

OFFICIAL PROCEEDINGS  
KEWEENAW COUNTY BOARD OF COMMISSIONERS  
February 17, 2016

The regular monthly meeting of the Keweenaw County Board of Commissioners was held on February 17, 2016 beginning at 7:00 p.m. following the Keweenaw Mountain Lodge meeting, at the Courthouse, Eagle River, MI.

Commissioners present: Randy Eckloff, Bob DeMarois, Don Piche, Ray Chase. Absent: Del Rajala.

The meeting was posted in the Courthouse on the bulletin board and the agenda for the meeting was posted on the door of the Courthouse.

Motion by DeMarois supported by Eckloff and unanimously carried to approve the agenda as presented.

Motion by DeMarois supported by Eckloff and unanimously carried to accept the minutes from the January 20, 2016 regular monthly board meeting as presented.

The Treasurer, Sheriff and Mine Inspector reports were received.

Time was allowed for public comment.

Motion by Eckloff supported by DeMarois to pay the approved and audited bills in the following amounts; General Fund=\$134,910.70 Construction Codes Fund=\$2,319.05 911 Fund=\$18,774.50 Law Library=\$353.85 Child Care Fund/Basic Grant=\$0 County Veterans Trust Fund=\$0 Medical Care Fund=\$1,292.70 Courthouse Improvement Fund=\$0. Board polled. Ayes: Eckloff, DeMarois, Chase, Piche. Nays: None. Motion carried.

Motion by Chase supported by Eckloff and unanimously carried to table the at&t contract until March. It has been sent to the attorney for review.

Motion by Chase supported by DeMarois and unanimously carried to table the Western U.P. Consortium bill until more discussion has taken place.

Motion by Chase supported by Eckloff and unanimously carried to table the Courthouse/Grounds project until March.

Motion by Chase supported by Piche to appoint Eckloff to the UPWARD Talent Council as our representative with DeMarois being his alternate. The UPWARD Talent Council will be the U.P. wide board.

Motion by Eckloff supported by DeMarois and unanimously carried to follow up on the county millages that are up for renewal in 2016. They are a half mill for county police protection and a half mill for Courthouse and Grounds maintenance and repairs.

Motion by DeMarois supported by Chase and unanimously carried to adopt the MERS resolution regarding the Health Care Savings Program. Employees were interested in this program and it would be at employee's cost, no cost to the county. **(#16-1)**

Motion by DeMarois supported by Chase and unanimously carried to adopt the MERS resolution regarding a 457 Supplemental Retirement Program. This is at employees discretion and at the employees cost. **(#16-2)**

Motion by Eckloff supported by DeMarois and unanimously carried to approve the resolution with the Copper Harbor Downtown Development Authority and Keweenaw County as follows:

THIS AGREEMENT is made by and between THE COPPER HARBOR DOWNTOWN DEVELOPMENT AUTHORITY (the "DDA"), an authority created by the Township of Grant, County of Keweenaw, State of Michigan, 1975, as amended, and THE COUNTY OF KEWEENAW, State of Michigan (the "County").

WHEREAS, the DDA was created by the Township under the authority of Act 197, Public Acts of Michigan, 1975, as amended ("Act 197"); and

WHEREAS, pursuant to Act 197, the DDA has previously prepared and the Township has approved by ordinance a Development and Tax Increment Financing Plan, as amended by the DDA and the Township (the "Plan") to halt property value decline, increase property tax valuation, eliminate causes of property value decline and promote growth within the area in which the DDA exercises its powers (the "District"); and

WHEREAS, pursuant to the Plan, the DDA has used and continues to use tax increment revenues, as defined in Act 197 (the "Tax Increment Revenues") to provide for the acquisition, construction and financing of

certain public improvements in the development area described in the Plan (the “Development Area”), in order to promote growth within the District for the benefit of the residents of the Township and all taxing units levying taxes within the Development Area; and

WHEREAS, Section 14(4) of Act 197 permits the DDA to enter into agreements with the taxing jurisdictions in the Development Area to share a portion of the captured assessed value of the District (the “Captured Assessed Value”); and

WHEREAS, it is the desire of both the DDA and the County to enter into a sharing agreement pursuant to Section 14(4) of Act 197 in a manner that does not violate Section 14(1) of Act 197, so that the portion of the Tax Increment Revenues related to the road millage levied by the County pursuant to an election held on August 5, 2014 (the “Road Millage”) and that would otherwise be captured by the DDA will be shared with the County to benefit the residents of the County and the Township; and

WHEREAS, both the DDA and the County desire to enter into this agreement to provide for the sharing of Captured Assessed Value for five (5) years, commencing with the December 2015 levy of the Road Millage through the December 2019 levy of the Road Millage.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties, the parties agree hereto as follows:

## ARTICLE 1 SHARING OF CAPTURED ASSESSED VALUE

- 1.1 Agreement to Share Captured Assessed Value. Subject to the terms and conditions of this Agreement, the DDA hereby agrees to share annually with the County Captured Assessed Value in an amount which produces a reduction in the DDA’s Tax Increment Revenues in the amount related to the Road Millage. Such sharing shall commence with the December 2015 tax levy and end with, and include, the December 2019 levy.
- 1.2 Agreement Shall Not Impair Payment of Existing Obligations. The parties agree that nothing contained in this Agreement shall prevent or impair the DDA from fulfilling its primary obligation to meet payment requirements on any debt service on any outstanding obligation or liability of the DDA, or other obligations issued by the Township on behalf of the DDA, payable from tax increment revenues, including maintenance of any debt service reserve funds.

## ARTICLE 2 MISCELLANEOUS

- 2.1 Entire Agreement. This Agreement shall constitute the entire agreement between the parties hereto; all prior agreements between the parties, whether written or oral, are merged herein and shall be of no force or effect.
- 2.2 Governing Law. Each and every term, provision and condition of this Agreement shall be governed and construed in all respects, whether as to matters of validity, capacity, performance or otherwise, in accordance with the laws of the State of Michigan.
- 2.3 Severability. Each term, condition and provision of this Agreement is severable and if any term, condition or provision shall be determined to be illegal, invalid and/or unenforceable for any reason whatsoever, this Agreement shall thereafter be read, construed, and enforced as though such illegal, invalid and/or enforceable term, condition or provision were not included herein.
- 2.4 Captions. All captions or headings preceding the text of separate paragraphs of the Agreement are solely for reference purposes and shall not affect the meaning, construction, interpretation or effect of the text.
- 2.5 Notices. All notices required to be given pursuant to this Agreement or otherwise desired to be delivered by one party to another, shall be effective only if the same shall be in writing and shall be either personally served or sent by facsimile, United States mail or air courier service with postage prepaid, to such party at its address set forth herein to the attention of the person whose title is set forth below. Any such notice given by mail or air courier shall be deemed defective upon two days following the date the same shall have been deposited in the US mail or other air courier service.

If to the DDA:

Copper Harbor Downtown Development Authority  
Attn: Secretary  
230 Gratiot Street  
PO Box 76  
Copper Harbor, MI 49918  
Telephone: 906-289-4588

If to the County:

County of Keweenaw  
Attn: County Board of Commissioners  
5095 Fourth Street  
Eagle River, MI 49950  
Telephone: 906-337-2229

- 2.6 Counterparts. This Agreement may be signed in any number of counterparts. **(#16-3)**

Motion by Chase supported by DeMarois and unanimously carried to set a special meeting on Thursday, March 3, 2016 at 6:30 p.m. at the Courthouse in Eagle River to discuss the options for the Keweenaw County Jail.

Time was allowed for public comment.

There being no further business motion by Chase to adjourn at 7:12 p.m. Meeting adjourned sine die.

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Donald Piche, Chairman

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Julie A. Carlson, Clerk