

July 26, 2011

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 Paul Beachnau. Invocation by Chairman Paul Beachnau, followed by the Pledge of Allegiance led by Commissioner Ken Borton.

Roll call:

Present: Clark Bates, Paul Beachnau, Paul Liss, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Excused: Lee Olsen.

The Regular minutes of July 12, 2011 with attachments were approved via unanimous consent.

Consent Agenda:

Motion to adopt OCR 11-20 Road Commission Sub-Lease.

Roll Call:

Ayes: Clark Bates, Paul Beachnau, Paul Liss, Erma Backenstose, Richard Sumerix, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Excused: Lee Olsen.

Motion carried/Resolution adopted. (see attached)

Motion to approve the Contingency/Administration budget amendment. Ayes: Unanimous.

Motion carried. (see attached)

Motion to approve the Contingency/Jail budget amendment. Ayes: Unanimous. Motion carried.

(see attached)

Motion to approve the Contingency/Sheriff budget amendment. Ayes: Unanimous. Motion carried. (see attached)

Motion to approve the Head Start Bus Agreement. Ayes: Unanimous. Motion carried. (see attached)

Motion to appoint Joe Wambold to the Otsego County Housing Committee in replacement of the position formerly held by Karyn Warsow with a term ending 2-12-2012. Ayes: Unanimous.

Motion carried.

The Drug Court special presentation was adjourned.

Department Head Report:

Missy FitzGerald updated the Board on the Animal Control.

Matt Barresi updated the Board on the Airport.

Committee Reports:

Motion by Commissioner Clark Bates, to reclassify the two Animal Control Clerk I positions to Animal Control Clerk II level along with the associated budget amendment. Ayes: Unanimous. Motion carried. (see attached)

Elizabeth Haus reported on the Village of Vanderbilt.

The June 2011 financial reports were presented to the Board.

New Business:

Motion by Commissioner Richard Sumerix, to approve the July 19, 2011 Warrant in the amount of \$153,379.33 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Doug Johnson, to approve the July 26, 2011 Warrant in the amount of \$540,282.78 as presented. Ayes: Unanimous. Motion carried.

Board Remarks:

Commissioner Paul Liss: Habitat for Humanity.

Chairman Paul Beachnau: Recycling Committee.

Meeting adjourned at 10:07 a.m.

Paul M. Beachnau, Chairman

Susan I. DeFeyter, Otsego County Clerk

OCR 11-20

COUNTY OF OTSEGO
BOARD OF COMMISSIONERS

At a meeting of the Board of Commissioners of the County of Otsego held in Gaylord, Michigan, on July 26, 2011 at 9:30_a.m., Eastern Daylight Savings Time, there were

PRESENT: _____

ABSENT: _____

The preamble and resolution was offered by Commissioner _____ and seconded by Commissioner _____.

RESOLUTION TO APPROVE FORM OF SUBLEASE

WHEREAS, there has been prepared and attached hereto as APPENDIX I, a form of sublease between the County of Otsego (the "County") and the Board of County Road Commissioners of the County of Otsego (the "Road Commission") (the "Sublease") whereby the Road Commission will sublease certain real estate described therein from the County for up to twenty-one (21) years; and

WHEREAS, the final Sublease cannot be completed until the bonds are sold for the project.

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

1. The Sublease, in the form attached hereto as APPENDIX I, is hereby approved and the blanks therein continued in Appendix B and C of the Sublease shall be completed by the Chairperson of the Board of Commissioners of the County after the bonds are sold which will include inserting the debt retirement schedule for the bonds.

2. The Chairperson of the Board of Commissioners of the County and the County Clerk are hereby authorized to execute and deliver the Sublease once the blanks therein have been completed.

3. All resolutions and parts of resolutions, insofar as they conflict with the foregoing resolution, are hereby rescinded.

APPENDIX I

SUBLEASE

THIS SUBLEASE ("Lease") made as of August 1, 2011 by and between the COUNTY OF OTSEGO, a county in the State of Michigan (the "County"), and the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF OTSEGO (the "Road Commission"), a County agency organized and existing under and pursuant to the provisions of Act No. 283, Public Acts of Michigan of 1909, as amended ("Act 283"), and

W I T N E S S E T H :

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

WHEREAS, the Authority intends to construct and equip a Project on the premises described in APPENDIX A to be subleased to the Road Commission and the County and the Authority have entered into a certain Full Faith and Credit General Obligation Lease Contract (the "County Lease") pursuant to which the Project is being constructed by the Authority for the County; and

WHEREAS, the County desires to undertake a project consisting of the construction and equipping of a building, as more fully described in APPENDIX A to this Lease (the "Project"), and it is proposed that the Authority undertake the Project; and

WHEREAS, the County wishes to sublease the Project to the Road Commission pursuant to the terms of this Lease;

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

1. Authorization and Issuance of Bonds. The County intends to cause the Authority to issue its building authority bonds in the aggregate principal of not to exceed \$1,000,000 (the "Bonds") for the purpose of defraying part or all of the cost of the Project. The Bonds are to be dated August 1, 2011 or the first day of any later month in 2011 or 2012 and bear interest at a rate that will result in a net interest cost of not to exceed 8% per annum. Interest shall be payable semi-annually on and shall begin as specified in the Bond Resolution until maturity of the bonds and shall mature in accordance with the Debt Retirement

Schedule set forth on APPENDIX B to this Lease. Each date on which any payment of principal of and/or interest on any Bond is due is referred to herein as a "Bond Payment Date." The Bonds may be payable on the first day of a different month if necessary to match rental income paid to the County.

The County and Road Commission recognize and acknowledge that (a) such Debt Retirement Schedule is based upon an assumed interest rate and date of issuance of the Bonds and assumed Bond Payment Dates, all as set forth in APPENDIX B, (b) the Bond Payment Dates will be specified in the Bond Resolution, (c) the date and amount of each payment of cash rental required under this Lease will be determined (subject to the limitations expressed in the preceding paragraph of this Section) when the Bond Resolution is adopted by the Authority and the Bonds are sold, by application of the rate or rates of interest (that will result in a net interest cost not exceeding 8% annum) actually borne by the Bonds.

The Bonds shall be sold subject to redemption prior to maturity at the option of the Authority with the redemption premiums and upon such terms as are set forth in APPENDIX C attached hereto.

In the event that for any reason after the date upon which this Lease is executed, but before the Bonds have been issued, it appears to the County and the Road Commission that the part of the Project to be paid by Bond proceeds can be equipped for less than \$1,000,000, or Road Commission shall be able to make payment in advance on the cash rental payments payable pursuant to this Lease, the County may cause the Authority to reduce the amount of bonds to be issued in multiples of \$5,000 and reduce the annual maturities or the years of maturities as the County shall direct.

2. Completion of Project. The Authority will commence the Project as follows: (1) the plans, cost estimate and estimated period of usefulness for the Project, all must be filed with the County Clerk and the Road Commission, (2) the Road Commission must approve the plans and cost estimate, and (3) the Authority will obtain construction bids on the Project, after which the Road Commission must approve the award to the lowest responsible bidder. The Project shall be implemented in substantial accordance with such plans which shall be incorporated as part of (but not attached to) this Lease. No major changes in such plans shall be made without the written approval of both the County and Road Commission.

3. Increased Project Costs. In the event that it shall appear, upon taking the necessary bids for the acquisition of the Project and after issuance of the Bonds, that the Project cannot be completed at the estimated cost, the County shall immediately so notify Road Commission. Road Commission may elect to pay the increased cost in cash to the Authority in which event the amount

of such cash payment shall be deposited in the acquisition fund for the Project and the Authority shall proceed to acquire and complete the Project.

4. Insurance Requirements During Acquisition. The County shall cause the Authority to require the contractor or contractors for the Project to furnish all necessary bonds guaranteeing performance and all labor and material bonds and all owner's protective, workers' compensation and liability insurance required for the protection of the Authority, the County, and the Road Commission. Such bonds and insurance, and the amounts thereof, shall be subject to approval of the County and Road Commission. The County shall also cause the Authority to require a sufficient fidelity bond from any person handling funds of the Authority.

5. Sublease Term; Possession. The County does hereby sublease the Project to Road Commission for a term commencing on the effective date of this Lease (determined as provided in paragraph 21) for 30 years after completion, or such earlier date as the principal of and premium, if any, and interest on the Bonds, the fees and expenses of the paying agent for the Bonds and all amounts owing hereunder have been paid in full, but in any event the term of this Lease and any renewals shall not exceed 35 years. Possession of the Project, subject to the sublease, shall vest in Road Commission upon the execution of the Lease. Road Commission agrees to use the Project solely for the purposes for which it is organized.

6. Cash Rental; Pledge of Full Faith and Credit. Road Commission hereby agrees during the term of this Lease or any renewal hereof to pay to the County as cash rental for the Project such periodic amounts as shall be sufficient to enable the County to meet its payments to the Authority on the Project to pay the principal of and interest on the Bonds as such principal and interest shall become due, whether at maturity or by redemption. During the term of the Lease or any extensions thereof, Road Commission shall pay to the County, at least 15 days before each Bond Payment Date, an amount sufficient to pay the principal and/or interest due on the Bonds on such Bond Payment Date.

Road Commission hereby agrees to pay from its general fund the cash rental payments when due. The obligation of Road Commission to make such cash rental payments shall not be subject to any set-off by Road Commission nor shall there be any abatement of the cash rental payments for any cause, including, but not limited to, casualty that results in the Project being untenable.

7. Expenses of Issuing and Payment of Bonds. The County shall cause the Authority to pay from the proceeds of the sale of the Bonds all expenses incurred with respect to the issuance of

the Bonds. Road Commission agrees to pay to the County, in addition to the cash rental provided for in Section 7, all expenses incurred with respect to the issuance and payment of the Bonds, to the extent not so paid from the proceeds from the sale of the Bonds including, but not limited to, the per diem charges paid to the members of the Authority. The obligation of Road Commission to make such payments shall be a general obligation of Road Commission.

8. Maintenance and Repairs. Road Commission shall, at its own expense, operate and maintain the Project and shall keep the same in good condition and repair. Operation and maintenance shall include (but not be limited to) the providing of all personnel, equipment and facilities, all light, power, heat, water, sewerage, drainage and other utilities, and all properties and services of whatever nature, as shall be necessary or expedient in the efficient and lawful operation and maintenance of the Project. Premiums for insurance required to be carried upon or with respect to the Project or the use thereof and taxes levied upon either party hereto on account of the ownership or use of the Project, or on account of rentals or income from the Project, shall likewise be deemed operation and maintenance expenses. The obligation of Road Commission to pay all costs and expenses of the operation and maintenance of the Project shall be a general obligation of Road Commission.

9. Property Insurance and Insurance Proceeds. Road Commission shall provide, at its own expense, fire and extended coverage insurance in an amount which is at least equal to the amount of Bonds outstanding from time to time or to the amount of the full replacement cost of the Project if that amount be less than the amount of Bonds outstanding. Such insurance shall be payable to Road Commission, the County and the Authority as their interests may appear and shall be made effective from the date of commencing acquisition of the Project. In the event of the partial or total destruction of the Project during or after construction, or if the Project is for any reason made unusable, the cash rental payments provided in Section 6 shall continue unabated. Road Commission shall have the option to use the proceeds of insurance, in the event of loss or damage to the Project, for the repair or restoration of the Project. If Road Commission shall determine not to use the proceeds of insurance for the repair or restoration of the Project, the amount of such insurance proceeds shall be paid to the County and by it paid to the Authority which shall deposit the same in the bond and interest redemption fund, and Road Commission shall receive appropriate credits on future cash rental payments due under this Lease. Any insurance proceeds in excess of the amount necessary to retire the Bonds in full shall be retained by Road Commission.

10. Liability Insurance. Road Commission shall provide and maintain during the term of this Lease adequate liability insurance protecting Road Commission, the County and the

Authority against loss on account of damage or injury to persons or property, imposed by reason of the ownership, possession, use, operation, maintenance or repair of the Project and the site of the Project, or resulting from any acts of omission or commission on the part of Road Commission, the County or the Authority or their respective officers, employees or agents in the connection with the Project and shall indemnify, hold harmless and defend the Authority, its officers, employees or agents against any and all claims for any such damage or injury. Such insurance shall be made effective from the date acquisition of the Project commences.

11. No Unlawful Use Permitted. The Project shall be used for these purposes permitted by Public Act 280 of the Public Acts of 1987 and shall not be used or permitted to be used in any unlawful manner or in any manner which would violate the provisions of any contract or agreement between Road Commission, the County or the Authority. Road Commission shall hold the County and Authority harmless and keep it fully indemnified at all times against any loss, injury or liability to any persons or property by reason of the acts or negligence of Road Commission in the use, misuse or non-use of the Project or from any act or omission in, on or about the Project. Road Commission shall, at its own expense, make any changes or alterations in, on or about the Project which may be required by any applicable statute, charter or governmental regulation or order and shall hold the County and the Authority harmless and free from all costs or damages with respect thereto.

12. Alterations of Project. Road Commission with the approval of the County may install or construct in or upon, or may remove from, the Project any equipment, fixtures or structures, and may make any alterations to or structural changes in, the Project.

13. Right of Inspection. The County and Authority, through its officers, employees or agents, may enter upon the Project at any reasonable time during the term of this Lease for the purpose of inspecting the Project and determining whether Road Commission is complying with the covenants, agreements, terms and conditions of this Lease.

14. Contractual Rights of Bondholders. Inasmuch as this Lease, and particularly the obligation of Road Commission to make cash rental payments to the County, provides the security for payment of the principal of and interest on the Bonds, it is hereby declared that this Lease is made for the benefit of the holders from time to time of the Bonds as well as for the benefit of the parties and that such holders shall have contractual rights under this Lease. In the event of any default under this Lease on the part of Road Commission, the County, the Authority and the holders of the Bonds shall have all rights and remedies provided by law. The parties further agree that they will not

do, or permit to be done, any act, and that this Lease will not be amended in any manner, which would impair the security of the Bonds or the rights of the holders of the Bonds. An amendment of this Lease to authorize the issuance of additional Bonds and providing the payment of additional cash rentals for the payment of such Bonds shall not be deemed to impair the security of the Bonds or the rights of the holders of the Bonds.

15. Appurtenant Facilities. The site on which this Project is to be located includes, or will include, roadways, walks, drives, parking areas and landscaping which are of benefit to and necessary to the full use and enjoyment of the Project, and it is hereby agreed that such appurtenant facilities will be maintained in good repair and condition by Road Commission and available to the users and occupants of the Project.

16. Successors and Assigns. This Lease shall inure to the benefit of, and be binding upon, the respective parties hereto and their successors and assigns, provided, however, that no assignment shall be made in violation of the terms of this Lease nor shall any assignment be made by Road Commission without the approval of the County or which would impair the security of the Bonds or the rights of the holders of the Bonds.

17. Abandonment of Project. In the event the Bonds to finance the Project cannot be or are not issued by the Authority on or before December 1, 2012, the Project shall be abandoned, Road Commission shall pay from available funds all expenses of the Authority incurred to the date of abandonment, and neither party shall have any further obligations under this Lease.

18. Consents, Notices, Etc. The right to give any consent, agreement or notice required or permitted in this Lease shall be vested, in the case of the County, in its Board of Commissioners, and in the case of Road Commission, in its Board. Any notice required or permitted to be given under this Lease shall be given by delivering the same, in the case of the County, to the County Clerk, and in the case of Road Commission, to its Board.

19. Changes in Law or Corporate Status. In the event there shall occur changes in the Constitution or statutes of the State of Michigan which shall affect the organization, territory, powers or corporate status of Road Commission or the County, the terms and provisions of this Lease shall be unaffected thereby insofar as the obligation of Road Commission to make the cash rental payments is concerned. The proceeds of any sale or other liquidation of any interest of Road Commission in the Project are hereby impressed with a first and prior lien for payment of any outstanding Bonds or other obligations of the Authority incurred by reason of the Project or any additions or improvements thereto.

20. Effective Date of Lease. This Lease shall become effective on the date the Bonds are issued.

IN WITNESS WHEREOF, BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF OTSEGO as authorized by its Board and the COUNTY OF OTSEGO, by its Board of Commissioners, have caused this Lease to be signed by their duly authorized officers, and their seals to be affixed hereto, all as of the day and year first above written.

WITNESS:

BOARD OF COUNTY ROAD COMMISSIONERS
OF THE COUNTY OF OTSEGO

By: _____

and

By: _____

and

By: _____

COUNTY OF OTSEGO

By: _____
Chairperson, Board of Commissioners

By: _____
County Clerk

las.r3-ots31

STATE OF MICHIGAN)
)SS.
COUNTY OF OTSEGO)

On this _____ day of _____, the foregoing instrument was acknowledged before me by _____ and _____, who are the _____ and the _____ of _____, on behalf of said _____.

Notary Public
 County, Michigan
My Commission Expires: _____

STATE OF MICHIGAN)
)SS.
COUNTY OF OTSEGO)

On this _____ day of _____, the foregoing instrument was acknowledged before me by _____ and _____, who are the Chairperson and the County Clerk of the County of Otsego, a _____, on behalf of said _____.

Notary Public
 County, Michigan
My Commission Expires: _____

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APPENDIX A

PROJECT DESCRIPTION

The project will consist of the construction of a new 14,000 sq. ft. salt storage building at the Otsego County Road Commission property at 669 W. McCoy Road in Gaylord, Michigan. The facility will be used to store salt used on local roads. In addition to the salt storage building, a 15,000 gallon above-ground storage tank for use in the treatment of the Road Commission's waste water will be installed.

TOTAL ESTIMATED PROJECT COSTS

Construction and Equipment Costs, Financing Costs, Bond Discount, Contingency and Other Costs	\$1,000,000
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APPENDIX B

ESTIMATED SCHEDULE OF PRINCIPAL AND INTEREST

[INSERT ESTIMATED SCHEDULE]

The final debt service schedule for the bond issue will be attached to the Sublease after the bonds are sold.

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APPENDIX C

REDEMPTION PROVISIONS

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OTSEGO COUNTY BUDGET AMENDMENT

FUND/DEPARTMENT: General/Admin Funds

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Additional travel dollars for trip to Ohio for meeting on the Groen property.

Account Number	Decrease	Increase
645-125-626.075 Admin Services	\$	\$1,000
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
101-941-999.990 Contingency	\$	\$1,000
101-172-940.000 Administration Services	\$1,000	\$
645-172-930.500 Travel	\$1,000	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

Rachel Frisch
Department Head Signature

7/19/11
Date

Finance Department
Entered:
By:

Administrator's Signature

Date

7/26/11

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number



OTSEGO COUNTY BUDGET AMENDMENT

FUND/DEPARTMENT: General Fund/Jail

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Purchase and Installation of Institutional grade stainless steel toilet in the jail.

Account Number	Decrease	Increase
	\$	\$
-	\$	\$
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
101-941-999.990 Contingency	\$	\$4,800
101-351-726.025 Janitorial Supplies/Maintenance	\$4,800	\$
	\$	\$
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$	\$

Rachel Frisch
Department Head Signature

7/19/11
Date

Finance Department
Entered:
By:

Administrator's Signature

Date

7/26/11

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number



OTSEGO COUNTY BUDGET AMENDMENT

FUND/DEPARTMENT: General Fund/Marine Safety Program

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Add additional funding to Marine Safety Program.

Account Number	Decrease	Increase
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
101-941-999.990 Contingency	\$	\$3,000
101-331-703.060 Part Time Wages	\$2,700	\$
101-331-704.200 Payroll Taxes	\$300	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$3,000	\$3,000

Department Head Signature _____

Date _____

Administrator's Signature _____

Date _____

7/26/11

Board Approval Date (if necessary) _____

Budget Adjustment # _____

Finance Department
Entered: _____
By: _____

Posting Number _____



Otsego County Bus System

1254 Energy Drive, Gaylord MI 49735

Secretary Phone: 989 731-5865

Managers Phone: 989 731-1204

TRANSPORTATION AGREEMENT BETWEEN OTSEGO COUNTY BUS SYSTEM AND NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

July 28, 2011

1. PARTIES TO CONTRACT

This agreement is made by and between the Otsego County Bus System (OCBS) and the Northeast Michigan Community Service Agency, Inc. (NEMCSA) for services related to the NEMCSA Head Start Program for the regular 2011/2012 program operating year.

2. OTSEGO COUNTY BUS SYSTEM RESPONSIBILITIES

The Otsego County Bus System agrees to the following:

- To transport clients to designated pick-up points within the Otsego County jurisdiction for transportation to and from the Gaylord 1, Gaylord 2, and Gaylord South locations.
- To transport clients in buses with reverse backup safety beepers.
- To plan trip routing so that no child is scheduled to be on a bus for more than one hour.
- To make every effort to comply with reasonable client schedules provided by the NEMCSA Transportation Coordinator/Liaison.
- To furnish, if requested, a quarterly record of services provided for clients serviced through this contract.
- To provide fiscal information, if requested, relative to future agreements.
- To work with the NEMCSA Head Start designated liaison regarding schedules & resolution of problems.
- To furnish by quarters a billing for the transportation services provided.
- This contract will follow the NEMCSA Head Start districts state approved operating calendar.
- Ensure Drivers and Bus Aides are provided CPR & First Aid training and other pertinent training annually as required by public transportation regulations.
- To maintain appropriate insurance.
- To ensure that no child is left alone on a bus. Attendance will be taken as children board and disembark from the bus so that all children are accounted for at all times. Drivers will do a walk-through of the bus after all children have de-boarded.
- To ensure Head Start children are delivered to and received by a parent, guardian, or other authorized individual as designated in writing by the parent or legal guardian.

3. NEMCSA HEAD START RESPONSIBILITIES

The Northeast Michigan Community Service Agency, Inc. agrees to the following:

- To assign one liaison to work with OCBS in areas relating to daily operations if required.

- That one-quarter of payment be paid at beginning of the School year and the balance by quarters. **Total contract for 2011/2012 program year is: \$50,362.00. Quarterly payments for contract will be: \$12,590.00.**
- Cost of transportation will be reviewed at the beginning of each contract year and be raised if necessary to cover increased operating costs (labor, benefits, fuel etc.) during the last year serviced.

4. MUTUAL RESPONSIBILITIES

Both parties agree to the following:

- That no person shall be denied services on the basis of race, color, creed, sex, disability or national origin.
- That there will be no discrimination against any employee/employer or applicant for employment with respect to tenure, conditions or privileges of employment regardless of race, color, creed, sex or national origin.
- That this is an open Public Transportation system and according to State and Federal requirements we are not allowed to provide private charter service transportation. If the general public requires transportation and it fits into the routing, they will be allowed to travel on this bus.
- That bus evacuation drills will be conducted three times during the program year – one near the beginning of the year, one in December, and one in April.

5. REOPENER CLAUSE

This Agreement will automatically be opened for renegotiations under the following conditions:

- Other sources of funding necessary to operate OCBS, such as federal grants or state funding are reduced to the point the OCBS is required to reduce or cease operations.
- Funding available to the NEMCSA Head Start program is reduced requiring discontinuation or reduction of the service affecting this agreement.
- Services discontinued or reduced at either program location.

Otsego County Bus System Manager

DATE: _____

NEMCSA Headstart Representative

DATE: _____

Please make check payable to "Otsego County Bus System" and send payment to:

Otsego County Bus System
1254 Energy Drive
Gaylord, MI 49735



OTSEGO COUNTY BUDGET AMENDMENT

FUND/DEPARTMENT: Animal Control

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Reclassification of two Animal Control Clerk I positions to Clerk II for the remainder of 2011.

Account Number	Decrease	Increase
	\$	\$
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
212-430-703.030 Hourly Wages	\$1,512	\$
212-430-704.200 Payroll Taxes	\$120	\$
212-430-704.300 Retirement	\$182	\$
212-941-999.990 Contribution to Fund Balance	\$	\$1,814
-	\$	\$
-	\$	\$
Total	\$1,814	\$1,814

Rachel Frisch
Department Head Signature

7/19/11
Date

Finance Department
Entered:
By:

Administrator's Signature

Date

7/26/11

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number