

TENTATIVE AGENDA

DELTA COUNTY BOARD OF COMMISSIONERS

July 5, 2016

5:15 p.m.

- I. CALL TO ORDER
- II. PRAYER
- III. PLEDGE OF ALLEGIANCE
- IV. ROLL CALL

**SPECIAL ORDERS OF BUSINESS:**

- V. APPROVAL OF MINUTES OF PREVIOUS MEETINGS
  - County Board minutes: 6-21-16
  - Committee of the Whole:
- VI. APPROVAL OF AGENDA
- VII. PRESENTATION OF WRITTEN COMMUNICATIONS
  - A. COMMUNICATIONS RECEIVED
  - B. COMMUNICATIONS FORWARDED
- VIII. REPORTS OF STANDING, STATUTORY, SPECIAL COMMITTEES AND OTHERS
- IX. **PUBLIC COMMENT ON AGENDA ITEMS** (Sign In)
- X. **COMMITTEE REPORTS**
  - 1. **Administrators Report**
- XI. GENERAL ORDERS OF BUSINESS
  - A. UNFINISHED BUSINESS
  - B. NEW BUSINESS
    - 1. **Payment of Bills**
    - 2. **2015 MERS Actuarial Valuation/Presentation**
    - 3. **Appraisal of Property North of Service Center**
    - 4. **Land Option Contact on Property North of Service Center**

5. **Sale of Fish Dam Property**
6. **Building Energy Conservation Measures Contract**
7. **Credit Card Policy**

XII. GENERAL PUBLIC COMMENT

XIII. COMMISSIONER'S COMMENTS

XIV. MEETING SCHEDULE

- A. Board of Commissioners Meeting on 7-19-16 at 5:15 p.m. in the Service Center Boardroom.
- B. Board of Commissioners Meeting on 8-2-16 at 5:15 p.m. in the Service Center Boardroom.
- C. Board of Commissioners Meeting on 8-16-16 at 5:15 p.m. in the Service Center Boardroom.

XV. NOTICES

**30 day notice of Appointments**

XVI. ADJOURNMENT

\*\*\*\*\*DUE TO THE TIME CONSTRAINTS, THE DELTA COUNTY BOARD OF COMMISSIONERS HAS ADOPTED A POLICY THAT ANY INDIVIDUAL WISHING TO ADDRESS THE BOARD WILL BE ALLOCATED THREE (3) MINUTES. THE THREE MINUTES USED BY THE INDIVIDUAL ARE TO MAKE STATEMENTS. THERE WILL BE NO QUESTION AND ANSWER SESSION FORMAT. THIS WILL STRICTLY BE A STATEMENT TYPE FORMAT. IF YOU WISH TO ADDRESS THE BOARD, PLEASE SIGN YOUR NAME ON THE SIGN UP LIST AVAILABLE FROM THE COUNTY CLERK. SPEAKERS WILL BE CALLED IN ORDER OF SIGN UP.\*\*\*\*\*

THE COUNTY OF DELTA WILL PROVIDE REASONABLE AUXILIARY AIDS AND SERVICES FOR THE HEARING IMPAIRED AND TO INDIVIDUALS WITH DISABILITIES AT THE MEETING/HEARING UPON REASONABLE NOTICE TO THE COUNTY OF DELTA. INDIVIDUALS WITH DISABILITIES REQUIRING SERVICES SHOULD CONTACT THE COUNTY OF DELTA ADA COORDINATOR BY WRITING OR CALLING THE FOLLOWING:

Daniel Menacher, DELTA COUNTY ADA COORDINATOR  
310 LUDINGTON STREET  
ESCANABA, MI 49829  
TELEPHONE (906) 789-5189

The Honorable Members of the Delta  
County Board of Commissioners

Dear Commissioners:

A regular meeting of the Delta County Board of Commissioners is scheduled for  
Tuesday, July 5, 2016 at 5:15 p.m. in the Boardroom in the Delta County Service Center.

Sincerely yours,

Nancy J. Kolich  
Delta County Clerk

Proposed

**DELTA COUNTY BOARD OF COMMISSIONERS MEETING**  
**June 21, 2016**

Escanaba, Michigan

A Regular meeting of the Delta County Board of Commissioners was held this date, pursuant to the following call:

June 9, 2016

The Honorable Members of the Delta  
County Board of Commissioners

Dear Commissioners:

A Regular Meeting of the Delta County Board of Commissioners is scheduled for Tuesday June 21<sup>st</sup>, 2016, at 5:15 p.m. in the Boardroom of the Delta County Service Center.

Sincerely yours,  
Nancy J. Kolich  
Delta County Clerk

ROLL CALL

PRESENT: Commissioners Malnar, Johnson, Moyle and Rivard.

ABSENT: Harrington - Excused.

The meeting was called to order at 5:15 p.m. in the Boardroom of the Delta County Service Center by Delta County Chief Deputy Clerk, Hope Rudden.

VIII. PUBLIC COMMENT ON AGENDA ITEMS

None.

V. APPROVAL OF MINUTES OF PREVIOUS MEETING

Moved by Commissioner Moyle and seconded by Commissioner Malnar to approve the minutes of the June 7, 2016 meeting. MOTION CARRIED.

VI. APPROVAL OF AGENDA

Moved by Commissioner Moyle and seconded by Commissioner Malnar to approve the agenda as amended, adding Item 9. Rory Mattson - Fish Dam/Trust Fund Discussion and Notice of DHS appointment. MOTION CARRIED.

Proposed

VII. PRESENTATION OF WRITTEN COMMUNICATIONS

- A. Received: No written communication received.
- B. Forwarded: No letters were forwarded.

VIII. REPORTS OF STANDING AND STATUTORY SPECIAL COMMITTEES AND OTHERS

None.

IX. PUBLIC COMMENT ON AGENDA ITEMS: No public comment

X. COMMITTEE REPORTS:

1. Administrator's Report.

Landfill Forum - Bonifas Center 6:30pm 6/21/16; Hired Jim Shapy, as Interim Plumbing and Mechanical Inspector; Appraisal of Service Center - Lower than expected; Renaissance Zone; attended Sheriff's Forum in Lansing; Drug Court Kick-off on Friday; adding Case Manager to District Court - completely Grant Funded.

2. Building and Grounds Minutes of Meeting of 6-13-16.

Moved by Commissioner Moyle and seconded by Commissioner Johnson to receive the Building and Grounds minutes of 6-13-16 and place on file. MOTION CARRIED.

XI. GENERAL ORDERS OF BUSINESS

A. UNFINISHED BUSINESS

B. NEW BUSINESS

1. Payment of Bills.

Moved by Commissioner Rivard and seconded by Commissioner Johnson to pay bills in the amount of \$1,572,193.27 and Commissioner expenses in the amount of \$701.58. MOTION CARRIED.

2. B & G Recommendation: Comprehensive Energy Project.

Moved by Commissioner Malnar and seconded by Commissioner Moyle to approve the resolution for the Trane Energy Project as presented.

ROLL CALL	MALNAR	YES
	JOHNSON	YES
	MOYLE	YES
	RIVARD	YES
	HARRINGTON	ABSENT

MOTION CARRIED.

Proposed

3. Prosecutor's Presentation.

Presentation of Crime statistics of Delta County; Discussed vacation Relief line item, and the possibility of buying into the Intern Sharing Program through the Prosecutors Association of Michigan. 2<sup>nd</sup> Year law student would work for 11 weeks through the summer months to help with vacation coverage of prosecutor(s).

4. Landfill Letter of Credit.

Moved by Commissioner Johnson and seconded by Commissioner Moyle authorizing the Administrator to renew the Resolution and Guarantee Backing a Letter of Credit for the Solid Waste Authority.

ROLL CALL	MALNAR	YES
	JOHNSON	YES
	MOYLE	YES
	RIVARD	YES
	HARRINGTON	ABSENT

MOTION CARRIED.

5. Delta County Zoning Case No. 2-16-PC.

Case 2-16-PC, Brenda M. Madden, Baldwin Township. Moved by Commissioner Malnar and seconded by Commissioner Johnson to approve the request to rezone from R1 to Rural Residential, as recommended by the Planning Commission.

ROLL CALL	MALNAR	YES
	JOHNSON	YES
	MOYLE	YES
	RIVARD	YES
	HARRINGTON	ABSENT

MOTION CARRIED.

6. UPCAP - West Central U.P. Community Corrections Program Grant.

Moved by Commissioner Johnson and seconded by Commissioner Moyle to accept the Community Corrections Program Grant. MOTION CARRIED.

Proposed

7. Rounding of Building & Zoning Permits.

Moved by Commissioner Johnson and seconded by Commissioner Malnar to accept the Round Down procedure to omit the use of coin(s) payment. MOTION CARRIED.

8. Out of County Travel - UPEDA.

Moved by Commissioner Moyle and seconded by Commissioner Rivard to approve out of county travel for Commissioner Pat Johnson. MOTION CARRIED.

9. Trust Fund / Fish Dam - Rory Mattson.

Discussed presentation to Trust Fund Board (went very well); Tour of Fish Dam property on Sunday; Future sale of property.

XII. GENERAL PUBLIC COMMENT

Jim Krol, Account Manager, Trane, addressed the Board with a few additional comments from his presentation and thanked the Building and Grounds Committee.

XIII. COMMISSIONERS CONCERNS

Commissioner Malnar: Thanked all Emergency Responders involved in recent Nahma Twp. fire, Job Well Done!

Commissioner Johnson: None.

Commissioner Moyle: None.

Commissioner Rivard: None.

Commissioner Harrington: None.

XIV. MEETING SCHEDULE

July 5 <sup>th</sup>	5:15 p.m.	Board meeting.
July 19 <sup>th</sup>	5:15 p.m.	Board meeting.
August 2 <sup>nd</sup>	5:15 p.m.	Board meeting.

XV. NOTICES

DHS Committee - 30 day notice

XVI. ADJOURNMENT

Proposed

Moved by Commissioner Moyle and seconded by Commissioner Johnson to adjourn at 6:23 p.m.

Respectfully Submitted,

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Hope Rudden, Chief Deputy Clerk

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David Rivard, Vice Chair

# DELTA COUNTY BOARD OF COMMISSIONERS

ADMINISTRATION OFFICE  
310 LUDINGTON STREET  
ESCANABA, MICHIGAN 49829  
PHONE: 906-789-5100  
FAX: 906-789-5197

B1



July 5, 2016

TO: Delta County Board of Commissioners  
FR: Ryan Bergman, Administrator  
RE: Payment of Bills

I have examined all claims presented, and recommend payment of the following; and that the County Clerk be directed to issue orders on the County Treasurer to the Claimants for the amounts allowed.

Ryan Bergman, Administrator

Date	Amount
06-17-16	514,671.91
06-23-16	248,929.79
Total Report of Claims \$	763,601.70
Total Jury Expense \$	0.00
GRAND TOTAL OF BILLS \$	763,601.70
Commissioner Expenses: \$	0.00 Paid

AUTHORIZED SIGNATURE \_\_\_\_\_  
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Check Date	Check	Vendor	Vendor Name	Description	Amount
Bank FIRST ALL FUNDS					
06/14/2016	162334	001059	ALPINE MOTOR INN	TRAVEL AND LODGING - HARRINGTON TRAVEL AND LODGING - RIVARD TRAVEL AND LODGING - MALNAR TRAVEL AND LODGING - BERGMAN MISC EXP-TRAVEL AND LODGING - MATTSON	73.50 73.50 73.50 73.50 367.50
06/16/2016	162347	020041	TEAMSTERS HEALTH INSURANCE	HEALTH & DENTAL INS. HEALTH & DENTAL INS. - MCDONOUGH	1,744.57 971.25 2,715.82
06/16/2016	162349	002207	BLUE CROSS BLUE SHIELD OF MICHIGAN	HOSPITAL INSURANCE - VIAU HOSPITAL INSURANCE - CARLSON HOSPITAL INSURANCE - HOWELL	538.95 1,293.48 55.12 1,887.55
06/17/2016	162350	001067	AMERICAN ASSN OF AIRPORT EXECUTIVES	MEMBERSHIP TO THE AAAE GREAT LAKES CHAPT	35.00
06/17/2016	162351	001151	AT&T	PHONE - ACCT 906 786-4902 919 7	1,143.83
06/17/2016	162352	001156	AT&T ASSET PROTECTION	RESTITUTION - BEAUCHAMP - 7823	10.00
06/17/2016	162353	001184	AUTO OWNERS INSURANCE	RESTITUTION - JOHNSON - CLAIM#22-5064-20	10.00
06/17/2016	162354	002018	BADGER MAILING & SHIPPING SYSTEMS	ANNUAL MAINT- 8/10/16-8/9/17	2,529.40
06/17/2016	162355	002164	BILLY ELECTRIC INC	REPAIR EMERGENCY LIGHTING AFTER BROKEN W	220.77
06/17/2016	162356	002324	BRUTE INDUSTRIES INC	RESTITUTION - LAMBRECHT - 8979	25.00
06/17/2016	162357	003058	CBM FOOD SERVICE	FOOD SERVICE 5/26/16 - 6/1/16	3,534.06
06/17/2016	162358	003100	CHATFIELD MACHINE COMPANY	PARTS TO MOUNT GUN CABINET	17.10
06/17/2016	162359	003110	CITY OF ESCANABA	MARINA GASOLINE - MAY 2016	797.04
06/17/2016	162360	003130	CITY OF ESCANABA	UTILITIES - ACCT 1-06-1500-00 UTILITIES - ACCT 1-06-0570-01	2,217.53 27.32
06/17/2016	162361	003137	MAUREEN CARY	ELECTRICITY - CH - ACCT 1-06-1080-00	5,341.36
06/17/2016	162362	003160	CLOVERLAND PAPER CO.	SPRINKLER- SC - ACCT 1-06-0330-00	235.70
06/17/2016	162363	003240	COOPER OFFICE EQUIPMENT INC.	ELECTRICAL SC-P ACCT- 1-06-1720-00	1,140.23
06/17/2016	162364	003294	GARY CRELLER	WATER-GARBAGE - ACCT 1-06-0550-00	197.26
06/17/2016	162365	004071	JESSE DEBACKER	DANFORTH TOWER ELECT- ACCT 1-06-1320-01	36.85
06/17/2016	162366	004143	TAMMY DELKE	RESTITUTION - JACK - 9050	25.00
06/17/2016	162367	004200	DELTA COUNTY CLERK	WYFALL WIPER-SHOP WIPES	89.05
06/17/2016	162368	004230	DELTA COUNTY ROAD COMMISSION	BIZHUB 750 USAGE MAINT - COPIER BIZHUB C253	500.00 797.27 1,297.27
06/17/2016	162369	004256	DELTA COUNTY AIRPORT	RESTITUTION - SUNDBY - 8783 MEAL REIMB 5/23 - 5/26/16 RESTITUTION - DELKE - 9028 APPLY BOND TO FINES - 16-FH-9281 - LAFAV	5.00 62.14 100.00 658.00
06/17/2016	162370	004256	DELTA COUNTY AIRPORT	GASOLINE - APRIL 2016 GASOLINE - APRIL 2016	190.73 2,228.79 2,419.52
06/17/2016	162371	004256	DELTA COUNTY AIRPORT	WEATHER CONTRACT-POSTAGE	22.95

162329 - 162348 PIRCKS + PIR Acd

Check Date	Check	Vendor	Vendor Name	Description	Amount
06/17/2016	162370	004330	DELTA SCHOOLCRAFT INTERMEDIATE SCHO	2015 TAX SETTLEMENT	151,566.74
06/17/2016	162371	004356	JOHN DENHOLM	PC MEETING 06/06/2016	89.00
06/17/2016	162372	004418	DTE ENERGY	NAT'L GAS - ACCT 4576 043 0010 5 - COMM NAT'L GAS - ACCT 4576 043 0002 2	35.02 33.64 68.66
06/17/2016	162373	005050	EPIC AVIATION LLC	JET A FUEL	15,418.33
06/17/2016	162374	006022	FASTENAL COMPANY	SUPPLIES	167.82
06/17/2016	162375	006050	FIRST BANK	RESTITUTION - GUSTAFSON - 06-FH-7609 RESTITUTION - GUSTAFSON - 06-FH-7609	25.00 25.00 50.00
06/17/2016	162376	006053	FRATERNAL ORDER OF EAGLES	RESTITUTION - EVANS - 8969 RESTITUTION - EVANS - 14-FH-8969 RESTITUTION - EVANS - 14-FH-8969	150.00 150.00 150.00 450.00
06/17/2016	162377	006057	FIRST LUTHERAN CHURCH	RESTITUTION - OLIVER - 6468	30.00
06/17/2016	162378	006075	DR. STEVEN FLATH	RESTITUTION - BEAUCHAMP - 8445	5.00
06/17/2016	162379	006088	DAN FORRESTER	TRAVEL 06/08	144.00
06/17/2016	162380	007067	GENE'S TOWING & RECOVERY	COMPUTER UPGRADE TO D14	405.00
06/17/2016	162381	007082	GILBERT & ASSOCIATES, INC	APPRAISAL-SERVICE CENTER- UNIMPROVED ACR	300.00
06/17/2016	162382	008080	BENNY HERIOUX	PC MEETING	32.08
06/17/2016	162383	008090	HIAWATHA CHEF SUPPLY	DUST MOPS	38.90
06/17/2016	162384	008116	TINA HOUGHTALING	CARE OF J. WEGNER - MAY 2016	824.29
06/17/2016	162385	008124	MATT HUGHES	CO-PRO INCENTIVES	500.00
06/17/2016	162386	009018	IDVILLE	PVC CARDS - PRINTER RIBBONS - ID CARD MA	373.80
06/17/2016	162387	009036	INK AND TONER ALTERNATIVE	TONER	624.95
06/17/2016	162388	011050	K-MART	MEDICAL SUPPLIES, BANDAIDS, ANTACID, HYD	109.43
06/17/2016	162389	011054	ANN KANANEN	RESTITUTION - GRAVES - 8675	20.00
06/17/2016	162390	011083	STEPHEN KOSITZKY	MEAL REIMB - PRISONER TRSPT 6/3/16	8.50
06/17/2016	162391	012027	TRACY LANTAGNE	POSTAGE REIMB-STEVE LASHER	6.80
06/17/2016	162392	012029	JEFF LAFAVE CONSTRUCTION	HANGAR PAY APPLICATION #1 FOR NEW HGR PR	40,006.80
06/17/2016	162393	012029	JEFF LAFAVE CONSTRUCTION	BOARDED UP WINDOWS FORECLOSED HOME 209 N	773.98
06/17/2016	162394	012094	LEXISNEXIS RISK SOLUTIONS	MAY 2016 SERVICES - ID 6684573	50.00
06/17/2016	162395	012101	ANDREW LOSCALZO	RESTITUTION - PELTIN - 9049	50.00
06/17/2016	162396	013179	MENARDS	BATTERIES	23.94
				WALL PANEL/PAINT/BLADES	124.57
				SHOP TOWELS	20.26
				PANELS - SUPPLIES	31.04
				SPRINKLER HEADS	7.58
				SHOP SUPPLIES	53.35
				PLANT, MULCH, SOIL	96.92
					357.66
06/17/2016	162397	013190	MEEMIC INSURANCE COMPANY	RESTITUTION - CHILDRRESS - 11-FH-8531	5.00
06/17/2016	162398	013435	MIDWEST CLAIMS SERVICE	RESTITUTION - GUSTAFSON - 06-FH-7610 RESTITUTION - GUSTAFSON - 06-FH-7610	25.00 25.00 50.00
06/17/2016	162399	014043	NAPA OF ESCANABA	DOOR HANDLE- INTERIOR	107.91
06/17/2016	162400	014167	NESTEGG MARINE	NEW FLAG FOR BOAT	27.39
06/17/2016	162401	014192	NORWAY SPRINGS INC	WATER	63.60
06/17/2016	162402	014210	NORTHERN PLUMBING & HEATING	PARTS FOR BACKFLOW PREVENTER REPAIR.	26.19

Check Date	Check	Vendor	Vendor Name	Description	Amount
06/17/2016	162403	015084	KENNETH OOSTERHOUSE	RESTITUTION - MICHEAU - 8225	20.32
06/17/2016	162404	016013	PREINNEWHOF	SERVICES- ARFF PROTECTIVE SUIT ACQU	2,398.46
06/17/2016	162405	016027	PLASTOCON INC.	DISPOSABLE LIDS	133.82
06/17/2016	162406	016076	PET PLACE	RESTITUTION - ARTS - 8385	5.00
06/17/2016	162407	016083	NANCY PETERSON	PC MEETING 06/06/2016	30.00
06/17/2016	162408	016088	PIONEER QUICK LUBE - 23	OIL CHANGES	70.22
06/17/2016	162409	018031	RADIO RESULTS NETWORK	LOCAL SPORTS PKG GRANT-MARKETING-MAY 201	400.00
06/17/2016	162410	018063	REINHART FOOD SERVICE	FOOD SERVICE SUPPLIES	74.11
06/17/2016	162411	018110	RICHER REFRIGERATION	LABOR CHARGES-WALK IN COOLER	40.00
06/17/2016	162412	018204	ROBERT ROSHAK	RESTITUTION - LECLAIRE - 9009	200.00
06/17/2016	162413	019010	ST. ANNE CHURCH	RESTITUTION - BEAUCHAMP - 8056	5.00
06/17/2016	162414	019036	SAULT STE MARIE TRIBE OF CHIPPEWA	DALTON PETERSON 7 DAYS CARE-MAY 25-31	840.00
06/17/2016	162415	019067	CORY SCHROEDER	RESTITUTION - BARTKE - 6582	20.00
06/17/2016	162416	019133	GARY SIMONOVIC	RESTITUTION - KREFT - 15-FH-9075	20.00
06/17/2016	162417	019182	STATE ATTORNEY GENERAL	RESTITUTION - JOSLIN - 13-FH-8728	20.00
06/17/2016	162418	019196	STANDARD ELECTRIC COMPANY	MATERIAL TO REPAIR AND REPIPE BACKFLOW P	342.15
06/17/2016	162419	019201	STATE OF MICH, ST. EDUCATION TAX	ST EDUCATION TAX THRU 6-14-2016	249,554.03
06/17/2016	162420	019227	STATE OF MICHIGAN	2015 TAX SETTLEMENT QUALIFIED FOREST FEE	226.99
06/17/2016	162421	019228	STATE OF MICHIGAN	RESTITUTION - GAGNE - 12-FH-8594	50.00
06/17/2016	162422	019232	STATE OF MICHIGAN	MECHANICAL LICENSE RENEWAL	300.00
06/17/2016	162423	019234	STATE OF MICHIGAN	CER - RENEWAL - MARIE KWARCJANY	30.00
06/17/2016	162424	019241	STATE OF MICHIGAN	RESTITUTION - EMMI - 9143	100.00
06/17/2016	162425	019325	STATE OF MICHIGAN	2016 UNCLAIMED PROPERTY	181.00
06/17/2016	162426	019385	SUNLIFE FINANCIAL	LIFE INSURANCE- JULY 2016	903.88
06/17/2016	162427	020031	BOBBI JO & ROBERT TAYLOR	RESTITUTION - BALDWIN - 8994	20.00
06/17/2016	162428	020045	TELNET WORLDWIDE INC	PHONE - ACCT: CORP-005103	140.69
06/17/2016	162429	020046	TECHNICAL RESOURCE MGMT LLC	PHONE - ACCT: CORP 000861	954.76
06/17/2016	162430	021015	UPWARD TALENT COUNCIL	DRUG PANELS - ACCT: FS-8819	736.00
06/17/2016	162431	021019	UNITEX DIRECT	CONTRACT SERVICES- VETERAN AFFAIRS OFFIC	10,332.78
06/17/2016	162432	021048	U.P.S.E.T.	UNIFORM PANTS - LEWIS	213.49
06/17/2016	162433	021060	UPPER PENINSULA FAMILY SOLUTIONS	RESTITUTION - RUVOLO- 9239	80.00
06/17/2016	162434	021074	U.P. TREASURER'S ASSN.	RESTITUTION - KESHICK - 9192	30.00
06/17/2016	162435	022017	JULIAN VANDECAVEYE	RESTITUTION - HART - 8860	239.96
06/17/2016	162436	023032	WAL-MART	RESTITUTION - MERCIER - 9229	20.00
06/17/2016	162437	023084	WEX BANK	CARE OF C. ARCHY - MAY 2016	369.96
06/17/2016	162438	023116	JOHN AND KIM WYCKOFF	CARE OF CARMEN ARCHY -- MAY 2016	534.44
06/17/2016	162439	023116	JOHN AND KIM WYCKOFF	CARE OF L PORTER - MAY 2016	534.44
06/17/2016	162440	023116	JOHN AND KIM WYCKOFF	CARE OF K. JONES - MAY 2016	534.44
06/17/2016	162441	023116	JOHN AND KIM WYCKOFF	CARE OF J. POPIOLEK - MAY 2016	689.44
06/17/2016	162442	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162443	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162444	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162445	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162446	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162447	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162448	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162449	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162450	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162451	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162452	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162453	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162454	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162455	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162456	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162457	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162458	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162459	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162460	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162461	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162462	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162463	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162464	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162465	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162466	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162467	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162468	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162469	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162470	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162471	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162472	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162473	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162474	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162475	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162476	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162477	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162478	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162479	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162480	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162481	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162482	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162483	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162486	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162487	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162488	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162489	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162491	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162500	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162501	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162502	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162503	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162504	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162505	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162506	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162507	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162509	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162510	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162511	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162513	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162514	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162517	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162521	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162522	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162523	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162524	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
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06/17/2016	162527	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162528	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162529	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162530	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162531	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162532	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162533	023116	JOHN AND KIM WYCKOFF	CARE OF L. TILOT - MAY 2016	735.48
06/17/2016	162534	023116	JOHN AND KIM WYCKOFF	C	

Check Date	Check	Vendor	Vendor Name	Description	Amount
				CARE OF N. WEGNER - MAY 2016	824.29
					<u>1,513.73</u>
06/17/2016	162439	084220	SHIRLEY MERRELL	RESTITUTION - DZANBOZOFF - 8160	39.81
06/17/2016	162440	084614	RENAISSANCE ACADEMY OF BEAUTY	RESTITUTION - LEMIRE - 6745	12.50
06/17/2016	162441	085150	DEAN & JACLYN HESLIP	RESTITUTION - DZANBOZOFF - 8175	39.81
06/17/2016	162442	085170	ELAINE PEPIN	RESTITUTION - DZANBOZOFF - 8177	39.81
06/17/2016	162443	CLERK MISC	NANCY K WALL	RETURN BALANCE BOND - LAFAVE - 9281	342.00
06/17/2016	162444	PROS MISC	MELISSA CHASE	WITNESS FEE	6.00
06/17/2016	162445	PROS MISC	KIM WALLACE	WITNESS FEE	6.00
06/17/2016	162446	PROS MISC	PATRICIA ROHDENBURG	WITNESS FEE	6.00
06/17/2016	162447	PROS MISC	RONALD WELCH	WITNESS FEE	6.00
06/17/2016	162448	PROS MISC	ASHLEE JOHNSON	WITNESS FEE	28.20
06/17/2016	162449	PROS MISC	RICHARD CRYDERMAN	WITNESS FEE	9.60
06/17/2016	162450	PROS MISC	BREANNE JOHNSON	WITNESS FEE	6.00
06/17/2016	162451	PROS MISC	EMILY JOHNSON	WITNESS FEE	6.00
06/17/2016	162452	PROS MISC	VALERIE JOHNSON	WITNESS FEE	10.10
06/17/2016	162453	PROS MISC	BARBARA GORZYNSKI	WITNESS FEE	6.00
<b>FIRST TOTALS:</b>					
Total of 107 Checks:					514,671.91
Less 0 Void Checks:					0.00
<b>Total of 107 Disbursements:</b>					<u>514,671.91</u>

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Check Date	Check	Vendor	Vendor Name	Description	Amount
<b>Bank FIRST ALL FUNDS</b>					
06/22/2016	162454	023132	CATHERINE WOLFF	REFUNDS-PAYROLL CHECK 6/16/16	95.06
06/23/2016	162455	001144	ARFF SPECIALISTS	8 HR REOCCURRING ARFF FAA MANDATED TRAINI	2,471.00
06/23/2016	162456	001151	AT&T	PHONE - ACCT 906 786-3633 835 3	541.14
06/23/2016	162457	002080	BAY DE NOC COMMUNITY COLLEGE	2015 TAX SETTLEMENT SUMMER INTEREST	347.53
06/23/2016	162458	002141	RYAN BERGMAN	MILEAGE/MEALS/BRIDGE REIMB- 6/14-16/2016	515.33
06/23/2016	162459	002170	BENOIT'S GLASS & LOCK	CHANGE LOCK ON FORECLOSED HOM 051-030-29	50.00
06/23/2016	162460	003014	TIMOTHY F. CAIN	PROBATE ATTORNEY FEES - JUNE 2016	1,742.74
06/23/2016	162461	003058	CBM FOOD SERVICE	FOOD SERVICE 6/2/16 - 6/8/16	3,457.03
06/23/2016	162462	003140	CITY OF GLADSTONE	2015 SUMMER TAX ALLOCATION	3,257.61
06/23/2016	162463	003160	CLOVERLAND PAPER CO.	TOILET PAPER	219.05
				TOILET PAPER	306.67
				TOILET PAPER	350.48
				TISSUE PAPER	394.29
				TISSUE PAPER	438.10
				TISSUE PAPER	481.91
					<u>2,190.50</u>
06/23/2016	162464	003170	COMMUNITY ACTION AGENCY	2015 TAX SETTLEMENT	39,914.17
06/23/2016	162465	003255	CORRECTIONAL HEALTHCARE COMPANIES I	MEDICAL SERVICES - JULY 2016	16,208.02
				MEDICAL SERVICES - JUNE 2014	16,208.02
					<u>32,416.04</u>
06/23/2016	162466	003323	CYCLE CITY	OIL FOR OUTBOARD MOTORS	100.00
06/23/2016	162467	004030	DAILY PRESS	2016 ANNUAL REVIEW PUBLIC NOTICE - ACCT	103.02
06/23/2016	162468	004144	DEKETO	THERMAL LABELS	134.00
06/23/2016	162469	004200	DELTA COUNTY CLERK	FEE FOR FILING 2016 FORECLOSURE HEARING	175.00
06/23/2016	162470	004230	DELTA COUNTY ROAD COMMISSION	GASOLINE - MAY 2016	2,608.57
06/23/2016	162471	004270	DELTA COUNTY TREASURER	POSTAGE	2.28
				POSTAGE	1.14
				POSTAGE	0.57
				POSTAGE	0.57
					<u>4.56</u>
06/23/2016	162472	004330	DELTA SCHOOLCRAFT INTERMEDIATE SCHO	2015 TAX SETTLEMENT SUMMER INTEREST	250.61
06/23/2016	162473	004418	DTE ENERGY	NAT'L GAS - ACCT 4576 021 0002 8	2,281.67
06/23/2016	162474	004795	THE EBCO COMPANY	FILE FOLDERS	350.00
06/23/2016	162475	005030	ELMER'S COUNTY MARKET	COFFEE	69.90
06/23/2016	162476	006088	DAN FORRESTER	ASSESSMENT/THERAPY 6/15/16	558.00
06/23/2016	162477	006120	FRIEND OF THE COURT ASSOC.	FOCA SUMMER CONF REG - RADKE/SODERBERG	440.00
06/23/2016	162478	007067	GENE'S TOWING & RECOVERY	LABOR - REPLACE LIGHTS	150.00
				BRAKE WORK FOR DELTA 3	951.78
					<u>1,101.78</u>
06/23/2016	162479	008025	LUKE HAMLIN	PHONE REIMB - MAY 2016	35.00
06/23/2016	162480	008069	KAREN B HENCKEN PROCESS SERVICE LLC	SERVICE OF SUMMONS & COMPLAINT	38.23
06/23/2016	162481	008124	MATT HUGHES	INCENTIVE PROGRAM	500.00
06/23/2016	162482	008124	MATT HUGHES	INCENTIVE OUTINGS	500.00
06/23/2016	162483	009020	I.C.L.E.	MI FAMILY LAW BENCHBOOK, APRIL, 2016 UPD	109.71
06/23/2016	162484	009042	INTERNATIONAL CODE COUNCIL INC	CODE BOOKS	252.00
06/23/2016	162485	010110	JOHNSTON PRINTING & OFFSET	#10 REGULAR ENVELOPES	290.00
06/23/2016	162486	011051	DOROTHY S KAHLER, PSYD	PSYCH EVAL-THOMPSON MINORS	1,630.00
06/23/2016	162487	011058	JAMIE KING	CARE OF M. METZGER-MEEK - 4/25 - 4/28/16	51.72

Check Date	Check	Vendor	Vendor Name	Description	Amount
06/23/2016	162488	011083	STEPHEN KOSITZKY	MEAL REIMB - 2 OFFICERS - PRISONER TRANS	11.53
06/23/2016	162489	012013	LAKE SUPERIOR BUSINESS MACHINES INC	HP LASERJET TONER CARTRIDGE	155.00
06/23/2016	162490	012091	SANDRA LINSMEYER	CARE OF B GORDON-16 DAYS - 5/16-5/31/16	329.44
06/23/2016	162491	013095	DLP MQT PHYSICAN PRACTICES INC	DRUG SCREEN	70.00
06/23/2016	162492	013179	MENARDS	CUSTOM WHEELS FOR FOOD CARTS SUPER GLUE AND SUPPLIES FOR CLEANING EVI BOLTS AND WASHER	139.94 8.56 6.43 <u>154.93</u>
06/23/2016	- 162493	013391	MICHIGAN STATE INDUSTRIES	CLEANER, DETERGENT, BLEACH	1,228.80
06/23/2016	162494	013447	MILLER'S ACTION OFFICE SUPPLY	MAILERS FOR CD/DVD'S DISPOSABLE DUSTER	31.39 8.49 <u>39.88</u>
06/23/2016	162495	013906	MGT OF AMERICA INC	DHS-286 BILLINGS FOR APRIL - JUNE, 2016	1,328.80
06/23/2016	162496	014147	NORTHERN MICH EMERG PHYS, LLP	MEDICAL BILL FOR -REF #47102684	1,078.00
06/23/2016	162497	014210	NORTHERN PLUMBING & HEATING	TOILET REPAIR PARTS FOR CELL 8	64.17
06/23/2016	162498	014214	NORTHERN SCREEN PRINTING	SHIRTS FOR MARINE PATROL	24.00
06/23/2016	162499	015025	OFFICE DEPOT	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES	8.97 40.20 1.90 <u>51.07</u>
06/23/2016	162500	016080	PIONEER TV & APPLIANCE, INC.	USED REFRIGERATOR/STOVE - M. CLAYTON	275.00
06/23/2016	162501	016088	PIONEER QUICK LUBE - 23	OIL CHANGE	60.27
06/23/2016	162502	018031	RADIO RESULTS NETWORK	ADS-LOCAL SPORTS PACKAGE - GRANT REIMBUR	800.00
06/23/2016	162503	018041	STACEY RANDALL	DHS BOARD- JUNE 2016	20.00
06/23/2016	162504	018067	REAL ESTATE TRF.TAX,DEPT.77627	RE TRANSFER MAY 2016	44,486.25
06/23/2016	162505	018072	REALVNC LTD	VNC ENTERPRISE MAINT RENEWL UNTIL 7/16/2	1,761.75
06/23/2016	162506	018077	UPPER MICHIGAN LAW	ATTORNEY FEES-CISSELY LOFQUIST ATTORNEY FEE-RUPRECHT ATTORNEY FEES-TRAVIS JENSEN	80.00 49.50 90.00 <u>219.50</u>
06/23/2016	162507	019036	SAULT STE MARIE TRIBE OF CHIPPEWA	CARE OF J. GRENIER - MAY 2016	3,720.00
06/23/2016	162508	019166	GERALD A SMITH	DHS BOARD- JUNE 2016	30.80
06/23/2016	162509	019300	STATE OF MICHIGAN	SALES TAX - MAY 2016	1,421.43
06/23/2016	162510	019305	STATE OF MICHIGAN	GATEWAY TO GATEWAY 4/1/16 - 6/30/16	387.00
06/23/2016	162511	020029	TODD TARDIFF	MEAL REIMB - MENTAL TRANSPORT 5/27/16	5.02
06/23/2016	162512	021034	UP HEALTH SYSTEM-MARQUETTE	PHYSICAL - NEW EMPLOYEE	180.00
06/23/2016	162513	021036	U.P. KIDS	CARE OF A.SODERGREN - MAY 2016 CARE OF P. SODERGREN - MAY 2016	534.44 534.44 <u>1,068.88</u>
06/23/2016	162514	021060	UPPER PENINSULA FAMILY SOLUTIONS	CARE OF J POPIOLEK - APRIL 2016 CARE OF K. JONES - APRIL 2016	667.20 517.20 <u>1,184.40</u>
06/23/2016	162515	021077	U.P. STATE FAIR AUTHORITY	2016 PREMIUM FAIR GUIDE MARKETING	315.00
06/23/2016	162516	022025	VERIZON WIRELESS	PHONE - ACCT: 482996167-00001 PHONE - ACCT 482996167-0001	802.97 454.87

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Check Date	Check	Vendor	Vendor Name	Description	Amount
06/23/2016	162517	023032	WAL-MART	MARINE LINE CUTTER	1,257.84
06/23/2016	162518	023116	JOHN AND KIM WYCKOFF	RYAN WEGNER CLOTHING ALLOWANCE NICK WEGNER CLOTHING ALLOWANCE	33.88
06/23/2016	162519	023121	WJMN-TV3	JUNE 2016 GOLF MARKETING	310.00
06/23/2016	162520	026091	KAMMI YOUNG	CARE C. GORDON-16 DAYS 5/16-5/31/16	500.00
06/23/2016	162521	TAX REFUND	AARON M. FALES & OMYA INC	Sum Tax Refund 014-051-001-10 Win Tax Refund 014-051-001-10 Sum Tax Refund 014-999-057-00 Win Tax Refund 014-999-057-00	810.00
					11,448.40
					31,837.37
					11,332.71
					32,461.31
					87,079.79
					248,929.79
					0.00
					248,929.79

FIRST TOTALS:

Total of 68 Checks:

Less 0 Void Checks:

Total of 68 Disbursements:

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**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN**  
ANNUAL ACTUARIAL VALUATION REPORT DECEMBER 31, 2015  
DELTA CO (2102)



Spring, 2016

Delta Co

In care of:  
Municipal Employees' Retirement System of Michigan  
1134 Municipal Way  
Lansing, Michigan 48917

This report presents the results of the Annual Actuarial Valuation, prepared as of December 31, 2015. The report includes the determination of liabilities and contribution rates resulting from the participation of Delta Co (2102) in the Municipal Employees' Retirement System of Michigan ("MERS"). MERS is a nonprofit organization, independent from the State, that has provided retirement plans for municipal employees for more than 65 years. Delta Co is responsible for the employer contributions needed to provide MERS benefits for its employees and former employees under the Michigan Constitution and the MERS Plan Document.

The purpose of the December 31, 2015 annual actuarial valuation is to:

- Measure funding progress
- Establish contribution requirements for the fiscal year beginning October 1, 2017
- Provide actuarial information in connection with applicable Governmental Accounting Standards Board (GASB) statements

This valuation report should not be relied upon for any other purpose. Reliance on information contained in this report by anyone for anything other than the intended purpose could be misleading.

The valuation uses financial data, plan provision data, and participant data as of December 31, 2015 furnished by MERS. In accordance with Actuarial Standards of Practice No. 23, the data was checked for internal and year to year consistency as well as general reasonableness, but was not otherwise audited. CBIZ Retirement Plan Services does not assume responsibility for the accuracy or completeness of the data used in this valuation.

The actuarial assumptions and methods are adopted by the MERS Retirement Board, and are reviewed every five years in an Experience Study. The most recent study was completed in 2015, and this December 31, 2015 valuation report reflects changes in assumptions and methods. Please refer to the division-specific assumptions described in table(s) in this report, and to the Appendix on the MERS website at:

[www.mersofmich.com/Portals/0/Assets/Resources/AAV-Appendix/MERS-2015AnnualActuarialValuation-Appendix.pdf](http://www.mersofmich.com/Portals/0/Assets/Resources/AAV-Appendix/MERS-2015AnnualActuarialValuation-Appendix.pdf).



The actuarial assumptions used for this valuation produce results that we believe are reasonable.

To the best of our knowledge, this report is complete and accurate, was prepared in conformity with generally recognized actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board, and is in compliance with Act No. 220 of the Public Acts of 1996, as amended, and the MERS Plan Document as revised. All of the undersigned are members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. The Retirement Board of the Municipal Employees' Retirement System of Michigan confirms that the System provides for payment of the required employer contribution as described in Section 20m of Act No. 314 of 1965 (MCL 38.1140m).

This information is purely actuarial in nature. It is not intended to serve as a substitute for legal, accounting or investment advice.

**This report was prepared at the request of the Retirement Board and may be provided only in its entirety by the municipality to other interested parties (MERS customarily provides the full report on request to associated third parties such as the auditor for the municipality). CBIZ Retirement Plan Services is not responsible for the consequences of any unauthorized use.**

You should notify MERS if you disagree with anything contained in the report or are aware of any information that would affect the results of the report that have not been communicated to us. If you have reason to believe that the plan provisions are incorrectly described, that important plan provisions relevant to this valuation are not described, that conditions have changed since the calculations were made, that the information provided in this report is inaccurate or is in anyway incomplete, or if you need further information in order to make an informed decision on the subject matter in this report, please contact your Regional Manager at 1.800.767.MERS(6377).

Sincerely,

Cathy Nagy, MAAA, FSA  
Jim Koss, MAAA, ASA  
Curtis Powell, MAAA, EA  
Alan Sonnanstine, MAAA, ASA

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## Executive Summary

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### New Actuarial Assumptions and Methods

The actuarial assumptions and methods are adopted by the MERS Retirement Board, and are reviewed every five years in an Experience Study. The Experience Study is a comprehensive, detailed analysis that reviews MERS' funding policy and compares actual experience with the current actuarial assumptions; the study recommends adjustments as necessary. The most recent study was completed in 2015, and this December 31, 2015 valuation report reflects several changes in actuarial assumptions.

The main assumption and method changes were:

- The mortality table was adjusted to reflect longer lifetimes.
- The assumed annual rate of investment return, net of all expenses, was lowered from 8% to 7.75%.
- The asset smoothing was changed from 10 to 5 years.
- The amortization period was moved to a fixed period amortization for the December 31, 2014 annual valuations.
  - o The period will continue to gradually decrease for both open and closed divisions until the current unfunded accrued liability (UAL) is completely paid off.
  - o Moving to this type of "fixed period amortization" means that all unfunded liabilities will be fully funded by a specific date in the future.
  - o Once the amortization period drops below 15 years (10 years for closed divisions), any future liability and asset gains or losses will be spread over a 15-year fixed period for open divisions and a 10-year fixed period for closed divisions — creating "layers" of UAL on an annual basis.
  - o This transparent method allows tracking of what changed your UAL, and sets a fixed period in time in which that UAL change will be fully funded.

Various other actuarial assumptions were revised, but the revisions had a smaller impact than the two assumption changes above (first two bullets). For a summary of all of the actuarial assumptions and methods, please refer to the division-specific assumptions described on the last page of this report, and to the [Appendix](#).

The new amortization period layers and the new 5-year asset smoothing do not impact this 2015 annual valuation, other than the 6 year projections. These method changes will first impact the December 31, 2016 annual valuations.

The impacts of the assumption changes on the funded ratio and the required employer contributions are displayed on the next few pages. While these changes in assumptions will mean larger liabilities and contributions than anticipated by the prior assumptions for most employers, they will ensure each employer makes reasonable progress towards funding the unfunded liabilities of the employer. When

discussing changes in assumptions it is important to remember that, although the assumptions used impact the annual contributions, the true cost of the plan will be based on what will actually happen in the future – independent of the assumptions used. MERS recognizes that many municipalities are already taking steps to reduce their UAL. The MERS Board approved a “phase in” of the total impact of the assumption changes over the next 5 years (impacting fiscal years beginning 2017 – 2021) as an option for you. Of course, if the employer pays less in the first 4 years, they will likely have to pay somewhat more in later years.

MERS created a dedicated resource page on their website, [www.mersofmich.com](http://www.mersofmich.com), regarding this topic, with links to frequently asked questions, upcoming events and additional details.

### **Impacts from the Assumption Changes**

The new actuarial assumptions changed your December 31, 2015 percent funded from 77% to 73%, a change of -4%.

The new assumptions changed your total monthly employer contribution requirement, before any phase-in, from \$91,261 to \$111,913, a change of \$20,652 (a 23% increase). Under the 5-year phase-in the first year increase is instead 5% (from \$91,261 to \$95,389 monthly).

Additional detail is shown on the following pages.

## Funded Ratio and Required Employer Contributions

The MERS Defined Benefit Plan is an agent multiple-employer plan, meaning that assets are pooled for investment purposes but separate accounts are maintained for each individual employer. Each municipality is responsible for their own plan liabilities; MERS does not borrow from one municipality's account to pay for another.

The funded ratio of a plan is the percentage of the dollar value of the accrued benefits that is covered by the actuarial value of assets.

### Your Funded Ratio:

For comparison purposes, we have included your December 31, 2015 funded ratio if it had been calculated under the previous assumptions. Note: Your actual funded level as of December 31, 2015 is the amount listed under the new assumptions.

	New Assumptions	Previous Assumptions	
	12/31/2015	12/31/2015	12/31/2014
<b>Funded Ratio</b>	73%	77%	79%

Michigan Law requires that pension plans be pre-funded, meaning money is set aside now to pay for future benefits. Pension plans are usually funded by employer and employee contributions, and investment income.

How quickly a plan attains the 100% funding goal depends on many factors such as:

- The current funded ratio
- The future experience of the plan
- The amortization period

It is more important to look at the trend in the funded ratio over a period of time than at a particular point in time.

**Your Required Employer Contributions:**

Your computed employer contributions are shown in the following table. Employee contributions, if any, are in addition to the computed employer contributions. Note: Your minimum required contribution is the amount listed under the new assumptions, with phase-in. For comparison purposes, we have included your computed employer contribution if it had been calculated under the previous assumptions.

	Percentage of Payroll				Monthly \$ Based on Valuation Payroll			
	New Assumptions		Previous Assumptions		New Assumptions		Previous Assumptions	
	Phase-in	Full Impact			Phase-in	Full Impact		
Valuation Date:	12/31/2015	12/31/2015	12/31/2015	12/31/2014	12/31/2015	12/31/2015	12/31/2015	12/31/2014
Fiscal Year Beginning:	October 1, 2017	October 1, 2017	October 1, 2017	October 1, 2016	October 1, 2017	October 1, 2017	October 1, 2017	October 1, 2016
<b>Division</b>								
01 - Circuit Crt Empl	-	-	-	-	\$ 6,829	\$ 8,357	\$ 6,447	\$ 6,926
02 - Sheriff	-	-	-	-	13,573	15,481	13,097	11,923
10 - General AFSCME	-	-	-	-	13,492	16,800	12,665	10,589
11 - Elected Dept Hds	-	-	-	-	29,000	33,788	27,803	30,899
12 - Dist Crt Empls	-	-	-	-	4,361	5,637	4,041	2,843
13 - Probate Crt Empl	-	-	-	-	12,039	13,227	11,743	10,312
14 - NonUn Contract EE	-	-	-	26.77%	2,775	3,355	2,632	1,919
20 - Rd Patrol Deputy	-	-	-	-	13,320	15,268	12,833	10,341
<b>Municipality Total</b>					<b>\$ 95,389</b>	<b>\$ 111,913</b>	<b>\$ 91,261</b>	<b>\$ 85,752</b>

Under the new assumptions, both the full impact and the phased in employer contribution requirements are shown in the table above. The phase in allows the employer to spread the increase of the new actuarial assumptions over 5 fiscal years. By default, MERS will invoice you the phased in contribution amount. However, MERS strongly encourages employers to contribute more than the minimum required contribution, including paying the full amount of the impact of the changes, if possible.

Employee contribution rates reflected in the valuations are shown below:

Valuation Date:	Employee Contribution Rate	
	12/31/2015	12/31/2014
<b>Division</b>		
01 - Circuit Crt Empl	0.50%	0.50%
02 - Sheriff	0.50%	0.50%
10 - General AFSCME	0.50%	0.50%
11 - Elected Dept Hds	0.00%	0.00%
12 - Dist Crt Empls	0.50%	0.50%
13 - Probate Crt Empl	0.50%	0.50%
14 - NonUn Contract EE	0.00%	0.00%
20 - Rd Patrol Deputy	1.00%	1.00%

The employer may contribute more than the minimum required contributions, as these additional contributions will earn investment income and may result in lower future contribution requirements. **MERS strongly encourages employers to contribute more than the minimum contribution shown above.**

Assuming that experience of the plan meets actuarial assumptions:

- To accelerate to a 100% funding ratio in 10 years, estimated monthly employer contributions for the entire employer would be \$ 138,569, instead of \$ 111,913.
- To accelerate to a 100% funding ratio in 20 years, estimated monthly employer contributions for the entire employer would be \$ 112,023, instead of \$ 111,913.

If you are interested in making additional contributions, please contact MERS and they can assist you with evaluating your options.

### How and Why Do These Numbers Change?

In a defined benefit plan contributions vary from one annual actuarial valuation to the next as a result of the following:

- Changes in benefit provisions (see Table 2)
- Changes in actuarial assumptions and methods (see the [Appendix](#))
- Experience of the plan (investment experience and demographic experience); this is the difference between actual experience of the plan and the actuarial assumptions

Actuarial valuations do not affect the ultimate cost of the plan; the benefit payments (current and future) determine the cost of the plan. Actuarial valuations only affect the timing of the contributions into the plan. Because assumptions are for the long term, plan experience will not match the actuarial assumptions in any given year (except by coincidence). Each annual actuarial valuation will adjust the required employer contributions up or down based on the prior year's actual experience.

### Comments on Asset Smoothing

The actuarial value of assets, used to determine both your funded ratio and your required employer contribution, is based on a smoothed value of assets (10-year smoothing prior to 2016; 5-year smoothing beginning in 2016). A smoothing method reduces the volatility of the valuation results, which affects your required employer contribution and funded ratio. The smoothed actuarial rate of return for 2015 was 5.21%.

As of December 31, 2015 the actuarial value of assets is 113% of market value. This means that meeting the actuarial assumption in the next few years will require average annual market returns that exceed the 7.75% investment return assumption.

If the December 31, 2015 valuation results were based on market value on that date instead of smoothed funding value: i) the funded percent of your entire municipality would be 64% (instead of 73%); and ii) your total employer contribution requirement for the fiscal year starting October 1, 2017 would be \$ 1,689,888 (instead of \$ 1,342,956).

The asset smoothing method is a powerful tool for reducing the volatility of your required employer contributions. **However, if the current 13% difference between the smoothed value and the market value of assets is not made up, the result would be gradual increases in your employer contribution requirement over the next few years (to around the levels described above).**

## **Risk Characteristics of Defined Benefit Plans**

It is important to understand that retirement plans, by their nature, are exposed to certain risks. While risks cannot be eliminated entirely, they can be mitigated through various strategies. Below are a few examples of risk (this is not an all-inclusive list):

- Economic - investment return, wage inflation, etc.
- Demographic - longevity, disability, retirement, etc.
- Plan Sponsor and Employees - contribution volatility, attract/retain employees, etc.

The MERS Retirement Board adopts certain assumptions and methods to mitigate the economic and demographic risks, and the contribution volatility risks. For example, the investment risk is the largest economic risk and is mitigated by having a balanced portfolio and a clearly defined investment strategy. Demographic risks vary based on the age of the workforce and are mitigated by preparing special studies called experience studies on a regular basis to determine if the assumptions used are reasonable compared to the experience. Risk may be mitigated through a plan design that provides benefits that are sustainable in the long run. An Experience Study is completed every five years to review the assumptions and methods. The next Experience Study will be completed in 2020.

## **Alternate Scenarios to Estimate the Potential Volatility of Results ("What If Scenarios")**

The calculations in this report are based on assumptions about long-term economic and demographic behavior. These assumptions will never materialize in a given year, except by coincidence. Therefore the results will vary from one year to the next. The volatility of the results depends upon the characteristics of the plan. For example:

- Open divisions that have substantial assets compared to their active employee payroll will have more volatile employer contribution rates due to investment return fluctuations.
- Open divisions that have substantial accrued liability compared to their active employee payroll will have more volatile employer contribution rates due to demographic experience fluctuations.
- Small divisions will have more volatile contribution patterns than larger divisions because statistical fluctuations are relatively larger among small populations.
- Shorter amortization periods result in more volatile contribution patterns.

The analysis in this section is intended to review the potential volatility of the actuarial valuation results. It is important to note that calculations in this report are mathematical estimates based upon assumptions regarding future events, which may or may not materialize. Actuarial calculations can and do vary from one valuation to the next, sometimes significantly depending on the group's size.

Many assumptions are important in determining the required employer contributions.

For example:

- Lower investment returns would result in higher required employer contributions, and vice-versa.

- Smaller than projected pay increases would lower required employer contributions.
- Reductions in the number of active employees would lower required contribution dollars, but would usually increase the contribution rate expressed as a percentage of (the now lower) payroll.
- Retirements at earlier ages than projected would usually increase required employer contributions.
- More non-vested terminations of employment than projected would decrease required contributions.
- More disabilities or survivor (death) benefits than projected would increase required contributions.
- Longer lifetimes after retirement than projected would increase required employer contributions.

In the table below, we show the impact of varying one actuarial assumption: the future annual rate of investment return. Lower investment returns would result in higher required employer contributions, and vice-versa.

The relative impact of each investment return scenario below will vary from year to year, as the participant demographics change. The impact of each scenario should be analyzed for a given year, not from year to year. The results in the table are based on the December 31, 2015 valuation, and are for the municipality in total, not by division. These results do not reflect a 5-year phase in of the impact of the new actuarial assumptions.

	Assumed Future Annual Smoothed Rate of Investment Return			
	Lower Future Annual Returns		Valuation Assumption	Higher Returns
	5.75%	6.75%	7.75%	8.75%
<b>12/31/2015 Valuation Results</b>				
Accrued Liability	\$ 47,928,406	\$ 42,467,771	\$ 37,933,775	\$ 34,136,040
Valuation Assets	\$ 27,494,815	\$ 27,494,815	\$ 27,494,815	\$ 27,494,815
Unfunded Accrued Liability	\$ 20,433,591	\$ 14,972,956	\$ 10,438,960	\$ 6,641,225
<b>Funded Ratio</b>	57%	65%	73%	81%
Monthly Normal Cost	\$ 48,970	\$ 37,327	\$ 28,576	\$ 21,968
Monthly Amortization Payment	\$ 148,981	\$ 115,270	\$ 83,337	\$ 52,729
<b>Total Employer Contribution<sup>1</sup></b>	<b>\$ 197,951</b>	<b>\$ 152,597</b>	<b>\$ 111,913</b>	<b>\$ 74,697</b>

<sup>1</sup> If assets exceed accrued liabilities for a division, the division's amortization payment is negative and is used to reduce the division's employer contribution requirement. If the overfunding credit is larger than the normal cost, the division's full credit is included in the municipality's amortization payment above but the division's total contribution requirement is zero. This can cause the displayed normal cost and amortization payment to not add up to the displayed total employer contribution.

## Six Year Projection Scenarios

The table on the following page illustrates the plan's projected liabilities and computed employer contributions for the next six fiscal years, under the new actuarial assumptions and under three future economic/assumption scenarios. All four projections take into account the past financial losses that will continue to affect the smoothed rate of return for the next four years. Under the 7.75% scenarios, two sets of projections are shown:

- Based on the phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. This projects your minimum required contribution.
- Based on no phase-in of the increased contribution requirements.

The 7.75% scenarios provide an estimate of computed employer contributions based on current actuarial assumptions, and a projected 7.75% market return. The other two scenarios may be useful if the municipality chooses to budget more conservatively, and make contributions in addition to the minimum requirements. The 6.75% and 5.75% projections provide an indication of the potential required employer contribution if MERS were to realize investment returns of 6.75% and 5.75% over the long-term.

Valuation Year Ending 12/31	Fiscal Year Beginning 10/1	Actuarial Accrued Liability	Valuation Assets	Funded Percentage	Computed Annual Employer Contribution
<b>7.75% Assumed Interest Discount Rate and Future Annual Market Rate of Return</b>					
<b>WITH 5-YEAR PHASE-IN</b>					
2015	2017	\$ 37,933,775	\$ 27,494,815	73%	\$ 1,144,668
2016	2018	38,998,798	27,401,507	70%	1,372,176
2017	2019	40,006,635	27,324,281	68%	1,629,216
2018	2020	40,968,082	27,271,225	67%	1,895,916
2019	2021	41,876,457	27,338,583	65%	2,185,560
2020	2022	42,721,237	28,354,750	66%	2,355,528
<b>NO 5-YEAR PHASE-IN</b>					
2015	2017	\$ 37,933,775	\$ 27,494,815	73%	\$ 1,342,956
2016	2018	38,998,798	27,401,507	70%	1,500,096
2017	2019	40,006,635	27,379,651	68%	1,688,904
2018	2020	40,968,082	27,524,960	67%	1,890,408
2019	2021	41,876,457	27,719,803	66%	2,121,468
2020	2022	42,721,237	28,808,997	67%	2,286,588
<b>6.75% Assumed Interest Discount Rate and Future Annual Market Rate of Return</b>					
<b>NO 5-YEAR PHASE-IN</b>					
2015	2017	\$ 42,467,771	\$ 27,494,815	65%	\$ 1,831,164
2016	2018	43,584,444	27,139,848	62%	2,011,572
2017	2019	44,632,978	26,980,442	60%	2,230,008
2018	2020	45,624,906	27,375,139	60%	2,450,724
2019	2021	46,552,955	27,827,546	60%	2,710,476
2020	2022	47,406,233	29,233,976	62%	2,923,056
<b>5.75% Assumed Interest Discount Rate and Future Annual Market Rate of Return</b>					
<b>NO 5-YEAR PHASE-IN</b>					
2015	2017	\$ 47,928,406	\$ 27,494,815	57%	\$ 2,375,412
2016	2018	49,096,255	26,878,124	55%	2,583,108
2017	2019	50,182,781	26,600,351	53%	2,836,776
2018	2020	51,200,560	27,308,237	53%	3,080,004
2019	2021	52,141,640	28,079,710	54%	3,373,152
2020	2022	52,994,792	29,733,854	56%	3,655,716

## Employer Contribution Details (Without a 5-year Phase-In) For the Fiscal Year Beginning October 1, 2017

Table 1

Division	Amort. Period for Unfund. Liab. <sup>4,5</sup>	Employer Contributions <sup>1</sup>			Blended Employer Contribut. <sup>6</sup>	Employee Contribution Rate	Employee Contribut. Conversion Factor <sup>2</sup>
		Normal Cost	Unfunded Accrued Liability	Total Computed Employer Contribut.			
<b>Percentage of Payroll</b>							
01 - Circuit Crt Empl	10	-	-	-		0.50%	
02 - Sheriff	14	-	-	-		0.50%	
10 - General AFSCME	16	-	-	-		0.50%	
11 - Elected Dept Hds	13	-	-	-		0.00%	
12 - Dist Crt Empls	10	-	-	-		0.50%	
13 - Probate Crt Empl	16	-	-	-		0.50%	
14 - NonUn Contract EE	21	-	-	-		0.00%	
20 - Rd Patrol Deputy	18	-	-	-		1.00%	
<b>Estimated Monthly Contribution<sup>3</sup></b>							
01 - Circuit Crt Empl	10	\$ 3,361	\$ 4,996	\$ 8,357			
02 - Sheriff	14	5,701	9,780	15,481			
10 - General AFSCME	16	3,899	12,901	16,800			
11 - Elected Dept Hds	13	1,816	31,972	33,788			
12 - Dist Crt Empls	10	1,470	4,167	5,637			
13 - Probate Crt Empl	16	4,093	9,134	13,227			
14 - NonUn Contract EE	21	0	3,355	3,355			
20 - Rd Patrol Deputy	18	8,236	7,032	15,268			
<b>Total Municipality</b>		<b>\$ 28,576</b>	<b>\$ 83,337</b>	<b>\$ 111,913</b>			
<b>Estimated Annual Contribution<sup>3</sup></b>		<b>\$ 342,912</b>	<b>\$ 1,000,044</b>	<b>\$ 1,342,956</b>			

<sup>1</sup> The above employer contribution requirements are in addition to the employee contributions, if any.

<sup>2</sup> If employee contributions are increased/decreased by 1.00% of pay, the employer contribution requirement will decrease/increase by the Employee Contribution Conversion Factor. The conversion factor is usually under 1%, because employee contributions may be refunded at termination of employment, and not used to fund retirement pensions. Employer contributions will all be used to fund pensions.

<sup>3</sup> For divisions that are open to new hires, estimated contributions are based on projected fiscal year payroll. Actual contributions will be based on actual reported monthly pays, and will be different from the above amounts. For divisions that will have no new hires, invoices will be based on the above dollar amounts which are based on projected fiscal year payroll. See description of Open Divisions and Closed Divisions in the [Appendix](#).

<sup>4</sup> If projected assets exceed projected liabilities as of the beginning of the October 1, 2017 fiscal year, the negative unfunded accrued liability is amortized (spread) over 10 years. This amortization is used to reduce the employer contribution rate. Note that if the overfunding credit is larger than the normal cost, the full credit is shown above but the total contribution requirement is zero. This will cause the displayed normal cost and unfunded accrued liability contributions to not add across.

<sup>5</sup> If the division is closed to new hires, with new hires not covered by MERS Defined Benefit Plan or Hybrid Plan provisions, the amortization period will decrease as follows: Under Amortization Option A, the period will decrease by 2 years each valuation year, until it reaches 6 or 5 years. Then it decreases by 1 year each valuation year until the UAL is paid off. Under Amortization Option B, the period will decrease by 2 years each valuation year, until it reaches 16 or 15 years. Thereafter, the period will reduce by 1 year each valuation year, until the UAL is paid off. This will result in amortization payments that increase faster than the usual 3.75% each year. If the division is closed to new hires, with new hires (and transfers) covered by MERS Defined Benefit Plan or Hybrid Plan provisions, the standard open division amortization period will apply.

<sup>6</sup> For linked divisions, the employer will be invoiced the Total Required Employer Contribution rate shown above for each linked division (a contribution rate for the open division; a contribution dollar for the closed-but-linked division), unless the employer elects to contribute the Blended Employer Contribution rate shown above, by contacting MERS at 800-767-2308.

**Note** that the Employer Contribution Details shown in Table 1 do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 1 above. The contribution requirements including the 5-year phase-in are shown on page 8.

**Please see the Comments on Asset Smoothing.**

## Benefit Provisions

### Table 2

#### 01 - Circuit Crt Empl: Closed to new hires

	2015 Valuation	2014 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	10 years	10 years
Early Retirement (Unreduced):	55/20	55/20
Early Retirement (Reduced):	50/25	50/25
	55/15	55/15
Final Average Compensation:	3 years	3 years
COLA for Future Retirees:	2.50% (Non-Compound)	2.50% (Non-Compound)
Employee Contributions:	0.50%	0.50%
RS50% Percentage:	50%	50%
DC Plan for New Hires:	1/1/2007	1/1/2007
Act 88:	Yes (Adopted 10/9/1967)	Yes (Adopted 10/9/1967)

#### 02 - Sheriff: Closed to new hires

	2015 Valuation	2014 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	10 years	10 years
Early Retirement (Unreduced):	25 and Out	25 and Out
Early Retirement (Reduced):	55/15	55/15
Final Average Compensation:	5 years	5 years
COLA for Future Retirees:	2.50% (Non-Compound)	2.50% (Non-Compound)
Employee Contributions:	0.50%	0.50%
DC Plan for New Hires:	4/1/2008	4/1/2008
Act 88:	Yes (Adopted 10/9/1967)	Yes (Adopted 10/9/1967)

#### 10 - General AFSCME: Closed to new hires

	2015 Valuation	2014 Valuation
Benefit Multiplier:	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
Normal Retirement Age:	60	60
Vesting:	10 years	10 years
Early Retirement (Unreduced):	55/15	55/15
Early Retirement (Reduced):	50/25	50/25
Final Average Compensation:	3 years	3 years
COLA for Future Retirees:	2.50% (Non-Compound)	2.50% (Non-Compound)
Employee Contributions:	0.50%	0.50%
RS50% Percentage:	50%	50%
DC Plan for New Hires:	1/1/2010	1/1/2010
Act 88:	Yes (Adopted 10/9/1967)	Yes (Adopted 10/9/1967)

Table 2 (continued)

<b>11 - Elected Dept Hds: Closed to new hires</b>		
	<b>2015 Valuation</b>	<b>2014 Valuation</b>
<b>Benefit Multiplier:</b>	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	55/15	55/15
<b>Early Retirement (Reduced):</b>	50/25	50/25
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	0%	0%
<b>RS50% Percentage:</b>	50%	50%
<b>DC Plan for New Hires:</b>	1/1/2007	1/1/2007
<b>Act 88:</b>	Yes (Adopted 10/9/1967)	Yes (Adopted 10/9/1967)
<b>12 - Dist Crt Empls: Closed to new hires</b>		
	<b>2015 Valuation</b>	<b>2014 Valuation</b>
<b>Benefit Multiplier:</b>	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	55/20	55/20
<b>Early Retirement (Reduced):</b>	50/25	50/25
	55/15	55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	0.50%	0.50%
<b>RS50% Percentage:</b>	50%	50%
<b>DC Plan for New Hires:</b>	1/1/2007	1/1/2007
<b>Act 88:</b>	Yes (Adopted 10/9/1967)	Yes (Adopted 10/9/1967)
<b>13 - Probate Crt Empl: Closed to new hires</b>		
	<b>2015 Valuation</b>	<b>2014 Valuation</b>
<b>Benefit Multiplier:</b>	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	50/25	50/25
	55/20	55/20
<b>Early Retirement (Reduced):</b>	55/15	55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	0.50%	0.50%
<b>RS50% Percentage:</b>	50%	50%
<b>DC Plan for New Hires:</b>	7/1/2010	7/1/2010
<b>Act 88:</b>	Yes (Adopted 10/9/1967)	Yes (Adopted 10/9/1967)

**Table 2 (continued)****14 - NonUn Contract EE: Closed to new hires**

	<b>2015 Valuation</b>	<b>2014 Valuation</b>
<b>Benefit Multiplier:</b>	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	55/15 25 and Out	55/15 25 and Out
<b>Early Retirement (Reduced):</b>	-	-
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	0%	0%
<b>RS50% Percentage:</b>	50%	50%
<b>DC Plan for New Hires:</b>	3/1/2015	
<b>Act 88:</b>	No	No

**20 - Rd Patrol Deputy: Closed to new hires**

	<b>2015 Valuation</b>	<b>2014 Valuation</b>
<b>Benefit Multiplier:</b>	2.50% Multiplier (80% max)	2.50% Multiplier (80% max)
<b>Normal Retirement Age:</b>	60	60
<b>Vesting:</b>	10 years	10 years
<b>Early Retirement (Unreduced):</b>	50/25	50/25
<b>Early Retirement (Reduced):</b>	55/15	55/15
<b>Final Average Compensation:</b>	3 years	3 years
<b>COLA for Future Retirees:</b>	2.50% (Non-Compound)	2.50% (Non-Compound)
<b>Employee Contributions:</b>	1%	1%
<b>DC Plan for New Hires:</b>	7/1/2012	7/1/2012
<b>Act 88:</b>	Yes (Adopted 10/9/1967)	Yes (Adopted 10/9/1967)

## Participant Summary

**Table 3**

Division	2015 Valuation		2014 Valuation		2015 Valuation		
	Number	Annual Payroll <sup>1</sup>	Number	Annual Payroll <sup>1</sup>	Average Age	Average Benefit Service <sup>2</sup>	Average Eligibility Service <sup>2</sup>
<b>01 - Circuit Crt Empl</b>							
Active Employees	8	\$ 292,436	8	\$ 282,493	50.6	18.8	18.8
Vested Former Employees	1	8,913	1	8,913	39.9	12.8	15.7
Retirees and Beneficiaries	18	95,438	18	94,237	84.2		
<b>02 - Sheriff</b>							
Active Employees	10	\$ 468,716	10	\$ 446,760	44.3	14.3	14.5
Vested Former Employees	2	6,984	2	6,984	56.1	7.2	11.6
Retirees and Beneficiaries	10	175,958	10	184,150	64.3		
<b>10 - General AFSCME</b>							
Active Employees	10	\$ 377,350	10	\$ 365,122	55.6	18.7	18.7
Vested Former Employees	3	25,423	3	25,423	50.7	13.7	14.4
Retirees and Beneficiaries	29	536,895	29	533,731	66.9		
<b>11 - Elected Dept Hds</b>							
Active Employees	4	\$ 237,642	5	\$ 293,804	60.7	19.5	19.8
Vested Former Employees	4	53,899	3	35,798	54.7	9.6	21.9
Retirees and Beneficiaries	34	785,468	35	787,992	70.7		
<b>12 - Dist Crt Empls</b>							
Active Employees	4	\$ 132,412	4	\$ 126,488	52.3	23.8	23.8
Vested Former Employees	2	10,388	2	10,388	43.8	5.8	15.8
Retirees and Beneficiaries	8	110,985	8	108,544	68.6		
<b>13 - Probate Crt Empl</b>							
Active Employees	6	\$ 288,564	6	\$ 282,169	38.2	12.5	12.5
Vested Former Employees	2	19,595	2	19,595	52.3	10.0	11.9
Retirees and Beneficiaries	6	140,614	6	137,867	71.2		
<b>14 - NonUn Contract EE</b>							
Active Employees	0	\$ 0	1	\$ 86,000	0.0	0.0	0.0
Vested Former Employees	0	0	0	0	0.0	0.0	0.0
Retirees and Beneficiaries	3	155,723	2	81,738	56.9		
<b>20 - Rd Patrol Deputy</b>							
Active Employees	10	\$ 613,180	11	\$ 625,965	40.2	15.3	15.5
Vested Former Employees	3	60,204	3	60,204	44.1	15.3	15.9
Retirees and Beneficiaries	4	145,938	3	110,843	60.7		
<b>Total Municipality</b>							
Active Employees	52	\$ 2,410,300	55	\$ 2,508,801	47.8	17.0	17.1
Vested Former Employees	17	185,406	16	167,305	49.9	10.8	16.1
Retirees and Beneficiaries	<u>112</u>	<u>2,147,019</u>	<u>111</u>	<u>2,039,102</u>	<u>70.5</u>		
<b>Total Participants</b>	<b>181</b>		<b>182</b>				

<sup>1</sup> Annual payroll for active employees; annual deferred benefits payable for vested former employees; annual benefits being paid for retirees and beneficiaries.

<sup>2</sup> Description can be found under Miscellaneous and Technical Assumptions in the [Appendix](#).

## Reported Assets (Market Value)

**Table 4**

Division	2015 Valuation		2014 Valuation	
	Employer and Retiree <sup>1</sup>	Employee <sup>2</sup>	Employer and Retiree <sup>1</sup>	Employee <sup>2</sup>
01 - Circuit Crt EmPLY	\$ 1,780,733	\$ 5,671	\$ 1,683,848	\$ 4,181
02 - Sheriff	2,455,549	26,441	2,544,092	23,955
10 - General AFSCME	6,085,546	57,236	6,607,808	40,581
11 - Elected Dept Hds	6,072,120	107	6,667,180	106
12 - Dist Crt EmPLYs	1,645,638	2,741	1,762,825	2,066
13 - Probate Crt EmPLY	1,180,165	4,609	1,232,597	3,146
14 - NonUn Contract EE	1,453,921	0	1,557,924	12,083
20 - Rd Patrol Deputy	3,382,725	63,154	3,391,388	68,745
<b>Municipality Total</b>	<b>\$ 24,056,397</b>	<b>\$ 159,959</b>	<b>\$ 25,447,662</b>	<b>\$ 154,863</b>
<b>Combined Reserves</b>	<b>\$ 24,216,356</b>		<b>\$ 25,602,525</b>	

<sup>1</sup> Reserve for Employer Contributions and Benefit Payments

<sup>2</sup> Reserve for Employee Contributions

The December 31, 2015 valuation assets are equal to 1.135382 times the reported market value of assets (compared to 1.059937 as of December 31, 2014). The derivation of valuation assets is described, and detailed calculations of valuation assets are shown, in the [Appendix](#).

**Flow of Valuation Assets**

**Table 5**

Year Ended 12/31	Employer Contributions		Employee Contributions	Investment Income	Benefit Payments	Employee Contribution Refunds	Net Transfers	Valuation Asset Balance
	Required	Additional						
2005	\$ 840,019		\$ 0	\$ 909,891	\$ (759,620)	\$ 0	\$ 0	\$ 14,969,735
2006	1,683,437		0	1,220,153	(836,658)	(2,972)	0	17,033,695
2007	1,526,247		16,149	1,380,255	(925,080)	0	(86,801)	18,944,465
2008	1,735,568		0	998,272	(967,980)	0	0	20,710,325
2009	1,903,730		0	1,408,325	(1,051,280)	0	15,996	22,987,096
2010	1,003,028		0	1,329,417	(1,142,119)	0	(17,252)	24,160,170
2011	870,546	\$ 82,811	0	1,282,854	(1,298,302)	(123)	72,309	25,170,265
2012	775,448	120,965	10,603	1,149,061	(1,561,902)	0	40,637	25,705,077
2013	755,997	37,837	15,598	1,513,057	(1,704,458)	0	159,702	26,482,810
2014	790,400	241,187	14,109	1,501,981	(1,915,054)	0	21,630	27,137,063
2015	869,114	225,869	14,046	1,313,955	(2,079,786)	0	14,554	27,494,815

**Notes:**

Transfers in and out are usually related to the transfer of participants between municipalities, and to employer and employee payments for service credit purchases (if any) that the governing body has approved.

Additional employer contributions, if any, are shown separately starting in 2011. Prior to 2011, additional contributions are combined with the required employer contributions.

In the actuarial valuation additional employer contributions are combined with required contributions and used to reduce computed future required employer contributions.

The investment income column reflects the recognized investment income based on the smoothed value of assets. It does not reflect the market value investment return in any given year.

## Actuarial Accrued Liabilities and Valuation Assets As of December 31, 2015

Table 6

Division	Actuarial Accrued Liability	Valuation Assets <sup>1</sup>	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
<b>01 - Circuit Crt Empl</b>				
Active Employees	\$ 1,653,981	\$ 1,173,527	71.0%	\$ 480,454
Vested Former Employees	26,162	26,162	100.0%	0
Retirees And Beneficiaries	828,502	828,502	100.0%	0
Pending Refunds	<u>60</u>	<u>60</u>	100.0%	<u>0</u>
<b>Total</b>	<b>\$ 2,508,705</b>	<b>\$ 2,028,251</b>	<b>80.8%</b>	<b>\$ 480,454</b>
<b>02 - Sheriff</b>				
Active Employees	\$ 1,756,907	\$ 548,480	31.2%	\$ 1,208,427
Vested Former Employees	58,881	58,881	100.0%	0
Retirees And Beneficiaries	2,210,646	2,210,646	100.0%	0
Pending Refunds	<u>0</u>	<u>0</u>	0.0%	<u>0</u>
<b>Total</b>	<b>\$ 4,026,434</b>	<b>\$ 2,818,007</b>	<b>70.0%</b>	<b>\$ 1,208,427</b>
<b>10 - General AFSCME</b>				
Active Employees	\$ 2,058,641	\$ 353,845	17.2%	\$ 1,704,796
Vested Former Employees	187,105	187,105	100.0%	0
Retirees And Beneficiaries	6,433,174	6,433,174	100.0%	0
Pending Refunds	<u>280</u>	<u>280</u>	100.0%	<u>0</u>
<b>Total</b>	<b>\$ 8,679,200</b>	<b>\$ 6,974,404</b>	<b>80.4%</b>	<b>\$ 1,704,796</b>
<b>11 - Elected Dept Hds</b>				
Active Employees	\$ 1,302,321	\$ 0	0.0%	\$ 1,302,321
Vested Former Employees	529,416	107	0.0%	529,309
Retirees And Beneficiaries	8,963,345	6,894,190	76.9%	2,069,155
Pending Refunds	<u>0</u>	<u>0</u>	0.0%	<u>0</u>
<b>Total</b>	<b>\$ 10,795,082</b>	<b>\$ 6,894,297</b>	<b>63.9%</b>	<b>\$ 3,900,785</b>
<b>12 - Dist Crt Empl</b>				
Active Employees	\$ 968,982	\$ 589,959	60.9%	\$ 379,023
Vested Former Employees	34,239	34,239	100.0%	0
Retirees And Beneficiaries	1,247,342	1,247,342	100.0%	0
Pending Refunds	<u>0</u>	<u>0</u>	0.0%	<u>0</u>
<b>Total</b>	<b>\$ 2,250,563</b>	<b>\$ 1,871,540</b>	<b>83.2%</b>	<b>\$ 379,023</b>
<b>13 - Probate Crt Empl</b>				
Active Employees	\$ 1,001,949	\$ 4,609	0.5%	\$ 997,340
Vested Former Employees	142,901	0	0.0%	142,901
Retirees And Beneficiaries	1,449,282	1,340,562	92.5%	108,720
Pending Refunds	<u>0</u>	<u>0</u>	0.0%	<u>0</u>
<b>Total</b>	<b>\$ 2,594,132</b>	<b>\$ 1,345,171</b>	<b>51.9%</b>	<b>\$ 1,248,961</b>

**Table 6 (continued)**

<b>Division</b>	<b>Actuarial Accrued Liability</b>	<b>Valuation Assets<sup>1</sup></b>	<b>Percent Funded</b>	<b>Unfunded (Overfunded) Accrued Liabilities</b>
<b>14 - NonUn Contract EE</b>				
Active Employees	\$ 0	\$ 0	0.0%	\$ 0
Vested Former Employees	0	0	0.0%	0
Retirees And Beneficiaries	2,191,996	1,650,756	75.3%	541,240
Pending Refunds	0	0	0.0%	0
<b>Total</b>	<b>\$ 2,191,996</b>	<b>\$ 1,650,756</b>	<b>75.3%</b>	<b>\$ 541,240</b>
<b>20 - Rd Patrol Deputy</b>				
Active Employees	\$ 2,688,283	\$ 1,713,009	63.7%	\$ 975,274
Vested Former Employees	257,743	257,743	100.0%	0
Retirees And Beneficiaries	1,941,637	1,941,637	100.0%	0
Pending Refunds	0	0	0.0%	0
<b>Total</b>	<b>\$ 4,887,663</b>	<b>\$ 3,912,389</b>	<b>80.0%</b>	<b>\$ 975,274</b>
<b>Total Municipality</b>				
<b>Active Employees</b>	<b>\$ 11,431,064</b>	<b>\$ 4,383,429</b>	<b>38.3%</b>	<b>\$ 7,047,635</b>
<b>Vested Former Employees</b>	<b>1,236,447</b>	<b>564,237</b>	<b>45.6%</b>	<b>672,210</b>
<b>Retirees and Beneficiaries</b>	<b>25,265,924</b>	<b>22,546,809</b>	<b>89.2%</b>	<b>2,719,115</b>
<b>Pending Refunds</b>	<b>340</b>	<b>340</b>	<b>100.0%</b>	<b>0</b>
<b>Total Participants</b>	<b>\$ 37,933,775</b>	<b>\$ 27,494,815</b>	<b>72.5%</b>	<b>\$ 10,438,960</b>

<sup>1</sup> Includes both employer and employee assets.

**Please see the Comments on Asset Smoothing.**

See the MERS Fiscal Responsibility Policy on the MERS website at:

[http://www.mersofmich.com/Portals/0/Assets/PageResources/MERS/PlanDocument/Pension/MERSPlanDocument\\_Section46.pdf](http://www.mersofmich.com/Portals/0/Assets/PageResources/MERS/PlanDocument/Pension/MERSPlanDocument_Section46.pdf).

## Actuarial Accrued Liabilities - Comparative Schedule

**Table 7**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2001	\$ 14,835,801	\$ 11,123,989	75%	\$ 3,711,812
2002	16,653,992	11,803,299	71%	4,850,693
2003	18,167,008	12,945,707	71%	5,221,301
2004	20,362,065	13,979,445	69%	6,382,620
2005	21,715,339	14,969,735	69%	6,745,604
2006	23,078,161	17,033,695	74%	6,044,466
2007	24,621,483	18,944,465	77%	5,677,018
2008	26,010,084	20,710,325	80%	5,299,759
2009	26,973,093	22,987,096	85%	3,985,997
2010	28,419,546	24,160,170	85%	4,259,376
2011	30,119,827	25,170,265	84%	4,949,562
2012	31,523,080	25,705,077	82%	5,818,003
2013	32,738,759	26,482,810	81%	6,255,949
2014	34,490,226	27,137,063	79%	7,353,163
2015	37,933,775	27,494,815	73%	10,438,960

Notes: Actuarial assumptions were revised for the 2004, 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

## Division 01 - Circuit Crt Empl

### Table 8-01: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 1,336,625	\$ 1,046,066	78%	\$ 290,559
2006	1,424,296	1,206,964	85%	217,332
2007	1,574,876	1,368,937	87%	205,939
2008	1,699,315	1,479,062	87%	220,253
2009	1,730,523	1,569,926	91%	160,597
2010	1,836,896	1,442,602	79%	394,294
2011	1,865,611	1,518,267	81%	347,344
2012	1,967,185	1,593,139	81%	374,046
2013	2,014,988	1,702,186	85%	312,802
2014	2,210,022	1,789,204	81%	420,818
2015	2,508,705	2,028,251	81%	480,454

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

### Table 9-01: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	13	\$ 335,842	16.93%	0.00%
2006	12	320,177	16.39%	0.00%
2007	13	365,756	\$ 4,698	0.00%
2008	12	344,737	\$ 5,412	0.00%
2009	12	362,556	\$ 5,171	0.00%
2010	12	365,422	\$ 6,697	0.00%
2011	9	287,050	\$ 5,418	0.00%
2012	9	297,018	\$ 5,864	0.50%
2013	8	266,398	\$ 5,207	0.50%
2014	8	282,493	\$ 6,926	0.50%
2015	8	292,436	\$ 8,357	0.50%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## Division 02 - Sheriff

### Table 8-02: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 2,254,243	\$ 1,468,357	65%	\$ 785,886
2006	2,465,838	1,683,741	68%	782,097
2007	2,606,547	1,887,088	72%	719,459
2008	2,724,989	2,033,228	75%	691,761
2009	2,804,149	2,146,651	77%	657,498
2010	2,713,477	2,247,531	83%	465,946
2011	3,062,945	2,444,683	80%	618,262
2012	3,258,369	2,551,347	78%	707,022
2013	3,424,643	2,629,154	77%	795,489
2014	3,603,020	2,721,968	76%	881,052
2015	4,026,434	2,818,007	70%	1,208,427

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

### Table 9-02: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	15	\$ 581,720	18.95%	0.00%
2006	14	570,215	19.10%	0.00%
2007	14	554,921	18.61%	0.00%
2008	13	551,810	\$ 10,256	0.00%
2009	12	513,854	\$ 9,390	0.00%
2010	12	540,239	\$ 8,611	0.00%
2011	11	494,239	\$ 9,332	0.00%
2012	10	456,846	\$ 9,716	0.50%
2013	10	448,441	\$ 10,644	0.50%
2014	10	446,760	\$ 11,923	0.50%
2015	10	468,716	\$ 15,481	0.50%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## Division 10 - General AFSCME

### Table 8-10: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 4,555,368	\$ 3,119,296	68%	\$ 1,436,072
2006	4,961,622	3,705,820	75%	1,255,802
2007	5,408,788	4,230,975	78%	1,177,813
2008	5,718,768	4,875,916	85%	842,852
2009	5,902,639	6,025,188	102%	(122,549)
2010	6,422,655	6,493,604	101%	(70,949)
2011	6,971,517	6,799,235	98%	172,282
2012	7,409,239	6,875,972	93%	533,267
2013	7,766,417	6,986,029	90%	780,388
2014	8,090,573	7,046,873	87%	1,043,700
2015	8,679,200	6,974,404	80%	1,704,796

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

### Table 9-10: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	32	\$ 975,244	21.21%	0.00%
2006	32	970,323	21.01%	0.00%
2007	31	937,242	21.09%	0.00%
2008	31	965,270	19.64%	0.00%
2009	31	999,486	13.17%	0.00%
2010	28	963,690	\$ 8,985	0.00%
2011	19	673,475	\$ 7,900	0.00%
2012	18	669,390	\$ 9,918	0.50%
2013	12	452,709	\$ 9,266	0.50%
2014	10	365,122	\$ 10,589	0.50%
2015	10	377,350	\$ 16,800	0.50%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## Division 11 - Elected Dept Hds

### Table 8-11: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 7,977,831	\$ 5,728,089	72%	\$ 2,249,742
2006	8,371,181	6,224,686	74%	2,146,495
2007	8,550,985	6,598,848	77%	1,952,137
2008	8,853,804	6,831,175	77%	2,022,629
2009	9,184,391	7,135,162	78%	2,049,229
2010	9,493,722	7,419,010	78%	2,074,712
2011	9,750,572	7,406,001	76%	2,344,571
2012	9,895,697	7,232,135	73%	2,663,562
2013	9,958,656	7,142,962	72%	2,815,694
2014	10,319,938	7,066,903	69%	3,253,035
2015	10,795,082	6,894,297	64%	3,900,785

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

### Table 9-11: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	25	\$ 1,004,724	25.94%	0.00%
2006	23	1,035,650	25.88%	0.00%
2007	16	762,220	\$ 16,481	0.00%
2008	15	733,905	\$ 18,296	0.00%
2009	13	663,784	\$ 17,705	0.00%
2010	9	522,211	\$ 17,020	0.00%
2011	8	457,740	\$ 19,648	0.00%
2012	8	472,241	\$ 23,580	0.00%
2013	6	365,214	\$ 25,127	0.00%
2014	5	293,804	\$ 30,899	0.00%
2015	4	237,642	\$ 33,788	0.00%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## Division 12 - Dist Crt Empls

### Table 8-12: Actuarial Accrued Liabilities - Comparative Schedule

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 1,135,780	\$ 969,766	85%	\$ 166,014
2006	1,191,927	1,125,536	94%	66,391
2007	1,358,376	1,306,853	96%	51,523
2008	1,473,127	1,439,112	98%	34,015
2009	1,511,076	1,572,185	104%	(61,109)
2010	1,558,257	1,702,968	109%	(144,711)
2011	1,737,897	1,783,031	103%	(45,134)
2012	1,795,073	1,822,743	102%	(27,670)
2013	1,958,280	1,845,698	94%	112,582
2014	2,027,958	1,870,673	92%	157,285
2015	2,250,563	1,871,540	83%	379,023

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

### Table 9-12: Computed Employer Contributions - Comparative Schedule

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	9	\$ 260,505	15.79%	0.00%
2006	9	261,120	13.73%	0.00%
2007	9	277,849	\$ 2,945	0.00%
2008	9	287,187	\$ 3,333	0.00%
2009	9	296,380	\$ 2,354	0.00%
2010	9	299,945	\$ 1,409	0.00%
2011	8	258,038	\$ 2,392	0.00%
2012	6	182,838	\$ 1,544	0.50%
2013	4	127,244	\$ 2,317	0.50%
2014	4	126,488	\$ 2,843	0.50%
2015	4	132,412	\$ 5,637	0.50%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## Division 13 - Probate Crt Empl

**Table 8-13: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 1,626,878	\$ 784,023	48%	\$ 842,855
2006	1,578,930	881,038	56%	697,892
2007	1,651,525	977,997	59%	673,528
2008	1,734,040	1,053,441	61%	680,599
2009	1,807,266	1,121,764	62%	685,502
2010	1,866,321	1,165,281	62%	701,040
2011	1,962,485	1,208,979	62%	753,506
2012	2,149,787	1,248,559	58%	901,228
2013	2,208,725	1,268,311	57%	940,414
2014	2,316,885	1,309,810	57%	1,007,075
2015	2,594,132	1,345,171	52%	1,248,961

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

**Table 9-13: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	8	\$ 288,189	26.27%	0.00%
2006	8	285,719	23.75%	0.00%
2007	8	301,675	22.96%	0.00%
2008	8	309,374	24.93%	0.00%
2009	8	325,405	25.14%	0.00%
2010	7	299,286	\$ 7,101	0.00%
2011	7	304,232	\$ 7,793	0.00%
2012	6	275,616	\$ 8,712	0.50%
2013	6	281,907	\$ 9,375	0.50%
2014	6	282,169	\$ 10,312	0.50%
2015	6	288,564	\$ 13,227	0.50%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## Division 14 - NonUn Contract EE

**Table 8-14: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 876,065	\$ 497,212	57%	\$ 378,853
2006	955,994	613,522	64%	342,472
2007	1,066,054	720,040	68%	346,014
2008	1,107,935	914,695	83%	193,240
2009	1,182,705	1,115,532	94%	67,173
2010	1,366,429	1,198,767	88%	167,662
2011	1,451,325	1,269,639	88%	181,686
2012	1,513,232	1,363,291	90%	149,941
2013	1,795,076	1,614,556	90%	180,520
2014	1,826,904	1,664,109	91%	162,795
2015	2,191,996	1,650,756	75%	541,240

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

**Table 9-14: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	3	\$ 132,439	26.55%	0.00%
2006	3	141,045	24.56%	0.00%
2007	2	100,694	31.00%	0.00%
2008	2	103,937	24.86%	0.00%
2009	2	112,429	18.22%	0.00%
2010	2	136,163	22.46%	0.00%
2011	2	138,733	23.60%	0.00%
2012	2	142,535	22.50%	0.00%
2013	1	85,898	28.50%	0.00%
2014	1	86,000	26.77%	0.00%
2015	0	0	\$ 3,355	0.00%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do not reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## Division 20 - Rd Patrol Deputy

**Table 8-20: Actuarial Accrued Liabilities - Comparative Schedule**

Valuation Date December 31	Actuarial Accrued Liability	Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
2005	\$ 1,952,549	\$ 1,356,926	69%	\$ 595,623
2006	2,128,373	1,592,388	75%	535,985
2007	2,404,332	1,853,727	77%	550,605
2008	2,698,106	2,083,696	77%	614,410
2009	2,850,344	2,300,688	81%	549,656
2010	3,161,789	2,490,407	79%	671,382
2011	3,317,475	2,740,430	83%	577,045
2012	3,534,498	3,017,891	85%	516,607
2013	3,611,974	3,293,914	91%	318,060
2014	4,094,926	3,667,523	90%	427,403
2015	4,887,663	3,912,389	80%	975,274

Notes: Actuarial assumptions were revised for the 2008, 2009, 2010, 2011, 2012 and 2015 actuarial valuations.

**Table 9-20: Computed Employer Contributions - Comparative Schedule**

Valuation Date December 31	Active Employees		Computed Employer Contribution <sup>1</sup>	Employee Contribution Rate <sup>2</sup>
	Number	Annual Payroll		
2005	13	\$ 529,762	17.42%	0.00%
2006	14	606,352	16.02%	0.00%
2007	15	689,423	15.59%	0.00%
2008	15	726,175	18.98%	0.00%
2009	15	756,676	18.61%	0.00%
2010	14	718,976	19.82%	0.00%
2011	13	665,146	20.11%	0.00%
2012	13	670,337	\$ 10,738	1.00%
2013	11	570,305	\$ 8,432	1.00%
2014	11	625,965	\$ 10,341	1.00%
2015	10	613,180	\$ 15,268	1.00%

<sup>1</sup> For open divisions, a percent of pay contribution is shown. For closed divisions, a monthly dollar contribution is shown.

<sup>2</sup> For each valuation year, the computed employer contribution is based on the employee rate. If the employee rate changes during the applicable fiscal year, the computed employer contribution will be adjusted.

**Note:** The contributions shown in Table 9 for the 12/31/2015 valuation do **not** reflect phase-in over 5 fiscal years (beginning in 2017) of the increased contribution requirements associated with the new actuarial assumptions. The full contribution without phase-in is shown in Table 9 above. The contribution requirements including the 5-year phase-in are shown on page 8.

See the Benefit Provision History on page 35 for past benefit provision changes.

## GASB 68 Information

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The following information has been prepared to provide some of the information necessary to complete GASB Statement No. 68 disclosures. Statement 68 is effective for fiscal years beginning after June 15, 2014. Additional resources, including an Implementation Guide, are available at [www.mersofmich.com](http://www.mersofmich.com).

Actuarial Valuation Date:	12/31/2015
Measurement Date of Total Pension Liability (TPL):	12/31/2015

At 12/31/2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits:	112
Inactive employees entitled to but not yet receiving benefits:	17
Active employees:	<u>52</u>
	181

Total Pension Liability as of 12/31/2014 measurement date:	\$ 33,597,299
Total Pension Liability as of 12/31/2015 measurement date:	\$ 36,921,676
Service Cost for the year ending on the 12/31/2015 measurement date:	\$ 355,421

Change in the Total Pension Liability due to:

- Benefit changes <sup>1</sup> :	\$ 0
- Differences between expected and actual experience <sup>2</sup> :	\$ 376,689
- Changes in assumptions <sup>2</sup> :	\$ 1,971,406

<sup>1</sup> A change in liability due to benefit changes is immediately recognized when calculating pension expense for the year.

<sup>2</sup> Changes in liability due to differences between actual and expected experience, and changes in assumptions, are recognized in pension expense over the average remaining service lives of all employees.

Average expected remaining service lives of all employees (active and inactive):	2
Covered employee payroll: (Needed for Required Supplementary Information)	\$ 2,410,300

Sensitivity of the Net Pension Liability to changes in the discount rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Change in Net Pension Liability as of 12/31/2015:	\$ 4,334,048	-	\$ (3,637,926)

Note: The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes it is net of administrative expenses.

## Benefit Provision History

The following benefit provision history is provided by MERS. Any corrections to this history or discrepancies between this information and information displayed elsewhere in the valuation report should be reported to MERS. All provisions are listed by date of adoption.

### 01 - Circuit Crt Empl

1/1/2012	Member Contribution Rate 0.50%
1/1/2007	DC Adoption Date 01-01-2007
10/1/2004	Benefit FAC-3 (3 Year Final Average Compensation)
12/1/2002	Benefit RS 50 (50% Post-Ret. Spouse Benefits)
9/1/2001	Benefit B-4 (80% max)
1/1/1999	Day of work defined as 8 Hours a Day for All employees.
1/1/1999	Day of work defined as 10 Hours a Month for Commissioners employees.
4/1/1996	Benefit B-2
4/1/1996	Benefit F55 (With 20 Years of Service)
3/6/1996	Exclude Temporary Employees
1/1/1991	E2 2.5% COLA for future retirees (05/01/1990)
4/1/1987	Member Contribution Rate 0.00%
1/1/1979	Benefit C-2/Base B-1
1/1/1969	Benefit C-1 (Old)
10/9/1967	Covered by Act 88
1/1/1967	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/1967	10 Year Vesting
1/1/1967	Benefit C (Old)
1/1/1967	Member Contribution Rate 3.00% Under \$4,200.00 - Then 5.00%
	Fiscal Month - January

### 02 - Sheriff

1/1/2012	Member Contribution Rate 0.50%
4/1/2008	DC Adoption Date 04-01-2008
10/1/2002	25 Years & Out
2/1/1999	Day of work defined as 8 Hours a Day for All employees.
2/1/1999	Day of work defined as 10 Hours a Month for Commissioners employees.
3/6/1996	Exclude Temporary Employees
1/1/1993	E2 2.5% COLA for future retirees (10/01/1992)
10/1/1990	Benefit B-4 (80% max)
9/1/1989	Benefit F55 (With 20 Years of Service)
1/1/1986	Member Contribution Rate 0.00%
1/1/1979	Benefit C-2/Base B-1
1/1/1969	Benefit C-1 (Old)
10/9/1967	Covered by Act 88
1/1/1967	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/1967	10 Year Vesting
1/1/1967	Benefit C (Old)
1/1/1967	Member Contribution Rate 3.00% Under \$4,200.00 - Then 5.00%
	Fiscal Month - January

**10 - General AFSCME**

4/1/2014	Temporary Eligible at Age 52 (With 18 Years of Service) (04/01/2014 - 05/31/2014)
4/1/2012	Member Contribution Rate 0.50%
11/1/2011	Temporary Benefit F50 (With 25 Years of Service) (11/01/2011 - 12/31/2011)
1/1/2010	DC Adoption Date 01-01-2010
4/1/2006	Benefit FAC-3 (3 Year Final Average Compensation)
11/1/2004	Non Standard Compensation Definition
4/1/2002	Benefit RS 50 (50% Post-Ret. Spouse Benefits)
4/1/2002	Benefit F55 (With 15 Years of Service)
3/1/1999	Benefit B-4 (80% max)
2/1/1999	Day of work defined as 8 Hours a Day for All employees.
2/1/1999	Day of work defined as 10 Hours a Month for Commissioners employees.
2/1/1997	Benefit F55 (With 20 Years of Service)
3/6/1996	Exclude Temporary Employees
2/1/1993	Benefit B-2
1/1/1992	E2 2.5% COLA for future retirees (02/01/1991)
11/1/1988	Member Contribution Rate 0.00%
1/1/1979	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/1979	10 Year Vesting
1/1/1979	Benefit C-2/Base B-1
10/9/1967	Covered by Act 88 Fiscal Month - January

**11 - Elected Dept Hds**

10/1/2010	Temporary 24 Years & Out (10/01/2010 - 12/31/2010)
1/1/2007	DC Adoption Date 01-01-2007
4/1/2002	Temporary 6 Year Vesting (04/01/2002 - 08/03/2002)
2/1/1999	Day of work defined as 8 Hours a Day for All employees.
2/1/1999	Day of work defined as 10 Hours a Month for Commissioners employees.
3/6/1996	Exclude Temporary Employees
1/1/1995	Benefit F55 (With 15 Years of Service)
1/1/1993	Benefit FAC-3 (3 Year Final Average Compensation)
1/1/1992	Benefit RS 50 (50% Post-Ret. Spouse Benefits)
1/1/1992	Benefit B-4 (80% max)
1/1/1991	E2 2.5% COLA for future retirees (01/01/1991)
1/1/1989	Member Contribution Rate 0.00%
1/1/1979	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/1979	10 Year Vesting
1/1/1979	Benefit C-2/Base B-1
1/1/1979	Member Contribution Rate 3.00% Under \$4,200.00 - Then 5.00%
10/9/1967	Covered by Act 88 Fiscal Month - January

**12 - Dist Crt Empls**

1/1/2012	Member Contribution Rate 0.50%
6/1/2007	Benefit RS 50 (50% Post-Ret. Spouse Benefits)

**12 - Dist Crt Empl**

1/1/2007	DC Adoption Date 01-01-2007
6/1/2004	Benefit FAC-3 (3 Year Final Average Compensation)
5/1/2002	Benefit F55 (With 20 Years of Service)
5/1/2001	Benefit B-4 (80% max)
2/1/1999	Day of work defined as 8 Hours a Day for All employees.
2/1/1999	Day of work defined as 10 Hours a Month for Commissioners employees.
3/6/1996	Exclude Temporary Employees
5/1/1992	Benefit B-2
1/1/1991	E2 2.5% COLA for future retirees (05/01/1990)
4/1/1987	Member Contribution Rate 0.00%
1/1/1979	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/1979	10 Year Vesting
1/1/1979	Benefit C-2/Base B-1
10/9/1967	Covered by Act 88
	Fiscal Month - January

**13 - Probate Crt Empl**

10/1/2012	Member Contribution Rate 0.50%
7/1/2010	DC Adoption Date 07-01-2010
2/1/2010	Benefit F50 (With 25 Years of Service)
1/1/2000	Benefit FAC-3 (3 Year Final Average Compensation)
1/1/2000	Benefit RS 50 (50% Post-Ret. Spouse Benefits)
1/1/2000	Benefit F55 (With 20 Years of Service)
2/1/1999	Day of work defined as 8 Hours a Day for All employees.
2/1/1999	Day of work defined as 10 Days a Month for All employees.
2/1/1999	Day of work defined as 10 Hours a Month for Commissioners employees.
9/1/1996	Benefit B-4 (80% max)
4/1/1996	10 Year Vesting
4/1/1996	Benefit B-2
3/6/1996	Exclude Temporary Employees
1/1/1992	Benefit RS 50 (50% Post-Ret. Spouse Benefits)
1/1/1992	Benefit B-4 (80% max)
1/1/1991	E2 2.5% COLA for future retirees (05/01/1990)
1/1/1979	Benefit FAC-5 (5 Year Final Average Compensation)
1/1/1979	6 Year Vesting
1/1/1979	Benefit C-2/Base B-1
1/1/1979	Member Contribution Rate 0.00%
10/9/1967	Covered by Act 88
	Fiscal Month - January

**14 - NonUn Contract EE**

3/1/2015	DC Adoption Date 03-01-2015
1/1/2006	E2 2.5% COLA for future retirees (10/01/2005)
10/1/2005	25 Years & Out
10/1/2005	Benefit FAC-3 (3 Year Final Average Compensation)

**14 - NonUn Contract EE**

10/1/2005	Benefit RS 50 (50% Post-Ret. Spouse Benefits)
10/1/2005	Exclude Temporary Employees
10/1/2005	10 Year Vesting
10/1/2005	Benefit B-4 (80% max)
10/1/2005	Benefit F55 (With 15 Years of Service)
10/1/2005	Member Contribution Rate 0.00%
10/1/2005	Day of work defined as 7 Hours a Day for All employees. Fiscal Month - January

**20 - Rd Patrol Deputy**

7/1/2012	DC Adoption Date 07-01-2012
10/1/2010	Member Contribution Rate 1.00%
10/1/2004	Benefit FAC-3 (3 Year Final Average Compensation)
1/1/2003	E2 2.5% COLA for future retirees (06/01/2002)
6/1/2002	Benefit FAC-5 (5 Year Final Average Compensation)
6/1/2002	10 Year Vesting
6/1/2002	Benefit B-4 (80% max)
6/1/2002	Benefit F50 (With 25 Years of Service)
6/1/2002	Member Contribution Rate 0.00%
10/9/1967	Covered by Act 88 Fiscal Month - January

## Plan Provisions, Actuarial Assumptions, and Actuarial Funding Method

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Details on MERS plan provisions, actuarial assumptions, and actuarial methodology can be found in the [Appendix](#). Some actuarial assumptions are specific to this municipality and its divisions. These are listed below.

### Increase in Final Average Compensation

Division	FAC Increase Assumption
All Divisions	3.00%

### Withdrawal Rate Scaling Factor

Division	Withdrawal Rate Scaling Factor
All Divisions	85%

### Miscellaneous and Technical Assumptions

Loads – None.

### Amortization Policy for Closed Divisions

Closed Division	Amortization Option
01 - Circuit Crt Empl	Option A
02 - Sheriff	Option B
10 - General AFSCME	Option A
11 - Elected Dept Hds	Option B
12 - Dist Crt Empl	Option A
13 - Probate Crt Empl	Option A
14 - NonUn Contract EE	Option B
20 - Rd Patrol Deputy	Option A

B3

APPRAISAL OF



Unimproved Real Property  
North 30<sup>th</sup> Street  
Escanaba, MI 49829

Effective Date  
May 20, 2016

For:  
Delta County  
310 Ludington Street  
Escanaba, MI 49829

By:  
Thomas D. Gilbert  
CERTIFIED GENERAL APPRAISER  
GILBERT & ASSOCIATES, INC.

**LETTER OF TRANSMITTAL**

May 23, 2016

Mr. Ryan Bergman  
Delta County  
310 Ludington Street  
Escanaba, MI 49829

RE: Appraisal of the unimproved real property, located at: North 30<sup>th</sup> Street,  
Escanaba, MI 49829.

Dear Mr. Bergman:

In accordance with your request, I have personally inspected the real property and have completed an appraisal of the Market Value, of the fee simple estate.

The enclosed report contains the descriptions, analysis, and supportive data for the conclusions and final opinion of value.

It is my opinion that the estimate of market value, of the real property, as existing, as of the effective date of May 20, 2016 is:

**Four Thousand Dollars (per acre)**  
**\$4,000**

If you should have any questions or concerns regarding any aspect of this report, please do not hesitate to contact me personally.

Respectfully,



Thomas D. Gilbert  
Certified General Appraiser  
Gilbert & Associates, Inc.

**Restricted Appraisal Report**

## SCOPE OF WORK DISCUSSION

The client has engaged the appraiser to complete an appraisal, of the fee simple estate, of the subject real property. The appraisal process included a personal inspection of the subject property, gathering of market data, and completion of the necessary approaches.

The Scope of Work discussion continues throughout the report.

**In Michigan, Real Property Appraisers are required to be licensed and are now regulated by the Michigan Department of Licensing and Regulatory Affairs, P. O. Box 30018, Lansing, MI 48909.**

**A Restricted Appraisal Report is for the client's use only, and, cannot be fully understood without additional information from the appraiser's file. This information is available at the request, and expense, of the client.**

## **BODY OF THE REPORT**

**SUBJECT OF THE REPORT:** The unimproved real property, as existing, located at North 30<sup>th</sup> Street, Escanaba, MI. The client has indicated the site that may be split, and which is the subject of this report, will be 5.5 to 6 acres. The appraisal reflects a per acre value for a site size of 5 to 7 acres, at the subject location.

**LEGAL DESCRIPTION:** SEC 13 T39N R23W SW 1/4 NE 1/4 LYING W OF E&LS RR ROW EXC N 300 FT 19.71 AC M OR L AC #78-7

**Tax ID#:** 051-420-2813-200-005

**OWNERSHIP RIGHTS APPRAISED:** Fee Simple

**EFFECTIVE DATE AND REPORT DATE:** The effective date is the date of inspection, which is May 20, 2016, and the report date is June 15, 2016.

**OWNERSHIP HISTORY:** The real property is currently owned by Delta County and there have been no sales or transfers within the past three (3) years and there are no known current listings, options, or offers of sale.

**CLIENT AND INTENDED USERS:** The client is Delta County, 310 Ludington Street, Escanaba, MI 49829. There are no other identified intended users.

**USE OF THE REPORT:** Possible offering of sale

**TYPE AND DEFINITION OF VALUE SOUGHT:** The value being sought is the Market Value of the subject property, unaffected by liens, as of the effective date of the appraisal.

**EXPOSURE TIME:** An important aspect of Market Value is a reasonable time for exposure to the market. An exposure period of 6 months to a year is considered appropriate for the subject property.

**REGION AND NEIGHBORHOOD:** The subject region would typically be viewed as the County of Delta, State of Michigan. The subject immediate neighborhood would typically be viewed as the Red Pines Industrial Park, city of Escanaba, MI.

**SITE CHARACTERISTICS:** The subject site is currently wooded, with plantation Red Pine (no value, per client, is given the timber). The site is mostly level, sandy soil, serviced by municipal water, sewer, and natural gas.

**ZONING:** Industrial – Local classification F

**IMPROVEMENT CHARACTERISTICS:** None

**HIGHEST AND BEST USE – AS IMPROVED:**

The Highest and Best Use of a property is that use which is:

1. Legally Permissible
2. Physically
3. Economically Feasible
4. Maximally Profitable

In the appraiser's opinion, the development of the site, per current zoning, represents the Highest and Best Use.

## EXPLANATION OF VALUATION METHODS

**COST APPROACH:** The Cost Approach is based on the economic principle of substitution and is a valid approach when the typical purchaser, of the subject property, would consider new construction as a viable alternative. It is also considered applicable with special use properties, which may have few, if any, competitive properties.

**SALES COMPARISON APPROACH:** The Sales Comparison Approach is based on the economic principle of Substitution and is applicable when reasonably similar properties are available as closed sales, pending sales, or current listings.

**INCOME APPROACH:** The Income Approach is based on the economic principle of Anticipation. The approach is based on the typical purchaser's anticipation of future income streams and is appropriate when the typical purchaser, of the subject property, is considering the anticipated income stream as the primary motivation.

**COST APPROACH – SUBJECT PROPERTY:** The Cost Approach is not necessary in order to produce credible assignment results.

**SALES COMPARISON APPROACH:** Comparable sales were sought with similar zoning and acreage.

Comparable Sale Number One: MLS#1062716, Lott 22 Airpark Blvd., Calumet, MI 49913. The comparable sale was of a 6.28 acre unimproved industrial site. The comparable sold for \$24,000, or, \$3,821.66 per acre on 6/18/2014.

Comparable Sale Number Two: MLS#1062717, Lot 23, Airpark Blvd., Calumet, MI 49913. The comparable sale was of a 5.78 acre unimproved industrial site. The comparable sold for a reported \$25,000, or, \$4,325 per acre on 11/11/2015.

Comparable Sale Number Three: Lots 12 & 20 of Gladstone Industrial Park. The comparable sale was of a 4.96 acre unimproved industrial site. The comparable sold for a reported \$20,000, or, \$4,032 per acre on 5/14/2014.

**RECONCILIATION OF SALES COMPARISON APPROACH:** The appraiser has concluded to the median figure and has rounded to an estimate of Market Value, on a per acre basis, of \$4,000.

**INCOME APPROACH:** In the appraiser's opinion, the Income Approach is not necessary in order to produce credible assignment results, for the client's stated intended use.

FINAL RECONCILIATION AND VALUE ESTIMATE:

The appraiser has attempted to use the best available information and to apply that information in an informed and reasonable manner. The following estimates of Market Value were developed:

Cost Approach	Not developed
Sales Comparison Approach	\$4,000 per acre
Income Capitalization Approach	Not developed

In the final analysis, all consideration is given the Sales Comparison Approach. Therefore the final estimate of Market Value, as existing, as of the effective date of the appraisal, is:

**Four Thousand Dollars (per acre)**  
**\$4,000**

## **THE APPRAISER'S ASSUMPTIONS AND LIMITING CONDITIONS**

**The certification of the appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the appraiser in the report.**

1. The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made thereto.
4. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
5. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the appraiser can be assumed by the appraiser.
6. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, or the firm with which the appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without written consent of the appraiser.

7. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building(s) must not be used in conjunction with any other appraisal and are invalid if so used.
8. All appraisals are subject to satisfactory completion of proposed repairs or alterations and the appraisal report and value conclusion are contingent upon completion of such improvements in a workmanlike manner.

## **THE APPRAISER'S CERTIFICATIONS:**

**Definition of Market Value:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale. (as defined in the Fannie Mae Form 1004B revised 6/93)

### **The appraiser hereby certifies and agrees that:**

1. The appraiser has no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing the appraisal is contingent on the appraised value of the property.
2. The appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the participants of the sale. The estimate of "Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
3. To the best of the appraiser's knowledge and belief, all statements and information in this report are true and correct, and the appraiser has not knowingly withheld any significant information.
4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in the report).

5. This appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation.
6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report. No change of any item in the appraisal report shall be made by anyone other than the appraiser, and the appraiser shall have no responsibility for any such unauthorized change.
7. The appraiser has personally inspected the subject property.
8. I have performed no services, as an appraiser, or in any other capacity, with regards to the subject property, within the three year period immediately preceding the acceptance of this assignment.

Date: June 15, 2016

A handwritten signature in black ink, appearing to read "Thomas D. Gilbert". The signature is fluid and cursive, with a large initial "T" and "G".

Thomas D. Gilbert  
Certified General Appraiser  
License Number 1201001421 – Expiration Date 07/31/2017





B4

## OPTION AGREEMENT

This OPTION AGREEMENT (“**this Agreement**”) is made as of **July 18, 2016**, by and between DELTA COUNTY BOARD OF COMMISSIONERS (“**Optionor**”), and LESLIE T. ZADOR, Trustee of the Les Zador Trust (“**Optionee**”).

### Recitals

A. Optionor is the owner of all that certain real property, hereinafter referred to as “**Parcel A**,” located in the City of Escanaba, County of Delta, State of Michigan, Parcel Code Number 051-420-2813-200-005, and more particularly described as follows:

All that part of the Southwest Quarter of the Northeast Quarter (SW 1/4 of NE 1/4) of Section Thirteen (13), Town Thirty-nine (39) North, Range Twenty-three (23) West, lying west of the Escanaba and Lake Superior Railroad right-of-way. Excepting the South Forty (40) feet to be used for roadway purposes.

B. Optionee is the owner of all that certain real property, hereinafter referred to as “**Parcel B**,” in the City of Escanaba, County of Delta, State of Michigan, commonly known as 2502 North 30th Street, Escanaba, MI 49829, Parcel Code Number 051-420-2813-200-020, and and more particularly described as follows:

Part of the Southwest 1/4 of the Northeast 1/4 of Section 13, T39N, R23W, City of Escanaba, Delta County, Michigan, described as follows:

From the Northwest corner of the Southwest 1/4 of the Northeast 1/4 of Section 13, T39N, R23W; thence measure S 00 degrees 04 minutes 31 seconds W along the West line of said Southwest 1/4 of the Northeast 1/4 and the East right-of-way line of North 30th Street, a distance of 20.00 feet to the Point of Beginning of the land herein described; thence S 89 degrees 47 minutes 05 seconds E parallel with the North line of said Southwest 1/4 of the Northeast 1/4, a distance of 970.05 feet to the West right-of-way line of Escanaba & Lake Superior Railroad; thence S 09 degrees 16 minutes 00 seconds W along said West right-of-way line, a distance of 303.78 feet; thence N 89 degrees 47 minutes 05 seconds W parallel with said North line, a distance of 921.54 feet to said West line and said East right-of-way line; thence N 00 degrees 04 minutes 45 seconds E along said West line and said East right-of-way line, a distance of 300.00 feet to the Point of Beginning.

C. Optionee desires to obtain an option to purchase a five-acre portion of Parcel A from Optionor, which portion shall be hereinafter referred to as **Parcel C**, on the terms and conditions set forth herein; and Optionor is willing to grant such option to Optionee. Parcel

C is described with particularity (“NEW PARCEL”) in **Exhibit 1** attached hereto.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises of the parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**1. Grant of Option to Purchase:** Optionor grants to Optionee an option to purchase (“**the Option**” or “**this Option**”) Parcel C from Optionor upon all of the terms, covenants, and conditions hereinafter set forth.

**2. Option Consideration:** As consideration for this Option, Optionee will deliver to Optionor the sum of Ten Thousand Dollars (\$10,000.00) (“**the Option Consideration**”) within two (2) business days of the mutual execution of this Agreement.

**3. Memorandum of Option to Purchase:** Optionor has duly executed, acknowledged, and delivered to Optionee a Memorandum of Option to Purchase in the form attached hereto as **Exhibit 2** and agrees that Optionee may cause such Memorandum of Option to Purchase to be recorded. Optionee agrees to execute, acknowledge, and deliver to Optionor a Quitclaim Deed to Parcel A promptly at the request of Optionor if Optionee does not exercise this Option.

**4. Term of Option, Exercise, and Failure to Exercise:** The term of this Option shall commence upon the date of this Agreement and expire at midnight on **September 30, 2024 (“the Term”)**. Optionee may exercise this Option at any time during the Term by giving Optionor written notice of its intention to exercise same in the manner provided for in **Section 15** hereof. As soon as is reasonably practicable after exercise of this Option, the parties shall execute and cause to be recorded a Notice of Exercise of Option in the form attached hereto as **Exhibit 3**. If not exercised during the Term, this Option shall automatically and without further notice, act, or documentation by any party expire on the date aforesaid, and Optionee shall have no further interest whatsoever in Parcel C. Except as provided for directly below, the Option Consideration may be retained by Optionor without deduction or offset in the event Optionee does not exercise this Option as provided for herein. In the event, however, that, despite the diligent efforts of Optionor and Optionee, the transaction contemplated by this Agreement cannot occur, then Optionee, at Optionee’s election, may request of Optionor and will be entitled to receive a refund of both the Option Consideration and the Initial Deposit (as described below in **Section 7.a.** below).

**5. The Land Division:** Within five (5) business days of Optionor’s receipt of written notice of Optionee’s exercise of this Option, Optionor and Optionee shall cooperate with each other and do all things reasonably necessary to effectuate the lot split of Parcel A so that Parcel C might be removed therefrom and become a separate parcel with its own Parcel Code Number (“**the Land Division**”). Any and all costs and fees in connection with

the Land Division shall be the exclusive responsibility of Optionor.

**6. Leases, Improvements, and Encumbrances:** Optionor represents and warrants that:

a. There are no leases or, with the exception of easements of record, encumbrances affecting Parcel C at this time.

b. Optionor shall neither lease, construct any improvements upon, nor encumber any portion of Parcel C during the Term.

c. Optionor shall do any and all things reasonably necessary to prevent any portion of Parcel C to be leased or further encumbered during the Term.

d. To the best of Optionor's knowledge, the only encumbrances affecting Parcel C are those identified in **Exhibit 4** hereof; and Optionee approves the **Exhibit 4** title exceptions.

**7. Purchase Price:** The purchase price which Optionee agrees to pay for Parcel C upon the exercise of this Option shall depend upon when Optionee exercises the Option as described below:

If exercised during the 07/18/2016-09/30/2017 time-frame: \$70,000.00  
If exercised during the 10/01/2017-09/30/2018 time-frame: \$73,500.00  
If exercised during the 10/01/2018-09/30/2019 time-frame: \$77,175.00  
If exercised during the 10/01/2019-09/30/2020 time-frame: \$81,033.75  
If exercised during the 10/01/2020-09/30/2021 time-frame: \$85,085.44  
If exercised during the 10/01/2021-09/30/2022 time-frame: \$89,339.71  
If exercised during the 10/01/2022-09/30/2023 time-frame: \$93,806.69  
If exercised during the 10/01/2023-09/30/2024 time-frame: \$98,497.03

Said purchase price shall be payable as follows:

a. Five-thousand dollars (\$5,000.00) ("**the Initial Deposit**") to be deposited with the Title Company as described in **Section 8** below within five (5) business days from the date upon which Optionee exercises this Option.

b. The balance due shall be paid in full on the Closing Date.

**8. The Title Company; the Closing; Failure to Close:** The title company shall be Delta Abstract & Title Agency (201 Ludington Street, Escanaba, MI 49829; tel.: 906-786-3582; attention DAYNA) or, if Delta Abstract & Title Agency is unable or unwilling to act,

the title company shall be that of Optionee's choice ("**the Title Company**"). The Title Company shall, among other duties, be responsible for and preside over the Closing, which shall occur as described below:

a. Optionor shall, no later than twenty-five (25) calendar days following the date upon which Optionee exercises this Option, deposit a fully executed Warranty Deed conveying Parcel C to Optionee in a form reasonably satisfactory to Optionee.

b. Optionee shall deposit the portion of the purchase price to be paid pursuant to **Section 7.b.** above in cash within two (2) business days of Optionee's being advised by the Title Company that it is in a position to issue the title insurance policy described in **Section 9** below, showing the title to Parcel C vested in Optionee (or its assignee or nominee).

c. The transaction contemplated by this Agreement shall be consummated at the earliest date upon which the Title Company may reasonably cause the Closing to occur following Optionor's and Optionee's having fulfilled any and all of their obligations with respect to the Closing, including but not necessarily limited to those obligations described in this section. The Closing shall be deemed to have occurred when the Warranty Deed shall have been recorded.

d. Real estate taxes accruing from Parcel C, if any, shall be prorated between the parties as of the Closing Date.

**9. Condition of Title upon Closing Date; Title Insurance:** Optionor shall deliver marketable title to Optionee on the Closing Date subject only to: (a) the then current real estate taxes and assessments constituting liens not then due or payable, if any, and (b) any and all easements of record. Optionee's title shall be insured by an ALTA policy of title insurance insuring that as of the Closing Date Parcel C is vested of record in Optionee or its assignee or nominee. The cost of the title insurance shall be the responsibility of Optionor.

**10. Possession:** Possession of Parcel C shall be delivered to Optionee upon the Closing Date.

**11. Right to Remove any and all Timber/Trees; Damage to Parcel C:** Optionor shall have the right to remove any and all timber/trees from Parcel C at any time provided that such timber/trees shall have been removed no later than one month following: (a) Optionor's receipt of written notice of Optionee's exercise of this Option plus (b) such additional time-frame, if any, that inclement weather makes it impossible or unreasonably difficult to effectuate such removal. Optionor shall be responsible for any and all damage to Parcel C caused by such removal, it being understood, however, that Parcel C consists in its entirety of unimproved land. The foregoing notwithstanding, Optionor agrees to repair

any damage it or its agents or independent contractors cause to Parcel C, whether arising from the removal of the timber/trees as described directly or otherwise, including but not limited to damage relating to environmental concerns. Optionor further agrees to indemnify and hold Optionee harmless from any and all costs, expenses, fines, penalties, mandates, losses, attorney's fees, and liabilities, including, but not at all limited to, claims of mechanic's liens, incurred or sustained by Optionee as a result of any acts of Optionor, its agents, or independent contractors pursuant to this Section.

**12. Right to Enter:** During the Term and prior to the Closing, Optionee and its designated agents and independent contractors shall have the right to enter upon Parcel C to the extent necessary for the purpose of conducting soils tests and engineering studies and planning Optionee's development of Parcel C. Optionee agrees to repair any damage it or its agents or independent contractors cause to Parcel C and further agrees to indemnify and hold Optionor harmless from any and all costs, expenses, losses, attorney's fees, and liabilities, including, but not limited to, claims of mechanic's liens, incurred or sustained by Optionor as a result of any acts of Optionee, its agents, or independent contractors pursuant to this Section.

**13. Condemnation:** If, before the Closing, either Optionor or Optionee receives notice of any condemnation or eminent domain proceeding, the party receiving the notice shall promptly notify the other party of that fact. Optionee may either elect to proceed with the purchase contemplated by this Option or to terminate this Option within thirty (30) days after the date that the notice described in this section is received. If Optionee proceeds with the purchase in accordance with all of the terms of this Option, all condemnation proceeds shall be paid to Optionee or assigned to Optionee if not then yet collected.

**14. Optionee:** The rights and obligations of Optionee as set forth in this Agreement shall extend not only to the party identified in the first paragraph at Page 1 of this Agreement but also to any and all persons or entities who may at some future time become the owners of record of Parcel B. This Option shall constitute a covenant for the benefit of and running with Parcel B.

**15. Notices:** All Notices required herein to be given or that may be given by Optionor to Optionee or by Optionee to Optionor shall be in writing and shall be deemed given: (a) on the date delivered personally, or (b) three (3) business days after deposited with the United States Postal Service, postage prepaid, registered or certified, return receipt requested, or (c) on the first business day after being deposited with a national courier, such as FedEx, guaranteeing overnight delivery. All notices to Optionor in connection with this Agreement shall be sent to the following address:

The Delta County Board of Commissioners  
310 Ludington Street, #222,

Escanaba, MI 49829  
Attention: Ryan Bergman,  
Delta County Administrator

All notices to Optionee in connection with this Agreement shall be sent to the following address:

Les T. Zador, Attorney at Law  
15760 Ventura Blvd., Suite #700  
Encino, CA 91436.

**16. Integration:** This Agreement contains the entire Agreement of the parties relating to the subject matter hereof and may only be modified by an instrument in writing executed by the parties hereto.

**17. Choice of Law; Dispute Resolution:** This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan; and the prevailing party in any dispute arising out of or relating to this Agreement or its breach shall be entitled to collect from its adversary or adversaries reasonable attorneys' fees, costs, and expenses incurred by the prevailing party in connection with any litigation relating to the dispute.

**18. Severability:** If any provision of this Agreement shall to any extent be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby; and each other term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

**19. Further Acts:** The parties agree to perform such further acts and execute such further documents as are reasonably necessary to effectuate the purposes of this Agreement.

**20. Additional Representations and Warranties:**

a. Each of the parties represents and warrants that there are no real estate brokers, finders, or other persons to whom or to which a real estate broker's fee, finder's fee, or any other type of fee may be due and payable in connection with the consummation of the transaction contemplated hereby.

b. The parties signing on behalf of Optionor and Optionee each represents and warrants such such party has the capacity set forth on the signature page hereof and has full power and authority to bind Optionor and Optionee to the terms hereof.

c. Optionor represents and warrants that any and all approvals required as a condition precedent to Optionor's being able to enter into this Agreement have been

obtained, i.e. that no further approval actions, including but not necessarily limited to public hearings, are required.

d. Optionor represents and warrants that it will not change the grade or add or remove any of the existing soil as to **Parcel A** without Optionee's consent, such consent not to be unreasonably withheld.

**21. Counterparts, Signatures; Notarization:** This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which, together, shall constitute one document. A scan, fax, or photocopy of a signature hereunder shall have the same force and effect as an original signature. The parties hereto shall cause their signatures to be notarized.

**22. Incorporation of Exhibits:** Any and all Exhibits hereto are incorporated by reference into this Agreement and made a part hereof.

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

**OPTIONOR**  
**DELTA COUNTY BOARD OF COMMISSIONERS**

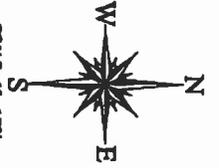
By: \_\_\_\_\_  
Mary Harrington, Chairperson

**OPTIONEE**  
**THE LES ZADOR TRUST**

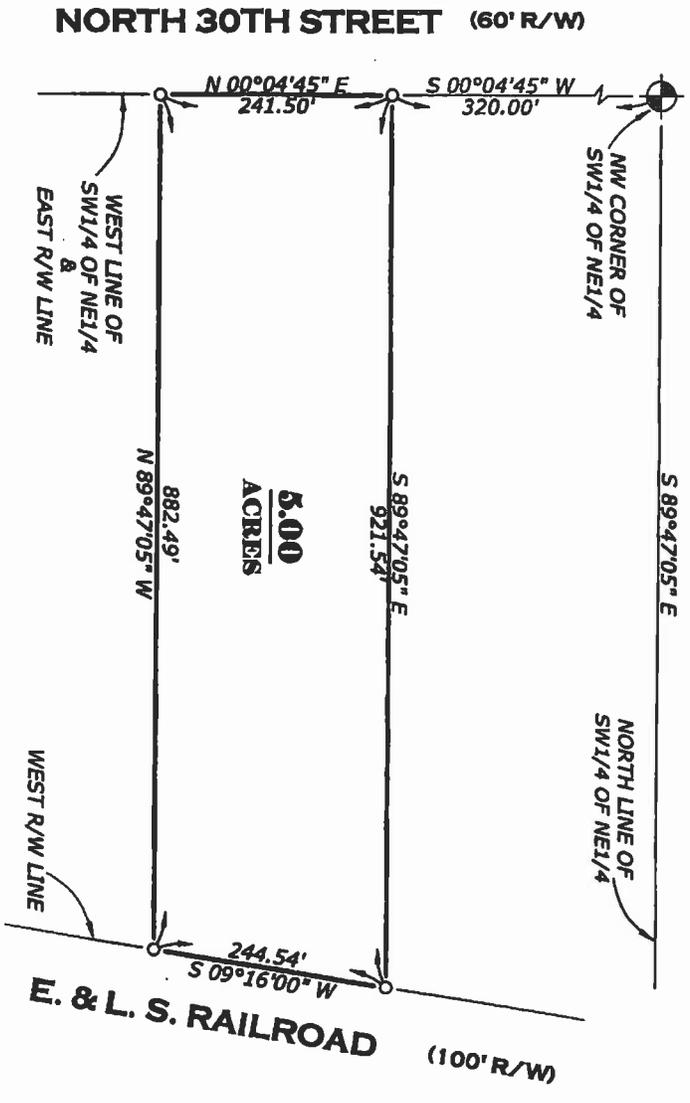
By: \_\_\_\_\_  
Leslie T. Zador, Trustee

(Option Agreement)

# Exhibit 1



**Plat of Survey of**  
**Part of SW1/4 of NE1/4 of**  
**Section 13 T.39N., R.23W.**  
 City of Escanaba  
 Delta County, Michigan



**PROPERTY DESCRIPTION: (NEW PARCEL)**  
 FROM THE NW CORNER OF SW1/4 OF NE1/4 OF SECTION 13 T.39N., R.23W., MEASURE S.00°04'45"W, ALONG THE WEST LINE OF SAID SW1/4 OF NE1/4 AND THE EAST RIGHT-OF-WAY LINE OF NORTH 30TH STREET A DISTANCE OF 320.00 FEET TO THE POINT OF BEGINNING OF THE LAND HEREIN DESCRIBED, THENCE S.89°47'05"E, PARALLEL WITH THE NORTH LINE OF SAID SW1/4 OF NE1/4 A DISTANCE OF 921.54 FEET TO THE WEST RIGHT-OF-WAY LINE OF THE E. & L.S. RAILROAD, THENCE S.09°16'00"W, ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 244.54 FEET, THENCE N.89°47'05"W, PARALLEL WITH SAID NORTH LINE A DISTANCE OF 882.49 FEET TO SAID WEST LINE AND RIGHT-OF-WAY LINE, THENCE N.00°04'45"E, ALONG SAID WEST LINE AND RIGHT-OF-WAY LINE A DISTANCE OF 241.50 FEET TO THE POINT OF BEGINNING.  
**CONTAINING 5.00 ACRES.**

JOB NUMBER	16171-1606
SURVEY FOR	LES T. ZADOR - ATTY. AT LAW
SUBJECT	PROPERTY DIVISION
DATE OF SURVEY	JUNE 20, 2016
DATE OF MAPPING	JUNE 20, 2016

CERTIFICATE OF SURVEY TO:  
**LES T. ZADOR - ATTY. AT LAW**  
 I, TERENCE S. WANIC, A PROFESSIONAL SURVEYOR IN THE STATE OF MICHIGAN, HEREBY CERTIFY THAT I HAVE MADE A SURVEY OF THE ABOVE DESCRIBED LANDS, THAT IRON MONUMENTS, TOGETHER WITH THOSE FOUND HAVE BEEN PLACED OR LOCATED AT THE POSITIONS INDICATED HEREON, THAT THERE ARE NO VISIBLE PHYSICAL ENCROACHMENTS EITHER WAY ACROSS PROPERTY LINES, EXCEPT AS SHOWN, THAT THE RELATIVE ERROR OR CLOSURE OF THE UNADJUSTED FIELD MEASUREMENTS OF THE SURVEY IS LESS THAN THE RATIO OF 1 PART IN 10,000.

TERENCE S. WANIC, Professional Surveyor No. 44289

1410 Ludington Street  
 Escanaba, Michigan 49829  
 Phone (908) 786-1755,  
 Fax 786-6487  
 In fo@deltawanic.com  
 LAND SURVEYORS, P.C.

- LEGEND**
- INDICATES A LINE NOT DRAWN TO SCALE
  - IRON MONUMENTS SET
  - IRON MONUMENTS FOUND
  - CONC. MONUMENTS SET
  - CONC. MONUMENTS FOUND
  - ⊕ CHISELED CROSS IN CONCRETE
  - (M) MEASURED DISTANCE AND/OR BEARING
  - (R) RECORDED DISTANCE AND/OR BEARING
  - ◆ SECTION CONTROL CORNERS



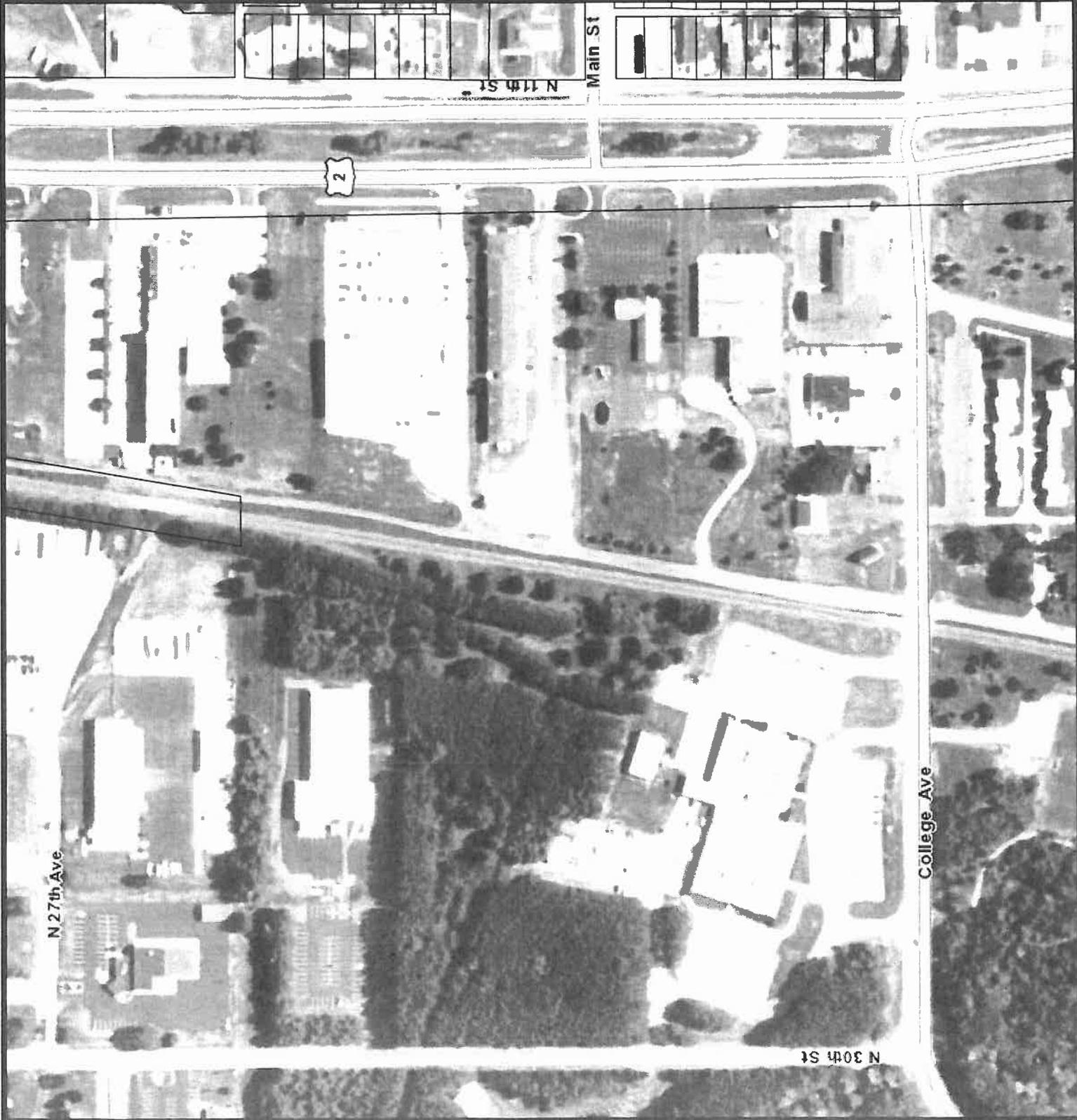
# Service Center



Map Publication:  
05/22/2016 4:02 PM



**Disclaimer:**  
This map does not represent a survey or legal document and is provided on an "as is" basis. CUPPAD expresses no warranty for the information displayed on this map document.



B5

RESOLUTION FOR DELTA COUNTY TO BEGIN PUBLIC SALE OF FISH DAM  
PROPERTY AS PRESENTED

July 5, 2016

BY THE COUNTY COMMISSIONERS OF DELTA COUNTY:

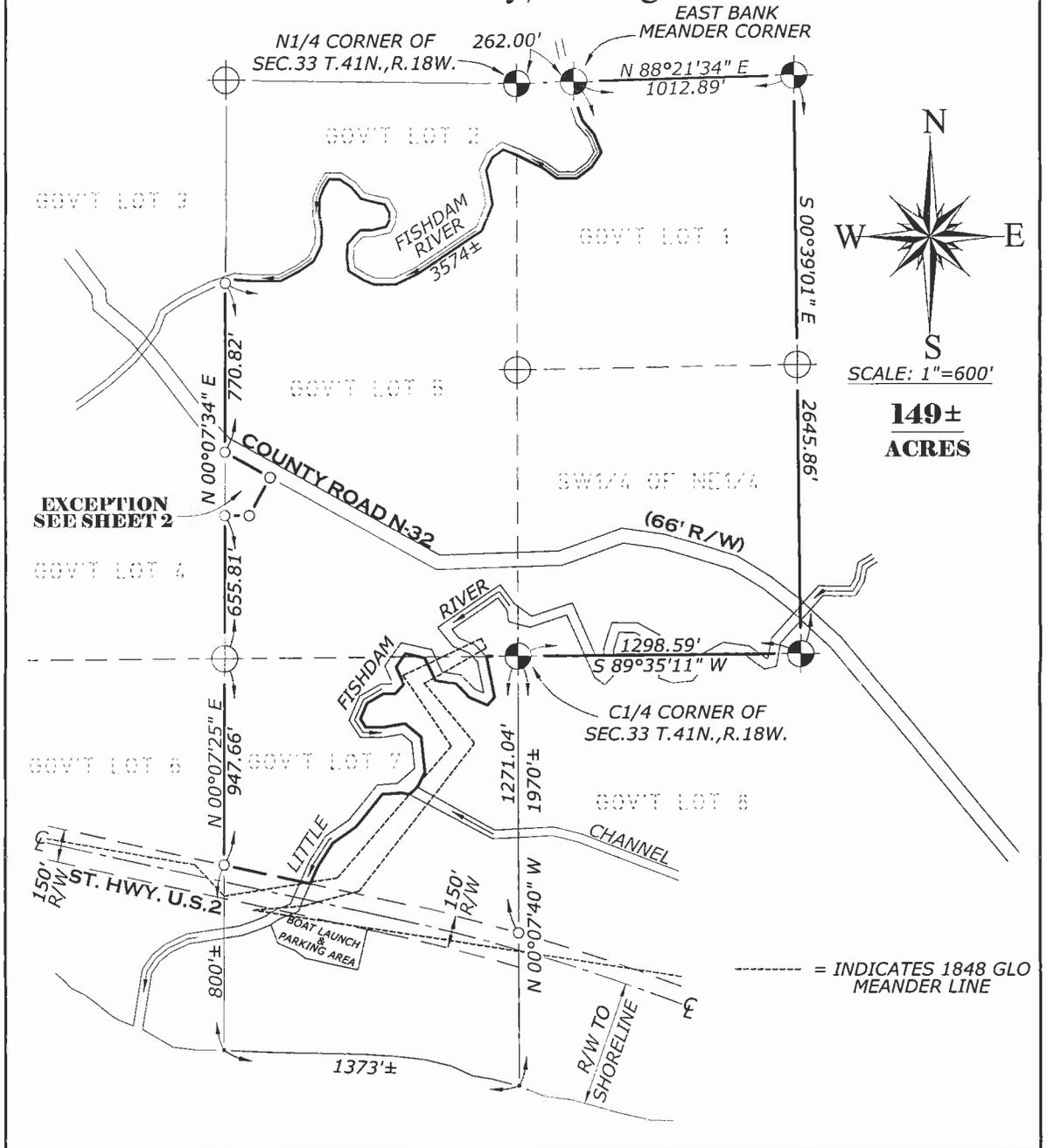
WHEREAS, the Delta County Board of Commissioners has at previous meetings discussed the feasibility of selling the Fish Dam property identified by parcel number 010-183-005-00 (plate survey included)

WHEREAS, A recent professionally conducted appraisal and plat of survey is on record for the parcel.

WHEREAS, if a State Grant is approved the County intends to use cash proceeds from the sale of the property to purchase property to add to the Delta County Parks System.

NOW, THEREFORE, BE IT RESOLVED that the Delta County Administrator is authorized to begin the public bid land sale process of the 149+- acres property providing: the minimum sale price is at least \$200,000; and upon sale the County will assist with abandonment of the N-32 Road from the East property line to the West property line; and the County will maintain timber reserves for five years on approximately 121+- acres for a selective harvest; and the County will build an access road from N-32 to the North property line if timber rights are exercised; and the buyer allows for a permanent easement along the abandoned N-32 Road for a snowmobile trail; and up to three easements may be required to allow nearby property owners.

**Plat of Survey of  
Part of  
Section 33 T.41N., R.18W.  
Garden Township  
Delta County, Michigan**



SURVEY FOR	<b>DELTA COUNTY</b>
SUBJECT	<b>BOUNDARY SURVEY</b>
DATE OF SURVEY	<b>JANUARY 04, 2013</b>
DATE OF MAPPING	<b>JUNE 09, 2016</b>
CERTIFICATE OF SURVEY TO: <b>DELTA COUNTY</b>	
<p>I, TERENCE S. WANIC, A PROFESSIONAL SURVEYOR IN THE STATE OF MICHIGAN, HEREBY CERTIFY, THAT I HAVE MADE A SURVEY OF THE ABOVE DESCRIBED LANDS. THAT IRON MONUMENTS, TOGETHER WITH THOSE FOUND HAVE BEEN PLACED OR LOCATED AT THE POSITIONS INDICATED HEREON, THAT THERE ARE NO VISIBLE PHYSICAL ENCROACHMENTS EITHER WAY ACROSS PROPERTY LINES, EXCEPT AS SHOWN, THAT THE RELATIVE ERROR OR CLOSURE OF THE UNADJUSTED FIELD MEASUREMENTS OF THE SURVEY IS LESS THAN THE RATIO OF 1 PART IN 10,000.</p> <p><i>Terence S. Wanic 6/17/16</i></p>	
TERENCE S. WANIC, Professional Surveyor No. 44296	

JOB NUMBER	<b>16142-1606</b>
<b>SHEET 1 OF 3 SHEETS</b>	
<b>ORIGINAL</b>	

**LEGEND**

- INDICATES A LINE NOT DRAWN TO SCALE
- IRON MONUMENTS SET
- IRON MONUMENTS FOUND
- CONC. MONUMENTS SET
- CONC. MONUMENTS FOUND
- ⊕ CHISELED CROSS IN CONCRETE
- (M) MEASURED DISTANCE AND/OR BEARINGS
- (R) RECORDED DISTANCE AND/OR BEARINGS
- ◆ SECTION CONTROL CORNERS

1410 Ludington Street  
 Escanaba, Michigan 49829  
 Phone (906)786-1755,  
 Fax 786-6487  
**LAND SURVEYORS, P.C.**

**Plat of Survey of  
Part of Government Lot 5 of  
Section 33 T.41N., R.18W.  
Garden Township  
Delta County, Michigan**



INTERSECTION OF  
WEST LINE OF  
GOV'T LOT 5 &  
SOUTH R/W LINE

SOUTH R/W LINE

WEST LINE OF  
GOV'T LOT 5

(R) SOUTH  
S 00°07'34" W  
290.40'

COUNTY ROAD N-32 (66' R/W)  
(M) N 60°43'08" W  
(R) N 61° W  
238.00'

EXCEPTION  
0.92 ACRES

(R) 200'  
(M) 199.30'  
(R) N 29°02'14" E  
(M) N 29° E

111.50'  
(M) S 89°52'27" E  
(R) EAST

S 00°07'34" W  
655.81'

SW CORNER OF  
GOV'T LOT 5

SOUTH LINE OF  
GOV'T LOT 5

N 89°35'11" E

SURVEY FOR	DELTA COUNTY	JOB NUMBER	16142-1606
SUBJECT	EXCEPTION DETAIL	SHEET 2 OF 3 SHEETS	
DATE OF SURVEY	JANUARY 04, 2013		
DATE OF MAPPING	JUNE 09, 2016		

**LEGEND**

- INDICATES A LINE NOT DRAWN TO SCALE
- IRON MONUMENTS SET
- IRON MONUMENTS FOUND
- CONC MONUMENTS SET
- CONC MONUMENTS FOUND
- ⊕ CHISELED CROSS IN CONCRETE
- ⊕ MEASURED DISTANCE AND/OR BEARINGS
- (R) RECORDED DISTANCE AND/OR BEARINGS
- ◆ SECTION CONTROL CORNERS

CERTIFICATE OF SURVEY TO:  
**DELTA COUNTY**

I, TERENCE S. WANIC, A PROFESSIONAL SURVEYOR IN THE STATE OF MICHIGAN, HEREBY CERTIFY; THAT I HAVE MADE A SURVEY OF THE ABOVE DESCRIBED LANDS, THAT IRON MONUMENTS, TOGETHER WITH THOSE FOUND HAVE BEEN PLACED OR LOCATED AT THE POSITIONS INDICATED HEREON, THAT THERE ARE NO VISIBLE PHYSICAL ENCROACHMENTS EITHER WAY ACROSS PROPERTY LINES, EXCEPT AS SHOWN, THAT THE RELATIVE ERROR OR CLOSURE OF THE UNADJUSTED FIELD MEASUREMENTS OF THE SURVEY IS LESS THAN THE RATIO OF 1 PART IN 10000.

*Terence S. Wanic* 6/17/16  
TERENCE S. WANIC, Professional Surveyor No. 44296



**ORIGINAL**

**DAVIS WANIC**  
LAND SURVEYORS, P.C.

1410 Ludington Street  
Escanaba, Michigan 49829  
Phone (906)786-1755.  
Fax 786-6487

Plat of Survey of  
**Part of**  
**Section 33 T.41N., R.18W.**  
 Garden Township  
 Delta County, Michigan

**LEGAL DESCRIPTION:**

GOVERNMENT LOT 1 OF SECTION 33 T.41N., R.18W. GARDEN TOWNSHIP DELTA COUNTY, MICHIGAN

&

ALL THAT PART OF GOVERNMENT LOT 7 OF SECTION 33 T.41N., R.18W. GARDEN TOWNSHIP DELTA COUNTY, MICHIGAN LYING NORTH OF STATE HIGHWAY U.S. 2 AND LYING WEST OF THE EAST BANK OF LITTLE FISHDAM RIVER

&

SW1/4 OF NE1/4 OF SECTION 33 T.41N., R.18W. GARDEN TOWNSHIP DELTA COUNTY, MICHIGAN

&

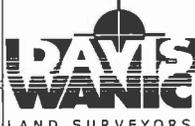
GOVERNMENT LOT 5 OF SECTION 33 T.41N., R.18W. GARDEN TOWNSHIP DELTA COUNTY, MICHIGAN

**EXCEPT:** BEGINNING AT THE INTERSECTION OF THE WEST LINE OF SAID GOVERNMENT LOT 5 AND THE SOUTH RIGHT-OF-WAY LINE OF COUNTY ROAD N-32 THENCE S.00°07'34"W. ALONG SAID WEST LINE A DISTANCE OF 290.40 FEET, THENCE S.89°52'27"E. A DISTANCE OF 111.50 FEET, THENCE N.29°02'14"E. A DISTANCE OF 199.30 FEET TO SAID SOUTH RIGHT-OF-WAY LINE, THENCE N.60°43'08"W. ALONG SAID SOUTH RIGHT-OF-WAY LINE A DISTANCE OF 238.00 FEET TO THE POINT OF BEGINNING.

SURVEY FOR	DELTA COUNTY	JOB NUMBER	16142-1606
SUBJECT	BOUNDARY SURVEY	SHEET 3 OF 3 SHEETS	
DATE OF SURVEY	JANUARY 04, 2013		
DATE OF MAPPING	JUNE 09, 2016		
CERTIFICATE OF SURVEY TO:			
DELTA COUNTY			
I, TERENCE S. WANIC, A PROFESSIONAL SURVEYOR IN THE STATE OF MICHIGAN, HEREBY CERTIFY; THAT I HAVE MADE A SURVEY OF THE ABOVE DESCRIBED LANDS, THAT IRON MONUMENTS, TOGETHER WITH THOSE FOUND HAVE BEEN PLACED OR LOCATED AT THE POSITIONS INDICATED HEREON, THAT THERE ARE NO VISIBLE PHYSICAL ENCROACHMENTS EITHER WAY ACROSS PROPERTY LINES, EXCEPT AS SHOWN, THAT THE RELATIVE ERROR OR CLOSURE OF THE UNADJUSTED FIELD MEASUREMENTS OF THE SURVEY IS LESS THAN THE RATIO OF 1 PART IN 10,000. <i>Terence S. Wanic 6/17/16</i>			
TERENCE S. WANIC, Professional Surveyor No. 44296		ORIGINAL	

**LEGEND**

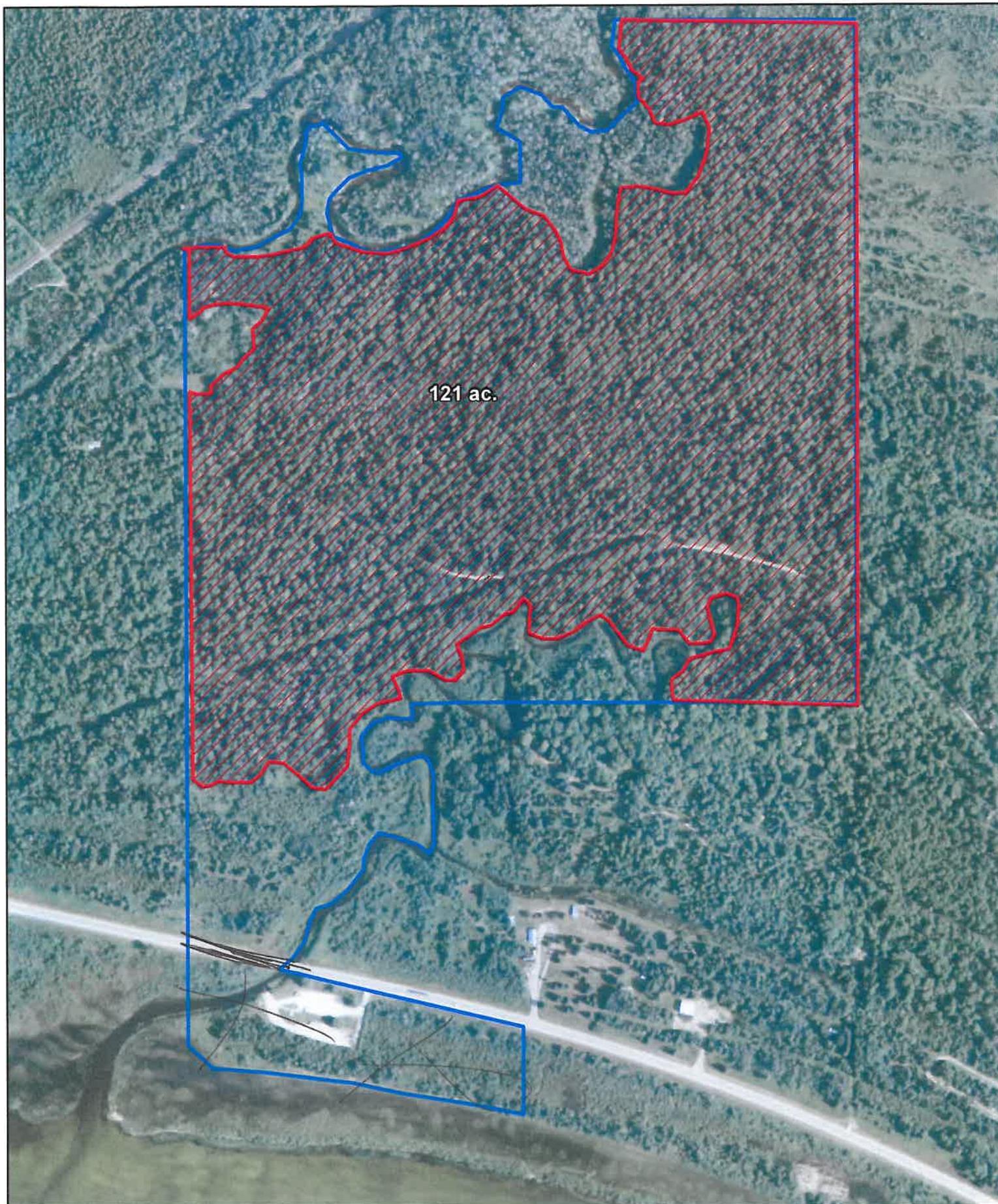
- INDICATES A LINE NOT DRAWN TO SCALE
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- IRON MONUMENTS FOUND
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- RECORDED DISTANCE AND/OR BEARINGS
- SECTION CONTROL CORNERS



1410 Ludington Street  
 Escanaba, Michigan 49829  
 Phone (906)786-1755.  
 Fax 786-6487

LAND SURVEYORS, P.C.

Fishdam



 - Harvest Area

0 0.05 0.1 0.2 0.3 0.4 Miles



## **Board of Commissioners Policy for the Sale of Delta County Owned Land**

Adopted 5/17/2016

The Delta County Board of Commissioners (Board) affirms that all lands owned by the County of Delta are to be held in the public's interest. Any sale, transfer, or option agreement will be handled pursuant to the below policy. This policy does not include lands held and sold by the Treasurer through the County's delinquent tax or land bank process.

### **I. Process of Listing and Sale**

- a. Appraisal of Property- Any land sold will have an independent property appraisal on record from within a fair and reasonable timeframe. If one is unavailable, the Board will take action to have the land appraised prior to public listing.
- b. Approval of Listing- The Delta County Board of Commissioners will approve the public listing of land at a Regular or Special Board Meeting. The Board Action will include a minimum sale price.
- c. Public Listing Process- Notification of the listing, including the minimum sale price, will be displayed on the County's website and in a newspaper of prominent local distribution. The Board and Administration also reserve the right to list the property using additional methods.
- d. Listing Term- The Board will not take additional action on a sale until the land has been listed for at least 10 consecutive calendar days on the County's website, and at least 7 consecutive calendar days have passed since the ad appeared in a newspaper of prominent local distribution. However, the Board may allow for additional time prior to acting at its own discretion.
- e. Bids- During the initial listing, all bids will be sealed, and opened in public at a scheduled Board or Committee Meeting. The County Board has the right to accept or reject all bids based on the best public purpose. However, no bid below the minimum sale price may be accepted.
- f. Continued Listing- If no bids are received during the initial listing term, the County Board may elect to continue to list the property. All offers received would then be presented to the Board of Commissioners at the next scheduled Board Meeting for consideration.
- g. Reduction of Minimum Sale Price- Any reduction in the minimum sale price must be approved by the Board which then shall be considered a new sale listing for the purposes of this policy and the process in its entirety will be repeated.

## **II. Land Option Agreements**

- a. The County Board reserves the right to enter into land-option agreements to allow for possible future sales of county owned lands. Other than the Public Interest Exception listed below, the process for negotiating a land option agreement will only occur after the county is unable to sell land through its normal sale listing process. As with a sale, an independent appraisal must be on record from within a reasonable timeframe.

## **III. Exception for Public Interest**

- a. The County Board may, at its discretion, negotiate a land sale or land-option agreement directly with one purchaser in the event that the Board considers the sale to be in the best public interest. Examples of what may constitute public interest include: job growth and economic development; public need; established business expansion; and environmental concerns. Consistency with local comprehensive plans will be considered. An independent appraisal must be on record prior to any sale or land option agreement.

# Building Energy Conservation Measures

## Contract Document

B6

### PREPARED FOR:



**Delta County, MI**

**ATTENTION:** Ryan Bergman  
Director of Administration  
310 Ludington Street  
Escanaba, MI 49829

**DATE:** June 24, 2016

### PREPARED BY:

**Trane U.S. Inc.**  
Jim Krol  
234 W Florida St.  
Milwaukee, WI 53204  
[www.trane.com](http://www.trane.com)

**State License Number:** 7109486  
**Contract Number:** 00046887  
**Co-op Contract Number:** USC 15-JLP-023





## Contents

### CONTRACT AGREEMENT DOCUMENT

EXHIBIT A: PAYMENT SCHEDULE

EXHIBIT B: SCOPE OF SERVICES

EXHIBIT C: DESCRIPTION OF PREMISES

EXHIBIT D.1: CERTIFICATE OF  
SUBSTANTIAL COMPLETION

EXHIBIT D.2: CERTIFICATE OF FINAL  
COMPLETION AND ACCEPTANCE

EXHIBIT D.3: PRO FORMA DOCUMENT

**Delta County, MI and Trane  
Trane Project No. 00046887**

**This Agreement** (hereafter the "Agreement") is made and entered into as of this **1<sup>st</sup> Day of July, 2016** by and between Trane U.S. Inc., (hereinafter "Trane") and **Delta County** (hereinafter "Customer") for the purpose of furnishing certain services and work designed to improve the facility at the Premises (as defined below).

**ARTICLE 1 - THE SERVICES AND COMPENSATION**

**Section 1.01. Contract Price.** Subject to the terms and conditions hereof, as payment for Trane's performance and furnishing of the Services (as defined below) at the Premises identified in Exhibit C hereto, Customer shall pay or cause to be paid to Trane, in accordance with the dates and amounts on Exhibit A pursuant to Section 1.04, the sum of **One Million Two Hundred Forty-Six** dollars (**\$1,246,204.00**), which Contract Price includes all sales, consumer, use and similar taxes (excluding income taxes) for the Services which are legally enacted as of the date of this Agreement.

**Section 1.02. The Services and Exclusions.** No later than **December 31, 2016**, Trane shall have designed and substantially completed installation of the equipment and performance of the work and services described in Exhibit B (hereinafter, collectively, the "Services"). Trane's obligation hereunder is limited to the Services as defined herein. Excluded from the Services are any modifications or alterations to the Premises (not expressly included within the Services as defined) that may be required by operation of the Americans With Disabilities Act or any other law or building code(s).

**Section 1.03. Construction Procedures and Changes to Services.** Trane shall supervise and direct the Services using its best skill and attention. Trane shall have exclusive control over construction means, methods, techniques, sequences and procedures. Trane shall at all times have the right to replace, delete or substantially alter any item of equipment or part of the Services, correct any work, or revise any procedures included in this Agreement, provided, however, that Trane shall obtain Customer's prior consent to substantial deviations from the original scope of Services, said consent not to be reasonably withheld or delayed.

**Section 1.04. Payment Terms.** Customer shall pay Trane or cause Trane to be paid for the Services as follows:

(a) **Initial Payment:** Upon execution hereof, **100%** of the Contract Price (for engineering, drafting and other mobilization costs incurred prior to on-site installation) less the Anticipated Discount Credit shall be due; and

(b) **Progress and Final Payments:** Trane will invoice in accordance with Exhibit A for all materials and equipment delivered to the Premises (or, as applicable, to an off-site storage facility) and for all installation, labor and services performed during the billing period; Customer shall pay all amounts due upon receipt of the invoice and any invoice not paid within ten (10) calendar days of its date shall be past due.

All amounts outstanding ten (10) calendar days beyond the due date shall bear interest payable to Trane at the maximum allowable legal rate, retroactive to the due date. Customer shall pay all costs (including attorneys' fees) incurred by Trane in attempting to collect amounts due from Customer.

**Section 1.05. Substantial Completion and Final Completion.**

(a) **Substantial Completion.** When Trane considers that the Services, or a portion thereof, are substantially complete, Trane will submit to Customer a proposed "punchlist" listing items of the Services to be completed prior to final completion. Customer and Trane shall inspect the Services (or portion thereof) to determine if the same is substantially complete. (Substantial Completion is defined as the stage in the progress of the Services (or designated portion thereof) when the Services are sufficiently complete so that Customer can occupy or utilize the Services for its intended use.) Customer and Trane shall add to the punchlist any item of work that has not been completed. When the Services (or designated portion thereof) are substantially complete, Customer and Trane shall execute a Certificate of Substantial Completion in the form of Exhibit D.1, setting forth the date of Substantial Completion and shall state the date by which Trane shall complete the items of work included on the punchlist.

(b) **Final Completion.** Upon Customer's receipt of written notice from Trane that the installation work included in the Services is ready for final inspection and acceptance, Customer and Trane shall inspect the

installation work and determine whether the same has been performed in accordance with this Agreement. If Customer considers the installation work to have been performed in accordance with this Agreement, Customer shall issue a Certificate of Final Completion and Acceptance, substantially in the form attached hereto as Exhibit D.2, to be executed by an authorized representative of Customer. In the event Trane presents a Certificate of Final Completion and Acceptance to Customer for execution and, within fourteen (14) calendar days from the date noted in the Certificate as the date of such presentation, Customer fails to deliver an executed original of the Certificate to Trane and does not provide to Trane written objections to issuance of the Certificate, providing specific facts as to why the Services have not been finally completed, the Date of Final Completion shall be the date noted in the Certificate as the date the Certificate was submitted to Customer.

**Section 1.06. Delays.** If Trane is delayed in the commencement or completion of any part of the Services due to events beyond Trane's control (including, but not limited to, fire, flood, labor disputes, unusual delays in deliveries, unavoidable casualties, abnormal adverse weather, and acts of God), or due to Customer's action(s) or failure to perform its obligations under this Agreement or to cooperate with Trane in the timely performance of the Services, then Trane will notify Customer in writing of the existence, extent of, and reason(s) for such delay(s). Trane and Customer shall extend the contract time and/or increase the Contract Price by Change Order for such reasonable time and/or amount as they shall agree.

**Section 1.07. Equipment Location and Access.** Customer shall provide, without charge, a mutually satisfactory location or locations for the installation and operation of the equipment and the performance of the installation work, including sufficient areas for staging, mobilization, and storage. Customer shall provide access to the Premises for Trane and its contractors or subcontractors during regular business hours, or such other hours as may be requested by Trane and acceptable to Customer, to install, adjust, inspect, and correct the installation work. Trane's access to correct any emergency condition shall not be restricted by Customer.

**Section 1.08. Permits and Governmental Fees.** Trane shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the installation work and which are legally required when bids from Trane's subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities.

**Section 1.09. Utilities During Construction.** At no cost to Trane, Customer shall provide and pay for water, heat, and utilities consumed by Trane during performance of the Services hereunder. Trane shall install and pay the cost of any temporary facilities not already in existence, which will be required during construction for accessing such water, heat, and utilities.

**Section 1.10. Concealed Or Unknown Conditions.** In the performance of the installation work, if Trane encounters conditions at the Premises that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on the drawings or (ii) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized as inherent in construction activities of the type and character as the installation work, Trane shall notify Customer of such conditions as promptly as practicable, prior to significantly disturbing the same. If such conditions differ materially and cause an increase in Trane's cost of, or time required for, performance of any part of the Services, Trane shall be entitled to, and Customer shall consent by Change Order to, an equitable adjustment in the Contract Price, Contract Time, or both.

**Section 1.11. Damage to Equipment; Casualty or Condemnation of Premises.** (a) If any fire, flood, other casualty, or condemnation renders a majority of the Premises incapable of being occupied and the affected portion is not reconstructed or restored within ninety (90) days from the date of such casualty or condemnation, Trane may terminate this Agreement by delivery of a written notice to Customer, whereupon both parties shall have no further liability to each other, subject to Customer's obligation to pay to Trane for all parts of the Services, equipment and material furnished to the date of termination, including any specially manufactured or non-stock items, whether in production or delivered.

(b) If any significant item of equipment is irreparably damaged by Customer, its employees, agents or invitees, or is destroyed or stolen, and if Customer fails to repair or replace said item within a reasonable period of time, Trane may terminate this Agreement by delivery of a written notice to Customer, whereupon both parties shall have no further liability to each other, subject to Customer's obligation to pay to Trane for all parts of the Services, equipment and material furnished to the date of termination, including any specially manufactured or non-stock items,

whether in production or delivered. Any such termination shall not be considered any Event of Default on the part of either party.

**Section 1.12. Changes to the Services.** (a) Customer, by written Change Order, may request that Trane perform work in addition to the Services. Trane shall be obligated to perform such additional work only pursuant to a Change Order agreed to and executed by Customer and Trane. The Change Order shall reflect the parties' agreement with respect to the scope of the additional work, the amount of any adjustment in the Contract Price, and the extent of any adjustment in the contract time.

(b) If a Change Order provides for an adjustment to the Contract Price, such adjustment shall be based on one of the following methods:

- (1) a lump sum agreed to by Customer and Trane;
- (2) unit prices set forth in this Agreement or subsequently agreed to; or
- (3) cost of the work ordered plus a fee agreed to by the parties.

(c) The following types of costs, which listing is not all-inclusive, shall be included in the determination of the cost of the additional work:

- (1) costs of labor, including social security, old age and unemployment insurance, fringe benefits required by agreement or industry practice or custom, and workers' compensation insurance;
- (2) costs of materials, supplies and equipment, including transportation thereof, whether the same is incorporated or consumed in the additional work;
- (3) the costs of renting machinery and equipment, except handtools;
- (4) premium costs for all bonds and insurance, permit or other governmental approval or inspection fees, and sales, use or comparable taxes relating to the additional work; and
- (5) additional costs of supervision and field office personnel directly attributable to the additional work.

**Section 1.13. Adjustment to Contract Time.** Trane shall be allowed an equitable adjustment in the Contract Time for performance of additional Work that increases the amount of time required to perform the Services.

## **ARTICLE 2 - CUSTOMER'S OBLIGATIONS**

**Section 2.01. Representations and Warranties of Customer.** Customer hereby warrants and represents to Trane that:

(a) Customer is the legal fee owner of the Premises and/or otherwise has all requisite authority to make the improvements to the Premises that will result from Trane's performance of the Services;

(b) Customer has provided Trane with all records heretofore requested by Trane and the information set forth therein is, and all information in other records to be subsequently provided pursuant to this Agreement will be, true and accurate in all material respects except as may be disclosed to Trane by Customer in writing;

(c) Customer has disclosed in writing to Trane the existence and location of all known or suspected asbestos and other hazardous materials on the Premises; and

(d) Customer has no knowledge of any facts or circumstances that, but for the passage of time, would materially, adversely affect either party's ability to perform its respective obligations hereunder and, if Customer is a governmental entity or instrumentality thereof, Customer has complied with all laws and regulations relative to bidding or procurement.

**Section 2.02. Customer Default.** Each of the following events or conditions shall constitute a default by Customer and shall give Trane the right to, without an election of remedies: (a) proceed pursuant to Section 7.01;

and/or (b) terminate this Agreement by delivery of written notice declaring termination, upon which event Customer shall be liable to Trane for all Services furnished to date, including any specially manufactured or non-stock items, whether in production or delivered, and any damages sustained by Trane, including anticipatory profits:

(1) Any failure by Customer to pay or cause to be paid amounts due Trane more than thirty (30) days after the date of the invoice therefor;

(2) Any representation or warranty furnished by Customer in this Agreement is false or misleading in any material respect when made;

(3) Any default by Customer under any instrument or agreement related to the financing of all or any part of the Services or equipment hereunder;

(4) Any failure by Customer to perform or comply with any material term or condition of this Agreement, including breach of any covenant contained herein, provided that such failure continues for ten (10) days after written notice to Customer demanding that such failure be cured or, if cure cannot be effected in such ten (10) days, Customer fails to promptly begin to cure and diligently proceed to completion thereof; or

(5) The commencement of any voluntary or involuntary proceedings in bankruptcy or receivership by or against Customer, Customer shall become insolvent, make a general assignment for the benefit of creditors, or Customer shall fail to pay its debts as and when they become due.

### **ARTICLE 3 - INSURANCE**

**Section 3.01. Trane's Liability Insurance.** Trane shall purchase from and maintain, without interruption from the commencement of the Services until the date of final payment, a Commercial General Liability policy, Worker's Compensation and Employer's Liability policy and Commercial Automobile Liability policy, through a company or companies rated A VIII or better by A.M. Best Company.

**Section 3.02. Customer's Liability and Property Insurance.** (a) Customer shall be responsible for purchasing and maintaining Commercial General Liability Insurance of the type and amount Customer deems necessary and appropriate.

(b) Customer shall purchase and maintain until Final Payment property insurance for the installation work in progress at least in an amount equal to the Contract Price, as the same may be adjusted from time to time, for the installation work (including the equipment) on a replacement cost basis with a deductible of no more than \$5,000 from an insurer reasonably acceptable to Trane. Such property insurance shall include the interests of Customer, Trane, and its subcontractors (at whatever tier) as additional insureds as their interests may appear. The property insurance purchased by Customer shall be on an all-risk policy form. The property insurance shall cover portions of the installation work stored off site after written approval of Customer at the value established in the approval. Customer, for itself and its insurance carriers, hereby waives all rights of subrogation against Trane and any of its subcontractors, agents, employees, and officers with respect to property insurance and any other insurance coverages maintained by Customer.

(c) A loss insured under Customer's property insurance shall be adjusted by Customer's Insurer as a fiduciary and made payable to Customer as a fiduciary for the insureds, as their respective interests may appear, subject to requirements of any applicable mortgagee clause. Trane shall pay its subcontractors their just shares of insurance proceeds received by Customer and remitted to Trane, and, by appropriate agreements, written where legally required for validity, shall require said subcontractors to make payments to their subcontractors in a similar manner. In its fiduciary role, Customer shall have the power to negotiate and settle a loss with insurers; provided, however, that at least ten (10) days prior to agreeing to the proposed settlement, Customer shall advise the parties in interest in writing of the terms of the same and the parties in interest shall have seven (7) days thereafter to object in writing to the proposed adjustment or settlement; if such objection is made, Customer shall not enter into or agree to the proposed adjustment or settlement and the parties shall proceed pursuant to Section 7.01.

**Section 3.03. Customer's Loss of Use/Business Interruption Insurance.** Customer may purchase and maintain insurance to protect against loss of use of Customer's property or business interruption due to fire or other commonly insured hazards, however such fire or hazards may be caused. Customer acknowledges that Trane is not required to purchase or maintain such insurance against the loss of use of Customer's property or business interruption. **CUSTOMER HEREBY WAIVES ALL CLAIMS AND CAUSES OF ACTION IT MAY HAVE AGAINST TRANE AND ANY OF ITS SUBCONTRACTORS, AGENTS, EMPLOYEES, AND OFFICERS FOR LOSS**

OF USE OF CUSTOMER'S PROPERTY OR BUSINESS INTERRUPTION, WHETHER INSURED OR NOT, INCLUDING CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR OTHER DAMAGES DUE TO SUCH HAZARDS, REGARDLESS OF CAUSE.

**Section 3.04. Evidence of Insurance.** Certificates of insurance acceptable to the Customer and to Trane shall be provided by each party to the other prior to commencement of performance of any Services. Such certificates shall contain a provision that coverages afforded under the policies will not be canceled or allowed to expire until at least thirty (30) days prior written notice has been given to the other party. If any of the insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment. Customer's certificate shall clearly name "Trane U.S. Inc." as an additional insured with an endorsement containing no restrictions or limitations on the policy that do not also apply to the named insured. Neither the procurement nor maintenance of any type of insurance by Customer shall in any way be construed or deemed to limit, waive, or release Customer from any of the obligations and risks of Customer under this Agreement, or to be a limitation on the nature and extent of such obligations and risks.

## **ARTICLE 4 - HAZARDOUS MATERIALS**

**Section 4.01. Asbestos and Hazardous Materials.** (a) Trane's Services and other work in connection with this Agreement expressly exclude any work connected or associated with Hazardous Materials. Hazardous Material means any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive, radioactive material, urea formaldehyde, foam insulation, asbestos, asbestos-containing materials ("ACM's"), polychlorinated biphenyl ("PCB"), or any other substances, the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling, or ownership of which is restricted, prohibited, regulated, or penalized by any and all federal, state, county, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. §§ 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.), as the laws have been and may be amended and supplemented.

(b) Trane shall not be required to perform any identification, abatement, cleanup, control, or removal of Hazardous Materials. Customer warrants and represents that, except as expressly, and by reference to this Section, set forth in Exhibit B (Scope of Services) or Exhibit C (Description of Premises), there are no Hazardous Materials on the Premises that will in any way affect Trane's Services and Customer has disclosed to Trane the existence and location of any Hazardous Materials in all areas within which Trane will be performing any part of the Services. The existence or location of any Hazardous Materials that have been so disclosed by Customer to Trane shall be the responsibility of Customer.

(c) Should Trane become aware of or suspect the presence of Hazardous Materials, Trane shall have the right to immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Trane shall be required to resume performance of the Services in the affected area only in the absence of Hazardous Materials or when the affected area has been rendered harmless; if the area has not been or cannot be rendered harmless within thirty (30) days of discovery of the Hazardous Material, Trane may terminate this Agreement and Customer shall be liable to Trane for the Services completed to date of termination and anticipatory profits. Customer shall compensate Trane for any additional costs incurred by Trane as a result of work stoppage, including demobilization and remobilization. Under no circumstances shall Trane be obligated to transport or handle Hazardous Material, to provide any notices to any governmental authority or agency, or to inspect or examine the Premises for the presence of Hazardous Materials. In addition to any other indemnity obligation of Customer to Trane, Customer will indemnify, defend, and hold harmless Trane, its officers, directors, beneficiaries, shareholders, partners, agents, and employees (collectively referred to as "Trane" for purposes of this Article 4) from all fines, suits, procedures, claims and actions of every kind, and all costs associated therewith (including attorneys' and consultants' fees) arising out of or in any way connected with any deposit, spill, discharge, or other release or disposal of Hazardous Materials that occurs while Trane is performing in connection with this Agreement or the Maintenance Agreement, or from Customer's failure to provide all information, make all submissions, and take all steps required by all federal, state, county, or municipal statutes or laws now or at any time hereafter in effect.

**ARTICLE 5 - INDEMNIFICATION AND LIMITATION OF LIABILITY**

**Section 5.01. Indemnification.** To the maximum extent permitted by law, Trane and Customer shall indemnify and hold each other harmless from any and all actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to tangible physical property of the other, to the extent arising out of or resulting from the negligence of their respective employees or other authorized agents in connection with the Premises. However, neither party shall indemnify the other against actions, costs, expenses, damages and liabilities to the extent attributable to the acts or omissions of the other party. If the parties are both at fault hereunder, then any obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination of this Agreement, with respect to any claims based on facts or conditions which occurred prior to expiration or termination.

**Section 5.02. Limitation of Liability.** NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION LOST REVENUE OR PROFITS) OR PUNITIVE DAMAGES. IN NO EVENT SHALL TRANE BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS.

**ARTICLE 6 - WARRANTY**

**Section 6.01. Workmanship and Equipment Warranty.** Trane warrants that, for a period of one year from the date of Substantial Completion (the "Warranty Period"), Trane-manufactured equipment installed hereunder and the installation work (i) shall be free from defects in material, manufacture, and workmanship and (ii) shall have the capacities and ratings set forth in Trane's catalogs and bulletins. Trane obligations of equipment start-up, if any are stated in the Proposal, are coterminous with the Warranty period. For Trane-manufactured equipment not installed by Trane the Warranty Period is the lesser of 12 months from initial start-up or 18 months from the date of shipment. Equipment and/or parts that are not manufactured by Trane are not warranted by Trane and have such warranties as may be extended by the respective manufacturer. If such defect in Trane-manufactured equipment or the installation work is discovered within the Warranty Period, Trane will correct the defect or furnish replacement equipment (or, at its option, parts therefor) and, if said Trane-manufactured equipment was installed pursuant hereto, labor associated with the replacement of parts or equipment not conforming to this warranty. No liability whatsoever shall attach to Trane until said equipment and Services have been paid for in full and then said liability shall be limited to Trane's cost to correct the defective equipment or work and/or the purchase price of the equipment shown to be defective. Trane's warranties expressly exclude any remedy for damage or defect caused by corrosion, erosion, or deterioration, abuse, modifications or repairs not performed by Trane, improper operation, or normal wear and tear under normal usage. Trane shall not be obligated to pay for the cost of lost refrigerant.

THE WARRANTY AND LIABILITY SET FORTH IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL TRANE BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION LOST PROFITS), OR PUNITIVE DAMAGES. NO REPRESENTATION OR WARRANTY OF MERCHANTABILITY OR FITNESS OF PURPOSE IS MADE REGARDING PREVENTION BY THE SCOPE OF SERVICES, OR ANY COMPONENT THEREOF, OF MOLD, FUNGUS, BACTERIA OR ANY OTHER CONTAMINATES. TRANE SPECIFICALLY DISCLAIMS ANY LIABILITY IF THE SCOPE OF SERVICES OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS.

**ARTICLE 7 - GENERAL PROVISIONS**

**Section 7.01. Notices and Changes of Address.** All notices to be given by either party to the other shall be in writing and must be either delivered or mailed by registered or certified mail, return receipt requested, addressed as follows:

**If to Trane:** Trane  
234 W. Florida Street  
Milwaukee, WI 53204  
Attention: General Manager

**If to Customer:** Delta County, MI  
310 Ludington Street  
Escanaba, MI 49829  
Attention: County Administrator

or such other addresses as either party may hereinafter designate by notice to the other. Notices are deemed delivered or given and become effective upon mailing if mailed as aforesaid and upon actual receipt if otherwise delivered. All notices or other communications under this Agreement shall be in writing and may be delivered in person, or may be sent by receipted courier, facsimile transmission, express mail, e-mail, or postage prepaid certified or registered mail, addressed to the party for whom it is intended, at the addresses set forth in this Agreement. Either party may change its address for notice by giving written notice to the other party of the change. Any notice or other communication shall be deemed given no later than the date actually received. Notice by courier, express mail, certified mail, or registered mail shall be deemed given on the date it is officially recorded as delivered by return receipt or equivalent and, in the absence of such record of delivery, it shall be rebuttably presumed to have been delivered on the third business day after it was deposited, first-class postage prepaid, in the mails. Notices sent by fax or e-mail shall require tangible confirmation of receipt from the person to whom addressed.

**Section 7.02. Assignment.** Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of Trane. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's successors and assigns.

**Section 7.03. Applicable Law and Jurisdiction.** This Agreement is made and shall be interpreted and enforced in accordance with the laws of the state in which the Services are to be performed. Customer hereby submits to the personal jurisdiction of the courts of the state and of the United States District Court in such state in which the Services are to be performed and to being sued in such jurisdiction.

**Section 7.04. Term of Agreement.** The term ("Term") of this Agreement shall commence as of the date first written above and shall end upon final completion of the Services, provided, however, that the warranty obligation set forth in Article 6 shall survive expiration of the Term.

**Section 7.05. Complete Agreement.** This Agreement and the Exhibits attached hereto, together with any documents expressly incorporated herein by reference, shall constitute the entire Agreement between both parties regarding the subject matter hereof. This Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto.

**Section 7.06. Further Documents.** The parties shall timely execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

**Section 7.07. Exhibits.** The following Exhibits are attached hereto and incorporated herein by this reference:

- Exhibit A: Payment Schedule
- Exhibit B: Scope of Services
- Exhibit C: Description of Premises
- Exhibit D.1: Certificate of Substantial Completion
- Exhibit D.2: Certificate of Final Completion and Acceptance
- Exhibit D.3: Pro Forma Document Example

**Section 7.08. Force Majeure.** Trane shall not be considered to be in default hereunder when a failure of performance is due to an Event of Force Majeure. An "Event of Force Majeure" shall mean any cause beyond the control of Trane. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of the public enemy; flood, earthquake, tomado, storm, fire; civil disobedience, labor disputes, labor or material shortages, or sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by the fault of Trane. If Trane is rendered unable to fulfill any of its obligations under this Agreement by reason of an Event of Force Majeure, it shall give prompt written notice of such fact to Customer and Trane's obligations shall be suspended until removal of the Event of Force Majeure.

**Section 7.09. Signatures in Counterpart.** This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A facsimile copy hereof shall suffice as an original.

**Section 7.10. Severability.** If any term or conditions of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Upon any such determination of invalidity, illegality or unenforceability, the parties hereto

shall negotiate in good faith to modify this Agreement so as to affect the original intent of the parties as closely as possible in an acceptable manner, to the end that the transactions contemplated by this Agreement are consummated to the extent possible.

**Section 7.11. Bonds.** In no event shall the Performance and Payment bonds cover any energy savings guarantees. Additionally, the bonds shall not cover any warranties beyond one year from completion of the installation.

**Section 7.12. U.S. Government Work.** If the Work is in connection with a U.S. Government contract, Customer certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Trane will have no obligations to Customer unless and until Customer provides Trane with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Trane of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Trane prior to providing any government official any information about Trane's performance of the work that is the subject of this offer or agreement, other than this written offer or agreement.

**IN WITNESS WHEREOF**, the duly authorized representatives of the parties have each executed this Agreement, effective as of the date first above written.

**Trane U.S. Inc.**

By: \_\_\_\_\_  
(Signature)  
Bob Davis  
\_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_  
General Manager

Date: \_\_\_\_\_

Trane's state contractor's license number: 7109486

\_\_\_\_\_  
(Customer)

By: \_\_\_\_\_  
(Signature)  
Mary K. Harrington  
\_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_  
County Board Chair

Date: \_\_\_\_\_

**EXHIBIT A**  
**Payment Schedule**

Customer will make payments at the times and in the amounts set forth in the following schedule:

<b>Milestone</b>	<b>Payment Due</b>
July 31, 2016 - Mobilization Upon Execution of Agreement by Customer	\$1,246,204 (less anticipated Trane discount for pre-payment)*

\* Trane is pleased to offer an opportunity to maximize the value of your purchase by offering you savings with the Trane Anticipation Discount Program (ADP) that is flexible and designed for all Trane customers. The discount depends on percentage (%) of quoted price that is pre-paid, estimated payment date, estimated monthly schedule of values, and the current annualized discount rate.

Delta County, MI intends to take advantage of these cost savings through an initial project payment for the entire scope of work less an anticipated discount amount to be determined prior to this payment due date. It is anticipated that this discount will be not less than \$20,000.00.

**EXHIBIT B**  
**Scope of Services**

The Services are defined as the following:

**Delta County Courthouse**

62,574 Sq. Ft.  
310 Ludington Street

**Mechanical Upgrades**

**1. Replace Chilled Water System**

Site clear existing Carrier chiller and remote condensers  
Site clear existing chilled water pumps and modify piping  
Remove excess refrigeration piping  
Patch pipe penetrations through wall  
Drain and fill system as necessary  
Reconfigure piping for pump location  
Repair and/or install new insulation as required  
Prep chiller location for new chiller  
Provide new 100 ton Trane Air-Cooled Chiller\*  
Provide new chilled water pumps to match existing  
Provide new power disconnect to new chiller  
Startup test and check

\*The CGAM units are scroll type, air-cooled, liquid chillers, designed for installation outdoors. The 100 ton units have 2 independent refrigerant circuits, with two compressors per circuit. The CGAM units are packaged with an evaporator and condenser. Each CGAM unit is a completely assembled, hermetic-compressors packaged unit that is factory-piped, wired, leak-tested, dehydrated, charged and tested for proper control operation.

The CGAM series features Trane's exclusive Adaptive Control logic with CH530 controls. It monitors the control variables that govern the operation of the chiller unit. Adaptive Control logic can correct these variables, when necessary, to optimize operational efficiencies, avoid chiller shutdown, and keep producing chilled water. Each refrigerant circuit is provided with filter, sight glass, electronic expansion valve, and charging valves on the CGAM. The evaporator is a brazed plate heat exchanger which is equipped with a water drain and vent connections in the water piping. The condenser is an air-cooled slit or serpentine fin coil.

**2. Motor Upgrades**

Site clear of existing motors  
Provide and install high efficiency motors for use with VFD's at the following locations:

Provide necessary electrical for new VFD's  
Fans on all AHUs serving the courthouse will have a new VFD  
New belts as needed for new motor sheaves and pulley as required  
Perform at the unit air flow measurement before replacement and after to match existing conditions

**3. Functional Testing/Audit of Courthouse HVAC System**

Perform visual inspection and functionality test for proper operation as designed for the following equipment:

Air Handling Units  
Circulating Pumps  
VAV boxes  
Exhaust Fans  
Boilers  
Water Heater  
Unit Heater  
Finned Tube Radiation

**Energy Improvement Measures for the Courthouse HVAC System**

Perform test & balance for the above noted system as described above

**1. Controls Upgrades**

Remove pneumatic controls components and tubing as required  
Provide new enclosures and new components for equipment  
Provide new room sensors for all locations  
Utilize wireless when possible  
Provide necessary labor and materials for complete DDC system

All pneumatics converted to DDC including equipment:

AHU's  
Fin Tube Radiation  
Unit Heaters  
AHU/ VAV retrofitted to DDC controls  
Boiler controls retrofitted to DDC  
Chiller  
Water Heater Status

Wireless controls system installed, where beneficial for flexible usage  
Installation of remote monitoring capability  
Installation of one central interface  
Maintain existing zoning of the Courthouse to increase occupant comfort and decrease energy usage  
Control of Variable Frequency Drives on all fan motors  
Demand control ventilation were applicable  
Training on new system

## **2. Lighting Upgrades**

Lighting fixtures will be replaced or retrofitted with new LED energy efficient lamps and ballasts which will provide improved lighting quality and reduced maintenance. Exterior lighting upgrades to new technology products will be provided for the Courthouse.

1X4 strip fixtures located throughout the facility will generally be retrofitted to LEDs.

2X4 grid troffers located in the offices, hallways, etc., containing two lamps would be retrofitted to LED technology.

2X4 grid troffers located in the offices containing three and four lamps would be retrofitted to LED Technology.

Photometric design analysis will be used to confirm any diversion from this pattern.

Parabolic lenses on fixtures would be converted to prismatic.

All 2X4 fixtures retrofitted would use a new reflector, lamp, lamp holder, ballast and ballast quick disconnect.

All other non-fluorescent building mounted interior and exterior fixtures, as noted in the scope of work, would be retrofitted with quality LED lamps.

Wherever possible all lighting will be retrofit to LED in some cases the fixture will be replaced with a like product after approval by Delta County.

Lighting Upgrades Courthouse			
Location	Existing Fixture	Count	Proposed Fixture
<b>COURTHOUSE 2<sup>ND</sup> FLOOR</b>			
251 Juvenile Office	2X4 GT 3-32 PAR	4	K-2-12LED 4'ND
252 Hearing	2X4 GT 4-32 PR	6	R-2-12LED 4'
253 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4'ND
254 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4'ND
255 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4'ND
256 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4'ND
257 Hearing	2X4 GT 4-32 PR	4	R-2-12LED 4'
Hall	2X4 GT 2-32 PAR	4	R-2-12LED 4'
201 Probate Court	2X4 GT 4-32 PR	15	R-2-12LED 4'
201 Probate Court	2X4 GT 2-U32 PR	8	K-22-2-16.5LED U
Jury Room	2X4 GT 3-32 PR	6	R-2-12LED 4'
Jury Room Restroom 1	75W INC	1	R-18W LED A19 CR
Jury Room Restroom 2	75W INC	1	R-18W LED A19 CR
250A Reception	2X4 GT 3-32 PR	2	R-2-12LED 4'
249 Office	2X4 GT 3-32 PR	2	R-2-12LED 4'
248 Office	2X4 GT 3-32 PR	2	R-2-12LED 4'
203 Office	2X4 GT 3-32 PAR	6	K-2-12LED 4'ND
203 Restroom	75W INC	1	R-18W LED A19 CR
205 Office	2X4 GT 3-32 PAR	6	K-2-12LED 4'ND
206 Probate Reception	2X4 GT 3-32 PAR	6	K-2-12LED 4'ND
207 Records	2X4 GT 3-32 PAR	6	K-2-12LED 4'ND
247 Equalization Dept.	2X4 GT 3-32 PAR	18	K-2-12LED 4'ND
246 Office	2X4 GT 3-32 PAR	6	K-2-12LED 4'ND
208 Training	2X4 GT 3-32 PAR	6	K-2-12LED 4'ND
Men's Restroom	2X4 GT 2-32 PR	2	R-2-12LED 4'
Men's Restroom	1X1 GT 26W CFL	2	R-18W LED A19 CR
Restroom Entry	2X4 GT 2-32 PR	1	R-2-12LED 4'
Restroom Entry	1X4 VN 2-32	1	R-2-12LED 4'
Women's Restroom	2X4 GT 2-32 PR	2	R-2-12LED 4'
Women's Restroom	1X1 GT 26W CFL	2	R-18W LED A19 CR
Restroom Entry	2X4 GT 2-32 PR	1	R-2-12LED 4'
Restroom Entry	1X4 VN 2-32	1	R-2-12LED 4'
209 Copy Room	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
Restroom	2X4 GT 2-32 PR	1	R-2-12LED 4'
240 Mechanical Room	100W INC	3	R-18W LED A19 CR
210 Office	2X4 GT 3-32 PAR	8	R-2-12LED 4'

<b>Lighting Upgrades Courthouse</b>			
<b>Location</b>	<b>Existing Fixture</b>	<b>Count</b>	<b>Proposed Fixture</b>
210 Office	8 RC HC 2-26W CFL PB	3	RRC18WLED-TR-K
Elevator Waiting Area	2X4 GT 2-32 PR	1	R-2-12LED 4'
212	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
217 DOC	2X4 GT 3-32 PAR	2	R-2-12LED 4'
217 Waiting Area	2X4 GT 2-32 PR	2	R-2-12LED 4'
217 Main Office	2X4 GT 3-32 PAR	6	R-2-12LED 4'
Back Hall	2X4 GT -32 PR	3	K-2-12LED 4' ND
214 Probate Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
213 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
219 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
218 Office	2X4 GT 3-32 PAR	2	K-2-12LED 4' ND
220 Conference Room	2X4 GT 3-32 PAR	8	K-2-12LED 4' ND
221 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
221 Reception	2X4 GT 3-32 PAR	9	K-2-12LED 4' ND
224 Server	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
Back Office	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
237 Prosecutor's Office	2X4 GT 2-32 PR	4	R-2-12LED 4'
226 Office	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
227 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
228 Restroom	2X4 GT 2-32 PR	2	R-2-12LED 4'
Back Office	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
Reception Area	2X4 GT 3-32 PAR	12	K-2-12LED 4' ND
231 Records	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
232 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
230A Storage	10 RC HC 2-26W CFL PB	1	RRC18WLED-TR-K
234 Conference	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
262 Mechanical Room	100W INC	5	R-18W LED A19 CR
262 Mechanical	42W CFL BD	2	R-18W LED A19 CR
Main Hall	2X4 GT 3-32 PAR	21	K-2-12LED 4' ND
Stairwell	1X4 WM 4-32 D/I PAR	3	R-4-12LED 4'
<b>COURTHOUSE 1<sup>ST</sup> FLOOR</b>			
102 Accounting	2X4 GT 3-32 PAR	10	K-2-12LED 4' ND
101A Accounting	2X4 GT 3-32 PAR	20	K-2-12LED 4' ND
101A Accounting	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
101A Entry	10 RC HC 2-26W CFL PB	3	RRC18WLED-TR-K
Friend of the Court	2X4 GT 3-32 PAR	8	K-2-12LED 4' ND

**Turnkey Agreement**  
**Exhibit B – Scope of Services**

<b>Lighting Upgrades Courthouse</b>			
<i>Location</i>	<i>Existing Fixture</i>	<i>Count</i>	<i>Proposed Fixture</i>
Reception	2X4 GT 3-32 PAR	13	K-2-12LED 4' ND
178 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
175 Office	2X4 GT 3-32 PAR	13	K-2-12LED 4' ND
180B Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
104 Offices	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
104 Offices	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
Hearing Room	2X4 GT 3-32 PAR	12	K-2-12LED 4' ND
Vault	1X4 WR 3-32	10	R-2-12LED 4'
171 County Treasurer	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
171 Reception	2X4 GT 3-32 PAR	8	K-2-12LED 4' ND
171 Reception	10 RC HC 2-26W CFL PB	4	RRC18WLED-TR-K
172 Offices	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
172 Offices	10 RC HC 2-26W CFL PB	1	RRC18WLED-TR-K
170 Records	1X4 WR 2-32	4	R-2-12LED 4'
105 Building and Zoning	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
105 Building and Zoning	10 RC HC 2-26W CFL PB	3	RRC18WLED-TR-K
106 Offices	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
106 Offices	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
Unmarked Door	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
109 County Clerk	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
109 Offices	2X4 GT 3-32 PAR	2	K-2-12LED 4' ND
109 Offices	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
109 County Clerk	10 RC HC 2-26W CFL PB	3	RRC18WLED-TR-K
Copier	1X4 WR 2-32	1	R-2-12LED 4'
Copier Records	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
Copier Records	1X4 WR 2-32	1	R-2-12LED 4'
167 Work Room	2X4 GT 3-32 PAR	2	R-2-12LED 4'
Men's Restroom	2X4 GT 2-32 PR	1	R-2-12LED 4'
Women's Restroom	2X4 GT 2-32 PR	2	R-2-12LED 4'
Women's Restroom	1X4 VN 2-32	1	R-2-12LED 4'
163 Janitors Closet	1X4 WR 2-32	1	R-2-12LED 4'
162 Law Library	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
159 Judge's Chambers	2X4 GT 3-32 PAR	15	K-2-12LED 4' ND
159 Judge's Chambers	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
158 Judge	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
158 Restroom	60W INC	2	R-18W LED A19 CR
Courtroom	10 RC DC 2-26W CFL PB	45	RRC18WLED-TR-K

Lighting Upgrades Courthouse			
Location	Existing Fixture	Count	Proposed Fixture
Courtroom	10 RC LED	8	NO CHANGE
Courtroom Walls	1X4 ST 2-32 PAR	30	R-2-12LED 4'
152 Jury Room	2X4 GT 3-32 PAR	6	R-2-12LED 4'
151 Women's Restroom	100W INC	4	R-18W LED A19 CR
151 Women's Restroom	60W INC	2	R-18W LED A19 CR
155 Men's Restroom	13W CFL SB	4	R-18W LED A19 CR
155 Men's Restroom	60W INC	2	R-18W LED A19 CR
Elevator	1X4 ST 2-32 PAR	1	R-2-12LED 4'
Front Lobby	10 RC HC 2-26W CFL PB	4	RRC18WLED-TR-K
Entry	2X4 GT 2-32 PR	2	R-2-12LED 4'
Unmarked Security	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
Unmarked Security	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
114 Conference Room	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
118 Probate Dept.	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
118 Probate Dept.	10 RC HC 2-26W CFL PB	3	RRC18WLED-TR-K
Office 1	2X4 GT 3-32 PAR	3	K-2-12LED 4' ND
Office 1	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
119B	2X4 GT 3-32 PAR	6	K-2-12LED 4' ND
119 Waiting	2X4 GT 3-32 PAR	2	R-2-12LED 4'
Men's Restroom	2X4 GT 2-32 PR	2	R-2-12LED 4'
Men's Restroom	60W INC	1	R-18W LED A19 CR
Men's Restroom	1X4 VN 2-32	1	R-2-12LED 4'
Women's Restroom	2X4 GT 2-32 PR	2	R-2-12LED 4'
Women's Restroom	60W INC	1	R-18W LED A19 CR
Women's Restroom	1X4 VN 2-32	1	R-2-12LED 4'
122 Conference Room	2X4 GT 2-32 PR	2	R-2-12LED 4'
Side Entry	10 RC HC 2-26W CFL PB	1	RRC18WLED-TR-K
134 Office	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
134 Office	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
Hearing Room	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
Hearing Room	10 RC HC 2-26W CFL PB	2	RRC18WLED-TR-K
144 Office	2X4 GT 3-32 PAR	2	K-2-12LED 4' ND
143 Jury Room	2X4 GT 3-32 PAR	4	R-2-12LED 4'
143 Men's Restroom	100W INC	1	R-18W LED A19 CR
143 Women's Restroom	100W INC	1	R-18W LED A19 CR
139 Office	2X4 GT 2-32 PR	4	K-2-12LED 4' ND
139 Restroom	26W CFL SB	1	R-18W LED A19 CR

<b>Lighting Upgrades Courthouse</b>			
<b>Location</b>	<b>Existing Fixture</b>	<b>Count</b>	<b>Proposed Fixture</b>
Hall	2X4 GT 2-32 PR	3	R-2-12LED 4'
133 Workroom	2X4 GT 3-32 PAR	4	K-2-12LED 4' ND
133 Workroom	10 RCHC 2-26W CFL PB	2	RRC18WLED-TR-K
131 Office	2X4 GT 3-32 PAR	4	RRC18WLED-TR-K
131 Office	10 RCHC 2-26W CFL PB	3	R-2-12LED 4'
131 Conference Room	2X4 GT 3-32 PAR	2	R-2-12LED 4'
128 Restroom	60W INC	2	R-18W LED A19 CR
Main Reception	10 RCHC 2-26W CFL PB	7	RRC18WLED-TR-K
Main Reception	2X4 GT 3-32 PAR	14	R-2-12LED 4'
Hall	2X4 GT 3-32 PAR	4	R-2-12LED 4'
Main Hall	2X4 GT 3-32 PAR	17	R-4-12LED 4'
Side Entry	1X1 GT 70W HID	1	RRC18WLED-TR-K
Courtroom	10 RC HC 2-26W CFL PB	16	RRC18WLED-TR-K
Courtroom	2x4 GT 4-32 PR	11	R-4-12LED 4'
Corner Stairs	1X4 WR 2-32	8	R-2-12LED 4'
<b>COURTHOUSE BASEMENT</b>			
Hall/Common	1X4 WR 2-32	23	R-2-12LED 4'
Men's Restroom	1x4 VN 2-32	1	R-2-12LED 4'
Men's Restroom	2X4 GT 2-32 PR	1	R-2-12LED 4'
011 Offices	2X4 GT 2-32 PR	4	R-2-12LED 4'
Elevator Landing	2X4 GT 2-32 PR	1	R-2-12LED 4'
026 Staff Breakroom	1X4 WR 3-32	8	R-2-12LED 4'
Stairwell	1X4 WM 4-32 D/I PAR	12	R-4-12LED 4'
Stairwell	26W CFL SB	2	R-18W LED A19 CR
<b>COURTHOUSE EXTERIOR</b>			
Wall Wash Are/Flood	AF 250W MH	12	F-72W-LEDAR
Canopy	75W INC	4	R-18W LED A19-CR
Wall Pack	WP70 HPS	7	F-19W-LEDWP
30' Pole	400W MH	1	F-201W-LEDCH-LK
Wall Mount Flood	LED FLD	1	NO CHANGE
Front Canopy	1X1 GT 70W HID	9	RRC18WLED-TR-K
Court House Sign	AF 70W MH	1	F-36W-LEDAR/SP
Wall Packs	LED WP	2	NO CHANGE
Wall Packs	WP250W MH	1	F-50W-LEDWP-FT
Wall Mount Flood	250MH	1	F-144W-LEDAR

**3. Building Envelope Upgrades**

The recommended scope of work for each building is based on the problem areas and/or energy related measures identified during the assessment. A turnkey solution includes the supply and installation of related air sealing/insulation products. These may include items from the list below:

- Exterior Doors will be sealed and weather stripped
- All windows will be reevaluated for leakage
- Mechanical room doors will be tested for leakage
- Roof hatch will be tested for leakage

<b>Delta County Courthouse Building Envelope Upgrades</b>		
<b>Component</b>	<b>Existing Condition</b>	<b>Recommendation</b>
Exterior Doors QTY 14	Leakage	Weather-strip and sealed

**Delta County Airport**

11,795 Sq. Ft.  
3300 Airport Rd.

**Mechanical Upgrades**

**1. Variable Frequency Drives**

Variable frequency drives will be added to the Air Handling Equipment located in the Airport mechanical room. Electrical work and installation will be provided

**2. Motor Upgrades**

Site clear of existing motors

Provide and install high efficiency motors for use with VFD's at the following locations:

- (2) Supply Fans on Trane AHUs serving the terminal

**3. Outside Air Ventilation Reconfiguration**

Trane will reconfigure the AHUs existing outside air intake from the side of the terminal to the roof area in order to improve ventilation for the building. Currently, when vehicles are parked next to the terminal entrance, vehicle exhaust fumes enter directly into the ventilation system.

The existing outside air ductwork will be relocated to penetrate through roof, provide new roof-mounted fresh air intake hood with bird screen. Roofing and deck shoring will be provided. Structural verification will be provided. All necessary labor and materials to successfully relocate outside air intake will be included.

**4. Functional Testing/Audit of the Airport HVAC System**

At the unit air balance before and after upgrades will be provided

Perform visual inspection and functionality test for proper operation as designed for the following equipment:

- Exhaust Fans
- Pumps
- Radiant Manifolds
- CUH
- VAV boxes
- Condensing Units
- AHUs
- Boilers
- Water Heater

## **Energy Improvement Measures of Delta County Airport HVAC System**

Perform test & balance for the above noted system as described above.

### **1. Controls Upgrades**

Remove existing outdated control components and tubing as required  
Provide new enclosures and new components for equipment  
Provide new room sensors for all locations  
Utilize wireless when possible  
Provide necessary labor and materials for complete Direct Digital Control (DDC) system

All existing temperature controls converted to DDC including the following equipment:

AHU's  
Fin Tube Radiation  
Unit Heaters  
AHU/ VAV retrofitted to DDC controls  
Boiler controls retrofitted to DDC  
Chiller  
Water Heater Status

Wireless controls system installed, where beneficial for flexible usage  
Installation of remote monitoring capability  
Installation of one central interface  
Maintain existing zoning of the Courthouse to increase occupant comfort and decrease energy usage  
Control of Variable Frequency Drives on all fan motors  
Demand control ventilation were applicable  
Training on new system

### **2. Lighting Upgrades**

Lighting fixtures will be replaced or retrofitted with new LED energy efficient lamps and ballasts which will provide improved lighting quality and reduced maintenance. The airport has begun retrofitting a number of the fixtures and Trane will work/retrofit those fixtures that were not already designated for upgrades by the Airport Manager.

1X4 strip fixtures located throughout the facility will generally be retrofitted to LEDs.  
2X4 grid troffers located in the offices, hallways, etc., containing two lamps would be retrofitted to LED technology.  
2X4 grid troffers located in the offices containing three and four lamps would be generally be retrofitted to LED Technology.  
Photometric design analysis will be used to confirm any diversion from this pattern.  
Parabolic lenses on fixtures would be converted to prismatic.  
All 2X4 fixtures retrofitted would use a new reflector, lamp, lamp holder, ballast and ballast quick disconnect.

All other non-fluorescent building mounted interior fixtures, as noted in the scope of work, would be retrofitted with quality LED lamps.

Exterior Lighting at Airport is not part of this proposal

Lighting Upgrades Delta County Airport			
Location	Existing Fixture	Count	Proposed Fixture
East Entry	10 RC HC 42W CFL PB	2	RRC18WLED-TR-K (HC)
East Lobby Upper Ceiling	10 RC HC 42W CFL PB	24	RRC18WLED-TR-K (HC)
East Lobby Lower Ceiling	10 RC HC 42W CFL PB	6	RRC18WLED-TR-K (HC)
Car Rental Office	2X4 GT 3-32 PR	3	R-2-12LED ISN 4'
VA Office	2X4 GT 3-32 PR	3	R-2-12LED ISN 4'
Inbound Baggage	175W MH	4	F-24HGMM-4-12LED ISN 4
Viewing Area	10 RC DC 42W CFL PB	15	RRC18WLED-TR-K (HC)
Main Lobby Center	1X8 WR 88W LED CRLS	7	No Change
Main Lobby Center	1X3 WM 2.25	9	R-2-10.5 LED ISN 4'
Main Lobby Center	1X4 WR 44W LED CRLS	1	No Change
Main Lobby Center	10 RC HC 42W CFL PB	4	RRC18WLED-TR-K (HC)
Main Entry	10 RC HC 42W CFL PB	4	RRC18WLED-TR-K (HC)
TSA Secure Hold	10 RC HC 42W CFL PB	20	RRC18WLED-TR-K (HC)
TSA Check-in	10 RC HC 42W CFL PB	14	RRC18WLED-TR-K (HC)
IT Room (TSA Area)	10 RC HC 42W CFL PB	2	RRC18WLED-TR-K (HC)
Restroom	10 RC HC 42W CFL PB	2	RRC18WLED-TR-K (HC)
Men's Restroom (Lobby)	10 RC HC 42W CFL PB	3	RRC18WLED-TR-K (HC)
Men's Restroom (Lobby)	1X4 ST 2-32	6	R-2-12LED ISN 4'
Women's Restroom (Lobby)	10 RC HC 42W CFL PB	3	RRC18WLED-TR-K (HC)
Women's Restroom (Lobby)	1X4 ST 2-32	6	R-2-12LED ISN 4'
Cover Lighting (Mural)	1X4 ST 2-32	12	R-2-12LED ISN 4'
West Lobby	10 RC HC 42W CFL PB	20	RRC18WLED-TR-K (HC)
West Lobby	2X4 GT 2-32 PR	3	R-2-12LED ISN 4'
West Entry	2X4 GT 2-32 PR	1	R-2-12LED ISN 4'
Mechanical Room 1	1X4 INDST 2-32 50"K	6	R-2-12LED ISN 4'
Mechanical Room 2	100W QTZ FLD	3	R-9.5W LED BR30-CR
Mechanical Room 2	1X4 INDST 2-34	1	R-2-12LED ISN 4'
Electrical Room 1	1X8 ST 2-60	1	K-18-4-12LED ISN 4'
Electrical Room 2	1X4 INDST 2-32 50"K	3	R-2-12LED ISN 4'
Pilot's Lounge	2X4 GT 2-32 PR	6	R-2-12LED ISN 4'
Pilot's Lounge Restroom	10 RC HC 42W CFL PB	2	RRC18WLED-TR-K (HC)
Airport Administration	10 RC HC 42W CFL PB	2	RRC18WLED-TR-K (HC)
Airport Admin Storage	2X4 GT 2-32 PR	1	R-2-12LED ISN 4'
Airport Admin Hall	2X4 GT 2-32 PR	1	R-2-12LED ISN 4'
Airport Admin Office	2X4 GT 3-32 PR	3	R-2-12LED ISN 4'
Airport Admin Office	2X4 GT 3-32 PR	2	R-2-12LED ISN 4'
Airport Admin Conference	4 RC HC 50W INC	12	R-9W LED R20 TCP
TSA Office	2X4 GT 4-32 PR	2	R-2-12LED ISN 4'
TSA Office	2X4 GT 4-32 PR	2	R-2-12LED ISN 4'
TSA Office Breakroom	2X4 GT 4-32 PR	2	R-2-12LED ISN 4'
TSA Office Breakroom	2X4 GT 2-32 PR	1	R-2-12LED ISN 4'
TSA Office	2X4 GT 3-32 PR	2	R-2-12LED ISN 4'
Airline Operations Garage	175W MH	6	F-24HGMM-4-12LED ISN4

Lighting Upgrades Delta County Airport			
Location	Existing Fixture	Count	Proposed Fixture
Bag Hallway	2X4 GT 2-32 PR	2	R-2-12LED ISN 4'
Delta Operations Office	2X4 GT 2-32 PR	1	R-2-12LED ISN 4'
Delta Operations Office	2X4 GT 4-32 PR	2	R-2-12LED ISN 4'
Delta Operations Office	2X4 GT 2-32 PR	2	R-2-12LED ISN 4'
<b>MAINTENANCE GARAGE</b>			
Maintenance Bay	2X4 HG 2-32 WG	27	R-2-12LED ISN 4'
Maintenance Bay	2X4 HG 2-32 WG	2	R-2-12LED ISN 4'
Upper Work Area/Storage	1X4 INDST 2-32 WG	4	R-2-12LED ISN 4'
Storage Room	1X4 INDST 2-32 WG	2	R-2-12LED ISN 4'
Office/Washroom	1X4 INDST 2-32 WG	2	R-2-12LED ISN 4'
Main Office	1X4 WR 2-32	4	R-2-12LED ISN 4'
Main Office	1X4 WR 3-32	1	R-2-12LED ISN 4'
Main Office Entrance	1X4 WR 2-32	1	R-2-12LED ISN 4'
Firefighting Bay	2X4 HG 2-32 WG	12	R-2-12LED ISN 4'
Records Storage	1X4 WR 2-32	1	R-2-12LED ISN 4'
Locker Room	1X4 WR 2-32	1	R-2-12LED ISN 4'
Restroom	1X4 WR 3-32	1	R-2-12LED ISN 4'
Laundry	1X4 INDST 2-32 WG	2	R-2-12LED ISN 4'
Hall	1X4 INDST 2-32 WG	2	R-2-12LED ISN 4'
Hall (Back)	1X4 WR 2-32	2	R-2-12LED ISN 4'
Upper Storage	1X4 INDST 2-32 WG	6	R-2-12LED ISN 4'
Plow Truck Bay	2X4 HG 2-32 WG	16	R-2-12LED ISN 4'
Equipment Bay	2X4 HG 2-32 WG	16	R-2-12LED ISN 4'
<b>EXTERIOR LIGHTING BY OTHERS</b>			

**3. Building Envelope Upgrades**

The recommended scope of work for each building is based on the problem areas and/or energy related measures identified during the assessment. A turnkey solution includes the supply and installation of related air sealing/insulation products. These may include items from the list below.

- Roof Exhausts and Openings will be tested for leakage
- Overhead Door will be sealed
- Interior and Exterior Doors will be sealed
- Mechanical Room doors will be tested
- Windows will be tested
- Roof/Wall Intersections

<b>Delta County Airport Building Envelope Upgrades</b>		
<b>Component</b>	<b>Existing Condition</b>	<b>Recommendation</b>
Roof/Wall Intersections 150'	Area Leakage	Seal with 2 part foam
Pipe Penetrations QTY 10	Leakage	Sealed with 1 or 2 part foam
Exterior Doors QTY 11	Leakage	Weather-strip and sealed
Exterior Doors QTY 2	Leakage	Door sweeps replaced only
Interior Doors QTY 7	Leakage	Weather-strip and door bottoms
Overhead Doors QTY 10	Some Leakage	Weather-strip doors

**EXHIBIT C**  
**Description of Premises**

The Premises are described as follows:

This project will involve two (2) Delta County Facilities:

- 1) The Delta County Courthouse located at 310 Ludington Street and consisting of 62,574 square feet of space plus a power facility located directly behind the Courthouse containing heating and air conditioning equipment.
- 2) The Delta County Airport located at 3300 Airport Rd. and consisting of 11,795 square feet of space consisting of a garage facility that is adjacent to the main airport terminal building.

**EXHIBIT D.1**  
**Certificate of Substantial Completion**

**Certificate of Substantial Completion**

**Delta County, MI**

**Trane Project No.: 00046887**

**Date Certificate Submitted to Customer: TBD**

The Services performed pursuant to the Turnkey Agreement ("Agreement"), by and between Trane U.S. Inc. ("Trane"), and Delta County, MI ("Customer"), dated as of TBD, have been inspected by Customer, have been determined to be substantially complete and Customer accepts the same in accordance with the terms of the Agreement.

The Date of Substantial Completion is: TBD

Punchlist items are listed on the attached, together with the date such items are to be completed.

The Warranty Period, pursuant to Article 6 of the Agreement, commences as of the date of Substantial Completion or the earlier dates stated below with respect to the following corresponding equipment or work:

Services: Description of Equipment or Work	Warranty Commencement Date

**Trane U.S. Inc.**

By: \_\_\_\_\_  
(Signature)  
\_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
**Delta County, MI**  
(Customer)

By: \_\_\_\_\_  
(Signature)  
\_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT D.2**  
**Certificate of Final Completion**

**Certificate of Final Completion and Acceptance**

**Delta County, MI**  
**Trane Project No.: 00046887**  
**Date Certificate Submitted to Customer: TBD**

The Services performed pursuant to the Turnkey Agreement (the "Agreement"), by and between ("Customer") and Trane U.S. Inc., dated as of TBD, has been inspected by the undersigned Customer and have been determined to be finally complete.

The Date of Final Completion and Acceptance is hereby established as the earlier of (i) the date Customer executes this Certificate, as noted below, or (ii) fourteen (14) calendar days after the date noted above as the date this Certificate is submitted to Customer.

**Trane U.S. Inc.**

By: \_\_\_\_\_  
(Signature)  
\_\_\_\_\_  
(Printed Name)  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Delta County, MI  
(Customer)  
By: \_\_\_\_\_  
(Signature)  
\_\_\_\_\_  
(Printed Name)  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



B7

## Delta County Expense Card Policy

### I. General Purpose of Policy

The Delta County Board of Commissioners recognizes that certain situations require prompt purchases and that expense cards allow necessary efficiencies for select job positions. However, the scope of the expense card program is intended to be very limited with few approved individuals. The primary intent of the Expense Card Policy is to improve workplace efficiency while ensuring that Delta County remains a strong steward of public funds.

### II. Issuance and Revocation of Cards

- A. Delta County expense cards will only be issued to county employees approved by the Delta County Board of Commissioners. Requests for an expense card will be made by the responsible Department Head or Elected Official to Administration. Expense cards will only be issued to individuals, not positions.
- B. At any time, without cause, the Department Head or Elected Official may cancel, suspend, or revoke a card from a supervised employee, regardless of previous Board of Commissioner approval.
- C. At any time, the Administrator may cancel, suspend, or revoke an expense card if a violation has occurred, or in order to investigate a discrepancy or possible violation.
- D. To ensure shared responsibility between multiple stakeholders (a card holder and his/her supervisor) best efforts will be made to avoid Elected Officials and the Administrator from having expense cards issued in their name since they have no direct employee supervisors.

### III. Expense Card Limit

- A. At the time a request is made to the Board of Commissioners, the responsible Department Head or Elected Official will specify a maximum card limit. Cards will not be issued without limits and both the responsible Office and the Board will make every intent to keep card limits as low as reasonably possible.
- B. To ensure conformity with the County Procurement Policy, no single purchases will be made for more than \$2,000.

### IV. User Terms of Use

- A. Employees entrusted with expense cards are responsible for protection and custody of the card and are not to share the card with any other individual, aside from an approved transaction. If the card is lost or stolen, the employee is responsible for informing his/her supervisor and Administration immediately.
- B. Individuals utilizing the credit card must collect and turn in all detailed receipts associated with credit card use. Failure to provide detailed receipts will result in assumption of unallowable costs. Each user will be responsible for following up on disputed costs, charges, and returns to ensure proper credit on each statement.

- C. Individuals will be required to keep an ongoing log of all credit card transactions which will be approved by his/her Supervisor at a timeframe set by the Administrator.

**V. Unallowable Costs**

- A. The following costs will not be allowed on county expense cards:
  - 1. Meal costs during employee travel/training with the exception of Probate Court Incentive Program meals.
  - 2. If on travel or training, purchase of items that violate the County's travel policy, including alcohol.
  - 3. Personal expenses, regardless of intention to reimburse the County.
  - 4. Cash advances

**VI. Violations/Penalties**

- A. At the discretion of the Administrator, an employee who uses an expense card to purchase an unapproved or unallowable item may be required to personally repay all costs.
- B. At the discretion of the Administrator, an employee who unintentionally violates the expense card policy may be subject to suspension or revocation of his/her card.
- C. An employee who intentionally violates the expense card policy will be subject to normal discipline up to and including termination.
- D. Supervisors failing to adequately monitor credit card transactions may result in the suspension or revocation of all expense cards within the department.

**VII. Expense Card Process**

- A. The following includes the correct expense card process:
  - 1. The responsible Department Head or Elected Official creates a request in writing to the Board of Commissioners for an employee to receive expense card authorization. The request will include the general need and a proposed expense limit.
  - 2. The Board of Commissioners will consider the request and if approved, a card will be issued.
  - 3. An authorized purchase will be made, a detailed receipt will be collected, and a transaction will be logged.
  - 4. The Supervisor will approve the transaction, and submit to Administration for payment to the expense card company.
  - 5. The expense will appear on the list of bills for consideration at the Board of Commissioners meeting.

**VIII. Sheriff's Credit Card Policy**

- A. To avoid process disruption, the Sheriff's current Credit Card Policy will remain in effect for his Office until the Sheriff voluntarily converts to the countywide policy.