion as the number of cases entered and commenced in the respective County bears to the number of cases entered and commenced in the 86<sup>th</sup> District. These caseload percentages shall be computed annually by the Judges in accordance with the rules prescribed by the Supreme Court of Michigan. Notification of the results of caseload computation shall be given to each County Board as soon as practicable upon completion. In addition, each County shall pay to the Fund, and be responsible for, those items designated herein as cost-direct expenses, for the full amount actually expended therefore.

#### Office Space

Office space for the operations of the Court, as currently utilized by the Court, shall be provided by the respective Counties.

#### Information Technology Services

The Parties hereby agree that the information technology support, hardware and software, shall be provided by purchase or rental through the respective Counties., and that the Court will utilize the Information Technology department in each respective county with Grand Traverse County as its primary source of information technology support.

#### Fixed Assets

The Parties agree that such furnishings and equipment as are currently assigned to the Court, will be transferred to the General Fixed Assets group of accounts for the Fund. Thereafter, such furnishings and equipment which are needed by the Court and approved by the Counties shall be approved and money appropriated by each respective county.

### Supplies

All supplies needed for the operations of the Court shall be acquired through the Grand Traverse County Purchasing System and paid for from the Fund.

### Indirect Costs

The Parties agree that in establishing a cost-accounting system for operation of the Court, that the Parties will utilize and recognize as valid, the cost allocation plan prepared annually for the Counties of Grand Traverse, Antrim and Leelanau by the contractor hired for that purpose. Further, the Parties agree that such Indirect Costs as are identified in the Annual Cost Allocation Plan are a legitimate and appropriate cost of the operations of the 86<sup>th</sup> District Court.

### Bond and Trust Accounts

Each County, as their own district court control unit, shall maintain their own bond and trust accounts for the deposit and disbursement of bond and trust funds in accordance with the applicable laws relating thereto.

### Annual Budgets

The Chief Judge of the Court shall prepare and submit to each member of the Joint District Judicial Commission a proposed General Operating budget for the succeeding calendar year, in accordance with each county budget calendar. The Commission will meet each August to review the Court's proposed budgets for each county and will submit a recommendation to the Finance Committee of each County, a Proposed General Operating Budget. The Proposed General Operating Budget, as developed and submitted, will be considered and voted upon by the Board of Commissioners of each County as part of the fund budget for the next succeeding year. If, during the course of any budgetary year, a deficit should occur or appear likely to occur, then in that case the Commission shall meet at the call of the Chief Judge to discuss the deficit or projected deficit condition, and thereafter adopt a proposed solution for submission, in written form, to the governing board of each participating County at their next general or special session. Further, the budgets, as developed in accordance with this Agreement and the working protocol contained herein, shall constitute a continuing agreement as between the Parties hereto.

### State Court Funding

The Parties mutually agree that no provision of this document shall be construed to forfeit, waive, or otherwise relinquish, abdicate or surrender any claim which any County may now have or may arise in the future, for a fair and equitable share of the State Court Funding payments which are currently authorized by statute, but are not paid, or may be authorized in the future.

### Financial Accounting and Reports

As Fiscal Agent for the 86<sup>th</sup> District Court, Grand Traverse County shall prepare an annual financial report for the 86<sup>th</sup> District Court and such interim financial reports as are called for by generally accepted accounting principles and governmental accounting, auditing and financial reporting. Such reports shall be made available promptly to the Parties. The Parties agree that the complete financial operations of the Court shall be subject to examination and review as part of the annual financial and compliance audit conducted by the respective Counties pursuant to State law and the Counties' audit policies.

## **PERSONNEL PROVISIONS**

### Designated Employer

That Grand Traverse County, as Fiscal Agent and Payer District Court Control Unit, shall further be designated, for the purpose of this Agreement, as the joint employer along with the Court, of all Court employees. Antrim and Leelanau Counties hereby transfer to, and Grand Traverse County accepts, those functions and/or responsibilities otherwise incumbent upon Antrim and Leelanau Counties for the employment of the Court employees. Antrim and Leelanau Counties will be granted representation at the bargaining table and will be informed in advance of all bargaining sessions.

### Employer Duties

With respect thereto, all employees of the Court shall be afforded the classification and compensation, fringe benefits, workman's compensation, and personnel policies as in effect for Grand Traverse County employees, as administered by Grand Traverse County, subject to any accrued benefits as hereafter set forth and subject to any existing collective bargaining agreements. Further, Grand Traverse County shall be responsible for maintaining the personnel records of such employees, administering the payroll and related records, and compliance with all federal and state employment laws and regulations, including the withholding of all applicable taxes and the reporting thereof, and shall for all such purposes, utilize the Grand Traverse County

Employer Identification Number reflecting Grand Traverse County as Employer.

### Judicial Salaries

The amount payable to the Judges for salary, fringe benefits, travel expenses, professional dues, insurance, and library facilities shall be that as negotiated and set by the Counties of Grand Traverse, Antrim and Leelanau. However, all Counties agree to appropriate funds at the maximum amount required to obtain full Judicial Salary Standardization payments from the State of Michigan.

### Court Supervision

Nothing contained herein is intended, nor shall it be construed, to either limit or expand the authority granted by statute, case law and Court Rules to the District Court Judge including, but not in limitation, the authority to appoint, terminate, or otherwise supervise the employees of the Court.

## **MISCELLANEOUS PROVISIONS**

### Scope of Agreement

This Agreement is intended to address and define all areas of Court operations not specifically excluded by the Constitution or prohibited by law. However, until and unless this Agreement is modified, each County, separately as their own district court unit, shall be solely responsible for any other claims or operating expenses required of them by law and not covered by this Agreement.

### Liability

Nothing contained herein is intended, nor shall it be construed, to limit the discretionary responsibilities of the Court, nor abrogate the governmental nature of operating the Court. Further, except as provided for herein, none of the three Counties assumes any responsibility for the acts or omissions of the other Counties or the Judges. Further, any risk management or insurance currently in force, or later acquired, covering the Court operations, to whatever extent possible, shall be coordinated to avoid unnecessary expenses to any County. All such future policy premiums, to the extent identified as relating to the Court operations shall be a charge against, and paid out of the Fund.

### Hours of Operation and Holidays

The hours of Court operation and holidays observed by Court employees shall be identical to those of the governmental unit in which the various offices of the Court are located insofar as the Collective Bargaining Agreements and court

operations will allow.

### Court and Case Scheduling

Scheduling of the various courtrooms for utilization by the Court shall be the responsibility of the District Court Judges. The scheduling of cases and other administrative decisions concerning case and docket management shall remain under the exclusive control of the Judges.

### Severability

If any provision contained in this Agreement, or any amendment thereto, shall be held invalid by operation of law, or by any court of competent jurisdiction, or if compliance with, or enforcement of any provision, shall be restrained by such Court, the remainder of this Agreement and any amendments thereto shall remain in full force and effect.

### Filing Requirements

Upon the adopting resolution for this Agreement being approved by the respective Counties and, this Agreement being fully executed by all Parties, a copy of this Agreement shall be entered into the minutes of each County and the County Clerk for each County shall file a copy of this Agreement with the Secretary of State as required by MCL 124.533.

APPROVED BY:

BY:

WITNESSED

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Michael S. Stepka  
District Court Chief Judge  
Dated: \_\_\_\_\_

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Carol Crawford  
Grand Traverse County  
Board of Commission  
Dated: \_\_\_\_\_

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Edgar Boettcher III  
Antrim County  
Board of Commission  
Dated: \_\_\_\_\_

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William J. Bunek  
Leelanau County  
Board of Commission  
Dated: \_\_\_\_\_



RESOLUTION  
**XX-2017**  
**86<sup>th</sup> District Court**  
**Court Reorganization**

WHEREAS, The Grand Traverse County Board of Commissioners met in regular session on October 4, 2017 and received a recommendation from the 86<sup>th</sup> District Court Judges outlining their plan for reorganization to allow for an effective succession plan upon the departure of a Court Administrator, now and in the future; and,

WHEREAS The 86<sup>th</sup> District Court Judges request the following:

- 1) To retain the services of the 86<sup>th</sup> District Court Administrator as a permanent Leelanau County employee;
- 2) To add the position of Deputy Court Administrator;
- 3) To add a .5 FTE Compliance Officer;
- 4) To eliminate a .6 FTE Probation Officer; and
- 5) To update the Intercounty District Court Operating Agreement to reflect these changes; and

NOW THEREFORE BE IT RESOLVED BY THIS BOARD OF COMMISSIONERS, THAT GRAND TRAVERSE COUNTY approves the reorganization plan as outlined and authorizes the Board Chair and/or County Administrator to effectuate the documents necessary to proceed.

APPROVED: September 20, 2017

## Action Request



Meeting Date:	10/4/2017		
Department:	Health Department	Submitted By:	Wendy Hirschenberger
Contact E-Mail:	<a href="mailto:whirsch@gtchd.org">whirsch@gtchd.org</a>	Contact Telephone:	231-995-6100
Agenda Item Title:	Lease Agreement for Kingsley Adolescent Health Clinic		
Estimated Time:	0 <small>(in minutes)</small>	Laptop Presentation:	

**Summary of Request:**

Lease agreement for Kingsley Adolescent Health Clinic between Grand Traverse County Health Department and Southtown Property Management L.L.C. The purpose of this lease is to provide clinic space in Kingsley for the Adolescent Health Clinic. The terms of this agreement are October 1, 2017 through September 30, 2020, with the option to renew for one successive period of three additional years. The amount of the lease agreement increase for annual rent increases was negotiated at 1% each year. Year one \$20,910, year two \$21,537.36 and year three \$22,183.44. This clinic is funded with various sources such as a state grant, insurance revenue, charges for services and Medicaid cost settlement revenue. The K-town adolescent clinic has operated over 10 years at its current location providing over 1250 appointments for health and mental health services to over 750 clients annually.

This is a renewal agreement for the rental space, but a newly negotiated lease agreement due to a new ownership of the building in 2017. The terms of the agreement are October 1, 2017 through September 30, 2020.

The amount of the agreement last year for 2016-2017 was \$20,400.

**Suggested Motion:**

Approve the lease agreement for Kingsley Adolescent Health Center between Grand Traverse County Health Department and Southtown Property Management L.L.C. as presented and approved by the Prosecuting Attorney's Office.

**Financial Information:**

Total Cost:	\$0.00	General Fund Cost:	\$0.00	Included in budget:	
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If not included in budget, recommended funding source:

This section for Finance Director, Human Resources Director, Civil Counsel, and Administration USE ONLY:

Reviews:	Signature	Date
Finance Director		
Human Resources Director		
Civil Counsel		
<b>Administration:</b>	Recommended	Date:
<u>Miscellaneous:</u>		

**Attachments:**

Attachment Titles: *Lease between Southtown Property Management L.L.C. and Grand Traverse County*

**LEASE**  
**BETWEEN**  
**SOUTHTOWN PROPERTY MANAGEMENT L.L.C.**  
**AND**  
**GRAND TRAVERSE COUNTY**

**THIS LEASE** made as of the 1st day of October, 2017, between **Southtown Property Management L.L.C., (the "Landlord") of 404 Hughes Drive Suite A, Traverse City, Michigan 49696** and **Grand Traverse County, of 400 Boardman Avenue, Traverse City, Michigan 49684, (the "Tenant").**

**WITNESSETH:**

**1. PREMISES, TERM.** The Landlord hereby leases to the Tenant and the Tenant hereby hires and takes from the Landlord approximately 1,288 square feet (the "Leased Premises") located on the floor, in the building commonly known as 112 S. Brownson Ave., in the Village of Kingsley, Michigan 49649 (the "Building"), for a term to commence on 10/1/2017 and to end on 9/30/2020 the "Term"), unless sooner terminated as herein provided.

**2. USE.** The Tenant shall use and occupy the Leased Premises for general office activities of the Tenant.

**3. RENT.** (1% escalation rate calculated into each yearly rental amount)

YEAR One (1). The Tenant shall pay to the Landlord annual base rent of \$20,910.00, payable in equal monthly installments of \$1,742.50 each, in advance, on the first day of each and every calendar month during the Term, except for the first installment, which shall be paid upon the execution hereof.

YEAR Two (2). The Tenant shall pay to the Landlord annual base rent of \$21,119.10, payable in equal monthly installments of \$1,759.93 each, in advance, on the first day of each and every calendar month during the Term, except for the first installment, which shall be paid upon the execution hereof.

Year Three (3). The Tenant shall pay to the Landlord annual base rent of \$21,330.29, payable in equal monthly installments of \$1,777.52 each, in advance, on the first day of each and every calendar month during the Term except for the first installment, which shall be paid upon the execution hereof.

In addition, Tenant shall pay as additional rent electricity, gas, furnished to the Leased Premises that are not separately metered. Said additional rent shall be due and payable by Tenant to

Landlord immediately upon invoice therefor.

As significant funding for the payments made under this lease result from grant funds received by the lessee from the State of Michigan, it is further agreed that lessee would be released from the terms of this lease upon 90 days written notice to the lessor of termination of grant funding.

**4. SECURITY DEPOSIT.** Tenant shall deposit with Landlord on the signing of this lease the sum of \$1,000 as a security for the performance of Tenant's obligations under this lease. Landlord will refund the full security deposit to Tenant within 30 days following the end of the lease permitting the premises are in good condition, except for wear and tear, and Tenant has paid Landlord all monies under this lease. Landlord may deduct any amounts required to restore the premises to good condition and to collect any monies owed to Landlord under the terms of this lease.

**Landlord is ALSO holding over \$300.00 deposit from lease Tenant had with previous owner prior to Landlord purchasing the Building.**

**5. TENANT'S USE OF COMMON AREAS.** Landlord grants Tenant, its employees, invitees, customers, licensees and other visitors a nonexclusive license for the Term to use the stairways, second floor bathroom facilities rooms and parking areas located on and servicing the Building (the "Common Areas"), subject to the terms and conditions of this Lease. With advance notice to Tenant, Landlord will have the right to:

(a) establish and enforce reasonable rules and regulations concerning the maintenance, management, use and operation of the Common Areas;

(b) temporarily close any of the Common Areas for maintenance, alteration or improvement purposes; and

(c) change the size, use, shape or nature of any such Common Areas, or change the arrangement and/or location of or regulate or eliminate the use of any public conveniences in the Common Areas, provided such changes do not materially adversely affect Tenant's beneficial use of the Leased Premises.

**6. TENANT'S OBLIGATION TO REPAIR AND MAINTAIN.** The Tenant shall, at all times during the lease term, at its own expense, maintain in good and safe working condition and repair, the Leased Premises and the fixtures, and appurtenances and will make all repairs in and about the same necessary to preserve them in good order and condition, except as otherwise provided in Section 6 and 7 hereof. The Tenant shall not cause or permit any waste, damage, or injury of the Leased Premises. Tenant shall indemnify the Landlord against all costs, expenses, liabilities, claims, and demands, because of Tenant's failure to comply with the foregoing.

**7. LANDLORD'S REPAIRS AND MAINTENANCE.** Landlord shall repair and maintain the roof and structural portions and all Common Areas of the Building, as well as the plumbing, electrical and HVAC servicing the Leased Premises, except to the extent any such repair and/or maintenance is required as a result of the intentional acts or gross negligence of

Tenant, in which case such repair and maintenance shall be the responsibility and at the sole cost and expense of the Tenant. Further, Tenant shall be responsible for 50 percent of the cost of cosmetic improvements to the Leased Premises, with the type and extent of such improvements to be subsequently agreed upon in writing by Tenant and Landlord. In addition, Landlord shall install a locking door to the entrance to the Leased Premises.

**8. ASSIGNMENT OF SUBLETTING.** The Tenant shall not transfer, assign, sublet, mortgage or pledge this Lease or Tenant's interest in the Leased Premises without the prior written consent of the Landlord which shall not be unreasonably withheld or delayed.

**9. INSURANCE.** Tenant shall, at its own expense, during the term hereof, maintain and deliver to Landlord a certificate of public liability and property damage insurance policies with respect to the Leased Premises, with limits of at least \$1,000,000 for injury or death to any one person and \$2,000,000 for any one accident, and \$250,000 with respect to damage to property.

Landlord shall during the term hereof obtain and maintain public liability and property damage insurance, fire insurance and any other insurance reasonably deemed necessary by the Landlord in such amounts as may be reasonably determined by the Landlord on the Building.

**10. FIRE OR OTHER CASUALTY.** If the Leased Premises are partially damaged by fire, or other cause, other than as a result of the intentional acts or gross negligence of the Tenant, or the Tenant's employees, the damages shall be repaired by and at the expense of Landlord and the rent shall be apportioned according to the part of the Leased Premises which is usable by the Tenant, until such repairs shall be made. If such partial damage is due to the intentional acts or gross negligence of the Tenant, or Tenant's employees, without prejudice to any other rights or remedies of Landlord and without prejudice to the rights of subrogation of Landlord's insurer, the damages shall be repaired by Landlord at the sole cost and expense of the Tenant and there shall be no apportionment or abatement of rent. No penalty or damages shall accrue for reasonable delay which may arise by reason of adjustment of insurance on the part of the Landlord and/or Tenant, and for reasonable delay on account of any other cause beyond Landlord's control. If the Leased Premises are totally damaged or are rendered wholly unrentable by fire or other cause, and if the Landlord shall decide not to restore or not to rebuild the same, the Landlord shall, within forty-five (45) days after such fire or other cause, give Tenant a notice in writing of such decision, which notice shall be given as provided hereinafter, and thereupon, the term of the Lease shall expire by lapse of time upon the third day after such notice is given and Tenant shall vacate the premises and surrender same to Landlord. If Tenant shall not be in default under this Lease then, upon the termination of this Lease under the conditions provided for in the sentence immediately proceeding, Tenant's liability for rent shall cease as of the day following the casualty.

**11. CONDEMNATION.** If the Leased Premises, or any part thereof, is taken by eminent domain, this Lease shall expire on the date when the Leased Premises shall be so taken, and the rent shall be apportioned as of that date.

**12. LANDLORD'S RIGHT OF ENTRY.** The Landlord or his agents may enter the Leased Premises at any reasonable time for the purpose of inspecting the Leased Premises, performing any work which the Landlord elects to undertake, exhibiting the Leased Premises for sale, or for purposes of leasing or mortgaging the property of which the Leased Premises is a part. Any exercise of the right of entry by the Landlord hereunder shall not be construed as an eviction by the Tenant in whole or in part.

**13. ASSIGNMENT OF LEASE BY LANDLORD.** The Landlord shall have the right to assign its interest in this Lease or to assign from time to time the whole or part of the net rent payable hereunder to persons, firms, corporations, trusts, or other entities designated by the Landlord with prior written consent of the Tenant, which shall not be unreasonable withheld.

**14. SUBORDINATION TO MORTGAGES.** This lease is subject and subordinate at all times to the lien of any existing or future mortgages on the Leased Premises. Although no instrument or act on the part of the Tenant shall be necessary to effectuate such subordination, the Tenant will, nevertheless, execute and deliver such further instruments subordinating this Lease to the lien of all such mortgages as may be desired by the mortgagee. The Tenant hereby appoints the Landlord his attorney-in-fact, irrevocably, to execute and deliver any such instrument for the Tenant.

**15. INDEMNIFICATION OF LANDLORD.** To the extent permitted by law, the Tenant shall defend, indemnify and hold Landlord harmless from and against any claim, loss, expense or damage to any person or property in or upon the Leased Premises or any area allocated to or used exclusively by Tenant or its employees,, arising out of Tenant's use or occupancy of said premises, or any act of neglect of Tenant or Tenant's employee, or any change, alteration or improvement made by Tenant in the Leased Premises.

**16. NO ALTERATIONS.** The Tenant may not make any changes or additions to the Leased Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed. Any changes or additions made without the Landlord's written consent shall be removed by the Tenant on demand.

**17. QUIET ENJOYMENT.** The Tenant, upon the payment of the Rent and the performance of all the terms of this Lease, shall, at all times during the lease term, peaceably and quietly enjoy the Leased Premises without any disturbance from the Landlord or from any other persons claiming through the Landlord.

**18. COMPLIANCE WITH APPLICABLE LAWS AND INSURANCE POLICY REQUIREMENTS.** The Tenant shall, at its sole expense, promptly comply with all laws and regulations of all federal, state and municipal governments and appropriate departments, commissions, authorities, boards, and their officers, and the orders and regulations of the National Board of Fire Underwriters, or any other body now or hereafter exercising similar functions, which may be applicable to the Leased Premises, and the fixtures and equipment therein. The Tenant shall comply with the requirements of all policies of public liability, fire, and all other types of insurance at any time in force with respect to the Leased Premises and the building of which it is a part.

**19. SURRENDER UPON TERMINATION OF LEASE.** At the expiration of the lease term, the Tenant shall peaceably and quietly surrender the Leased Premises to the Landlord, broom-clean including all alterations, rebuildings, replacements, improvements, changes, or additions placed by the Tenant thereon, in as good condition and repair as at the commencement of the term of this Lease and at the time the improvements or alterations were completed, natural wear and tear excepted provided, however, that moveable furniture, moveable personal property and moveable trade fixtures put in at the expense of the Tenant which, pursuant to the provisions of this Lease, may be removed by the Tenant at or before the expiration or sooner termination of this Lease, shall not be deemed to be the property of, nor surrendered to, the Landlord.

**20. LANDLORD'S RIGHT UPON TENANT'S DEFAULT.** If the Leased Premises shall be deserted or vacated, or if proceedings are commenced against the Tenant in any court under a Bankruptcy Act, or if proceedings are commenced for the employment of a Trustee or Receiver of the Tenant's property either before or after the commencement of the lease term and such proceedings are not terminated within sixty (60) days, or if there shall be a default in the payment of rent or additional rent or any part thereof for more than five (5) days, or if there shall be a default in the performance of any other term, covenant, agreement, condition, rule or regulation hereinafter contained or hereafter established on the part of the Tenant for more than twenty (20) days after written notice of such default given by the Landlord (any of such events being an "Event of Default"), Landlord may, at any time thereafter, with notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have:

(a) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including (i) unpaid Rent accrued up to the termination. ; (ii) an amount equal to the unpaid Rent which Tenant would have paid for the balance of the Lease term.

(b) Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant has abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due;

(c) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state in which the Premises is located.

**21. WATER DAMAGE OR UTILITY FAILURE.** The Landlord shall not be liable for any failure of any public utility, nor for injury or damage to person or property caused by other Tenants or persons in said building, or for damage caused by water, rain, ice or snow, or for damage caused by operations by or for a public utility or a governmental authority in

construction or maintenance of any public or quasi-public work.

**22. RIGHT TO SHOW PROPERTY.** The Landlord shall have the right, three months prior to the expiration of this Lease, upon proper notification of the Tenant to advertise and show the Leased Premises to prospective Tenants during regular business hours of the Tenants.

**23. NOTICES.** Any notice, request, demand, approval, consent or other communications which the Landlord or Tenant may be required or permitted to give to the other party shall be in writing and shall be personally delivered or mailed to the other party at the address specified at the beginning of this Lease, unless written notice is given to the other party of a different address for the mailing of such notice.

**24. NO WAIVER.** No delay in exercising or omission of the right to exercise any right or power by Landlord shall impair any such right of power, or shall be construed as a waiver of any breach or any default, or acquiescence thereto. One or more waivers of any covenant, term or condition of this Lease by Landlord shall not be construed by the other party as a waiver of a continuing or subsequent breach of the same covenant, provision or condition. The consent or approval by Landlord to or of any act of the Tenant of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

**25. OPTION TO RENEW.** Tenant shall have the right to renew and extend the initial term of this Lease for one (1) successive period of Three (3) years (the "Option"). The Option shall be exercised by Tenant, if at all, by delivery to Landlord of written notice of such election to exercise no later than three (3) months prior to the expiration of the then current term. Any exercise by Tenant of an Option, once made, shall be irrevocable, and Tenant shall have no right to rescind or revoke such Option exercise. Notwithstanding the foregoing, Tenant shall have no right to exercise any Option and any purported exercise by Tenant shall have be of no force and effect if an Event of Default exists at the time of such purported exercise. The Option shall be upon all of the terms and conditions of this Lease, AND the amount of annual base rent shall be calculated using the same 1% annual escalation rate increase shown below:

Year Four (4): The Tenant shall pay to the Landlord annual base rent of \$21,543.59, payable in equal monthly installments of \$1,795.30

Year Five (5): The Tenant shall pay to the Landlord annual base rent of \$21,759.03, payable in equal monthly installments of \$1,813.25

Year Six (6): The Tenant shall pay to the Landlord annual base rent of \$21,976.62, payable in equal monthly installments of \$1,831.39

**26. SEVERABILITY.** If any provision of this Lease shall be declared invalid or unenforceable, the remainder of the Lease shall continue in full force and effect.



**27. ENTIRE AGREEMENT.** This Lease contains the entire agreement between the parties. None of the terms of this Lease shall be waived or modified to any extent, except by a written instrument signed and delivered by both parties.

**28. GOVERNING LAW.** This Lease shall be governed by, construed and enforced in accordance with the laws of the State of Michigan.

**IN WITNESS WHEREOF,** the parties have hereunto set their hands and seals as of the date first written above.

**LANDLORD:**

SOUTHTOWN PROPERTY MANAGEMENT L.L.C.

BY: \_\_\_\_\_  
Andrew S. Caldwell  
Its: President

**TENANT:**

GRAND TRAVERSE COUNTY

BY: \_\_\_\_\_  
Carol Crawford  
Its: Commissioner

RESOLUTION  
XX-2017  
**Health Department**  
**Southtown Property Management LLC**  
**Lease Agreement for Kingsley Adolescent Health Clinic**

WHEREAS, The Grand Traverse County Board of Commissioners met in regular session on October 4, 2017 and reviewed a recommendation from the Health Officer to enter into a lease agreement with Southtown Property Management LLC for the Kingsley Adolescent Health Clinic; and,

WHEREAS, The terms of this agreement are October 1, 2017, through September 30, 2020, with the option to renew for one successive period of three additional years; and,

WHEREAS, The amount of the lease agreement increase for annual rent increases was negotiated at 1% each year, with year one being \$20,910, year two being \$21,537.36 and year three being \$22,183.44; and,

WHEREAS, This is a renewal agreement for rental space but due to new ownership of the building, it was necessary to renegotiate the lease which has been reviewed and approved by Civil Counsel; and,

NOW THEREFORE BE IT RESOLVED BY THIS BOARD OF COMMISSIONERS, THAT GRAND TRAVERSE COUNTY approves and authorizes the Board Chair and/or County Administrator to effectuate the documents necessary to enter into a lease agreement for the Kingsley Adolescent Health Clinic.

APPROVED: September 20, 2017



## Action Request

Meeting Date:	10/4/2017		
Department:	Information Technology	Submitted By:	Ming Mays
Contact E-Mail:	mmays@grandtraverse.org	Contact Telephone:	231.922.4787
Agenda Item Title:	Memorandum of Understanding between the State of Michigan, Participating Local Governments and Grand Traverse County for the Provision of a Shared Chief Information Security Officer		
Estimated Time:	5 <small>(in minutes)</small>	Laptop Presentation:	YES

**Summary of Request:**

- The State of Michigan has created a CISO pilot program to assist in fulfilling the roles of a full time Chief Information Security Officer. This program will assist in ensuring activities are up-to-date and comprehensive, correctly focused on current cyber threats, and appropriately resourced.
- The State of Michigan will fund and support a shared Chief Information Security Officer for 9 local governments for a period of 18 months with the following expected outcomes.
  - CISO will bring cyber security strategies and practices together utilizing a specialized skillset.
  - Use the CYSAFE assessment tool to conduct a common assessment.
  - Develop risk assessment for Grand Traverse County based on CYSAFE results.
  - Identify critical improvements base on priority
  - Develop an annual security plan that identifies improvements in technology, technological processes. and efficiency, and training.
  - Improve assessment and planning tools for use in local governments in Michigan.
  - Develop a business model for an ongoing program.
  - Be a conduit for cooperation among and between local governments and other state, federal, and non-profit agencies that support the mission of cyber security.

**Suggested Motion:**

Authorize the Board Chair and/or County Administrator to effectuate the necessary CISO pilot program in Agreement with the State of Michigan to improve the County's cyber security standards.

**Financial Information:**

Total Cost:	N/A	General Fund Cost:	N/A	Included in budget:	
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If not included in budget, recommended funding source:

N/A

This section for Finance Director, Human Resources Director, Civil Counsel, and Administration USE ONLY:

Reviews:	Signature	Date
Finance Director		
Human Resources Director		
Civil Counsel		
<b>Administration:</b>	Recommended	Date:
<u>Miscellaneous:</u>		

**Attachments:** N/A

Attachment Titles:

# **Memorandum of Understanding (“MOU”) between the State of Michigan (“State”) and Participating Local Government (“PLG”), Grand Traverse County, for the Provision of a Shared Chief Information Security Officer (“CISO”)**

WHEREAS, the State of Michigan (STATE), by the Department of Technology, Management and Budget (DTMB), the CISO, and Grand Traverse County, a Participating Local Government (PLG), enter into this Memorandum of Understanding;

WHEREAS, the State, Grand Traverse County], and other participating local government entities seek to enhance their ongoing security, which includes without limitation enhancing their cybersecurity posture;

WHEREAS, the State, recognizing the need for CISOs to assist smaller organizations in their efforts to enhance their cybersecurity posture, will provide a CISO to be utilized by nine(9) local governments for a period of eighteen (18) months as part of a pilot program;

WHEREAS, the CISO will only be effective if each participant in this MOU fulfills their obligations as outlined in this MOU;

THEREFORE, the parties agree:

## **1. Problem Statement**

The CISO role is critical in enhancing the security of the State and local governments. The CISO brings cybersecurity strategy and practice together and utilizes a very specialized skillset. Most small organizations can't afford to hire a full-time CISO and therefore their activities are often not up-to-date, correctly focused on current threats, comprehensive, or appropriately resourced. Municipal governments acting together under the auspices of a shared CISO can create an ecosystem and shared resource where sharing evaluation tools, best practices, practical experiences, and knowledge of common threats that increases the capabilities and reduces risk for all participating governments.

## **2. Pilot Program Overview**

The State of Michigan will fund and support a shared Chief Information Security Officer resource for 9 local governments for the period of 18 months with the following expected outcomes:

- Use the CYSAFE assessment tool to conduct a common assessment for all participating agencies.
- Develop individual risk assessments for each participating organization based on CYSAFE results.
- Identify critical improvements based on priority
- Develop an annual security plan that identifies improvements in technology, process, and training. Become the conduit for cooperation among and between local governments and other state, federal, and non-profit agencies that support the mission of cyber security.
- Improve assessment and planning tools for use in local governments in Michigan.
- Develop a business model for an ongoing program.

### 3. Relationship of the Parties

The relationship between the State and the PLG is that of client and independent contractor. No agent, employee, or servant of PLG, or any of its subcontractors, is an employee, agent or servant of the State. Nor is any agent, employee, servant of the State, including the shared CISO, or any of its subcontractors, an employee, agent or servant of the PLG. Each party will be solely and entirely responsible for its acts and the acts of its agents, employees, servants, and subcontractors during the performance of the Agreement.

### 4. Confidentiality

The Party disclosing Confidential Information shall be referred to herein as the “Disclosing Party” and the Party receiving Confidential Information shall be referred to herein as the “Receiving Party.”

4.1. Meaning of Confidential Information. The term “**Confidential Information**” means all confidential and proprietary information and documentation, whether written or oral, or by inspection of tangible objects, and in any form and any media, relating to the Disclosing Party’s operations or technology which is disclosed by the Disclosing Party either directly or indirectly to the Receiving Party. The Confidential Information disclosed as part of the efforts described in this MOU includes without limitation, information related to the ongoing security measures and plans of the State, [Insert name of PLG] and other participating local governments and is exempt from disclosure under Michigan’s Freedom of Information Act (MI FOIA).

The term “Confidential Information” does not include any information or documentation that was or is: (a) in the possession of the State and subject to disclosure under MI FOIA; (b) already in the possession of the Receiving Party without an obligation of confidentiality; (c) developed independently by the Receiving Party, as demonstrated by the Receiving Party, without violating the Disclosing Party’s proprietary rights; (d) obtained from a source other than the Disclosing Party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the Receiving Party).

4.2 Notice of Disclosure. Nothing in this MOU shall prevent the Receiving Party from disclosing Confidential Information to the extent the Receiving Party is legally compelled to do so by a MI FOIA request or any governmental investigative or judicial agency pursuant to proceedings over which such agency has jurisdiction; provided, however, that prior to any such disclosure, the Receiving Party shall (i) assert the confidential nature of the Confidential Information to the requesting entity; (ii) immediately notify the Disclosing Party in writing of the request to disclose; and (iii) cooperate fully with the Disclosing Party in its lawful efforts to limit the scope of any such compelled disclosure.

4.3 Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this MOU or to use such Confidential

Information for any purposes whatsoever other than the performance of this MOU. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential.

4.4 Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this MOU. Each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

4.5 Surrender of Confidential Information upon Termination. Upon termination or expiration of this MOU, in whole or in part, each party must, within five (5) Business Days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control. If a Party determines that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and certify the same in writing within five (5) Business Days from the date of termination to the other party.

4.6 Notwithstanding anything to the contrary herein, CISO shall be free to use and employ his or her general skills, know-how, and expertise, and to use, disclose, and employ any generalized ideas, concepts, know-how, methods, techniques, or skills gained or learned during the course of providing the services, so long as they acquire and apply such information without disclosure of any Confidential Information.

## 5. Funding

As mentioned above, the State of Michigan funding for this position is limited to 18 months which will cover the pilot, partial operational phase and next steps. Subsequently it will be self-funded by the organizations using this service.

## 6. Program Oversight

The oversight for this service will be with a Steering Committee that includes representatives from the State of Michigan, Oakland County, the 5 pilot communities, and GMIS (a state-wide government technology member organization).

## 7. The State's Disclaimer of Warranties and Limitation of Liability

### 7.1 Disclaimer of Warranties

THE STATE HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE UNDER OR IN CONNECTION WITH THIS MOU OR ANY SUBJECT MATTER HEREOF.

FOR AVOIDANCE OF DOUBT, THE STATE DISCLAIMS ANY OBLIGATION OR WARRANTY, EXPRESS OR IMPLIED:

- (a) That the recommendations provided by the CISO will be in compliance with the PLG’s obligations under federal, state, or local law. The PLG are solely responsible for ensuring their compliance with any and all legal obligations;
- (b) That State will assume any responsibility related to audit findings, or to remedy audit findings. The PLG are solely responsible for preparing for and responding to audits, and for addressing any audit findings;
- (c) That the State will assume any responsibility for the loss of data, or breach of security of data. The PLG is and remains solely responsible for securing any data within its possession or control, and for complying with its obligations under applicable State or federal laws or regulations in the event of data loss or a security breach.

7.2 Limitations of Liability.

(a) The State’s Disclaimer of Damages. THE STATE WILL NOT BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS MOU FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES. THE STATE WILL NOT BE LIABLE FOR ANY AUDIT FINDINGS, OR FOR REMEDIES TO ANY AUDIT FINDINGS, DATA LOSS, DAMAGES OR COSTS ASSOCIATED WITH DATA LOSS, OR FOR THE STATE’S COMPLIANCE WITH ANY LEGAL OBLIGATIONS ARISING FROM FEDERAL OR STATE LAW.

(b) The State’s Limitation of Liability. IN NO EVENT WILL THE STATE’S AGGREGATE LIABILITY TO PARTICIPATING LOCAL GOVERNMENTS UNDER THIS MOU, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED \$1,000.

8. Roles and Responsibilities

Entity	Role / Responsibility
State of Michigan	<ul style="list-style-type: none"> <li>● Overall program responsibility and oversight</li> <li>● Fund CISO role during pilot period</li> <li>● Provide additional resources</li> <li>● Participate in Steering Committee</li> </ul>
CISO	<ul style="list-style-type: none"> <li>● Cyber Assessment for each Government</li> <li>● Development of Annual Plans</li> <li>● Consultation and advice during implementation of plans</li> </ul>

	<ul style="list-style-type: none"> <li>● Develop and improve assessment tool(s)</li> <li>● On site and remote consultation</li> <li>● Cyber Incident response consultation and coaching</li> <li>● Assist in audit compliance, including CJIS, PCI, HIPAA, etc...</li> <li>● Participate in Steering Committee</li> </ul>
<b>Oakland County</b>	<ul style="list-style-type: none"> <li>● Advisory</li> <li>● Case Study</li> <li>● Subject Matter Expertise</li> <li>● Participate in Steering Committee</li> </ul>
<b>PLG (Insert name of PLG)</b>	<ul style="list-style-type: none"> <li>● Provide executive support</li> <li>● Participate in assessment process</li> <li>● Participate in development of remediation plans</li> <li>● Implement improved cyber security controls and processes as identified and agreed to during assessment and planning phases</li> <li>● Retain risk for cyber liability within your organization</li> <li>● Participate in the <b>SELF FUNDING</b> discussion post 18 months</li> <li>● Participate in Steering Committee</li> </ul>

## 9. TERMINATION.

8.1 Any party to this agreement may terminate this MOU, in whole or in part, without penalty and for any reason, including but not limited to, appropriation or budget shortfalls, with 30 days' notice to the other parties.

8.2 If, in the opinion of a majority of Steering Committee members, Oakland County, or the PLG, fails to meet their obligations under this MOU, the State will terminate this MOU with the signatory failing to meet their obligations.

8.3 This MOU will terminate eighteen (18) months from the effective date (the date upon which all parties execute the MOU), unless otherwise agreed to by the parties.

## 10. MISCELLANEOUS

10.1 This MOU constitutes the entire agreement between the parties and supersedes all prior agreements, whether written or oral, with respect to the subject matter. All exhibits referenced in this MOU are incorporated in their entirety and form part of this MOU.

10.2 This MOU is governed by and construed in accordance with the laws of the State of Michigan.

10.3 This MOU may be signed in counterparts, each of which has the force of an original, and all of which constitute one document.



10.4 This MOU may be amended with the mutual consent of the parties.

10.5 The undersigned represent that they are authorized to execute this Agreement. A copy of Oakland County's and the PLG's authorizing resolution must accompany this Agreement.

**SIGNATURE PAGES FOLLOW**

PARTICIPATING LOCAL GOVERNMENT (PLG)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name and Title

Date \_\_\_\_\_

STATE OF MICHIGAN, DEPARTMENT OF  
TECHNOLOGY, MANAGEMENT AND BUDGET

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name and Title

Date \_\_\_\_\_

RESOLUTION  
XX-2017  
**Information Technology (IT) Department**  
**State of Michigan**  
**CISO Pilot Program Memorandum of Understanding**

WHEREAS, The Grand Traverse County Board of Commissioners met in regular session on October 4, 2017 and reviewed a recommendation from the Director of Information Technology to enter into a Memorandum of Understanding with the State of Michigan to participate in a CISO pilot program to assist in fulfilling the roles of a full time Chief Information Security Officer; and,

WHEREAS, This program will assist in ensuring activities are up-to-date and comprehensive, correctly focused on current cyber threats, and appropriately resourced; and,

WHEREAS, The State of Michigan will fund and support a shared Chief Information Security Officer for 9 local governments for a period of 18 months to provide the outcomes identified in the Memorandum of Understanding; and,

WHEREAS, This agreement has been reviewed and approved by Civil Counsel; and,

NOW THEREFORE BE IT RESOLVED BY THIS BOARD OF COMMISSIONERS, THAT GRAND TRAVERSE COUNTY approves and authorizes the Board Chair and/or County Administrator to effectuate the documents necessary to enter into a memorandum of understanding with the State of Michigan to participate in a CISO pilot program to improve the County's cyber security standards.

APPROVED: September 20, 2017



## Action Request

Meeting Date:	October 4, 2017		
Department:	Human Resources	Submitted By:	Bill Hendry
Contact E-Mail:	bhendry@grandtraverse.org	Contact Telephone:	231-922-4598
Agenda Item Title:	Letter of Understanding between the Board of Commissioners of Grand Traverse County and Teamsters Local 214		
Estimated Time:	5 minutes <small>(in minutes)</small>	Laptop Presentation:	<input type="radio"/> Yes <input checked="" type="radio"/> No

**Summary of Request:**

There is a need to create a Team Leader designation in the Facilities department. The Team Leader will be assigned to an existing person in the department and focus on training new employees and coordinating work assignments. Responsibilities include the specific items outlined in the Letter of Understanding attached.

There will be a \$2.00 per hour stipend to the individual designated as Team Leader, payable after the first full week of duties and ending on the last day of Team Leader designation.

Appointment and removal of the Team Leader is at the sole discretion of Facilities Director, to accomplish the above duties.

**Suggested Motion:**

Approve and authorize the Chairperson and/or County Administrator to effectuate the necessary documents with the Teamsters Local 214 to authorize creation of a Team Leader designation in the Facilities Department.

**Financial Information:**

Total Cost:	General Fund Cost:	Included in budget:	<input type="radio"/> Yes <input checked="" type="radio"/> No
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If not included in budget, recommended funding source:

This section for Finance Director, Human Resources Director, Civil Counsel, and Administration USE ONLY:

Reviews:	Signature	Date
Finance Director		
Human Resources Director		
Civil Counsel		
Administration: <input type="checkbox"/> Recommended	Date:	
<u>Miscellaneous:</u>		

**Attachments:**

Attachment Titles:  
Letter of Understanding

LETTER OF UNDERSTANDING  
BETWEEN  
BOARD OF COMMISSIONERS  
OF  
GRAND TRAVERSE COUNTY  
- and -  
TEAMSTERS STATE, COUNTY AND MUNICIPAL WORKERS  
LOCAL 214  
GENERAL BARGAINING UNIT

**WHEREAS**, the parties are signatories to a Collective Bargaining Agreement with a term of January 1, 2015 through December 31, 2016.

**WHEREAS**, the parties understand the need to create a Team Leader designation in the Facilities department. It will be assigned to an existing person in the department and focus on training new employees and coordinating work assignments.

**WHEREAS**, the Teamsters Local 214 and the Employer hereby agree to this Letter of Understanding to address these issues.

**THEREFORE**, it is agreed as follows:

Team Leader Duties

1. Responsible for training new employees. Duties include:
  - Educate others on access points to all Facilities including protocols for privacy, security and safety.
  - Educate others on their own field of expertise and coordinate with other Building Maintenance Workers (as directed) to facilitate education in other trades.
  - Provide guidance for questions/concerns/help needed for new staff to remain productive in preventative or regular maintenance duties.
  - Accompany new staff as necessary to accomplish above duties.
  
2. Coordinate work assignments when necessary, or as directed. Duties include:

- Accessing, updating and prioritizing the Facilities Management Work Order System in order to coordinate and/or facilitate daily work activities and educational opportunities.
- Assign departmental work in the absence of Facilities Director.

Appointment of Team Leader

- Appointment and removal at the sole discretion of Facilities Director, to accomplish the above duties.

Team Leader Compensation

- There will be a \$2.00 per hour stipend to the individual designated as Team Leader, payable after the first full week of duties and ending on the last day of Team Leader designation.

**IN WITNESS WHEREOF** the parties hereto by their duly authorized representatives agree to the above and execute this Letter of Understanding accordingly.

**GRAND TRAVERSE COUNTY**

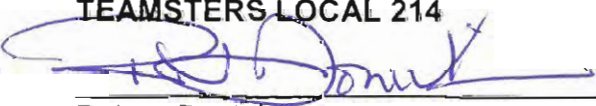
Dated: \_\_\_\_\_, 2017

\_\_\_\_\_  
Carol Crawford, Board Chair

Dated: \_\_\_\_\_, 2017

\_\_\_\_\_  
Vicki Uppal, Administrator

Dated: 9/21, 2017

**TEAMSTERS LOCAL 214**  
  
\_\_\_\_\_  
Robert Donick



# Memorandum

Grand Traverse County  
County Administration  
400 Boardman Avenue  
Traverse City, Michigan 49684  
(231) 922-4780 Fax (231) 922-4636

**TO:** Board of Commissioners

**FROM:** Tom Menzel, County Administrator

**DATE:** May 24, 2016

**SUBJECT:** **County Officers Compensation Commission**

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State Statute (MCL 45.471(1)) provides the Board of Commissioners with the ability, "to establish a County Officers Compensation Commission to determine the compensation for the non-judicial elected officials of the County."

For Grand Traverse County, if a Compensation Commission were established, it would be charged to review and recommend salaries for the following elected officials:

- Board of Commissioners
- County Clerk
- County Treasurer
- Drain Commissioner
- Prosecutor
- Register of Deeds
- Sheriff

If created the following timeline is proposed to achieve the Statutory requirements of the Board.

June 1, 2016	- BoC Adoption of a Resolution to create Commission (within 30-days appointments are required)
June 2 – 14	- Seek applicants for appointment to the Commission
June 22	- Special Meeting: Board appointments required within 30-days which will require a Special meeting of the Board in June to allow adequate time to seek applicants.
July 2016	-Compensation Committee convenes, elects chairperson, can meet no more than 15-times, and must complete their work within 45-days.
September	-Compensation Committee recommendations brought to Board for effective date of 01/01/2017

State statute clearly prescribes the creation and implementation of a "County Officers Compensation Commission." A summary of the statute follows on the next page.



### Commission Purpose

- The Commission shall determine the compensation for the non-judicial elected officials of the County (MCL 45.472(3)).
- The determination of the Commission shall stand unless the Board of Commissioners rejects the determination by resolution adopted by 2/3rds of the members elected to and serving on the Board. (MCL 45.472(3))
- Unless rejected, the determination shall be effective at the beginning of the first odd numbered year after the determination is made. If the determination is rejected, the compensation then in effect for those officials shall continue (MCL45.472(3)).

### Commission Process & Timeline for work

- Shall meet in even numbered years (MCL 45.474(1)).
- Shall not meet for more than 15-calender days (MCL 45.474(1)).
- Shall make its determination within 45-calender days after its first meeting of the year (MCL 45.474(1)).
- Commission shall elect a chairperson from among its members (MCL 45.474(3)).
- A quorum is required for conducting business or taking action (MCL 45.474(2)).
- Members shall not receive compensation but be reimbursed for actual and necessary expenses (MCL 45.474(4)).
- All business of the commission shall be conducted at a public meeting and in accordance with the Open Meetings Act (MCL 45.475).

### Commission Size

- Commission shall be comprised of 7 members who are registered electors residing the in the County. (MCL 45.472(2)(2))

### Commission Appointment Process

- Upon recommendations from the members of the board, the Chairperson of the County Board of Commissioners shall appoint the members of the compensation commission subject to confirmation by a majority of the members elected to and service on the County Board (MCL45.472(2)).
- A person who is a member or employee of the legislative, judicial, or executive branch of any level of government or a member of that person's immediate family shall not be appointed to the compensation commission. (MCL 45.472(2)(3))

### Term of Appointment

- The initial members shall be appointed within 30-days after the effective date of the Resolution establishing the commission (MCL45.472(2)).
- Term of office shall be for four years, with the exception of those first members appointed (MCL 45.472(2)).
  - In the first term the following shall apply:
    - Two shall be appointed for a term of one-year
    - Two shall be appointed for a term of two-years
    - Two shall be appointed for a term of three-years
    - One shall be appointed for a term of four-years.
- For each appointment thereafter, members shall be appointed before October 1 of the year of appointment (MCL45.472(2)).
- Any vacancy shall be filled for the remainder of the unexpired term (MCL45.472(2)).

A resolution to establish the County Officers Compensation Commission is also attached.

There was some interest in not reviewing the Board of Commissioners Compensation. I would recommend, in terms of fairness and objectivity, that the commission review all elected officials and include the Board of Commissioners as well.

In terms of fairness, if that is not the will of the Board, you would then add to the resolution, the following:

*BE IT FURTHER RESOLVED that the County Board of Commissioners direct the compensation committee to not examine the compensation of the Board of Commissioners as that was previously established by Board action on March 30, 2016 for the upcoming 2017-2018 term.*

If you have any questions on any of the above, please feel free to let me know.

Thank you!

**Establish County Officers Compensation Commission  
RESOLUTION #**

WHEREAS, the Grand Traverse County Board of Commissioners desires to create an objective Commission to review the salaries of non-judicial elected officials, which includes the Board of Commissioners, County Clerk, County Treasurer, Drain Commissioner, Prosecutor, Register of Deeds, and Sheriff; and

WHEREAS, Public Act 485 of 1978, also known as the County Officers Compensation Commission prescribes the process and powers of said committee; and

WHEREAS, consistent with Public Act 485 of 1978, the following shall apply:

- Commission shall be comprised of 7 members who are registered electors residing in the County. (MCL 45.472(2)(2))
- Shall meet in even numbered years (MCL 45.474(1))
- Shall not meet for more than 15-calendar days (MCL 45.474(1))
- Shall make its determination within 45-calendar days after its first meeting of the year (MCL 45.474(1))
- Commission shall elect a chairperson from among its members (MCL 45.474(3)).
- A quorum is required for conducting business or taking action (MCL 45.474(2)).
- Members shall not receive compensation but be reimbursed for actual and necessary expenses (MCL 45.474(4))
- All business of the commission shall be conducted at a public meeting and in accordance with the Open Meetings Act (MCL 45.475)

WHEREAS, a process for the appointment of the County Officers Compensation Committee is also established pursuant to state statute and prescribes the following:

- Upon recommendations from the members of the board, the Chairperson of the County Board of Commissioners shall appoint the members of the compensation commission subject to confirmation by a majority of the members elected to and service on the County Board (MCL45.472(2)).
- The initial members shall be appointed within 30-days after the effective date of the Resolution establishing the commission (MCL45.472(2)); and

WHEREAS, the term of office shall be for four years, with the exception of those first members appointed in the first term, in which two shall be appointed for a term of one-year, two shall be appointed for a term of two-years, two shall be appointed for a term of three-years, and one shall be appointed for a term of four-years.

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners establishes the County Officers Compensation Commission in accordance with Public Act 485 of 1978;

BE IT FURTHER RESOLVED that the County Board of Commissioners directs staff to issue a public notice to recruit volunteers for appointment to the County Officers Compensation Committee, consistent with such recruitment processes for other board and committees of the County.

Grand Traverse County  
Purchasing Policy



- I. **Policy Statement:** This Policy is established by the County Board of Commissioners to establish standards for the purchase of goods and services with Public Funds such that the County is able to maximize the value of the public tax-dollar while preserving and enhancing public trust. The use of public funds *must* comply with all applicable laws and regulations of Grand Traverse County and the State.

The Policy applies to the use of all Public Funds for all boards, departments, and agencies for which the County Board is responsible for the appropriation of funds, irrespective of the source of funds.

- II. **Statutory Authority:** The Board of Commissioners may establish rules and regulations to manage the interest and business of the County under Public Act 156 of 1851 [MCLA 46.11(M)]. The County Administrator, is responsible for the purchase of all books, stationery, materials and supplies required by the County, or its officers and agents, except where the Board of Commissioners directly enters into a contract of purchase, and provides for payment in a resolution authorizing such contract of purchase.
- III. **Related Procedures:** Procedures for Purchasing, Procedures for Procurement Card Use
- IV. **Historical Application:** Fully Rescinds and Replaces Grand Traverse County Procurement Policy: #202.100 Purchasing
- V. **Exclusions: The following exclusions apply:**
- A. The general terms of a contract or agreement between the County, other governmental entities, or non-profit organizations are not subject to these policy requirements for purchases that are considered routine.
  - B. Purchases completed through the utilization of a joint purchasing program, established by the State or another local unit of government which operates a cooperative purchasing program. For example, MIDEAL.
  - C. In the event of an Emergency, the County Administrator is statutorily enabled to authorize and effectuate the necessary purchases, which must then be ratified by the Board.
  - D. Professional services (legal, consulting, architectural/engineering, design services, etc), may be excluded from the bidding process in instances in which the comparison of pricing would not adequately reflect a comparison of the quality of the service that is being provided.
- VI. **Implementation Authority:**
- A. The County Board authorizes the County Administrator or designee to effectuate the creation of any procedures necessary to implement the Policy.
- VII. **Policy Standards:** The following standards shall apply to all purchases.
- A. **The County Board appoints the County Administrator or designee as the Purchasing Director for the County.**

- B. Purchasing of all supplies and equipment will be completed with the intent and outcome to ensure best price and best value for the County.**
- C. The County is a tax-exempt entity and shall not pay sales tax.**
- i. Grand Traverse County, as a Michigan Municipal Corporation, is exempt from sales tax as provided in Act 167 of Public Acts of 1933. MCL 205.54(7); MSA 7.525(4)(7), and the Michigan Sales and Use Tax Rule, 1979 MAC Rule 205.79, provide that sales to the United States government, the State of Michigan, and their political subdivisions, departments and institutions are not taxable when ordered on a Purchase Order and paid for by warrant on government funds. In the alternative, the government may claim exemption at the time of purchase by providing the seller with a signed statement to the effect that the purchaser is a governmental entity. This position was affirmed by the Michigan Department of Treasury through its Revenue Administrative Bulletin 1990-32, approved on October 11, 1990. The County's tax exempt certificate is available online: [www.grandtraverse.org/documentcetner/home/view/566](http://www.grandtraverse.org/documentcetner/home/view/566)
- D. Failure to Follow Policy:** The County shall not be responsible for the costs of goods and services ordered or purchased by any County official or employee that are not obtained in accordance with this policy. Contracts negotiated outside of this policy will be considered invalid and non-binding.
- E. Conflict of Interest:** All employees and officials shall comply with the proscriptions on conduct contained in MCL 15.322, Public Officers and Employers, contracts of Public Servants with Public Entities.
- F. Sole Source:** A sole source provider may be utilized when there is only one qualified/available vendor for the required goods or services. All Sole Source purchases must be approved by the County Administrator.
- G. Eligible Expenses:** The County will pay for eligible items and services which are necessary to conduct County business.
- H. Ineligible Expenses:** Items which are considered **not-necessary and will not be paid by the County include:**
- i. Subscriptions to non-professional organizations or media, except in instances deemed necessary by the County Administrator to perform the functions of a position or service.
  - ii. Reimbursement or payment for delivery charges and tipping (combined) exceeding 20% of the total cost of the service.
  - iii. The purchase of food and refreshments first must be for a public, not an individual department or private group or purpose. Refreshments for employees use during normal working hours is considered personal, not for a public purpose, and improper unless specifically provided for in a collective bargaining agreement.
    - Examples: Staff only meals/food purchases/alcohol purchases
    - Staff only refreshments, with the exception of Employee Recognition Programs which acknowledge significant service events such as retirements or annual employee wellness activities which promote employee morale and are intended to encourage healthy behaviors.
  - iv. Purchase of clothing, accessories, or other uniform equipment which is not a benefit provided for in a collective bargaining agreement or that is an essential uniform for management personnel and for which funding is available in the annual budget.

- v. All expenses which will modify existing County-owned facilities must be approved by Facilities Management in coordination with the County Administrator.
- I. **Documentation:** Each purchase made, no matter the amount, must have adequate documentation to describe the purchase as stated in the Purchasing Procedures. Purchases made where adequate documentation does not exist will not be paid by the County.
- J. **Local Vendors:** Purchases from Grand Traverse County vendors will be encouraged whenever possible.
  - i. Grand Traverse County vendors shall be given the opportunity to meet the lowest bid price when their bid is within 5% of the lowest bid and meets all specifications of the bid requirements.
- K. **Online Purchases:** All online purchases shall meet the standards included within this Policy.
- L. **Gratuities, Personal Benefits, and Kickbacks:** It shall be a violation of this Policy for any person to offer, give or agree to give any County employee or former County employee, or for any County employee or former County employee to solicit, demand, accept or agree to accept from another person, a gratuity, personal benefit, or kickback in connection with any purchasing or contracting decision.

**VIII. Purchasing Guidelines: The Board of Commissioners has established the following requirements for purchases.** Additional guidance related to the process of meeting these Guidelines is defined in the "Procedures for Purchasing."

Purchase Amount	Purchasing Process	Approving Entity
Up to \$999.99	Invoice / Receipt	Department Head
\$1,000 to \$4999.99	Three Verbal Quotes	Department Head
\$5,000 to \$29,999.99	Three Written Quotes Purchase Order	Department Head and County Administrator
\$30,000 and over	Competitive bid (sealed bids, proposals, or qualifications) Purchase Order/Contract	Department Head, County Administrator, Board Approval, and Purchase Order

- IX. **Policy Review:** This Policy shall be reviewed at least every three years by the County Administrator or designee.