

September 23, 2014

The regular meeting of the Otsego County Board of Commissioners was held in the County Building at 225 West Main Street, Room 100. The meeting was called to order at 9:30 a.m. by Chairman Lee Olsen. Invocation by Commissioner Ken Borton, followed by the Pledge of Allegiance led by AJ Hamilton.

Roll Call:

Present: Tammy LaBouef, Paul Liss, Lee Olsen, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton.

Excused: Paul Beachnau, Bruce Brown.

Motion by Commissioner Paul Liss, to approve the regular minutes of September 9, 2014 with attachments. Ayes: Unanimous. Motion carried.

Consent agenda:

The FY 2014 Courthouse restoration budget amendment and the 2014-2015 Commission on Aging budget were removed from the consent agenda and placed under New Business under item B).

Motion to approve the Groen Nature Preserve Timber Sale Agreement. Ayes: Unanimous. Motion carried. (see attached)

Motion to approve FY 2014 Sheriff Budget Amendment. Ayes: Unanimous. Motion carried. (see attached)

Motion to approve the FY 2014 Equipment Budget Amendment. Ayes: Unanimous. Motion carried. (see attached)

Motion to approve the 2014-2015 Bus Budget. Ayes: Unanimous. Motion carried. (see attached)

Administrator's Report:

John Burt reported on the 2015 budget process; Municipality visits; Dickerson Road; Union negotiations; \$50,000 USDA grant for an ambulance; Zoning agreements.

Department Head Report:

Suzy DeFeyter reported on the County Clerk/ Register of Deeds offices.

Committee Reports:

Motion by Commissioner Erma Backenstose to award Bid 2014-03 to Sunrise Construction in the amount of \$58,885 and to approve the associated budget amendment in the amount of \$78,000. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Ken Borton to approve the 2015-2020 Capital Improvement Plan as presented. Ayes: Unanimous. Motion carried.

City Liaison, Township and Village Representative:
Bill Wishart reported on the City Council meeting.

Roberta Tholl reported on the Road Commission.

Vicki Courterier reported on the Courts.

Diann Axford reported on the Treasurer's office.

Correspondence:
The August balance sheet and budget report were presented.

New Business:

Motion by Commissioner Richard Sumerix, to approve the September 16, 2014 Warrant in the amount of \$120,204.30. Ayes: Unanimous. Motion carried.

Motion by Commissioner Doug Johnson, to approve the September 23, 2014 Warrant in the amount of \$631,963.17. Ayes: Unanimous. Motion carried.

Motion by Commissioner Ken Borton to approve the FY 2014 Courthouse Restoration Budget amendment. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Richard Sumerix, to approve the Commission on Aging Budget. Ayes: Unanimous. Motion carried. (see attached)

Public Comment:
Chairman Lee Olsen opened up the meeting for public comment.

Board Remarks:
Commissioner Tammy LaBouef attended the FOIA presentation; Democrat meeting.

Commissioner Doug Johnson reported on the Michigan Association of Counties workers compensation fund.

Commissioner Erma Backenstose reported on the Otsego Lake Township meeting.

Commissioner Paul Liss reported on Community Corrections; Recycling drop off site; attended the MAC conference

Commissioner Richard Sumerix reported on Bagley Township.

Commissioner Ken Borton attended the MAC Conference.

Chairman Lee Olsen attended the FOIA presentation.

Meeting adjourned at 10:37 a.m.

Lee Olsen, Chairman

Susan I. DeFeyter, Otsego County Clerk

TIMBER SALE AGREEMENT

THIS AGREEMENT entered into this ___ day of _____, 2014, between **Northwest Hardwoods, Inc. of 3293 County Road 491, Lewiston, MI 49756** hereinafter called the PURCHASER, and **Otsego County, c/o John Burt at 225 W. Main Street, Gaylord, MI 49735** hereinafter called the SELLER.

WITNESSETH:

Article I

The SELLER agrees to sell to the PURCHASER standing timber on a tract of land situated in **Otsego County** of the State of Michigan, and located on the property of the SELLER described as: the **approximately 69 ac. located in Section 17, T30N – R1W**. The SELLER guarantees title to said timber and agrees to hold PURCHASER harmless from any liabilities as to any legitimate encumbrances against his title, and agrees to further defend any and all claims at SELLER'S expense. It is the responsibility of the SELLER to point out to the PURCHASER all the property lines and/or corners. It is the responsibility of the PURCHASER to stay within said boundaries.

Article II

The PURCHASER agrees to cut and remove said timber in strict accordance with the following conditions:

1. Unless extension of time is granted, all timber to be cut and removed will be so cut and removed on or before day of **4/15/2015**. In the event that inclement weather makes logging impossible, uneconomical, or will cause excessive site damage due to the weather conditions (such as excessive rutting, road damage, or damage to the residual stand), or if SELLER asks PURCHASER to postpone logging for any other reason, this contract will automatically be extended by 12 months.
2. Activities of PURCHASER on SELLER'S land shall be in conformity with good forestry practices and all applicable laws and regulations.
3. PURCHASER accepts all liability and legal or other expense or action whatsoever, direct or indirect, resulting from any and all claims for any personal injury or death or for any damage to property of employees, agents or servants or for damage of others arising from, growing out of, or in any manner directly resulting from logging operations.
4. PURCHASER shall deliver to SELLER evidence of worker's comprehensive and general liability insurance coverage for employees, agents, servants and property.
5. PURCHASER shall receive approval from SELLER for location of any new roads and/or landings. Existing roads shall be left in a condition as good as, or better than, their present condition.
6. In the event it is necessary to cross the lands of a third party to gain access to SELLER'S timber; SELLER assumes the responsibility of securing the right of way across the land of the third party, unless PURCHASER agrees, in writing, to secure access.

7. The PURCHASER agrees to pay for the timber included in this contract in the following manner: **Payments will be made to Otsego County. Payments will be made weekly based on mill scale(Scribner, cords or tons depending on the product) at the following rates:**

Hard Maple		
	Select	\$800/mbf
	Saw log	\$575/mbf
	Mill log	\$250/mbf
	Veneer	Selling price less \$400/mbf for harvesting, trucking & handling
Basswood		
	VA	\$185/mbf
	Select	\$95/mbf
	Saw log	\$ 70/mbf
	Mill log	\$ 60/mbf
Ash		
	Select	\$170/mbf
	Saw log	\$ 90/mbf
	Mill log	\$ 70/mbf
Soft Maple		
	Select	\$300/mbf
	Saw log	\$150/mbf
	Mill log	\$ 70/mbf
All Pallet Logs		\$30/cord or \$60/mbf
Basswood pulpwood		\$6/cord
Hardwood pulpwood		\$10/cord
Aspen pulpwood		\$14/cord

Article III

The SELLER agrees to allow PURCHASER, its logging contractors, agents, servants or employees, right to ingress, egress and regress upon the above property to properly cut and remove said timber.

The SELLER further agrees to allow PURCHASER to cut and remove the timber under this agreement plus those incidental trees required to access designated timber and to safely remove said timber, in the following manner, all timber purchased as follows:

1. **Harvest all marked trees and ash. Approximately 30% – 40% of the standing volume will be marked for harvest. All of the Ash will be harvested because of the presence of the emerald ash borer. Other diseased, defective, low value and sawlog sized trees will also be marked for harvest to improve spacing and future growth and quality of the residual stand. Den trees will be left throughout the harvest area if they do not present a hazard.**
2. **Pulpwood will be utilized from harvested trees.**
3. **All trails will be left clear of slash.**
4. **Any trees falling across a property line will be pulled back onto sale area.**
5. **Additional trees may be harvested as needed to facilitate felling and skidding.**
6. **No harvesting between April 15th and December 1st.**

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7. All landings will be mutually agreed upon by seller and buyer.
 8. In general, openings in the canopy will not exceed 900 sq ft. Larger trees or pockets of ash or other diseased or infested trees may create some openings larger than 900 sq ft.
 9. Michigan BMP's will be followed.
 10. ***** will have the authority to act as the sellers agent.

Article IV

It is mutually understood and agreed upon by and between the parties hereto, as follows:

1. All timber included in this agreement shall remain the property of the SELLER until properly paid for as heretofore agreed. Risk of loss to the timber shall remain with the SELLER until the timber is cut and removed by the PURCHASER.

2. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award thus rendered by the Arbitrator(s) may be entered in any Court having jurisdiction thereof.

Seller:

Purchaser:

Mike Castle
Lead Forester
Northwest Hardwoods, Inc.

Total	\$ 16,000.00	\$ 16,000.00
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Stacey J. Cruz
 Department Head Signature

09/11/2014
 Date

Finance Department
Entered:
By:

 Administrator's Signature

 Date

 Board Approval Date (if necessary)

 Budget Adjustment #

 Posting Number

OCF-3 (10/14/05)

Otsego County Commission on Aging

2014-2015 OCCOA BUDGET		
REVENUE:		% of Total Revenue
NEMCSA FEDERAL GRANT INCOME	143,322.00	8%
NEMCSA STATE GRANT INCOME	57,272.00	3%
DONATION INCOME	132,586.00	7%
TOBACCO/WAIVER/OTHER GRANTS	63,367.00	3%
PRIVATE PAY-OTSEGO HAUS	25,000.00	1%
TAX RECEIPTS INCOME	1,138,835.00	63%
CASH MATCH FOR GRANTS	19,312.00	1%
INTEREST INCOME	2,000.00	0%
ACTIVITIES/SPECIAL EVENTS INCOME	51,600.00	3%
CONTRACTED INCOME	63,820.00	5%
TRANSFER FROM FUND EQUITY	94,037.00	5%
BUDGETED TOTAL INCOME:	\$1,811,151.00	100%
EXPENSES:		
SALARY EXPENSES	1,105,000.00	
FRINGE BENEFITS	95,351.00	
RSVP FUNDING EXPENSE	42,000.00	
EMPLOYEE BENEFIT	31,921.00	
BOARD EXPENSE	500.00	
RENTS	50,998.00	
RAW FOODS	188,814.00	
EMPLOYEE LUNCH ACCOUNT EXPENSE	1,200.00	
UTILITIES-OTSEGO HAUS	6,500.00	
DUES EXPENSE	3,310.00	
POSTAGE EXPENSE	3,700.00	
SUPPLIES EXPENSE	19,577.00	
KITCHEN SUPPLIES	10,225.00	
TELEPHONE EXPENSE	10,395.00	
SERVICE CONTRACTS/GRANTS	3,360.00	
HOME MEAL DELIVERY EXPENSE	32,080.00	
TRANSPORTATION EXP-OTSEGO HAUS	800.00	
CLEANING EXPENSE	2,500.00	
STAFF TRAVEL EXPENSE	33,064.00	
REPAIR/MAINT EXPENSE	3,484.00	
GARBAGE REMOVAL EXPENSE	2,100.00	
VOLUNTEER PROGRAMS EXPENSE	3,500.00	
EQUIPMENT LEASING-GENERAL OPER	10,400.00	
EQUIPMENT PURCHASE EXPENSE	1,700.00	
COMPUTER EXP-GENERAL OPER	6,000.00	
PRIME TIMES ADVERTISING EXPENSE	9,100.00	
INSURANCE EXPENSE	31,630.00	
AUDIT/PROFESSIONAL FEES	6,500.00	
ADVERTISING EXPENSE	15,030.00	
LEASHOLD IMPROVEMENTS	500.00	
TRAINING EXPENSE	8,200.00	
ACTIVITIES/SPECIAL EVENTS EXPENSES	44,400.00	
CASH MATCH EXP-GENERAL OPER	19,312.00	
TAX TRIBUNAL CHARGEBACKS	8,000.00	
MILLAGE CAMPAIGN 8/2014	0.00	
BUDGETED TOTAL EXPENSES:	\$1,811,151.00	
Revenue over Expenses/Expenses over Revenue:	\$0.00	

Otsego County Bus System

1254 Energy Drive
Gaylord, Michigan 49735

989 731-1204

Nonurban County

Regular Service

Annual Budgeted

2015

Operating Revenue: \$441,452

Total Eligible Expenses: \$1,533,000

Local Share: \$791,874

Comments: -

Otsego County Bus System
Nonurban County
Regular Service
Annual Budgeted
2015

Revenue Schedule Report

Code	Description	Amount
401 :	Farebox Revenue	
40100	Passenger Fares (-)	\$130,000
40200	Contract Fares (-)	\$280,000
40400	Package Delivery/Meal Delivery Programs (-CAP APPROVED)	\$31,452
406 :	Auxiliary Trans Revenues	
40615	Advertising (-)	\$4,000
407 :	NonTrans Revenues	
40710	Sales of Maintenance Services (-)	\$45,257
40799	Other NonTrans Revenue (Explain in comment field) (-SCRAP METAL SALES)	\$1,000
408 :	Local Revenue	
40800	Taxes Levied Directly for/by Transit Agency (-MILLAGE .25 MILLS)	\$300,000
411 :	State Formula and Contracts	
41101	State Operating Assistance (-36.26%)	\$631,000
413 :	Federal Contracts	
41301	Section 5311 Operating (- @ 16%)	\$278,400
414 :	Other Revenue	
41400	Interest Income (-)	\$165

Total Revenues: \$1,701,274

Otsego County Bus System
Nonurban County
Regular Service
Annual Budgeted
2015

Expense Schedule Report

Code	Description	Amount
501 :	Labor	
50101	Operators Salaries & Wages (-)	\$502,300
50102	Other Salaries & Wages (-)	\$23,000
50103	Dispatchers' Salaries & Wages (-)	\$123,000
502 :	Fringe Benefits	
50200	Fringe Benefits (-)	\$352,000
503 :	Services	
50302	Advertising Fees (-)	\$3,000
50305	Audit Costs (-)	\$5,500
50399	Other Services (Explain in comment field) (-)	\$68,700
504 :	Materials and Supplies	
50401	Fuel & Lubricants (-)	\$175,000
50402	Tires & Tubes (-)	\$7,000
50499	Other Materials & Supplies (-)	\$75,000
505 :	Utilities	
50500	Utilities (-)	\$44,000
506 :	Insurance	
50699	Other Insurance (-)	\$29,000
507 :	Taxes & Fees	
50700	Taxes & Fees (-)	\$300
509 :	Misc Expenses	

**Otsego County Bus System
Nonurban County
Regular Service
Annual Budgeted
2015**

Expense Schedule Report

Code	Description	Amount
50902	Travel, Meetings & Training (-)	\$200
513 :	Depreciation	
51300	Depreciation (-)	\$150,000
550 :	Ineligible Expenses	
55008	Other Ineligible Expenses (Explain in comment field) (-)	\$25,000

Total Expenses: \$1,558,000

Total Ineligible Expenses: \$25,000

Total Eligible Expenses: \$1,533,000

**Otsego County Bus System
Nonurban County
Regular Service
Annual Budgeted
2015**

Non Financial Schedule Report

Public Service

Code	Description	Weekday DR	Saturday DR	Sunday DR	Total
610	Vehicle Hours	29,600	816	0	30,416
611	Vehicle Miles	448,000	16,300	0	464,300
615	Unlinked Passenger Trips - Regular	35,600	1,650	0	37,250
616	Unlinked Passenger Trips - Elderly	7,100	440	0	7,540
617	Unlinked Passenger Trips - Persons w/Disabilities	51,600	800	0	52,300
618	Unlinked Passenger Trips - Elderly Persons w/Disabilities	3,600	100	0	3,700
622	Total Demand-Response Unlinked Passenger Trips	97,790	3,000	0	100,790
625	Days Operated	249	51	0	300

Total Passengers: 100,790

Vehicle Information

Code	Description	Quantity
655	Total Demand-Response Vehicles	23
656	Demand-Response Vehicle w/ Lifts	21
658	Total Transit Vehicles	23

Total Vehicles: 23

Miscellaneous Information

Code	Description	Quantity DR
660	Diesel/Gasoline Gallons Consumed	60,000
661	Total Transit Agency Employees (Full-Time Equivalents)	34
662	Total Revenue Vehicle Operators (Full-Time Equivalents)	28

