

January 14, 2019

The regular meeting of the Otsego County Board of Commissioners was held in Room 100 of 225 West Main Street, Gaylord, Michigan. The meeting was called to order at 9:30 a.m. by Chairman Ken Borton. Invocation by Commissioner Julie Powers, followed by the Pledge of Allegiance led by Lisa McComb.

Roll Call:

Present: Julie Powers, Henry Mason, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton, Bruce Brown.

Consent Agenda:

Motion by Commissioner Julie Powers, seconded by Commissioner Paul Liss, to approve the Regular minutes of December 17, 2019 with attachments and the Regular minutes of January 2, 2020. Ayes: Unanimous. Motion carried.

Motion by Commissioner Julie Powers, seconded by Commissioner Paul Liss, to approve the reappointment of Vernon J. Kassuba and Jan Kellogg to the Otsego County Brownfield Redevelopment Authority Committee with both terms to expire 12-31-2022. Ayes: Unanimous. Motion carried.

Motion by Commissioner Julie Powers, seconded by Commissioner Paul Liss, to approve OCR 20-01 for MERS Defined Contribution Plan adoption agreement-Non Union and Elect Appt Supvrs hired on or after 1-1-2020.

Roll Call Vote:

Ayes: Julie Powers, Henry Mason, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Julie Powers, seconded by Commissioner Paul Liss, to approve OCR 20-02 for MERS Defined Contribution Plan Adoption Agreement-Court Groups hired on or after 1-1-2020.

Roll Call Vote:

Ayes: Julie Powers, Henry Mason, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Julie Powers, seconded by Commissioner Paul Liss, to approve OCR 20-03 Amendment for the Teamsters Clerical Post Employment Healthcare Savings Program.

Roll Call Vote:

Ayes: Julie Powers, Henry Mason, Paul Liss, Duane Switalski, Rob Pallarito, Ken Glasser, Doug Johnson, Ken Borton, Bruce Brown.

Nays: None.

Motion carried/Resolution adopted. (see attached)

Committee Reports:

Motion by Commissioner Paul Liss, seconded by Commissioner Henry Mason, to approve the updated wording to the Otsego County Employee Handbook. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Paul Liss, seconded by Commissioner Duane Switalski, to include parcel 061-100-000-109-000, a 0.14-acre parcel in Elmira Township, in the Otsego County Brownfield Redevelopment Plan. Ayes: Unanimous. Motion carried. (see attached)

Administrator's Report:

Rachel Frisch reported the Economic Alliance pitch night is 4-16-2020; chambers awards night is 1-23-2020; received 6 bids regarding new Auditors, will be discussed at Finance Committee meeting; roof project at the Bus garage had to be extended due to weather; Bus System provided over 100 free rides for New Year's Eve; water line broke at the Alpine Center, has plan in place by the City of Gaylord.

Special Presentations: None.

Department Head Reports: None.

City Liaison, Township & Village Representative:

Lisa McComb reported on pitch night, 1-31-2020 is the deadline to apply; Menards did get approval, breaking ground in spring 2020; Lucky's steak house open in February; Veterans building to open this summer.

Vic Ouellette reported on the City Council meeting, Bill Wishart is the new Mayor for the City of Gaylord.

Correspondence: None

New Business:

Motion by Commissioner Bruce Brown, seconded by Commissioner Paul Liss, to approve the December 17, 2019 Warrant in the amount of \$1,555.00 and one voided checks. Ayes: Unanimous. Motion carried.

Motion by Commissioner Henry Mason, seconded by Commissioner Ken Glasser, to approve the December 26, 2019 Warrant in the amount of \$124,363.34. Ayes: Unanimous. Motion carried.

Motion by Commissioner Rob Pallarito, seconded by Commissioner Bruce Brown, to approve the January 7, 2020 Warrant in the amount of \$262,041.86. Ayes: Unanimous. Motion carried.

Motion by Commissioner Duane Switalski, seconded by Commissioner Julie Powers, to approve the January 14, 2020 Warrant in the amount of \$824,923.64. Ayes: Unanimous. Motion carried.

Chairman Ken Borton opened up the meeting for public comment.

Board Remarks:

Commissioner Duane Switalski had no report.

Commissioner Julie Powers reported on the City Council meeting.

Commissioner Henry Mason had no report.

Commissioner Rob Pallarito reported Pigeon River meeting coming up; attended the City Council meeting, thanked Vic Ouellette with help on the water issue at the Alpine Center.

Commissioner Ken Glasser had no report.

Commissioner Bruce Brown had no report.

Commissioner Paul Liss reported on the Corwith Township meeting.

Commissioner Doug Johnson reported on the Parks and Recreation meeting; 2 interviews for new employees at the Groen Nature preserve, new gator purchase from Lappans; bid process for Community Center gym floor; Contract for Otsego Lake Association for fireworks; Justin Wing to be reappointed to the Parks and Recreation; changes coming to the dog park.

Commissioner Ken Borton reported the justice complex will be discussed at the 1-28-2020 Board of Commissioners meeting.

Meeting adjourned at 10:00 a.m.

Kenneth C. Borton, Chairman

Dana Stubli, Deputy Clerk

MERS Defined Contribution Plan Adoption Agreement



1194 Municipal Way Lansing, MI 48917 | 800.767.MERS (6377) | Fax 517.703.9711 | www.mersofmichigan.com

The Employer, a participating municipality or court within the state of Michigan that has adopted MERS coverage, hereby establishes the following Defined Contribution Plan provided by MERS of Michigan, as authorized by 1996 PA 220 in accordance with the MERS Plan Document.

I. Employer Name Otsego County Municipality #: 6902-01

II. Effective Date

Check one:

A. If this is the **initial** Adoption Agreement for this group, the effective date shall be the first day of January 1, 2020.

This municipality or division is new to MERS, so vesting credit prior to the **initial** MERS effective date by each eligible employee shall be credited as follows (choose one):

Vesting credit from date of hire No vesting credit

This division is for new hires, rehires, and transfers of current Defined Benefit* division # 01, 13 and/or current Hybrid division # HA, HB

Closing this division will change future invoices to a flat dollar amount instead of a percentage of payroll, as provided in your most recent actuarial valuation. (The amount may be adjusted for any benefit modifications that may have taken place since then.)

Current active (defined benefit or hybrid) employees (select one of the following and see Plan Document, Section 64 for more information):

Will have a one-time opportunity to convert the value of their current defined benefit from the existing defined benefit or hybrid plan into the new Defined Contribution Plan as a lump sum, or continue accruing service in the Defined Benefit. (Complete MERS Defined Contribution Conversion Addendum.)

Will have a one-time opportunity to cease service accrual in the current plan and transfer to the new Defined Contribution plan for future service accrual, or continue accruing service in the Defined Benefit. The deadline for employees to make their election is: / /

Will be required to cease service accrual in Defined Benefit and will transfer to Defined Contribution for future service accrual.

** By completing the section above, the Employer acknowledges receiving Projection Study results and understands the municipality's obligation to continue funding the liability associated with the closed Defined Benefit division.*

B. If this is an **amendment** of an existing Adoption Agreement (existing division number _____), the effective date shall be the first day of _____, 20____.

Note: You only need to mark **changes** to your plan throughout the remainder of this Agreement.

MERS Defined Contribution Plan Adoption Agreement

- C. If this is to **separate employees** from an existing Defined Contribution division (existing division number(s) _____) into a new division, the effective date shall be the first day of _____, 20____.
- D. If this is to **merge division(s)** _____ into division(s) _____, the effective date shall be the first of _____, 20____.

III. Eligible Employees

Only those Employees eligible for MERS membership may participate in the MERS Defined Contribution Plan. A copy of ALL employee enrollment forms must be submitted to MERS. The following groups of employees are eligible to participate:

All General Non Union and Elect Appt Supvrs that work 30 regularly scheduled hours or more per week hired on or after 1/1/20
(Name of Defined Contribution division – e.g. All Full Time Employees, or General After 7/01/13)

To further define eligibility, (check all that apply):

- Probationary periods** are allowed in one-month increments, no longer than 12 months. During this introductory period the Employer will not report or make contributions for this period, including retroactively. Service will begin after the probationary period has been satisfied. The probationary period will be _____ month(s).
- Temporary employees** in a position normally requiring less than a total of 12 whole months of work in the position may be *excluded* from membership. These employees must be notified in writing by the participating municipality that they are excluded from membership within 10 business days of date of hire or execution of this Agreement. The temporary exclusion period will be _____ month(s).

MERS Defined Contribution Plan Adoption Agreement

IV. Provisions

1. Vesting (Check one):

- Immediate
- Cliff Vesting (fully vested after below number years of service)
 - 1 year 2 years 3 years 4 years 5 years
- Graded Vesting
 - _____ % after 1 year of service
 - _____ % after 2 years of service
 - 25 % after 3 years of service (min 25%)
 - 50 % after 4 years of service (min 50%)
 - 75 % after 5 years of service (min 75%)
 - 100 % after 6 years of service (min 100%)

Vesting will be credited using (check one):

- Elapsed time method – Employees will be credited with one vesting year for each 12 months of continuous employment from the date of hire.
- Hours reported method – Employees will be credited with one vesting year for each calendar year in which _____ hours are worked

In the event of disability or death, an employee's (or his/her beneficiary's) entire employer contribution account shall be 100% vested, to the extent that the balance of such account has not previously been forfeited.

Normal Retirement Age (presumed to be age 60 unless otherwise specified) _____

If an employee is still employed with the municipality at the age specified here, their entire employer contribution balance will become 100% vested regardless of years of service.

2. Contributions

- a. Will be remitted according to Employer's payroll withholding which represents the actual period amounts are withheld from employee paychecks, or within the month during which amounts are withheld (check one):
 - Weekly
 - Bi-Weekly (every other week)
 - Semi-Monthly (twice each month)
 - Monthly
 - Other (must specify) _____
 - b. Required Employee Contribution Structure to DC (subject to Internal Revenue Code 415(c) limitations). Select one:
 - Employees are required to contribute per payroll period, the percentage _____% OR flat dollar amount \$_____
 - Employees are required to contribute within the following range for each payroll: Percentage range from 1 % to 10 % OR dollar amount range \$_____ to \$_____
- Direct Required Employee Contributions pre-tax

MERS Defined Contribution Plan Adoption Agreement

c. **Employer Contributions**

Non-Matching Contributions

The Employer hereby elects to make contributions to the Program without regard to an employee's contribution to the Program. The Employer elects the following contribution formula (check one):

Annual Contributions: A one-time annual contribution of \$ _____ OR _____% of compensation per employee.

\$ _____ or _____% of compensation per employee for each payroll period.

Matching Contributions

The Participating Employer may make matching contributions and/or non-matching contributions into the Defined Contribution plan based on an employee's voluntary election as outlined in the *Matching Employer Contribution Addendum (MD-073)*.

d. Post-tax voluntary employee contributions are allowable into a Defined Contribution account subject to Section 415(c) limitations of the Internal Revenue Code.

3. **Compensation**

Employers may designate the definition of compensation per division participating in Defined Contribution pursuant to section 49 of the MERS Plan Document (check one):

All income subject to income tax reported in Box 1 of Form W-2, plus elective deferrals (Note: this definition aligns to MERS' 457 definition of compensation)

Medicare taxable wages reported in Box 5 of Form W-2

Base wages, to which any of the following may be included:

Longevity pay

Overtime pay

Shift differentials

Pay for periods of absence from work by reason of vacation, holiday, and sickness

Workers' compensation weekly benefits (if reported and are higher than regular earnings)

A member's pre-tax contributions to a plan established under Section 125 of the IRC

Transcript fees paid to a court reporter

A taxable car allowance

Short term or long term disability payments

Payments for achievement of established annual (or similar period) performance goals

Payment for attainment of educational degrees from accredited colleges, universities, or for acquisition of job-related certifications

Lump sum payments attributable to the member's personal service rendered during the FAC period

Other: _____

Other 2: _____

NOTE: For purposes of applying the Internal Revenue Code Section 415(c) limits on annual additions, compensation shall be defined as required under that law.

MERS Defined Contribution Plan Adoption Agreement

4. **Loans:** shall be permitted shall not be permitted
If Loans are elected, please complete and attach the *MERS Defined Contribution Loan Addendum*.
5. **Rollovers** from qualified plans are permitted and the plan will account separately for pre-tax and post-tax contributions and earnings thereon.

V. Appointing MERS as the Plan Administrator

The Employer hereby agrees to the provisions of this *MERS Defined Contribution Plan Adoption Agreement* and appoints MERS as the Plan Administrator pursuant to the terms and conditions of the Plan. The Employer also agrees that in the event of any conflict between the MERS Plan Document and the MERS Defined Contribution Plan Adoption Agreement, the provisions of the Plan Document control.

VI. Modification of the terms of the Adoption Agreement

If the Employer desires to amend any of its elections contained in this Adoption Agreement, including attachments, the Governing Body or Chief Judge, by resolution or official action accepted by MERS, must adopt a new Adoption Agreement. The amendment of the new Agreement is not effective until approved by MERS.

VII. Enforcement

1. The Employer acknowledges that the Michigan Constitution of 1963, Article 9, Section 24, provides that accrued financial benefits arising under a public Employer's retirement plan are a contractual obligation of the Employer that may not be diminished or impaired.
2. The Employer agrees that, pursuant to the Michigan Constitution, its obligations to pay required contributions are contractual obligations to its employees and to MERS and may be enforced in a court of competent jurisdiction;
3. The Employer acknowledges that employee contributions (if any) and employer contributions must be submitted in accordance with the *MERS Reporting and Contribution Enforcement Policy*, the terms of which are incorporated herein by reference;
4. The Employer acknowledges that late or missed contributions will be required to be made up, including any applicable gains, pursuant to the Internal Revenue Code;
5. Should the Employer fail to make its required contribution(s) when due, MERS may implement any applicable interest charges and penalties pursuant to the *MERS Reporting and Contribution Enforcement Policy* and Plan Document Section 79, and take any appropriate legal action, including but not limited to filing a lawsuit and reporting the entity to the Treasurer of the State of Michigan in accordance with MCL 141.1544(d), Section 44 of PA 436 of 2012, as may be amended.
6. It is expressly agreed and understood as an integral and non-severable part of this Agreement that Section 43 of the Plan Document shall not apply to this Agreement and its administration or interpretation. In the event any alteration of the terms or conditions of this Agreement is made or occurs, under Section 43 or other plan provision or law, MERS and the Retirement Board, as sole trustee and fiduciary of the MERS plan and its trust reserves, and whose authority is non-delegable, shall have no obligation or duty to administer (or to have administered) the MERS Defined Contribution Plan, to authorize the transfer of any defined benefit assets to the MERS Defined Contribution Plan, or to continue administration by MERS or any third-party administrator of the MERS Defined Contribution Plan.

MERS Defined Contribution Plan Adoption Agreement

VIII. Execution

Authorized Designee of Governing Body of Municipality or Chief Judge of Court

The foregoing Adoption Agreement is hereby approved by Otsego County on
the 14 day of January 14, 2020.
(Name of Approving Employer)

Authorized signature: _____

Title: Chairman, Otsego County Board of Commissioners

Received and Approved by the Municipal Employees' Retirement System of Michigan

Dated: _____, 20____ Signature: _____
(Authorized MERS Signatory)

MERS Defined Contribution Matching Employer Contribution Addendum



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711 www.merswmichigan.com

This is an Addendum to the Adoption Agreement completed by Otsego County Name of Participating Employer
for 13/HB (Elected Appt Supvrs) Hired on or after 1/1/20 of _____
Employee Group Division Code

The Addendum modifies the Adoption Agreement by providing for employer matching contributions to the Program.

The Participating Employer will make matching contributions into the Defined Contribution Plan based on (CHECK ALL THAT APPLY):

- Each Employee's election to defer salary under the MERS 457 program (or any other qualified plan outside of MERS).
- Each Employee's one-time election of required employee contribution for MERS Defined Contribution.

The Participating Employer elects to make employer matching contributions as follows:

The Participating Employer shall make employer matching contributions based on the Employee election(s) indicated above using the following matching contribution formula (check and complete Percentage or Flat Dollar):

- Percentage:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute 100 % of the Employee contribution amount.
For example, if an Employer elects a 50% match, then for every \$10 the participant defers to the Program, the Employer will contribute \$5 to the Program.
- Flat Dollar:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute \$ _____ per payroll period.

Optional: The Participating Employer elects to establish a cap on its matching contributions, so that the match amount cannot exceed a certain amount. The Participating Employer elects the following cap on its matching contribution (check and complete one of the below):

- Flat Dollar Cap:** In no event will matching contributions made on behalf of an Employee exceed \$ _____ per _____ (pay period / year / etc.)
- Cap Equal to Percentage of Total Compensation:** In no event will matching contributions made on behalf of an Employee exceed 8 % of the Employee's IRS Section 401(a)(17) includable compensation as defined by the Employers' Adoption Agreement (cannot exceed 100% of Employees' income).

Employee contributes 3-10%, ER matches up to 8%

MERS Defined Contribution Matching Employer Contribution Addendum



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

www.mira-southfield.com

This is an Addendum to the Adoption Agreement completed by Otsego County
Name of Participating Employer
for 01/HA (Gnrl Non Union) of _____
Employee Group Division Code

The Addendum modifies the Adoption Agreement by providing for employer matching contributions to the Program.

The Participating Employer will make matching contributions into the Defined Contribution Plan based on (CHECK ALL THAT APPLY):

- Each Employee's election to defer salary under the MERS 457 program (or any other qualified plan outside of MERS).
- Each Employee's one-time election of required employee contribution for MERS Defined Contribution.

The Participating Employer elects to make employer matching contributions as follows:

The Participating Employer shall make employer matching contributions based on the Employee election(s) indicated above using the following matching contribution formula (**check and complete Percentage or Flat Dollar**):

- Percentage:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute 100 % of the Employee contribution amount.
For example, if an Employer elects a 50% match, then for every \$10 the participant defers to the Program, the Employer will contribute \$5 to the Program.
- Flat Dollar:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute \$ _____ per payroll period.

Optional: The Participating Employer elects to establish a cap on its matching contributions, so that the match amount cannot exceed a certain amount. The Participating Employer elects the following cap on its matching contribution (**check and complete one of the below**):

- Flat Dollar Cap:** In no event will matching contributions made on behalf of an Employee exceed \$ _____ per _____
(pay period / year / etc.)
- Cap Equal to Percentage of Total Compensation:** In no event will matching contributions made on behalf of an Employee exceed 5 % of the Employee's IRS Section 401(a)(17) includable compensation as defined by the Employers' Adoption Agreement (cannot exceed 100% of Employees' income).

Employee contributes 3-10%, ER matches up to 5%

MERS Defined Contribution Plan Adoption Agreement



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www.michiganmunicipal.org

The Employer, a participating municipality or court within the state of Michigan that has adopted MERS coverage, hereby establishes the following Defined Contribution Plan provided by MERS of Michigan, as authorized by 1996 PA 220 in accordance with the MERS Plan Document.

I. Employer Name Otsego County Judicial System Municipality #: 6902-03

II. Effective Date

Check one:

A. [X] If this is the initial Adoption Agreement for this group, the effective date shall be the first day of January 1, 2020.

- [] This municipality or division is new to MERS, so vesting credit prior to the initial MERS effective date by each eligible employee shall be credited as follows (choose one):
[] Vesting credit from date of hire [] No vesting credit
[X] This division is for new hires, rehires, and transfers of current Defined Benefit* division # 14, 17 and/or current Hybrid division # HD
Closing this division will change future invoices to a flat dollar amount instead of a percentage of payroll, as provided in your most recent annual actuarial valuation. (The amount may be adjusted for any benefit modifications that may have taken place since then.)

Current active (defined benefit or hybrid) employees (select one of the following and see Plan Document, Section 64 for more information):

- [] Will have a one-time opportunity to convert the value of their current defined benefit from the existing defined benefit or hybrid plan into the new Defined Contribution Plan as a lump sum, or continue accruing service in the Defined Benefit. (Complete MERS Defined Contribution Conversion Addendum.)
[] Will have a one-time opportunity to cease service accrual in the current plan and transfer to the new Defined Contribution plan for future service accrual, or continue accruing service in the Defined Benefit. The deadline for employees to make their election is: __/__/__
[] Will be required to cease service accrual in Defined Benefit and will transfer to Defined Contribution for future service accrual.

* By completing the section above, the Employer acknowledges receiving Projection Study results and understands the municipality's obligation to continue funding the liability associated with the closed Defined Benefit division.

B. [] If this is an amendment of an existing Adoption Agreement (existing division number _____), the effective date shall be the first day of _____, 20_____.

Note: You only need to mark changes to your plan throughout the remainder of this Agreement.

MERS Defined Contribution Plan Adoption Agreement

- C. If this is to **separate employees** from an existing *Defined Contribution division* (existing division number(s) _____) into a new division, the effective date shall be the first day of _____, 20____.
- D. If this is to **merge division(s)** _____ into division(s) _____, the effective date shall be the first of _____, 20____.

III. Eligible Employees

Only those Employees eligible for MERS membership may participate in the MERS Defined Contribution Plan. A copy of ALL employee enrollment forms must be submitted to MERS. The following groups of employees are eligible to participate:

All General Non Union and Mgt that work 30 regularly scheduled hours or more per week hired on or after 1/1/20

(Name of Defined Contribution division – e.g. All Full Time Employees, or General After 7/01/13)

To further define eligibility, (check all that apply):

- Probationary periods** are allowed in one-month increments, no longer than 12 months. During this introductory period the Employer will not report or make contributions for this period, including retroactively. Service will begin after the probationary period has been satisfied. The probationary period will be _____ month(s).
- Temporary employees** in a position normally requiring less than a total of 12 whole months of work in the position may be *excluded* from membership. These employees must be notified in writing by the participating municipality that they are excluded from membership within 10 business days of date of hire or execution of this Agreement. The temporary exclusion period will be _____ month(s).

MERS Defined Contribution Plan Adoption Agreement

IV. Provisions

1. Vesting (Check one):

- Immediate
- Cliff Vesting (fully vested after below number years of service)
 1 year 2 years 3 years 4 years 5 years
- Graded Vesting
_____ % after 1 year of service
_____ % after 2 years of service
25 % after 3 years of service (min 25%)
50 % after 4 years of service (min 50%)
75 % after 5 years of service (min 75%)
100 % after 6 years of service (min 100%)

Vesting will be credited using (check one):

- Elapsed time method – Employees will be credited with one vesting year for each 12 months of continuous employment from the date of hire.
- Hours reported method – Employees will be credited with one vesting year for each calendar year in which _____ hours are worked

In the event of disability or death, an employee's (or his/her beneficiary's) entire employer contribution account shall be 100% vested, to the extent that the balance of such account has not previously been forfeited.

Normal Retirement: Age (presumed to be age 60 unless otherwise specified) _____

If an employee is still employed with the municipality at the age specified here, their entire employer contribution balance will become 100% vested regardless of years of service.

2. Contributions

a. Will be remitted according to Employer's payroll withholding which represents the actual period amounts are withheld from employee paychecks, or within the month during which amounts are withheld (check one):

- Weekly
- Bi-Weekly (every other week)
- Semi-Monthly (twice each month)
- Monthly
- Other (must specify) _____

b. Required Employee Contribution Structure to DC (subject to Internal Revenue Code 415(c) limitations). Select one:

- Employees are required to contribute per payroll period, the percentage _____% OR flat dollar amount \$ _____
- Employees are required to contribute within the following range for each payroll:
Percentage range from 1 % to 10 % OR
dollar amount range \$ _____ to \$ _____

Direct Required Employee Contributions pre-tax

MERS Defined Contribution Plan Adoption Agreement

c. **Employer Contributions**

Non-Matching Contributions

The Employer hereby elects to make contributions to the Program without regard to an employee's contribution to the Program. The Employer elects the following contribution formula (check one):

Annual Contributions: A one-time annual contribution of \$ _____ OR _____% of compensation per employee.

\$ _____ or _____% of compensation per employee for each payroll period.

Matching Contributions

The Participating Employer may make matching contributions and/or non-matching contributions into the Defined Contribution plan based on an employee's voluntary election as outlined in the *Matching Employer Contribution Addendum (MD-073)*.

d. Post-tax voluntary employee contributions are allowable into a Defined Contribution account subject to Section 415(c) limitations of the Internal Revenue Code.

3. **Compensation**

Employers may designate the definition of compensation per division participating in Defined Contribution pursuant to section 49 of the MERS Plan Document (check one):

All income subject to income tax reported in Box 1 of Form W-2, plus elective deferrals (Note: this definition aligns to MERS' 457 definition of compensation)

Medicare taxable wages reported in Box 5 of Form W-2

Base wages, to which any of the following may be included:

Longevity pay

Overtime pay

Shift differentials

Pay for periods of absence from work by reason of vacation, holiday, and sickness

Workers' compensation weekly benefits (if reported and are higher than regular earnings)

A member's pre-tax contributions to a plan established under Section 125 of the IRC

Transcript fees paid to a court reporter

A taxable car allowance

Short term or long term disability payments

Payments for achievement of established annual (or similar period) performance goals

Payment for attainment of educational degrees from accredited colleges, universities, or for acquisition of job-related certifications

Lump sum payments attributable to the member's personal service rendered during the FAC period

Other: _____

Other 2: _____

NOTE: For purposes of applying the Internal Revenue Code Section 415(c) limits on annual additions, compensation shall be defined as required under that law.

MERS Defined Contribution Plan Adoption Agreement

4. **Loans:** shall be permitted shall not be permitted
If Loans are elected, please complete and attach the *MERS Defined Contribution Loan Addendum*.
5. **Rollovers** from qualified plans are permitted and the plan will account separately for pre-tax and post-tax contributions and earnings thereon.

V. Appointing MERS as the Plan Administrator

The Employer hereby agrees to the provisions of this *MERS Defined Contribution Plan Adoption Agreement* and appoints MERS as the Plan Administrator pursuant to the terms and conditions of the Plan. The Employer also agrees that in the event of any conflict between the MERS Plan Document and the MERS Defined Contribution Plan Adoption Agreement, the provisions of the Plan Document control.

VI. Modification of the terms of the Adoption Agreement

If the Employer desires to amend any of its elections contained in this Adoption Agreement, including attachments, the Governing Body or Chief Judge, by resolution or official action accepted by MERS, must adopt a new Adoption Agreement. The amendment of the new Agreement is not effective until approved by MERS.

VII. Enforcement

1. The Employer acknowledges that the Michigan Constitution of 1963, Article 9, Section 24, provides that accrued financial benefits arising under a public Employer's retirement plan are a contractual obligation of the Employer that may not be diminished or impaired.
2. The Employer agrees that, pursuant to the Michigan Constitution, its obligations to pay required contributions are contractual obligations to its employees and to MERS and may be enforced in a court of competent jurisdiction;
3. The Employer acknowledges that employee contributions (if any) and employer contributions must be submitted in accordance with the *MERS Reporting and Contribution Enforcement Policy*, the terms of which are incorporated herein by reference;
4. The Employer acknowledges that late or missed contributions will be required to be made up, including any applicable gains, pursuant to the Internal Revenue Code;
5. Should the Employer fail to make its required contribution(s) when due, MERS may implement any applicable interest charges and penalties pursuant to the *MERS Reporting and Contribution Enforcement Policy* and Plan Document Section 79, and take any appropriate legal action, including but not limited to filing a lawsuit and reporting the entity to the Treasurer of the State of Michigan in accordance with MCL 141.1544(d), Section 44 of PA 436 of 2012, as may be amended.
6. It is expressly agreed and understood as an integral and non-severable part of this Agreement that Section 43 of the Plan Document shall not apply to this Agreement and its administration or interpretation. In the event any alteration of the terms or conditions of this Agreement is made or occurs, under Section 43 or other plan provision or law, MERS and the Retirement Board, as sole trustee and fiduciary of the MERS plan and its trust reserves, and whose authority is non-delegable, shall have no obligation or duty to administer (or to have administered) the MERS Defined Contribution Plan, to authorize the transfer of any defined benefit assets to the MERS Defined Contribution Plan, or to continue administration by MERS or any third-party administrator of the MERS Defined Contribution Plan.

MERS Defined Contribution Plan Adoption Agreement

VIII. Execution

Authorized Designee of Governing Body of Municipality or Chief Judge of Court

The foregoing Adoption Agreement is hereby approved by Otsego County on
the 14 day of January 14, 2020.
(Name of Approving Employer)

Authorized signature: _____

Title: Court Administrator, Victoria Courterier

Received and Approved by the Municipal Employees' Retirement System of Michigan

Dated: _____, 20____ Signature: _____
(Authorized MERS Signatory)

MERS Defined Contribution Matching Employer Contribution Addendum



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

www.mers-michigan.org

This is an Addendum to the Adoption Agreement completed by Otsego County Judicial System
Name of Participating Employer

for Court Administrator & Finance Director of _____
Employee Group Division Code

The Addendum modifies the Adoption Agreement by providing for employer matching contributions to the Program.

The Participating Employer will make matching contributions into the Defined Contribution Plan based on (CHECK ALL THAT APPLY):

- Each Employee's election to defer salary under the MERS 457 program (or any other qualified plan outside of MERS).
- Each Employee's one-time election of required employee contribution for MERS Defined Contribution.

The Participating Employer elects to make employer matching contributions as follows:

The Participating Employer shall make employer matching contributions based on the Employee election(s) indicated above using the following matching contribution formula (**check and complete Percentage or Flat Dollar**):

- Percentage:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute 100% of the Employee contribution amount.
For example, if an Employer elects a 50% match, then for every \$10 the participant defers to the Program, the Employer will contribute \$5 to the Program.
- Flat Dollar:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute \$ _____ per payroll period.

Optional: The Participating Employer elects to establish a cap on its matching contributions, so that the match amount cannot exceed a certain amount. The Participating Employer elects the following cap on its matching contribution (**check and complete one of the below**):

- Flat Dollar Cap:** In no event will matching contributions made on behalf of an Employee exceed \$ _____ per _____
(pay period / year / etc.)
- Cap Equal to Percentage of Total Compensation:** In no event will matching contributions made on behalf of an Employee exceed 8% of the Employee's IRS Section 401(a)(17) includable compensation as defined by the Employers' Adoption Agreement (cannot exceed 100% of Employees' income).

Employee contributes 3-10%, ER matches up to 8%

MERS Defined Contribution Matching Employer Contribution Addendum



1134 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9711

www.mersretirement.com

This is an Addendum to the Adoption Agreement completed by Otsego County Judicial System
Name of Participating Employer
for 14, 17 & HD (Gnrl Non Union) of _____
Employee Group Division Code

The Addendum modifies the Adoption Agreement by providing for employer matching contributions to the Program.

The Participating Employer will make matching contributions into the Defined Contribution Plan based on (CHECK ALL THAT APPLY):

- Each Employee's election to defer salary under the MERS 457 program (or any other qualified plan outside of MERS).
- Each Employee's one-time election of required employee contribution for MERS Defined Contribution.

The Participating Employer elects to make employer matching contributions as follows:

The Participating Employer shall make employer matching contributions based on the Employee election(s) indicated above using the following matching contribution formula (**check and complete Percentage or Flat Dollar**):

- Percentage:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute 100 % of the Employee contribution amount.
For example, if an Employer elects a 50% match, then for every \$10 the participant defers to the Program, the Employer will contribute \$5 to the Program.
- Flat Dollar:** For each payroll period in which Employee contributions described above are made, the Participating Employer will contribute \$ _____ per payroll period.

Optional: The Participating Employer elects to establish a cap on its matching contributions, so that the match amount cannot exceed a certain amount. The Participating Employer elects the following cap on its matching contribution (**check and complete one of the below**):

- Flat Dollar Cap:** In no event will matching contributions made on behalf of an Employee exceed \$ _____ per _____
(pay period / year / etc.)
- Cap Equal to Percentage of Total Compensation:** In no event will matching contributions made on behalf of an Employee exceed 5 % of the Employee's IRS Section 401(a)(17) includable compensation as defined by the Employers' Adoption Agreement (cannot exceed 100% of Employees' income).

Employee contributes 3-10%, ER matches up to 5%

**MERS Health Care Savings Program
Participation Agreement**



1184 Municipal Way Lansing, MI 48917 | 800.767.2308 | Fax 517.703.9707

www.mersretirement.com

I. PARTICIPATING EMPLOYER

Employer Name: Otsego County
(Name of municipality or court)
Municipality Number: 6902-01 Division Number: 300436

II. EFFECTIVE DATE

1. If this is the initial Participation Agreement relating to the MERS Health Care Savings Program for this covered group, the effective date of the program here adopted shall be:

(Date)
2. If this is an amendment and restatement of an existing Participation Agreement relating to the MERS Health Care Savings Program for this covered group, the effective date of this amendment and restatement shall be effective: April 1, 2009
(Date)

Note: You only need to mark *changes* to your plan throughout the remainder of this Agreement.

III. COVERED EMPLOYEE GROUPS

A participating Employer may cover all of its employee groups, bargaining units or personnel/employee classifications ("Covered Group"), in Health Care Savings Program. **Contributions shall be made on the same basis within each Covered Group identified by this agreement, and remitted as directed by the Program Administrator.** If the Employer has varying coverage or contribution structures between groups, a separate agreement will need to be completed for each covered group. This agreement encompasses the following group(s):

Teamsters Clerical Local #214 Unit Employees who are normally scheduled to work thirty (30) or more hours per week
(Name/s of HCSP covered group/s)

Note: To maintain the tax-favored status of the employer's Health Care Savings Program and to comply with federal law, the Employer may not provide coverage or benefit levels to highly-compensated employees that are not provided to non highly-compensated employees.

IV. ELIGIBLE EMPLOYEES

Only Employees of a "municipality" may be covered by the Health Care Savings Program Participation Agreement. Independent contractors may not participate in the Health Care Savings Program.

The Employer shall provide MERS with the name, address, Social Security Number, and date of birth for each Eligible Employee, as defined by the Participation Agreement.

V. EMPLOYER CONTRIBUTIONS TO THE HEALTH CARE SAVINGS PROGRAM

The Participating Employer hereby elects to make contributions to the Trust. Contributions shall be made on the same basis within each Covered Group specified in this agreement, and remitted to MERS as directed by the Employer, to be credited to the individual accounts of Eligible Employees as follows (next page):

MERS Health Care Savings Program Participation Agreement

- C. Mandatory Salary Reduction (Before-Tax) Contributions.** Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory salary reduction resulting from collective bargaining or the establishment of a personnel policy. These reductions may be made as a percentage of salary or a specific dollar amount.

Contribution structure (specify):

\$40 per month

- D. Mandatory Leave Conversion (Before-Tax) Contributions.** Before-tax Employer Contributions to the Health Care Savings Program Sub-Trust shall be made that represent a mandatory conversion of accrued leave including, but not limited to vacation, holiday, sick leave, or severance amounts otherwise paid out, to a cash contribution. These contributions may be calculated as a percentage of accrued leave or a specific dollar amount representing the accrued leave. Leave conversions may be made on an annual basis or at separation from service, or at such other time as the Employer indicates. *(Note: The leave conversion program shall not permit employees the option of receiving cash in lieu of the employer contribution.)*

- Check here if the covered employee group has the option to direct any/all of the leave conversion lump sum to an existing 457 program.

Check one or more:

- | | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | As of <u>remove leave conversion</u> , _____ % of _____
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP. |
| <input type="checkbox"/> | As of _____, _____ % of _____
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP. |
| <input type="checkbox"/> | As of _____, _____ % of _____
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP. |
| <input type="checkbox"/> | As of _____, _____ % of _____
Annual date or X weeks before termination Percentage Type of Leave Conversion (sick, vacation, etc.)
must be contributed to the HCSP. |

MERS Health Care Savings Program Participation Agreement

Post-Tax Employee Contributions. Post-tax Employee Contributions made by Eligible Employees within the Covered Group(s) shall be remitted as directed by the Program Administrator, to be credited to the individual accounts of Eligible Employees. All Employee Contributions must be remitted to MERS along with the Participation Report.

VI. MODIFICATION OF THE TERMS OF THE PARTICIPATION AGREEMENT

If a Participating Employer desires to amend any of its previous elections contained in this Participation Agreement, including attachments, the Governing Body by official action must adopt a new Participation Agreement and forward it to the Board for approval. The amendment of the new Participation Agreement is not effective until approved by the Board and other procedures required by the Trust Agreement and Plan Document have been implemented.

VII. STATE LAW

To the extent not preempted by federal law, this agreement shall be interpreted in accordance with Michigan law.

VIII. TERMINATION OF THE PARTICIPATION AGREEMENT

This Participation Agreement may be terminated only in accordance with the Trust Agreement.

IX. EXECUTION BY GOVERNING BODY OF MUNICIPALITY

The foregoing Participation Agreement is hereby adopted and approved on the 14 day of January, 2020 at the official meeting held by Otsego County.
(Name of approving employer)

Authorized Signature: _____

Name: Kenneth Borton

Title: Chairman, Otsego County Board of Commissioners

Received and Approved by the Municipal Employees' Retirement System of Michigan

Dated: _____, 20____

(Authorized MERS signatory)

CURRENT POLICY

RETIREMENT

The County provides a retirement program for its employees with the Municipal Employees' Retirement System of Michigan (MERS). Regular full-time and regular part-time status employees that work 100 hours per month or more are eligible for the retirement program.

PROPOSED POLICY

RETIREMENT

The County provides a retirement program for its employees with the Municipal Employees' Retirement System of Michigan (MERS). Regular full-time and regular part-time status employees that were hired prior to December 31, 2019 who work 100 hours per month or more are eligible for the retirement program. Regular full-time and regular part-time employees hired on or after January 1, 2020, who are normally scheduled to work 30 or more hours per week will participate in the MERS Defined Contribution Plan.

Karissa Williams

From: Lisa McComb <lisa@gaylord-otsego.com>
Sent: Thursday, January 9, 2020 2:08 PM
To: Rachel Frisch; Karissa Williams
Subject: Otsego County Brownfield Redevelopment Authority Request
Attachments: Otsego County Brownfield Redevelopment Authority Committee Draft Meeting Minutes 12-17-19.doc

Importance: High

Hello Rachel and Karissa!

Attached are the draft minutes from the last Otsego County Brownfield Redevelopment Authority Committee meeting. At this meeting the Committee made a motion to support Wolverine Power Coop.'s request for support of future brownfield incentives for the recently acquired parcel ID No. 061-100-000-109-000 in Elmira, MI. The next step would be for the County Commissioner's to review the Committee's recommendation that the County support it. On behalf of the Otsego County Brownfield Redevelopment Authority Committee I am requesting that this item be placed on the agenda for the County Commissioner's next meeting scheduled for Tuesday, January 14, 2020.

Wolverine Power Coop. may or may not seek financial assistance related to clean-up of this parcel, and their submitted Brownfield Plan does not request it at this time. This is a pro-active move on their part as they plan for redevelopment of this parcel and adjacent 70 acres in 2020. This motion does not obligate the County to provide financial assistance in the form of tax increment financing, or other incentives, it just support Wolverine Power Coop.'s ability to seek them.

If you would also like a copy of the Brownfield Plan they submitted, I can provide that as well.

Let me know if you need anything else.

Lisa

Lisa McComb, Executive Director

Otsego County Economic Alliance
225 West Main Street, Suite #101
Gaylord, MI 49735
(989) 731-0288 - Direct Line
(989) 731-0289 - Fax Line
www.gaylord-otsego.com

Otsego County Brownfield Redevelopment Authority
Meeting Minutes - Draft
December 17, 2019

Members Present: Norm Brecheisen(Livingston Township Supervisor), Rachel Frisch(Otsego County Administrator), Paul Liss (Otsego County Commissioner Representative), Vern Kassuba(Corwith Township Supervisor), Lisa McComb (Otsego County Economic Alliance)

Absent: Jan Kellogg(Village of Vanderbilt Rep.)

Guests: Chris Churches (Otsego County Director of Planning & Zoning)
Ken Bradstreet(Consultant – Wolverine Power Coop.), Steve Johnson(City of Gaylord Council Member), Brian Warner – (Wolverine Power Coop. Representative)

Meeting was called to order by Norm Brecheisen at 5:02 pm. Guests and Authority members were introduced.

I. October 30, 2019 Draft Meeting Minutes – The October 30, 2019 draft meeting minutes were reviewed. Paul Liss motioned to approve the minutes as presented with a second by Norm Brecheisen. Discussion: None. **Motion Approved.**

II. New Business

A. Brownfield Plan Amendment Review and Request (Elmira, MI) Parcel owned by Wolverine Power Cooperative

Brian Warner reviewed the information presented in the Brownfield Plan Amendment Proposal created by Fishbeck Engineers (Grand Rapids, MI) for the recently acquired parcel - parcel ID No. 061-100-000-109-00 (.14 acres) Division Street, Elmira, that was purchased through public auction through the foreclosure process from Otsego County on November 8, 2019. Mr. Warner explained that it is anticipated that this property will be assembled with adjacent parcels located in Antrim County that collectively will be redeveloped into a service center/rail site. Mr. Warner referenced the Brownfield Plan noting that with direct access (which occurs in front of this parcel) to an active rail line spur, Wolverine will be able to efficiently off load and transport power poles, transformers, and other electric transmission materials. This facility will create 10-15 new service center jobs at the adjacent Antrim County property. Developer investment for the new service center is expected to be approximately \$4,000,000. Redevelopment is expected to commence in late 2020/early 2021.

Mr. Warner noted that at a future date Wolverine Power Coop. may seek tax increment financing from available state and local taxes as applicable for eligible activities at the parcel, including pre-approved environmental due diligence, demolition, due care/response activities, contingency, and brownfield plan amendment preparation.

At this time an environmental Phase I and II have been performed by Fishbeck on the parcel in which the presence of petroleum-based contaminants in the soil were identified which qualifies the parcel as a “facility” and “eligible property” for brownfield financing under Michigan Public Act 381 of 1996. Wolverine Power Coop. requests that the parcel

be added to Otsego County's Brownfield Plan. Ms. McComb stated that Otsego County does not have a Brownfield Plan, but rather chooses to look at each Brownfield development and plan individually as it is presented. Mr. Warner requested that the Otsego County Brownfield Redevelopment Authority review the presented Brownfield Plan Amendment for support and recommendation to the County for future pursuit of tax increment financing or other brownfield incentives through the County. Ms. McComb noted that no capture of tax increment revenue is proposed at this time. Since the property has been owned by the County, and therefore is tax exempt, Wolverine Power Coop. will pay taxes in 2020 based on the new assessment.

All Guests were excused at 5:35 p.m. - Ken Bradstreet, Steve Johnson, and Brian Warner left.

Motion made by Norm Brecheisen, seconded by Paul Liss to recommend that Otsego County Commissioners support the future pursuit of tax increment financing or other brownfield incentives for parcel ID No. 061-100-000-109-00 as Wolverine Power Cooperative redevelops this parcel for inclusion with adjacent parcels located in Antrim County for a creation of a new service center. Discussion: The Committee discussed the extensive financial investment made into Otsego County by Wolverine Power Cooperative over the past 15 years both in the City of Gaylord and Elmira Township and the positive experiences it has had working with Wolverine Cooperative as a community partner. Vote: Yes – Brecheisen, Frisch, Liss, Kassuba and McComb, No – None. Motion Passes

Lisa will forward the draft minutes to the Otsego County Administrative offices for presentation in January 2020 at a County Commissioner's meeting seeking their support for future pursuit of tax increment financing or other brownfield incentives for parcel ID No. 06-100-000-109-00.

Vern Kassuba left the meeting at 5:40 pm.

B. OCBRA Brownfield Project Priorities.

The Committee reviewed a listing of identified brownfield sites in Otsego County that Lisa provided obtained off of the Michigan Department of Environment, Great Lakes, and Energy's (EGLE) website. Lisa noted that only sites that have submitted a Brownfield Plan to EGLE are included on the website. The Committee provided additional sites that would qualify under Brownfield eligibility. Lisa will put together a priority listing of sites for review at the next meeting to assist in future brownfield financing requests and consideration.

III. Old Business

- **MEDQ Loan Update** – Otsego County Treasurer's office has processed the check for \$85,093.42 for full pay-off of the MDEQ Loan that the County took out in 2014 for the redevelopment of the former Elmer's property. Lisa noted that this was a 10 year note and it is paid off 5 years early. The Treasurer's office will provide proof of payment to the Committee once they receive it.
- **OCBRA Brownfield Account Balance** – Lisa noted that once the Treasurer's office provides notice that the check above has cleared and the loan is paid in full, they will provide a current account balance in the Brownfield Account to the Committee in order to be able to make future recommendations for funding County Brownfield projects.

**IV. Otsego County Brownfield Redevelopment Authority Committee
Membership and Terms**

Jan Kellogg has completed her application and submitted it to the Otsego County Administrator's office for re-appointment to the Otsego County Brownfield Authority Committee. Vern Kassuba just completed his application and submitted it to the Otsego County Administrator's office for re-appointment to the Otsego County Brownfield Authority Committee. Both applications will be presented to the Otsego County Commissioner's at their January 14, 2020 meeting for review and re-appointment.

Paul Liss made a motion to adjourn the meeting at 5:57 pm., seconded by Rachel Frisch

I, Norm Brecheisen, Chairman, do hereby certify to the above minutes which were taken at a regular meeting of the Otsego County Brownfield Redevelopment Authority, held on Tuesday, December 17, 2019 at the Otsego County Economic Alliance, Inc.'s offices located at 225 W. Main Street, Suite 105, Gaylord, MI 49735

Norm Brecheisen, Chairman



1515 Arboretum Drive, SE
Grand Rapids, Michigan 49546

616.575.3824 | fishbeck.com

**OTSEGO COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN AMENDMENT

FOR

**PARCEL NO: 061-100-000-109-00
REDEVELOPMENT PROJECT
ELMIRA TOWNSHIP, OTSEGO COUNTY, MICHIGAN**

**Approved by the Otsego County Brownfield Redevelopment Authority: _____
Approved by the Otsego County Board of Commissioners: _____**

**Prepared with the Assistance of:
FISHBECK
1515 Arboretum Drive, SE
Grand Rapids, Michigan 49546
269.544.6948
(Fishbeck Project No. 190152)**

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- Attachment A Site Photographs
- Attachment B Soil Data Table

ABBREVIATIONS/ACRONYMS

- BEA Baseline Environmental Assessment
- bgs below ground surface
- EGLE Michigan Department of Environment, Great Lakes, and Energy
- GRCC Generic Residential Cleanup Criteria
- NREPA Natural Resources and Environmental Protection Act
- OCBRA Otsego County Brownfield Redevelopment Authority
- Wolverine Wolverine Power Supply Cooperative, Inc.

BROWNFIELD PLAN AMENDMENT

1.0 INTRODUCTION

The Otsego County Brownfield Redevelopment Authority (the Authority or OCBRA) was established on May 22, 1998, pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, as amended (Act 381). The primary purpose of Act 381 is to encourage the redevelopment of eligible property by providing economic incentives through tax increment financing for certain eligible properties.

This Brownfield Plan Amendment (Plan Amendment) serves as an amendment to Otsego County's existing Brownfield Plan, allowing inclusion of eligible property, described in Sections 1.1 and 1.2 below. Incorporation of eligible property into the County's Brownfield Plan permits the future use of tax increment financing to reimburse Wolverine Power Supply Cooperative, Inc. (Wolverine) (Developer) for the cost of eligible activities required to purchase and safely use the eligible property. It also presents other opportunities for Wolverine to pursue brownfield incentives that would otherwise not be available if the Property was not a part of the County's Brownfield Plan. The eligible activities are required to provide cleanup liability protection against existing contamination and eliminate blighted conditions that impede the use of the eligible property.

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The Developer, Wolverine, has recently acquired parcel ID No. 061-100-000-109-00, Division Street, Elmira, Michigan (Property). It is anticipated that this Property will be assembled with adjacent parcels located in Antrim County that collectively will be redeveloped into a service center/rail site. With direct access to an active rail line spur, Wolverine will be able to efficiently off load and transport power poles, transformers, and other electric transmission materials. The equipment and material shipped to the eligible property will be used to rebuild and maintain the portion of Wolverine's electric transmission line and substation system located in Northern Michigan. Wolverine also plans to locate approximately 10 to 15 new service center jobs at the adjacent Antrim County property. The new Wolverine Elmira Service Center will serve to respond to routine maintenance work, system outages, and restoration efforts on Wolverine's power lines and substations. Developer investment is projected to be \$4,000,000. In all, it is estimated that Wolverine will utilize more than 70 acres (mostly located in Antrim County) for the service center property and rail site. Redevelopment of the eligible property is anticipated to commence in late 2020/early 2021.

1.2 Eligible Property Information

The Property consists of one 0.14-acre vacant parcel located on the south side of Division Street. Railroad lines are located immediately south of the Property. A concrete slab located on the Property appears to have been related to a potato warehouse constructed sometime prior to 1938. Debris piles, including railroad ties and a drum protruding from the ground, were/are located on the Property. A survey of the Property indicates the southwestern-most portion of the building located on the east adjacent property encroaches onto the Property. This building is currently used for screw manufacturing and has historically been used for commercial and light industrial purposes. Site photographs are provided in Attachment A.

Recent Phase II Environmental Site Assessment (ESA) investigation activities, performed on behalf of the Developer, to evaluate the environmental conditions of the Property revealed the presence of petroleum-based contaminants in the soil on the southern portion of the Property at concentrations exceeding current Michigan Department of Environment, Great Lakes, and Energy (EGLE) Part 201 Generic Residential Cleanup Criteria (GRCC). Soil contaminants were identified at a depth of 1.5 feet below ground surface (bgs). Benzo(a)pyrene was detected at a concentration exceeding Part 201 GRCC Direct Contact Criteria. As such, the Property is a *facility* pursuant to Part 201 of the Natural Resources and Environmental Protection Act (NREPA), Public Act 451 of 1994. The source of the contamination appears to be related to the former storage of material on the Property, including railroad ties and a steel drum protruding from the ground near the south portion of the concrete foundation.

Maps depicting the location and layout of the Property are attached as Figures 1 and 2. A Site Map showing soil boring locations is provided as Figure 3. A table summarizing the soil analytical results is provided as Attachment B.

The Property is considered an "eligible property" as defined by Act 381, Section 2, because the Property was utilized for commercial purposes, is not located in a qualified local governmental unit, and is a facility as defined under Part 201. Eligible Property information is below.

Parcel Address	Acreage	Parcel Number	Basis of Eligibility
No address assigned to property, Division Street, Elmira Township, Otsego County	0.14	061-100-000-109-00	<i>Facility</i> under Part 201

Maps depicting the location and layout of the Property are attached as Figures 1 and 2.

2.0 INFORMATION REQUIRED BY SECTION 13(2) OF THE STATUTE

2.1 Description of Costs to Be Paid for With Tax Increment Revenues

At a future date, the Developer may seek tax increment financing from available state and local taxes, as applicable, for eligible activities at the Property, including preapproved environmental due diligence, demolition, due care/response activities, contingency (on activities to be completed), and brownfield plan amendment preparation. Table 1 provides the Developer eligible activity cost summary (attached).

2.2 Summary of Eligible Activities

Appropriate environmental assessment and due care and response activities are necessary to: (1) evaluate brownfield conditions and potential exposure pathways; and (2) address brownfield conditions, prevent exacerbation, and mitigate exposure risks to human health, safety, and the environment. Some of these eligible activities, as permitted under Act 381, have been conducted by the Developer prior to the preparation of this Plan Amendment. Eligible activities included in this Plan Amendment as defined in MCL 125.2652 of Act 381 consist of the following:

- 1) Pre-approved Activities: A Phase I ESA, Phase II ESA, and Baseline Environmental Assessment (BEA) were conducted on the Property. These activities are permitted to occur prior to Brownfield Plan Amendment approval (MCL 125.2663b, Sec. 13b.).
- 2) Due Care Plan: To comply with due care, a response activity plan and other due care documentation must be developed and maintained during and after redevelopment. These activities are permitted to occur prior to Brownfield Plan Amendment approval (MCL 125.2663b, Sec. 13b.).
- 3) Due Care/Response Activities: Additional investigation and assessment for due care purposes may be necessary during and after the redevelopment to ensure compliance with due care.
 - a. These activities may include soil removal and landfilling or capping of the soil to prevent direct contact exposure with contaminated soils.
- 4) Due Care Project Management, Oversight, and Reporting: It is necessary to have an environmental professional manage, oversee, and provide documentation of activities relating to contaminated soil transport and disposal (if applicable), and management of any soil capping activities that may occur.
- 5) Brownfield Plan Amendment Preparation: To incorporate the Property into the County's Brownfield Plan and to enable the opportunity for potential future tax increment financing for this Project under a separate amendment to the Brownfield Plan Amendment, the preparation and development of this Brownfield Plan Amendment is required.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues

This Brownfield Plan Amendment does not include the capture of state and local tax increment revenues. Any future tax capture that may be requested will require approval through an amendment to this Brownfield Plan Amendment.

2.4 Method of Financing and Description of Advances Made by the Municipality

The cost of the eligible activities included in this Brownfield Plan Amendment will initially be paid for by the Developer. At a later date, the Developer may seek reimbursement through capture of available state and local tax increment revenues, as applicable. Such capture of tax increment revenues will require approval of an amendment to this Brownfield Plan Amendment.

2.5 Maximum Amount of Note or Bonded Indebtedness

Bonds will not be issued for this Project.

2.6 Duration of Brownfield Plan Amendment

The purpose of this Brownfield Plan Amendment is to incorporate the Property into the County's Brownfield Plan, which will permit potential future pursuit of tax increment financing or other brownfield incentives through the County. No capture of tax increment revenues is proposed in this Brownfield Plan Amendment. As such, no capture period has been established.

2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

The Property has been owned by the County, and, therefore, is tax exempt. With the recent Property transaction, the Developer will pay taxes in 2020 based on the new assessment.

2.8 Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property

The eligible property in this Brownfield Plan Amendment consists of the parcel described below and depicted on Figure 2.

Parcel # 061-100-000-109-00

Legal Description: A PIECE OF LAND 50 FT WIDE LYING NWLY OF GR & I RR R/W & SELY OF LOT 109 & LOT 109 EXC 18 FT ON NE SIDE VILLAGE OF ELMIRA T31N R4W.

The Property qualifies as “eligible property” as it is a *facility* pursuant to Part 201 of the NREPA, Public Act 451 of 1994.

No personal property will be captured as part of this Brownfield Plan Amendment.

2.9 Estimates of Residents and Displacement of Individuals/Families

No residents or families will be displaced as a result of the project.

2.10 Plan for Relocation of Displaced Persons

Not applicable.

2.11 Provisions for Relocation Costs

Not applicable.

2.12 Strategy for Compliance with Michigan’s Relocation Assistance Law

Not applicable.

2.13 Other Material that the Authority or Governing Body Considers Pertinent

The Project will significantly improve the overall use of the Property by repurposing a vacant blighted parcel into a new service center to support Wolverine’s electric power system. The redevelopment will add new jobs in the community and establish local services to help ensure reliable power supply to the greater Northern Michigan area.

Figure 1

Location Map

Figure 2

Site Plan

PLOT INFO: E:\0181801\50\CAD\GIS\mapdoc\1\G02_SITE_MAP.mxd Date: 11/25/2019 7:49:37 AM User: sctchwilfer



LEGEND

 Approximate Property Boundary

fishbeck
Engineers | Architects | Scientists | Constructors

Hard copy is intended to be 8.5"x11" when plotted. Scale(s) indicated and graphic quality may not be accurate for any other size.

Wolverine Power Supply Cooperative, Inc.

061-110-000-109-00, Elmira Twp., Otsego County, Michigan

Brownfield Redevelopment Plan

PROJECT NO.
190152

FIGURE NO.

2

Figure 3

Site Map Showing Soil Exceedances

Table 1

Summary of Eligible Activities Costs and Schedule

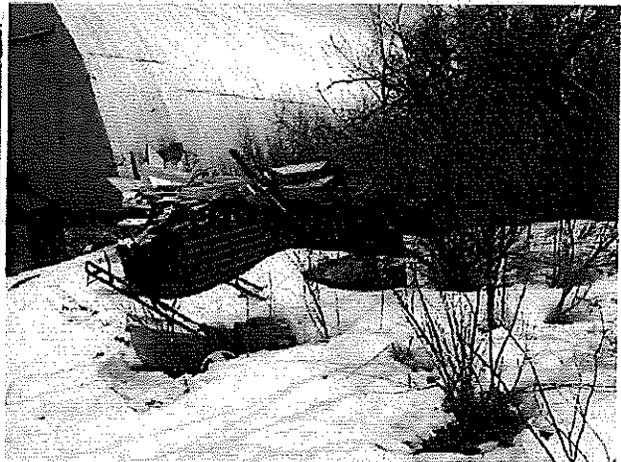
Table 1		
Summary of Eligible Activities Costs and Schedule		
Eligible Activities	Cost	Completion Date
Pre-Approved Activities		
<i>BEA Activities</i>	\$10,000	Completed
Due Care/Response Activities		
<i>Soil Investigation & Oversight/Removal/Capping</i>	\$10,000	Mid-Late 2020
Non-Environmental Activities		
<i>Demolition</i>	\$30,000	Mid-Late 2020
Brownfield Plan Preparation	\$6,000	Fall/2019
Eligible Activities Sub-Total	\$56,000	
Contingency (15 %) – For activities not yet conducted	\$6,000	If Necessary
Eligible Activities Total	\$62,000	
Additional Capture for Local Brownfield Revolving Fund	NA	
Total	\$62,000	

Attachment A

Site Photographs



1. A view of the north side of the site.



2. A view of debris stored on the northeast corner of the site.



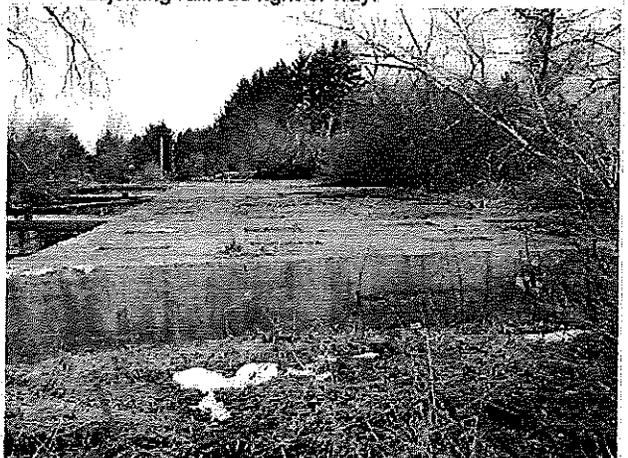
3. A view of the east side of the site from the north.



4. A view of the southeast corner of the site from the adjoining railroad right-of-way.



5. A view of the building foundation on the center of the site and the right-of-way to the south.



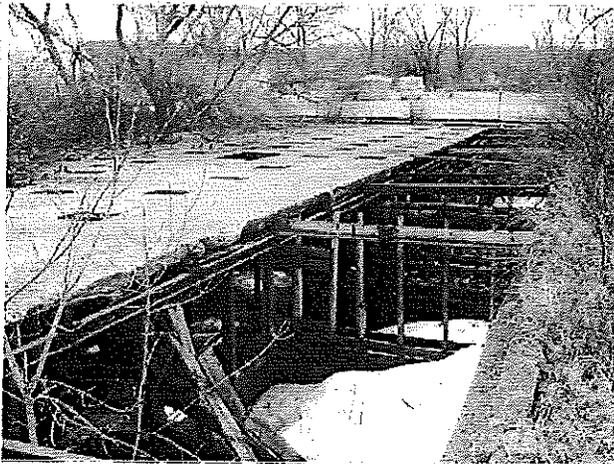
6. A view of the building foundation on the center of the site.



7. A view of brake parts and a small engine on the north side of the site.



8. A view of the west side of the building foundation.



9. A view of the building foundation from the northwest.



10. A view of abandoned tires in the building foundation.



11. A view of the well pit southwest of the building foundation.



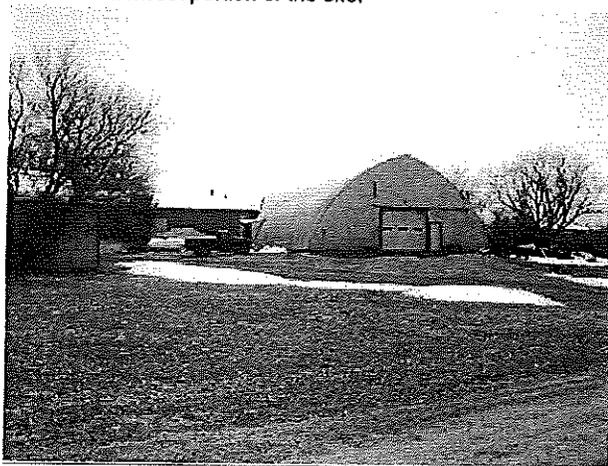
12. A view of the east side of the site and the adjacent property to the east.



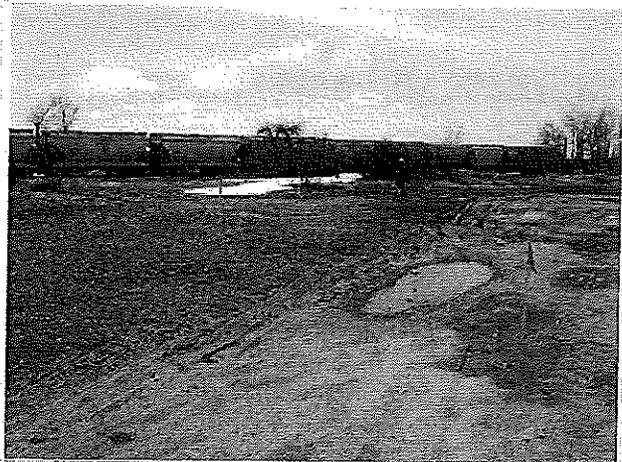
13. A view of an open-ended buried drum on the southwest portion of the site.



14. A view of the southeast corner of the site.



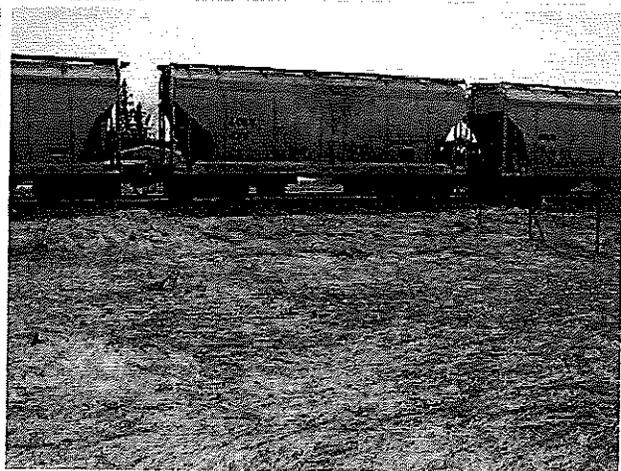
15. A view of the adjoining site to the east.



16. A view of the adjoining property to the west.



17. A view of the adjacent property to the northeast.



18. A view of railroad cars stored on the siding south of the site.

Attachment B

Soil Data Table

Table 1
Soil Analytical Data
Otsego County Parcel, Elmira, Michigan

Analyte	Statewide Background Concentration	Part 201 Criteria			B-1 4.0' 6/13/19	B-3 2.0' 6/13/19	B-4 5.0' 6/13/19	B-5 1.5' 6/13/19	B-6 4.0' 6/13/19	B-7 1.0' 7/4/19	B-8 1.5' 7/4/19	B-9 1.0' 7/4/19	B-10 2.0' 7/4/19	B-11 1.0' 7/4/19
		DW Protection (Res)	Direct Contact	GSI Protection (Res)										
Metals														
Arsenic (mg/kg)	5.8	4.6	7.6	4.6				1.6						
Lead (mg/kg)	21	700	400	4,400*				30						
VOCs														
Benzene	NA	100	180,000	4,000	<50	<50	<50	<50	<50					
Toluene	NA	16,000	250,000	5,400	<50	<50	<50	<50	<50					
Ethylbenzene	NA	1,500	140,000	360	<50	<50	<50	<50	<50					
Xylene (total)	NA	5,600	150,000	980	<150	<150	<150	<150	<150					
1,2,4-Trimethylbenzene	NA	2,100	110,000	570	<50	<50	<50	<50	<50					
1,3,5-Trimethylbenzene	NA	1,800	94,000	1,100	<50	<50	<50	<50	<50					
Naphthalene	NA	35,000	16,000,000	730	<250	<250	<250	<250	<250					
2-Methylnaphthalene	NA	57,000	8,100,000	4,200	<250	<250	<250	<250	<250					
PHAs														
Acenaphthene		300,000	41,000,000	8,700	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330
Acenaphthylene		5,900	1,600,000	ID	<330	<330	<330	680	<330	<330	<330	<330	<330	<330
Anthracene		41,000	230,000,000	ID	<330	<330	<330	480	<330	<330	<330	<330	<330	<330
Benzo(a)anthracene		NLL	20,000	NLL	<330	<330	<330	2,000	<330	<330	<330	<330	<330	<330
Benzo(a)pyrene		NLL	2,000	NLL	<330	<330	<330	3,700	<330	<330	<330	<330	<330	<330
Benzo(b)fluoranthene		NLL	20,000	NLL	<330	<330	<330	3,400	<330	<330	<330	920	<330	<330
Benzo(e)fluoranthene		NLL	2,500,000	NLL	<330	450	<330	2,400	<330	<330	<330	<330	<330	<330
Benzo(k)fluoranthene		NLL	200,000	NLL	<330	<330	<330	2,400	<330	<330	<330	470	<330	<330
Chrysenes		NLL	2,000,000	NLL	<330	<330	<330	2,500	<330	<330	<330	350	<330	<330
Dibenz(a,h)anthracene		NLL	2,000	NLL	<330	<330	<330	470	<330	<330	<330	<330	<330	<330
Fluoranthene		730,000	46,000,000	5,500	<330	<330	<330	3,800	<330	<330	<330	<330	<330	<330
Fluorene		390,000	27,000,000	5,300	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330
Indeno(1,2,3-cd)pyrene		NLL	20,000	NLL	<330	<330	<330	2,300	<330	<330	<330	<330	<330	<330
2-Methylnaphthalene		57,000	8,100,000	4,200	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330
Naphthalene		35,000	16,000,000	730	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330
Phenanthrene		50,000	1,600,000	2,100	<330	<330	<330	2,300	<330	<330	<330	<330	<330	<330
Pyrene		480,000	29,000,000	ID	<330	<330	<330	4,800	<330	<330	<330	390	<330	<330
All Other PHAs (ug/kg)	NA	Varies	Varies	Varies	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND

ND = All target analytes reported as non-detect.

Bold = Chemical detected in the sample at the concentration indicated.

Blue concentration exceeds statewide background and generic GSI protection soil criterion only.

Yellow concentration exceeds Statewide Background and DW Protection and/or Direct Contact criteria.

*GSI Protection criterion was calculated assuming a hardness of 100 mg/l for northern lower peninsula waters.