

LAKE COUNTY BOARD OF COMMISSIONERS
Regular Meeting
October 22, 2014
10:30 a.m.

Chairman Walls called the meeting to order at 10:30 a.m.

Commissioner Carrington-Atkins gave the prayer and the Pledge of Allegiance was said.

Deputy Clerk DeWolf called the roll with the following Commissioners present:

John Fairbanks, Dan Sloan, Barb Stenger, Colleen Carrington-Atkins, Sandy Clarke and Karl Walls.

Absent and Excused: Bob Myers

Commissioner Sloan moved that the agenda be approved as presented, seconded by Commissioner Fairbanks. Clerk/Register/CFO Myers requested to add all 5 union contracts to the agenda for approval and authorization for signature. Commissioner Sloan moved to amend his motion to add this item to the agenda, seconded by Commissioner Fairbanks, and by voice vote carried.

Commissioner Stenger moved that the minutes from the October 8, 2014 regular meeting be approved, seconded by Commissioner Fairbanks, and by voice vote carried.

BRIEF PUBLIC COMMENT – *Limited to 5 minutes each, please!*

Sheriff Hilts and Undersheriff Robinson were present and reported on the Sheriff's Association Conference. They reported they received a great deal of information from the Attorney General and if anyone had any questions to contact them.

Clerk/Register/CFO Myers reported on the five union contracts received and all are ratified and is asking for approval and authorization for signature. Discussion followed regarding the changes that were made.

Commissioner Fairbanks moved to approve and authorize signature for the five union contracts that have been ratified for 2015 – 2017, seconded by Commissioner Sloan, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Chairman Walls reported on the additional items on the agenda that are from the 10/21/14 budget hearing as follows:

1. Increase for Treasurer as requested in the 2015 budget and make a decision today for an increase of approximately \$5,000.00. Commissioner Stenger feels that this is too much, but an increase of 1.5%, Cost of Living Adjustment (COLA) would be a good increase. Treasurer Kutchinski was present and explained the additional duties she has taken on as Treasurer and the revenue she has brought into this county. Discussion followed regarding the Land Bank and moving the part time employee up to full time to help with the Land Bank.

Commissioner Stenger moved for approval to give the County Treasurer a 1.5% increase in her salary for 2015, seconded by Commissioner Fairbanks. Commissioner Carrington-Atkins asked if we are dealing with all elected officials across the board or on an individual bases. Chairman Walls stated Treasurer Kutchinski is a different issue. Commissioner Sloan stated all elected officials salaries should remain the

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same until after the next general election for their positions. Clerk/Register/CFO Myers stated the increase for the Treasurer would be \$785.00, roll call vote on the above motion, 5 yes, 1 NO Commissioner Sloan and 1 absent and excused Commissioner Myers.

2. Increase in Equalization Department, travel and training accounts for the 2015 budget.

Commissioner Sloan moved for approval that the travel and training accounts for the Equalization Departments 2015 budget remain the same as 2014's budget, seconded by Chairman Walls.

Commissioner Clarke asked what the increase was for these two line items and Commissioner Sloan stated for travel it is \$5,000 and he is requesting \$9,000. Commissioner Stenger stated that this is a very important department and the need for training the staff and it needs to be approved for what he is requesting. Roll call votes on the above motion, 5 yes, 1 NO Commissioner Stenger and 1 absent and excused Commissioner Myers.

Discussion followed regarding the increase for the IT Coordinator and it was requested to add this item on the next budget hearing agenda.

3. The two concerns with the Prosecuting Attorney's office, one being an increase for the Prosecuting Attorney and the other having the Assistant Prosecuting Attorney go to full time effective 1/1/2015.

Commissioner Sloan moved for approval to have the Assistant PA remain a contractual employee at the 2014 level. Motion fails due to lack of support.

Commissioner Stenger moved for approval for the Assistant PA to remain at the part time status, with no benefits and receive a 1.5% increase in her salary for the 2015 budget, seconded by Commissioner Sloan.

A lengthy discussion followed regarding the Title IV-E contract and the additional work involved and the revenue that will be generated. Roll call vote on the above motion is 2 yes, 4 NO Commissioners Clarke, Fairbanks, Carrington-Atkins and Walls and 1 absent and excused Commissioner Myers, motion fails.

Commissioner Clarke moved for approval for the Assistant PA to move to full time with no increase in salary, but receive the full time benefit package, seconded by Commissioner Carrington-Atkins.

Additional discussion followed. Roll call votes on the above motion, 3 yes, 3 NO Commissioners Fairbanks, Sloan and Stenger and 1 absent and excused Commissioner Myers, motion fails.

Commissioner Fairbanks moved for approval that the Assistant PA go to full time with benefits, but no increase in salary and in six months to review and evaluate the office usage from January 1, 2015, seconded by Commissioner Clarke.

Commissioner Carrington-Atkins would like to see this motion be contingent on the Title IV-E Grant, to see if the revenue is coming in. Clerk/Register/CFO Myers stated we won't see the revenue within six months as there is a lot of work that needs to be done about this and there is a meeting scheduled Friday regarding this grant. Commissioner Fairbanks stated the billings would be available to review and to go back to past years of what had been billed. Roll call votes on the above motion, 4 yes, 2 NO Commissioners Sloan and Stenger and 1 absent and excused Commissioner Myers, motion passes.

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4. Continue to the Prosecutor's request for his increase of 1.5%. PA Cooper stated his request is based on the COLA and what other positions are receiving. Clerk/Register/CFO Myers stated the board should do all elected officials together and Chairman Walls stated the Treasurer's request is a different situation. Clerk/Register/CFO Myers stated she is asking for the Prosecuting Attorney, Sheriff and herself.

Commissioner Clarke moved for approval that all elected officials, receive a 1.5% increase for 2015, including Commissioners, seconded by Commissioner Stenger, roll call vote 4 yes, 2 NO Commissioners Sloan and Fairbanks and 1 absent and excused Commissioner Myers.

5. Chief Fiscal Officer Budget for 2015. Clerk/Register/CFO Myers stated she needs to know what to do, if the board is going to go out and hire someone or continue for her to be the CFO at a lower salary than what is budgeted and save the county money.

Commissioner Fairbanks moved for approval for the CFO to receive the requested stipend, but to begin looking for someone at a part time basis to go full time as the Administrator, within a year, seconded by Chairman Walls. Clerk/Register/CFO Myers stated her original proposal is off the table and is finishing what she has started and would like to know what the board will offer her for 2015.

Discussion followed and Commissioner Fairbanks rescinded his motion, seconded by Chairman Walls.

The Board recessed for lunch at 11:40 a.m.

The Board reconvened at 1:16 p.m.

Chairman Walls stated the board was discussing the CFO position and Commissioner Fairbanks requested to schedule a Committee of the Whole meeting to discuss further.

Commissioner Stenger arrived at 1:19 p.m.

It was decided to discuss the CFO Position during the 10/23/14 budget hearing meeting.

COMMITTEE REPORTS

FINANCE – Commissioner Fairbanks moved for approval for the accounts payable voucher to Bit Social Media for the photography and editing on location in Lake County, which includes photo editing and rights to all images in the amount of \$1,400.00, which is to do with the ORV Promotional Grant, seconded by Commissioner Sloan, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Fairbanks moved for approval for the conference and training request for John Trimberger, EDC Strategic Planning Sub-Committee for attending the Region 4-Prosperity Alliance meeting held at GVSU in Allendale MI on October 10, 2014 in the amount of \$113.30 for mileage only, seconded by Commissioner Carrington-Atkins, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Fairbanks moved for approval for the conference and training request for 6 Commissioners and 1 Clerk or CFO to attend the New County Commissioners Workshop in Big Rapids on November 24, 2014 for total registration cost \$805.00, seconded by Commissioner Stenger. It was stated to include

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mileage and per diem. Commissioner Fairbanks moved to amend the above motion to include per diem and mileage, seconded by Commissioner Stenger, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Fairbanks moved for approval for the conference and training request for Diana Venema, Prosecutor's Office attending the New Employee Training – MiCSES in Lansing November 3, 2014 for hotel cost \$85.06 and meals \$32.00 for a total cost of \$117.06, seconded by Commissioner Clarke, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Fairbanks moved for approval for the purchase requisition from the IT Committee to Classic Telephones for the new phone system in the amount of \$40,531.00, seconded by Chairman Walls, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Fairbanks moved for approval for the purchase requisition from Lake County Sheriff's Department/RRP Center to Drew Wireless for 24 Motorola Radio's and 24 Mics for a total cost of \$5,520.00, seconded by Commissioner Sloan, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Fairbanks moved for approval for the purchase requisition from DHS Maintenance to Calhoun-Ayers to remove and replace existing boiler pump and diffuser with new pump, parts and labor, total cost \$3,924.00, with a budget amendment forth coming for this, seconded by Commissioner Stenger, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Fairbanks moved for approval to open the Public Hearing for the purpose of discussing the USDA Grants, for the purchase of Life EMS Ambulance Heart Monitors, seconded by Commissioner Sloan and by voice vote carried.

PUBLIC HEARING

1:30 p.m.

Jeff Stockhill, Life EMS Director was present and reported on the reasons for the purchase of four Heart Monitors for the Ambulances. The USDA Grants will provide up to \$27,000 per heart monitor and the Ambulance Fund Match is \$10,000 per heart monitor. Mr. Stockhill reported on the research he did and the ones that would be best and benefit Lake County.

House Representative Jon Bumstead was present and stated this is money well spent.

At 1:37 p.m. Commissioner Sloan moved for approval to close the Public Hearing for the purpose to discuss the USDA Grants, for the purchase of Life EMS Ambulance Heart Monitors, seconded by Commissioner Carrington-Atkins and by voice vote, carried.

PERSONS SCHEDULED TO ADDRESS THE COMMISSIONERS

1:45 p.m. **Jeff Stockhill, Life EMS**, was present and reported on the 3rd quarter Ambulance Operations and how employees are impressed with the new facility here in Baldwin and the response times. The Board thanked Jeff for his report.

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2:00 p.m. **Jane Hart, MSU Extension**, was present in place of Michael Krauch as he was unable to attend. Ms. Hart reported on Programs Offered by MSU Extension’s Food Safety Team as follows:

- 8 or 16 Hour ServSafe
- 4 Hour ServSafe
- Cooking for Crowds
- Food Preservation Classes 2 – 3 hours
- Cottage Food Law

She stated if anyone is interested in any of these programs to please contact her. The Board thanked Ms. Hart for her report.

Auditor’s Bids – Clerk/Register/CFO Myers reported that letters were sent to five firms and we received three. She reported one firm sent a letter that they were not sending a bid, but to keep them for the future references and another firm called and stated they were not sending a bid. She opened the following with their bids for the Audit of Lake County from 2014 – 2016:

	<u>2014</u>	<u>2015</u>	<u>2016</u>
1. Rehmann, from Traverse City	30,100	31,900	33,700
2. Abraham & Gaffney from East Lansing	22,600	24,200	24,300
3. Dennis, Gartland & Niergarth from Traverse City	23,100	23,100	23,100

Discussion followed regarding the cost if a single audit is required.

Commissioner Sloan moved for approval to accept our current auditors, Abraham & Gaffney bid for the years of 2014 – 2016 with the two three year extensions, seconded by Chairman Walls, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

The board took a break at 2:22 p.m.

The board reconvened at 2:30 p.m.

House Representative Jon Bumstead was present and reported on Legislation in the House. He was present for the award ceremony, at the Lake County Sheriff’s Department, for the officers that were involved with the incident on Peterson Bridge.

COMMITTEE REPORTS, cont.

FINANCE, cont.

Commissioner Fairbanks moved for payment of bills by fund as follows:

General Fund	\$64,817.06
Road Patrol	14,859.01
E911	3,182.04
RRP Center	17,328.69
Friend of the Court	1,216.10
Building Inspection Department	4,696.34
Register of Deeds Automation Fund	619.99
E911Service Fund – Wireless	60.00

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Law Library	1,079.07	
Child Care-Probate	26,440.32	
Veteran's Trust	779.58	
JABG Grant 2013-2014	8,108.33	
D.H.S. Building	320.50	
Commissary Fund	6,172.37	
Lake Level Revolving	<u>3,133.29</u>	
GRAND TOTAL		<u>\$152,812.69</u>

Seconded by Commissioner Carrington-Atkins, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

AGENCY REPORTS

BUILDING AUTHORITY – Commissioner Fairbanks reported on their meeting and the Building Authority Board would like to ask the County Treasurer for \$400,000 from the RRP Center account. He stated the new road patrol building can't be built for \$300,000 and if they get these funds, the board treasurer will invest the funds and make more money. Discussion followed and it was requested to add this to the next board meeting for further discussion.

ECONOMIC DEVELOPMENT COMMITTEE – Commissioner Sloan reported their next meeting is December 2, 2014 to put together a final report for the Board of Commissioners, from all three sub-committees.

MENTAL HEALTH – Commissioner Stenger reported they are making the transactions with the Northern Michigan Substance Abuse Boards.

ORV PROMOTIONAL GRANT COMMITTEE – Commissioner Sloan reported there is a meeting scheduled October 30th with a presentation from Bit Social.

PLANNING COMMISSION – Commissioner Carrington-Atkins reported on their recent meeting and they discussed what was next. If there is no Recreation Committee, they will only need to meet when there are issues with the Townships. They discussed the budget for 2015 and Mr. Shoemaker was going to contact Clerk/Register/CFO regarding this but there is the need for training money to be in the budget. She stated one person resigned, but there was nothing in writing. Discussion followed regarding the "Passport Grant".

CORRESPONDENCE – *see Exhibit "A"*

There was no discussion.

APPOINTMENTS – Chairman Walls reappointed Randy Howes to the DHS Board for a three year term ending October 31, 2017.

CFO REPORT – Clerk/Register/CFO Myers was present and reported on the following:

1. Has 5 Budget Amendments #12440, #12441, #12450, #12451 and #12456 as follows:

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Commissioner Sloan moved for approval for Budget Amendments #12440, #12441, #12450, #12451 and #12456 as follows:

BA #12440

Debit	210-890.00-955.000	Credit	210-325.00-727.000	\$1,000.00
Description:	to cover the cost for office supplies for the remainder of 2014.			

BA #12441

Debit	101-000.00-682.013			\$250.00
Debit	101-000.00-544.007			\$44,750.00
		Credit	101-101.01-700.000	\$42,750.00
		Credit	101-101.01-802.000	\$2,000.00
		Credit	101-101.01-801.004	\$250.00
Description:	to add the ORV Promotional Grant received to the 2014 budget.			

BA #12450

Debit	249-000.00-621.000	Credit	249-371.00-802.041	\$3,500.00
Description:	to amend to actual in the Building Department			

BA #12451

Debit	101-202.00-741.000	Credit	101-202.00-727.000	\$500.00
Description:	to cover the cost of ink cartridges for Accounts Payable and Payroll this one time.			

BA #12456

Debit	569-903.00-955.000	Credit	569-903.00-744.000	\$3,000.00
Description:	to cover the cost of replacing the boiler pump at the DHS building.			

Seconded by Commissioner Carrington-Atkins, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

2. Would like to have an Employee Appreciation/Holiday Lunch on November 20, 2014 and approval to close the courthouse from 11:30 a.m. – 1:30 p.m.

Commissioner Fairbanks moved for approval to close the courthouse on November 20, 2014 from 11:30 a.m. to 1:30 p.m. to have an Employee Appreciation/Holiday Luncheon, seconded by Commissioner Carrington-Atkins and by voice vote, carried.

OLD BUSINESS – Commissioner Sloan stated there was a motion on the floor from the last meeting regarding the Lake County Targeting of CDBG for MSHDA funds, Allocation Program.

Commissioner Carrington-Atkins moved for approval to reconsider the CDBG for MSHDA funds for the Targeting Areas, seconded by Commissioner Stenger, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

Commissioner Stenger moved for approval to accept the CDBG for MSHDA funds for the Targeting Areas report with the one change to remove Lake Township and add Luther, seconded by Chairman Walls, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

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NEW BUSINESS – Commissioner Sloan brought up the County Incentive Program (CIP) and does not feel the County should lose \$20,000 and moved to direct CFO Myers to complete the CIP form to receive revenue funds, seconded by Commissioner Fairbanks.

Clerk/Register/CFO Myers stated she doesn't know what the forms are, she did not receive it. Chairman Walls stated he does not support this. Commissioner Clarke stated for the record she supports CFO Myers and this request to complete this form. Clerk/Register/CFO Myers stated she is not going to complete this. Commissioner Stenger asked how can we force someone into doing something.

Discussion followed and Commissioner Carrington-Atkins stated CFO Myers will finish the projects she started and won't do anything new and asked, what CFO Myers does and is there a job description for the CFO position. Clerk/Register/CFO Myers stated there is not a job description; she just does everything that is asked of her. Commissioner Sloan stated this CIP is a financial function that is why he made the motion. Roll call vote on the above motion is 1 yes, 5 NO, Commissioners Stenger, Atkins, Clarke, Fairbanks and Chairman Walls and one absent Commissioner Myers, motion fails.

RESOLUTIONS – *See Exhibit "B"*

Clerk/Register/CFO Myers explained that USDA was the holder of the first bonds and now is turning them over to Capital One, so this Resolution is moving the bonds to Capital One and the Lake County Building Authority.

Commissioner Sloan moved to approve Resolution #10/22/14 1320 Approving the Amendment to Lease Contracts Between the County of Lake and the Lake County Building Authority, seconded by Commissioner Fairbanks, roll call vote 6 yes and 1 absent and excused Commissioner Myers.

BRIEF PUBLIC COMMENT – *Limited to 5 minutes each, please!*

There was no one present who wished to speak.

COMMISSIONERS PERSONAL PRIVILEGE

Commissioner Stenger commented on the statement Clerk/Register/CFO Myers made about spending a week in her office to see what she does do, Commissioner Stenger stated the board needs to spend a week in the Equalization Department to see what they do.

Commissioner Clarke thanked Commissioner Stenger for her comment.

There being no further business, the meeting was recessed at 3:23 p.m.

Shelly Myers, Clerk of the Board

Karl Walls, Chairman of the Board

Exhibit “A”

NUMBERED CORRESPONDENCE

- #1 MAC Legislative Update- October 10, 2014**
- #2 Letter From Smith Dumpsters- Recycling Center, Webber Township**
- #3 Resolution- Washtenaw County**
- #4 WMSRDC- October 10, 2014**
- #5 Resolution # 14-144C**
- #6 Resolution # 14-143C**
- #7 Resolution # 14-142C**
- #8 MAC Legislative Update- October 17, 2014**

EMAILED CORRESPONDENCE

- 10-17-14 Lake Michigan Water Trail**

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Exhibit "B"

**COUNTY OF LAKE
BOARD OF COMMISSIONERS**

At a Regular Board meeting of the Board of Commissioners of the County of Lake held in Baldwin, Michigan, on October 22, 2014 at 10:30_a.m., Eastern Daylight Savings Time, there were

PRESENT: John Fairbanks, Dan Sloan, Barb Stenger, Colleen Carrington-Atkins

Sandy Clarke and Karl Walls

ABSENT: Robert Myers

The preamble and resolution was offered by Commissioner Sloan and seconded by Commissioner Fairbanks.

**RESOLUTION APPROVING THE AMENDMENT TO LEASE CONTRACTS
BETWEEN THE COUNTY OF LAKE
AND THE LAKE COUNTY BUILDING AUTHORITY
REGARDING THE LAKE COUNTY BUILDING AUTHORITY,
BUILDING AUTHORITY REFUNDING BONDS, SERIES 2014**

WHEREAS, pursuant to the provisions of Act No. 31, Public Acts of Michigan, 1948, first extra session, as amended, ("Act 31") the Lake County Building Authority (the "Authority") and the County of Lake (the "County"), have entered into a Lease Contract dated as of July 1, 1996, an Amendment to Lease Contract dated April 1, 1997 and a Lease Contract dated May 1, 1998 (together the "Contracts") (all as listed in Appendix A); and

WHEREAS, pursuant to the Contracts, the Building Authority has issued the Lake County Building Authority, Building Authority Bond, Series 1998 Bond No. 1A, dated June 30, 1998, in the original principal amount of \$3,558,576 which remain outstanding as listed in Appendix B (the "Prior Bonds No. 1A"), the Lake County Building Authority, Building Authority Bond, Series 1998 Bond No. 1B, dated June 30, 1998, in the original principal amount of \$1,423,424 which remain outstanding as listed in Appendix B (the "Prior Bonds No. 1B") and the Lake County Building Authority, Building Authority Bond, Series 1998 Bond No. 2, dated June 30, 1998, in the original principal amount of \$1,518,000 which remain outstanding as listed in Appendix B (the "Prior Bonds No. 2") to defray the cost of constructing, remodeling, renovating, the County Courthouse, Courthouse Addition, and County Jail as all listed in Appendix B; and

WHEREAS, the Prior Bonds No. 1A, Prior Bonds No. 1B and the Prior Bonds No. 2 are hereinafter referred to together as (the "Prior Bonds"); and

WHEREAS, the Authority has authorized the issuance of the \$4,190,000 Lake County Building Authority, Building Authority Refunding Bonds, Series 2014 (the "Refunding Bonds") in order to

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Exhibit "B" cont.

refund the Prior Bond No. 1A, maturing in the years 2015 through 2028, the Prior Bond No. 1B, maturing in the years 2015 through 2028 and the Prior Bond No. 2 maturing in the years 2015 through 2028. The Prior Bond No. 1A, the Prior Bond No. 1B and the Prior Bond No. 2 are hereinafter referred to together as the "Prior Bonds"); and

WHEREAS, the Prior Bonds remain outstanding in various aggregate principal amounts which mature in various principal amounts in various years and bear interest at various rates per annum which rates of interest are higher than those now prevailing; and

WHEREAS, Act 31 and Act No. 34, Public Acts of Michigan, 2001, as amended, ("Act 34") authorize the Authority to refund all or any part of its indebtedness; and

WHEREAS, in order to provide for the Refunding Bonds, it is necessary to amend the Contracts.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF LAKE as follows:

1. The Authority is authorized to proceed to issue the Refunding Bond in order to refund the Prior Bonds, on such terms and conditions described in Exhibit A.
2. The Amendment to Lease Contracts attached hereto as Appendix I is hereby approved.
3. The Officials set forth on the Amendment to Lease Contracts are authorized to execute and deliver the Amendment to Lease Contracts on behalf of the County.
4. All resolutions and parts of resolutions insofar as they may be in conflict herewith are hereby rescinded.

A vote on the foregoing resolution was taken and was as follows:

YES: Six

NO: _____
ABSTAIN: _____

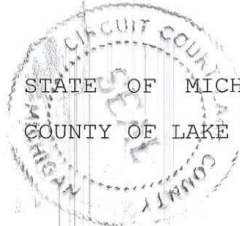
The resolution was declared adopted.....

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Exhibit "B" cont.



STATE OF MICHIGAN)) SS
COUNTY OF LAKE))

CERTIFICATION

The undersigned, being the duly qualified and acting Clerk of the County of Lake, hereby certifies that (1) the foregoing is a true and complete copy of a resolution duly adopted by the Board of Commissioners of the County at a regular board meeting held on October 22, 2014, at which meeting a quorum was present and remained throughout, (2) that an original thereof is on file in the records of the County, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended), and (4) minutes of such meeting were kept and will be or have been made available as required thereby.



Lake County Clerk

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Exhibit "B" cont.

APPENDIX A

FULL FAITH AND CREDIT GENERAL OBLIGATION LEASE CONTRACT MADE AS OF JULY 1, 1996.

FULL FAITH AND CREDIT GENERAL OBLIGATION AMENDMENT TO LEASE CONTRACT MADE AS OF APRIL 1, 1997.

FULL FAITH AND CREDIT GENERAL OBLIGATION LEASE CONTRACT MADE AS OF MAY 1, 1998.

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Exhibit "B" cont.

APPENDIX B

**LAKE COUNTY BUILDING AUTHORITY,
BUILDING AUTHORITY BOND, SERIES 1998 BOND NO. 1A
(Remaining Original Debt Service)**

<u>Date</u>	<u>Principal</u>
6/1/15	\$117,000
6/1/16	123,000
6/1/17	129,000
6/1/18	135,000
6/1/19	141,000
6/1/20	148,000
6/1/21	155,000
6/1/22	163,000
6/1/23	170,000
6/1/24	179,000
6/1/25	187,000
6/1/26	196,000
6/1/27	205,000
6/1/28	215,576
TOTAL	\$2,263,576

**LAKE COUNTY BUILDING AUTHORITY,
BUILDING AUTHORITY BOND, SERIES 1998 BOND NO. 1B
(Remaining Original Debt Service)**

<u>Date</u>	<u>Principal</u>
6/1/15	\$47,000
6/1/16	49,000
6/1/17	52,000
6/1/18	54,000
6/1/19	57,000
6/1/20	59,000
6/1/21	62,000
6/1/22	65,000
6/1/23	68,000
6/1/24	71,000
6/1/25	75,000
6/1/26	78,000
6/1/27	82,000
6/1/28	85,424
TOTAL	\$904,424

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Exhibit "B" cont.

**LAKE COUNTY BUILDING AUTHORITY,
BUILDING AUTHORITY BOND, SERIES 1998 BOND NO. 2
(Remaining Original Debt Service)**

<u>Date</u>	<u>Principal</u>
6/1/15	\$50,000
6/1/16	52,000
6/1/17	55,000
6/1/18	58,000
6/1/19	60,000
6/1/20	63,000
6/1/21	66,000
6/1/22	69,000
6/1/23	73,000
6/1/24	76,000
6/1/25	80,000
6/1/26	83,000
6/1/27	87,000
6/1/28	92,000
TOTAL	\$964,000

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Exhibit "B" cont.

APPENDIX I

AMENDMENT TO LEASE CONTRACTS

THIS AMENDMENT TO FULL FAITH AND CREDIT GENERAL OBLIGATION LEASE CONTRACTS ("Amendment to Lease Contracts") made as of October 1, 2014, by and between the LAKE COUNTY BUILDING AUTHORITY (the "Authority"), a building authority organized and existing under and pursuant to the provisions of Act No. 31, Public Acts of Michigan, 1948 (First Extra Session), as amended ("Act 31"), and the COUNTY OF LAKE, a County of the State of Michigan (the "County"),

W I T N E S S E T H:

WHEREAS, the Authority has been incorporated by the County pursuant to Act 31 for the purpose of acquiring, furnishing, equipping, owning, improving, enlarging, operating and maintaining a building or buildings, automobile parking lots or structures, recreational facilities and stadiums, and the necessary site or sites therefor, for the use of the County; and

WHEREAS, pursuant to the provisions of Act 31 the Authority and the County have entered into a Lease Contract dated as of July 1, 1996, and Amendment to Lease Contract dated April 1, 1997 and a Lease Contract dated May 1, 1998 (together the "Contracts"); and

WHEREAS, pursuant to the Contracts, the Building Authority has issued the Lake County Building Authority, Building Authority Bond, Series 1998 Bond No. 1A, dated June 30, 1998, in the original principal amount of \$3,558,576 which remain outstanding as listed in Appendix B (the "Prior Bonds No. 1A"), the Lake County Building Authority, Building Authority Bond, Series 1998 Bond No. 1B, dated June 30, 1998, in the original principal amount of \$1,423,424 which remain outstanding as listed in Appendix B (the "Prior Bonds No. 1B") and the Lake County Building Authority, Building Authority Bond, Series 1998 Bond No. 2, dated June 30, 1998, in the original principal amount of \$1,518,000 which remain outstanding as listed in Appendix B (the "Prior Bonds No. 2") to defray the cost of constructing, remodeling, renovating, the County Courthouse, Courthouse Addition, and County Jail; and

WHEREAS, the Prior Bonds No. 1A, Prior Bonds No. 1B and the Prior Bonds No. 2 are hereinafter referred to together as (the "Prior Bonds"); and

WHEREAS, it is proposed that the Authority refinance the Prior Bonds and in order to make possible the issuance of refunding bonds to refinance the Prior Bonds, it is necessary for the parties to enter into this Amendment to Lease Contracts;

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Exhibit "B" cont.

THEREFORE, IN CONSIDERATION OF THE MUTUAL UNDERTAKINGS AND AGREEMENTS SET FORTH BELOW, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES TO THIS AMENDMENT TO LEASE CONTRACTS AS FOLLOWS:

A. The following Sections I, II (which replaces all Section 7 of each Contract) and III are hereby added to the Contracts:

(I). Authorization and Issuance of Refunding Bonds. As soon as practicable after the effective date of this Amendment to Lease Contracts, the Authority shall proceed to issue its building authority refunding bond in the aggregate principal amount of \$4,190,000 (the "Refunding Bond"), pursuant to and in accordance with the provisions of Act 31, for the purpose of refunding the Prior Bonds maturing in the years 2015 through 2028 (the "Prior Bonds Being Refunded"). The Authority shall pledge for the payment of the principal of and interest on the Refunding Bond the cash rental payments described and required to be paid by the County pursuant to this Amendment to Lease Contracts. The Refunding Bond shall be dated October 30, 2014 or such earlier or later date as to be determined. The Refunding Bond shall bear interest at the rates in the Debt Retirement Scheduled set forth in Exhibit I attached hereto. Each date on which any payment of principal of and/or interest on any Refunding Bond is due is referred to herein as a "Bond Payment Date".

The County and the Authority recognize and acknowledge that (a) such Debt Retirement Schedule is based upon an assumed interest rate and date of issuance of the Refunding Bond and assumed Bond Payment Date, all as set forth in Exhibit I.

(II). Section 7 of each Contract is hereby deleted and replaced with the following:

7. Cash Rental; Pledge of Full Faith and Credit. The County hereby agrees to pay to the Authority as cash rental for the Project such periodic amounts as shall be sufficient to enable the Authority to pay the principal of and interest on the Bonds and the Refunding Bond as such principal and interest shall become due, whether at maturity or by redemption. For so long as any Bonds or Refunding Bond are outstanding, the County shall pay to the Authority, on the Bond Payment Date, an amount sufficient to pay the principal and/or interest due on the Bonds or Refunding Bond on such Bond Payment Date.

The County hereby pledges its full faith and credit for the payment of the cash rental when due and agrees that it will levy each year such ad valorem taxes as shall be necessary for the payment of such cash rental, which taxes, however, will be subject to applicable constitutional and statutory limitations on the taxing power of the County, and which shall not be in an amount or at a rate exceeding that necessary to pay its contractual obligation pursuant to this Lease. If the County, at the time prescribed by law for the making of its annual tax levy,

LAKE COUNTY BOARD OF COMMISSIONERS

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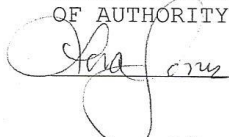
Exhibit "B" cont.

shall have other funds on hand which have been set aside and earmarked for payment of its obligations for which a tax levy would have otherwise have to be made, then the tax levy shall be reduced by the amount of such other funds. Such other funds may be raised from any lawful source. The obligation of the County to make such cash rental payments shall not be subject to any set-off by the County nor shall there be any abatement of the cash rental payments for any cause, including, but not limited to, casualty that results in the Project being untenable.

(III). The Term "Bonds". "Bonds" as such term is used in each of the Contracts shall mean the Refunding Bond.

IN WITNESS WHEREOF, the LAKE COUNTY BUILDING AUTHORITY, by its Commission, and the COUNTY OF LAKE, by its County Board of Commissioners, have caused this Amendment to Lease Contracts to be signed by their duly authorized officers, and their seals to be affixed hereto, all as of the day and year first above written.

WITNESSES TO SIGNATURES
OF AUTHORITY OFFICERS:



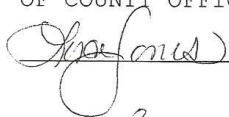
LAKE COUNTY BUILDING AUTHORITY

By: 
Chairperson of its Commission



By: 
Secretary of its Commission


WITNESSES TO SIGNATURES
OF COUNTY OFFICERS:



COUNTY OF LAKE

By: 
Chairperson, Board of Commissioners



By: 
County Clerk

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LAKE COUNTY BOARD OF COMMISSIONERS

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Exhibit “B” cont.

STATE OF MICHIGAN)
) ss.
 COUNTY OF LAKE)

On this 24 day of October, 2014, before me appeared Don Turnwail and Shelly Myers, to me personally known, who being by me duly sworn, did each say that they are, respectively, the Chairperson and the Secretary of the Commission of the LAKE COUNTY BUILDING AUTHORITY and that the foregoing Lease Contract was signed and sealed by them on behalf of the Authority by authority of its Commission, and that such persons acknowledged such instrument to be the free act and deed of the Authority.

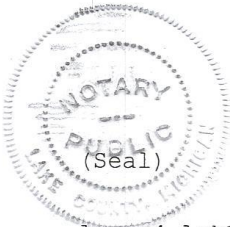


Lori R DeWolf
 Notary Public, County of Lake,
 Michigan
 My Commission Expires: _____

***Lori R. DeWolf, Notary Public
 State of Michigan, County of Lake
 My Commission Expires: May 24, 2016***

STATE OF MICHIGAN)
) ss.
 COUNTY OF LAKE)

On this 22 day of October, 2014, before me appeared Raul Waits and _____, to me personally known, who being by me duly sworn, did each say that they are, respectively, the Chairperson of the County Board of Commissioners and the County Clerk of the COUNTY OF LAKE and that the foregoing Lease Contract was signed and sealed by them on behalf of the County by authority of its County Council, and that such persons acknowledged such instrument to be the free act and deed of the County.



Lori R DeWolf
 Notary Public, County of Lake,
 Michigan
 My Commission Expires: _____

***Lori R. DeWolf, Notary Public
 State of Michigan, County of Lake
 My Commission Expires: May 24, 2016***

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LAKE COUNTY BOARD OF COMMISSIONERS

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Exhibit "B" cont.

EXHIBIT A

[SEE ATTACHED PROPOSAL]



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Exhibit “B” cont.

EXHIBIT I

**\$4,190,000
Lake County Building Authority
Building Authority Refunding Bonds, Series 2014**

NEW DEBT SERVICE

Date	Principal	Price	Coupon	Interest	Total Debt Service	Annual Total
12/01/14					\$0.00	
06/01/15	\$215,000.00	100.000%	3.650%	\$89,636.91	\$304,636.91	
12/01/15				72,543.75	72,543.75	\$377,180.66
06/01/16	240,000.00	100.000%	3.650%	72,543.75	312,543.75	
12/01/16				68,163.75	68,163.75	380,707.50
06/01/17	255,000.00	100.000%	3.650%	68,163.75	323,163.75	
12/01/17				63,510.00	63,510.00	386,673.75
06/01/18	265,000.00	100.000%	3.650%	63,510.00	328,510.00	
12/01/18				58,673.75	58,673.75	387,183.75
06/01/19	275,000.00	100.000%	3.650%	58,673.75	333,673.75	
12/01/19				53,655.00	53,655.00	387,328.75
06/01/20	285,000.00	100.000%	3.650%	53,655.00	338,655.00	
12/01/20				48,453.75	48,453.75	387,108.75
06/01/21	295,000.00	100.000%	3.650%	48,453.75	343,453.75	
12/01/21				43,070.00	43,070.00	386,523.75
06/01/22	305,000.00	100.000%	3.650%	43,070.00	348,070.00	
12/01/22				37,503.75	37,503.75	385,573.75
06/01/23	315,000.00	100.000%	3.650%	37,503.75	352,503.75	
12/01/23				31,755.00	31,755.00	384,258.75
06/01/24	325,000.00	100.000%	3.650%	31,755.00	356,755.00	
12/01/24				25,823.75	25,823.75	382,578.75
06/01/25	335,000.00	100.000%	3.650%	25,823.75	360,823.75	
12/01/25				19,710.00	19,710.00	380,533.75
06/01/26	345,000.00	100.000%	3.650%	19,710.00	364,710.00	
12/01/26				13,413.75	13,413.75	378,123.75
06/01/27	360,000.00	100.000%	3.650%	13,413.75	373,413.75	
12/01/27				6,843.75	6,843.75	380,257.50
06/01/28	375,000.00	100.000%	3.650%	6,843.75	381,843.75	
	<u>\$4,190,000.00</u>			<u>\$1,175,876.91</u>	<u>\$5,365,876.91</u>	<u>\$5,365,876.91</u>

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