A MEETING OF THE
INGHAM COUNTY BUILDING AUTHORITY
WILL BE HELD ON
Wednesday, September 11, 2019 at 3:00 p.m.

Hilliard Building
Conference Room B
121 E. Maple Rd.
Mason, Michigan

AGENDA

Call to Order
Approval of the August 28, 2019 Minutes
Additions to the Agenda
Limited Public Comment

1. Community Mental Health
   a. Gypsum Supply Company Invoice
   b. Agreement for Renovation and Lease for Expanded House of Commons Project
      (Discussion)

Announcements
Public Comment
Adjournment

September 11, 2019 at 3:00 p.m.
<table>
<thead>
<tr>
<th>August 28, 2019 Building Authority</th>
<th>Page Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 28, 2019 Draft Minutes</td>
<td>i-iii</td>
</tr>
<tr>
<td>Gypsum Supply Company Invoice</td>
<td>1</td>
</tr>
<tr>
<td>Agreement for Renovation and Lease for Expanded House of Commons Project</td>
<td>2-22</td>
</tr>
</tbody>
</table>
Members Present: Matt Nordfjord, County Corporation Counsel, Tim Dolehanty, County Administrator, Eric Schertzing, Treasurer

Members Absent: None.

Others Present: Facilities Director Rick Terrill, Deputy Controller Teri Morton, CMH Representative John Peiffer

Call to Order: The Ingham County Building Authority meeting was called to order by Matt Nordfjord at 3:00 p.m., Wednesday, August 14, 2019 in Conference Room A of the Hilliard Building, 121 E. Maple Rd., Mason, Michigan.

Approval of the August 14, 2019 Minutes: Ms. Prettenhofer stated that she noticed the “Others Present” did not get updated to include Jodi LeBombard, Ben LeBlanc, Jason Ferguson, and Brian Fisher.

MR. DOLEHANTY MOVED TO APPROVE THE AUGUST 14, 2019 MEETING MINUTES AS AMENDED. MR. SCHERTZING SUPPORTED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Additions to the Agenda:

Late: 3b Kramer Management Invoice, 1b CMH Project Financial Update

Limited Public Comment: None.

1a. Sprinkler Head Proposal

MR. SCHERTZING MOVED TO APPROVE PAYMENT OF THE SPRINKLER HEAD INSTALLATION PROPOSAL IN THE AMOUNT OF $1,136.00. MR DOLEHANTY SUPPORTED THE MOTION.

Mr. Terrill stated that this Change Order was for an additional sprinkler head on the third floor. This brings the revised contract amount to $21,373.

Mr. Dolehanty asked if this was required by code.

Mr. Peiffer confirmed that it was.

THE MOTION PASSED UNANIMOUSLY.

1b. CMH Project Financial Update
Mr. Peiffer explained the chart he handed out and detailed the charges to the Building Fund to date are $150,000. The remaining balance needed to wrap up the project is $109,000.

2a. **Granger Change Order 063**

MR. SCHERTZING MOVED TO APPROVE PAYMENT OF CHANGE ORDER 063 IN THE AMOUNT OF $1,154.00. MR. DOLEHANTY SUPPORTED THE MOTION.

Mr. LeBlanc explained that this change order is for the intake reception desk. The glass protection allowed for a large gap under the glass and Operations was concerned that someone could shimmy through the gap. They will be removing the glass and then shifting it down for a smaller gap.

THE MOTION PASSED UNANIMOUSLY.

2b. **Granger Change Order 064**

MR. SCHERTZING MOVED TO APPROVE PAYMENT OF GRANGER CHANGE ORDER 064 IN THE AMOUNT OF $672.02. MR. DOLEHANTY SUPPORTED THE MOTION.

Mr. Leblanc explained that they had to come back and add an additional occupancy detector.

THE MOTION PASSED UNANIMOUSLY.

2c. **Granger Change Order 065**

MR. SCHERTZING MOVED TO APPROVE PAYMENT OF THE GRANGER CHANGE ORDER 065 IN THE AMOUNT OF $2,257.81. MR. DOLEHANTY SUPPORTED THE MOTION.

Mr. Terrill explained that this change order is for additional electrical work at the surgery table for the vet.

Mr. LeBlanc further explained that is an old change, the paperwork was lost in the shuffle. He did provide pricing in April but did not follow up. This is for an independent circuit as the existing one does not correspond with the unit that was selected and installed.

THE MOTION PASSED UNANIMOUSLY.

3a. **Fiber Engineering Quote**

MR. SCHERTZING MOVED TO APPROVE THE FIBER ENGINEERING QUOTE IN THE AMOUNT OF $1,840.00. MR. DOLEHANTY SUPPORTED THE MOTION.

Mr. Terrill explained that this quote is from IT for an engineering study to be done where the fiber optics will be brought in through the Animal Control Shelter to the Justice Complex. This is a cost-saving option. Approval is recommended.

Mr. LeBlanc stated that this was also planned for in the construction of the Animal Shelter.

THE MOTION PASSED UNANIMOUSLY.
3b. **Kramer Management Group Invoice**

MR. SCHERTZING MOVED TO APPROVE PAYMENT OF THE KRAMER MANAGEMENT GROUP INVOICE IN THE AMOUNT OF $12,775.00. MR. DOLEHANTY SUPPORTED THE MOTION.

Mr. Terrill stated that this invoice is for July 21 – August 17 and is consistent with the contract. Approval is recommended.

THE MOTION PASSED UNANIMOUSLY.

**Announcements:** Mr. Shanley announced the Kramer Management Group had met with BKV for approval of the contract and they had a kick-off meeting. He also stated that they plan to meet with the leadership of each area and next week will be moving to bottom-up meetings. They will interview with staff of all levels to get feedback. They will then take that info and analyze that data provided which will be used as basis of concepts. This process will take until about mid-October. From there they will move on to design concepts.

**Public Comment:** Mr. LeBlanc stated that the 10 day notice has been submitted for the shelter. Granger is hoping they will be able to break ground on the old animal shelter for demolition mid-next week when they receive the determination. From there it will take about 2 weeks for the demolition from start to finish.

The August 14, 2019 Building Authority meeting adjourned at 3:25 p.m.
**Invoice**

**FROM:** Gypsum Supply Company
**TO:** Community Mental Health

**Order Date:** 09/03/19
**Customer:** 812 JOLLY RD
**Customer Job No.:** 812 JOLLY RD

---

<table>
<thead>
<tr>
<th>Product No.</th>
<th>Quantity</th>
<th>Units</th>
<th>Description</th>
<th>UM</th>
<th>Extension</th>
<th>Unit Price</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>USG76775</td>
<td>10</td>
<td>CTN</td>
<td>76775 ECLIPSE 2X2X3/4 TWT/WHITE 48&quot;/CTN</td>
<td>MSF</td>
<td>480</td>
<td>1762.00</td>
<td>845.76</td>
</tr>
</tbody>
</table>

**Net Date by:** 10/31/19

---

**Tax Details**

<table>
<thead>
<tr>
<th>Subtotal</th>
<th>Michigan</th>
<th>Michigan Subtotal</th>
<th>Tax</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>845.76</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>845.76</td>
</tr>
</tbody>
</table>

---

**Thank You**

---

1. TERMS: Interest at a rate of 12% per year computed monthly will be charged on the unpaid balance.
2. All Claims must be made within 24 hours of delivery. We do not accept merchandise returns without written approval.
3. 2% Restocking charge will be made on all returnable merchandise returned.
4. 5% (2%) does not apply to returns on special order products.
5. All transactions referenced herein are governed by the terms and conditions located at https://www.gms.com/terms-conditions

---

**Page No.: 1 of 1**
AGREEMENT FOR RENOVATION AND LEASE BETWEEN COUNTY OF INGHAM AND INGHAM COUNTY BUILDING AUTHORITY AND COMMUNITY MENTAL HEALTH BOARD CLINTON-EATON-INGHAM COUNTIES FOR EXPANDED HOUSE OF COMMONS PROJECT SEP 22 2000
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Page #</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ownership of Building</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Plans and Specifications</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Changes to Leased Premises Before and During Renovation and Improvements</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>Rent</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Term and Termination</td>
<td>3</td>
</tr>
<tr>
<td>6</td>
<td>License, Permits and Approvals</td>
<td>4</td>
</tr>
<tr>
<td>7</td>
<td>Use</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>Sign</td>
<td>4</td>
</tr>
<tr>
<td>9</td>
<td>Utilities</td>
<td>4</td>
</tr>
<tr>
<td>10</td>
<td>Parking</td>
<td>4</td>
</tr>
<tr>
<td>11</td>
<td>Personal Property Taxes</td>
<td>5</td>
</tr>
<tr>
<td>12</td>
<td>Real Property Taxes and Assessments</td>
<td>5</td>
</tr>
<tr>
<td>13</td>
<td>Obligations to Maintain and Repair</td>
<td>6</td>
</tr>
<tr>
<td>14</td>
<td>Alterations, Trade Fixtures, Liens</td>
<td>6</td>
</tr>
<tr>
<td>15</td>
<td>Liability</td>
<td>7</td>
</tr>
<tr>
<td>16</td>
<td>Insurance and Subrogation</td>
<td>8</td>
</tr>
<tr>
<td>17</td>
<td>Damage to Leased Premises</td>
<td>10</td>
</tr>
<tr>
<td>18</td>
<td>Assignment by Tenant</td>
<td>10</td>
</tr>
<tr>
<td>19</td>
<td>Transfer by Landlord</td>
<td>10</td>
</tr>
<tr>
<td>20</td>
<td>Condemnation</td>
<td>10</td>
</tr>
<tr>
<td>21</td>
<td>Right of Landlord to Cure Tenant's Default; Late Payments</td>
<td>11</td>
</tr>
<tr>
<td>22</td>
<td>No Representations By Landlord</td>
<td>11</td>
</tr>
<tr>
<td>23</td>
<td>Rights of Landlord in Event of Default</td>
<td>11</td>
</tr>
<tr>
<td>24</td>
<td>Notices</td>
<td>12</td>
</tr>
<tr>
<td>25</td>
<td>Delays</td>
<td>12</td>
</tr>
<tr>
<td>26</td>
<td>Miscellaneous</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>A. Non-Waiver</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>B. Acceptance of Rents</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>C. Re-Entry by Landlord</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>D. Terms</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>E. Benefit and Burden</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>F. Remedies Cumulative</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>G. Not Binding Before Signature and Delivery</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>H. No Easement</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>I. Partial Invalidity</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>J. Time of the Essence</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>K. Governing Law and Venue</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>L. Captions</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>M. Nondiscrimination</td>
<td>14</td>
</tr>
</tbody>
</table>
AGREEMENT FOR RENOVATION AND LEASE

THIS AGREEMENT AND LEASE is made and entered into on this 19th day of September, 2000, by and between the COUNTY OF INGHAM, a municipal corporation and political subdivision of the State of Michigan, whose address is Courthouse, Mason, Michigan (hereinafter referred to as "Landlord"), INGHAM COUNTY BUILDING AUTHORITY, whose address is P.O. Box 319, Mason, Michigan 48854 (hereinafter referred to as "Authority"), and the COMMUNITY MENTAL HEALTH BOARD OF CLINTON-EATON-INGHAM COUNTIES, whose address is 812 East Jolly Road, Suite G-10, Lansing, Michigan 48910 (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, the Landlord has received a grant from the State of Michigan to increase the amount of residential treatment services for probationers by providing capacity for up to eighty (80) beds; and

WHEREAS, the Landlord, upon recommendation of the Lansing/Ingham County Joint Community Corrections Advisory Board (hereinafter referred to as the "CCAB"), has selected the Tenant as the agency who will provide residential treatment services for probationers through the expansion of the Tenant’s House of Commons Program; and

WHEREAS, in order for the Tenant to provide the residential treatment services for probationers required by the Landlord, the Tenant will need to expand its House of Commons Program; and

WHEREAS, the Landlord has the space required by the Tenant for an expanded House of Commons in its Library Services Building at 706 Curtis Street, Mason, Michigan (hereinafter referred to as the "leased premises"); and

WHEREAS, the Authority is prepared to renovate the facilities comprising the leased premises, based on specifications prepared by the Tenant, for lease to the Landlord for sublease to Tenant.

NOW, THEREFORE, IT IS AGREED by and among the parties as follows:

1. Ownership of Building.

Landlord shall convey the facilities and site comprising the leased premises to the Authority and at the Authority’s request advance to the Authority TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS ($250,000.00) for expenses which may be incurred prior to the sale of bonds. The Authority shall own the facilities and site comprising the leased premises and obtain financing to cover necessary renovations and other
accommodations necessary to make the facilities and site suitable for operation of the House of Commons, which financing shall be payable over a period of twenty (20) years. Upon repayment of the financing, the Authority shall reconvey the facilities and site to the Landlord. The cost of improvements to the leased premises shall be borne by the Tenant and Landlord as set forth in this Agreement.

2. Plans and Specifications.

The Authority shall be responsible for making the renovations and improvements necessary to convert the leased premises into a probationer residential treatment services facility, with up to forty (40) beds, based on specifications to be provided by the Tenant. The Tenant's specifications must meet all applicable building codes as well as all other applicable laws, rules, regulations and codes.

3. Changes to Leased Premises Before and During Renovation and Improvements.

A. After the Tenant has provided the Authority with plans and specifications for the renovations and improvements to the leased premises, no changes shall be made in the plans and specifications except as are approved by Tenant and Authority in writing. Tenant and Authority shall designate those persons who are authorized to approve changes in the plans and specifications in their behalf. Any such required changes shall be made by change order, the cost of which shall be Tenant's responsibility.

B. Alterations required by any existing or future laws, ordinances, or regulations passed by the City, County, or State are to be made by the Authority or Landlord as the case may be and paid for by Tenant.

4. Rent.

A. The Tenant shall pay the Landlord as rent for the leased premises the sum of ONE AND NO/100 DOLLARS ($1.00) per year for each year this lease is in effect. Such rent shall be in addition to payment of the other costs and expenses required by this Agreement and lease with the first payment due the date of execution of this Agreement and lease and on the anniversary date of such execution in each year thereafter.

B. Landlord shall pay as rent to the Authority during the time the Authority owns the leased premises an amount equal to the rent paid by Tenant to Landlord.

C. The Tenant shall pay for all maintenance and operating expenses of the leased premises plus the capitalized costs of expenses for renovating the leased premises, if any, which is in excess of grant funds received by the Landlord from the State of Michigan for the Residential Treatment Services for Probationers Project. Amortization
shall be based on a twenty (20) year schedule, with interest rates, commensurate with the
cost incurred by the Authority to borrow funds for renovation, unless otherwise agreed to
in writing by the Landlord and the Tenant. Payments are to be made in accordance with
debt schedules determined by the Authority in its financing arrangements.

D. The Landlord shall, at the Tenant’s request, advance to the Tenant up
to, but not to exceed, TWO HUNDRED THOUSAND AND NO/100 DOLLARS
($200,000.00) for initial operating expenses, to be repaid as part of the Tenant’s rental
payments in the same manner as the capitalized cost of renovation. Prior to the Landlord
paying such advancement, the Tenant shall provide to the Landlord such reports,
information and documentation that the Landlord may require to support the operating
expenses for which the advance payment is being requested.

5. Term and Termination.

A. The term of the Agreement for renovations and improvements of the
premises to be leased shall commence on the date in which this document is fully signed
by the representatives of the Landlord, Authority and Tenant which is the date set forth in
the introductory paragraph on page one and shall continue through completion of the
renovations and improvements and the commencement of the lease.

B. The term of the lease between Landlord and the Authority shall begin
on the date the premises to be leased are ready for occupancy, or at such earlier date as
may be elected by the Tenant, and shall continue until the premises are reconveyed to
Landlord pursuant to Section 1 hereof but not longer than twenty (20) years.

C. The term of the lease from the Landlord to the Tenant shall be for a
period of twenty (20) years. Within the twenty (20) year period, the lease may be
terminated by either the Landlord or the Tenant upon twelve (12) months advance notice.
However, if the Tenant terminates the lease during the twenty (20) year term, Tenant shall
repay the Landlord the balance of any unamortized advances for initial operating
expenses.

D. Notwithstanding the provisions in subsections A, B and C of this
Section 5, if the contract between the Landlord and Tenant for the provision of probation
residential services is terminated by the Landlord due to lack of funds or the Landlord’s
decision to no longer provide probation residential services, this Agreement and lease shall
terminate on the same date as such contract. In the event this Agreement and lease is so
terminated the Tenant shall remain obligated to repay the Landlord any unamortized
balance of an advance made pursuant to Section 4, subsection C for operating expenses.
The Tenant shall vacate the leased premises on the effective date of termination of this
Agreement and lease.
6. **License, Permits and Approvals.**

The Tenant shall be responsible for obtaining all necessary permits, licenses and approvals required for the operations of the leased premises for the uses authorized in Section 7.

7. **Use.**

The Tenant shall use and occupy the leased premises solely as authorized in the Ingham County Board of Commissioners in Resolution No. 99-236, as the Resolution may be amended from time to time. A copy of Resolution No. 99-236 is attached to this Agreement and lease. The Tenant’s use of the leased premises shall include the following:

A. Tenant’s House of Commons Program shall provide residential treatment services for probationers as outlined in the Tenant’s annual contracts with the Landlord for the provision of these services in Ingham County. These services are to be provided in a manner acceptable to the CCAB.

B. With the prior approval of CCAB, the Tenant may utilize unused capacity at the leased premises to provide residential treatment services for probationers referred by local courts, other community corrections advisory boards, and counties, utilizing the CCAB’s admission standards.

8. **Sign.**

Tenant shall have the right to install signs on the leased premises during time of occupancy consistent with any applicable municipal ordinance and subject to the Authority’s approval, which shall not be unreasonably withheld. If Tenant’s signage adjoins Landlord’s signage, then such signage shall be consistent with Landlord’s signage and subject to the Authority’s approval, which shall not be unreasonably withheld. Payment of the costs of signage shall be the responsibility of the Tenant.

9. **Utilities.**

Tenant shall be responsible for payment of all utilities, janitorial, and cleaning expenses.

10. **Parking.**

Tenant shall have exclusive and free access to all parking facilities serving the leased premises which are agreed to by the Authority as part of the final site plans.
11. Personal Property Taxes.

Tenant shall be solely responsible for all taxes levied or assessed against Tenant's property and improvements upon or affixed to the leased premises.

Tenant shall have the right to contest the validity of any tax, special assessment or fee payable by Tenant which Tenant deems to have been illegally or improperly levied or assessed against such premises, and for that purpose shall have right to institute such proceeding or proceedings in name of Landlord or Authority as Tenant may deem necessary, provided expenses incurred by reason thereof shall be paid by Tenant, and provided, further, it is necessary to use Landlord's or Authority's name in carrying on such proceedings. Landlord and/or Authority shall promptly notify Tenant of receipt of any notices, assessments and invoices relating to any such charges.

In the event the Tenant contests the validity of any tax, special assessment or fee, Tenant shall be responsible for paying all costs and expenses associated with such contesting, including, but not limited to, all attorney fees, court and/or administrative proceedings costs, fines, interest and penalties. The Tenant shall also indemnify the Authority, the Landlord and their elected and appointed officers, employees and agents from any liability, costs and expense they may incur as a result of the Tenant's contesting the validity of any tax, special assessment or fee.

12. Real Property Taxes and Assessments.

Landlord agrees to bear, pay, and discharge all real property taxes, assessments and fees, which may be fixed, charged, levied, assessed, or otherwise imposed upon the leased premises, or any portion thereof, during the term of the lease, and Tenant agrees to reimburse Landlord for any such sums within thirty (30) days after written notification of same.

Tenant shall have the right to contest the validity of any tax, special assessment or fee payable by Tenant which Tenant deems to have been illegally or improperly levied or assessed against such premises, and for that purpose shall have right to institute such proceeding or proceedings in name of Landlord or Authority as Tenant may deem necessary, provided expenses incurred by reason thereof shall be paid by Tenant, and provided, further, it is necessary to use Landlord's or Authority's name in carrying on such proceedings. Landlord and/or Authority shall promptly notify Tenant of receipt of any notices, assessments and invoices relating to any such charges.

In the event the Tenant contests the validity of any tax, special assessment or fee, Tenant shall be responsible for paying all costs and expenses associated with such contesting, including, but not limited to, all attorney fees, court and/or administrative proceedings costs, fines, interest and penalties. The Tenant shall also indemnify the Authority, the Landlord and their elected and appointed officers, employees and agents from any liability, costs and expense they may incur as a result of the Tenant's contesting
the validity of any tax, special assessment or fee.


Tenant agrees and covenants to maintain the leased premises (including grounds, parking areas and sidewalks), to keep the same in good repair free from dangerous or defective conditions, and in tenantable condition, and to properly make all routine maintenance and repairs, and to provide maintenance inspections for heating and cooling equipment, including the changing of filters on all forced air equipment as necessary. Landlord’s representatives or independent contractors may enter upon the premises at any reasonable time for the purpose of inspection thereof to determine whether repairs are required and have been promptly completed in a workmanlike manner. All maintenance and repair shall be paid by Tenant as the expenses are incurred. If the Tenant does not fulfill its obligations as outlined in this section to the reasonable satisfaction of Landlord, Landlord may make the necessary repairs or maintenance and bill Tenant for same, which bill shall be paid within thirty (30) days of this presentation.

Tenant shall notify the Landlord of major facility repair or replacement needs (major repair), which includes, but is not limited to, heating and cooling systems, roof, electrical, plumbing and foundation. If the major repair is deemed necessary by Landlord, the Landlord shall instruct the Authority to finance and implement the major repair. The Tenant shall repay the Authority the cost of the major repair on an amortized basis. The amortization amount shall be determined by dividing the cost of the major repair by the anticipated useful life (in years) with the resulting dollar figure being added to the annual rent. In the event of early termination of the lease by either party, the Tenant will not be held liable for any unamortized major repairs.

14. Alterations, Trade Fixtures, Liens

Landlord shall be notified forty-five (45) days in advance of any significant alterations to the interiors of the leased premises, and Tenant shall undertake such alterations only in conformance with applicable building and zoning requirements. Any exterior remodeling of the buildings, alteration of the foundation or exterior walls, or changes to the sites, except minor landscape alterations, shall require prior written approval of Landlord. If Landlord does grant consent to alter the exterior or foundation of the building, however, it may impose such conditions with respect thereto as Landlord deems appropriate, including, without limitations, requiring Tenant to furnish Landlord with security for the payment of all costs to be incurred in connection with such work and insurance against liabilities which may arise out of such work. The work necessary to make any such alterations to the leased premises shall be done at Tenant's expense by contractors approved by Landlord. Tenant shall promptly pay such contracts, when due, the costs of all such work and of all decorating required by reason thereof, and, upon completion, deliver to Landlord evidence of payment, contractors’ affidavits, and full and final waivers of all liens for labor, services, and materials, and other documents as may be requested by Landlord.
All work done by Tenant or its contractors pursuant to this section shall be done in a first-class, workmanlike manner using only good grades of materials and shall comply with all insurance requirements and all applicable laws, ordinances, and regulations of governmental agencies. If any alteration requiring the prior written consent of Landlord is made without its prior written consent, Landlord may correct or remove the same, and Tenant shall be liable for all expenses so incurred by Landlord.

All such alterations in or to the leased premises made by either party shall immediately become the property of the Authority, or Landlord as the case may be, and shall remain upon and be surrendered with the leased premises as a part thereof at the end of the lease; provided, however, that if Tenant is not in default in the performance of any of its obligations under this lease, Tenant shall have the right to remove, prior to the expiration of the lease, all movable furniture, furnishings, trade fixtures, or equipment installed in the leased premises at the expense of Tenant, and further provided that Tenant repairs any damages to the leased premises caused, directly or indirectly, by such removal. If such property of Tenant is not removed by Tenant prior to the expiration or termination of this lease, the same shall, at Landlord's option, become the property of Landlord and shall be surrendered in good condition, ordinary wear excepted, with the leased premises as a part thereof.

15. Liability.

A. All liability to third parties, loss or damage as a result of claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the Landlord or Authority in the performance of this Agreement and lease shall be the responsibility of the Landlord or Authority, and not the responsibility of the Tenant, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the Landlord or Authority, any subcontractor, anyone directly or indirectly employed by the Landlord or Authority, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Landlord or Authority or its officers and employees by statute or court decisions.

B. All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, to be carried out by the Tenant in the performance of this Agreement and lease shall be the responsibility of the Tenant and not the responsibility of the Landlord or Authority if the liability, loss, or damage is caused by, or arises out of, the action or failure to act on the part of any Tenant employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity by the Tenant or its officers and employees as provided by statute or court decisions.

C. In the event that liability to third parties, loss, or damage arises as a result of activities conducted jointly by the Landlord or Authority and the Tenant in fulfillment of their responsibilities under this Agreement and lease, such liability, loss, or damage shall be borne by the Landlord or Authority and the Tenant in relation to each party's responsibilities under these joint activities, provided that nothing herein shall be construed
as a waiver of any governmental immunity by the Landlord or Authority, the Tenant or their officers and employees, respectively, as provided by statute or court decisions.

16. Insurance and Subrogation.

A. Tenant shall acquire and maintain at its own expense:

   i. Adequate public liability insurance or self-insurance for the leased premises on a comprehensive general liability form during the entire lease term. The Tenant's Comprehensive General Liability Insurance shall cover all its operations including the occupancy and/or use of the leased premises and the common areas of the Landlord's property of which the leased premises are a part including, but not limited to, driveways, parking lots, sidewalks, hallways, stairways, elevators, restrooms, etc. The limits of liability of such liability insurance shall be not less than $5,000,000.00 per occurrence, and/or aggregate, combined single limit for personal injury, bodily injury, and property damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (F) Per contract aggregate. It is understood and agreed that the following shall be Additional Insureds on the Tenant's liability insurance coverage: the Lansing/Ingham Joint Community Corrections Advisory Board, the Ingham County Building Authority; the County of Ingham including all the County of Ingham's elected and appointed officials, all employees and volunteers; all the County of Ingham's boards, commissions, and/or authorities. This coverage shall be primary to the Additional Insureds, and not contributing with any other insurance or similar protection available to the Additional Insureds, whether said other available coverage be primary, contributing or excess.

   ii. Adequate insurance against fire, vandalism, and the extended coverage perils for all office furniture, trade fixtures, office equipment, supplies, and all other items of Tenant's property on the leased premises.

B. Landlord shall acquire and maintain adequate insurance covering the full replacement cost of the leased premises against fire, vandalism, and the extended coverage perils for the buildings. Tenant shall fully reimburse Landlord once annually for the cost thereof within ten (10) days after receipt of evidence of the cost thereof.
C. Tenant shall, prior to the commencement of the lease term, furnish to Landlord copies of policies evidencing coverage under Section 16A above, and Landlord shall, prior to commencement of the lease term, furnish to Tenant copies of the policy evidencing coverage under Section 16B above. All such policies shall state that such insurance coverage may not be changed or canceled without at least thirty (30) days’ prior written notice to Landlord and Tenant.

If any of the insurance coverages expire during the term of this Agreement and lease, the party’s whose coverage has expired shall deliver renewal certificates and/or policies to the other party at least ten (10) days prior to the expiration date.

D. To the extent permitted by law, the Landlord hereby releases Tenant, its elected and appointed officials, employees and volunteers and others working on behalf of the Tenant from any and all liability or responsibility to the Landlord or anyone claiming through or under the Landlord by way of subrogation or otherwise, for loss or damage to property caused by fire or any other casualty to the extent covered by property insurance obtained and/or maintained by the Landlord pursuant to this lease, even if such fire or other casualty shall have been caused by the fault or negligence of Tenant, its elected or appointed officials, employees or volunteers or others working on behalf of Tenant. This provision shall be applicable and in full force and effect only with respect to loss or damage occurring during the time of the Tenant’s occupancy or use, and Landlord’s policies of insurance shall contain a clause or endorsement to the effect that such release shall not adversely affect or impair such policies or prejudice the right of the Landlord to recover thereunder.

The Landlord agrees that its policies will include such a clause or endorsement.

E. To the extent permitted by law, the Tenant hereby releases the Authority, Landlord and their elected and appointed officials, employees and volunteers and others working on behalf of the Authority and Landlord from any and all liability or responsibility to the Tenant or anyone claiming through or under the Tenant by way of subrogation or otherwise, for any loss or damage to property caused by fire or any other casualty to the extent covered by property insurance obtained and/or maintained by the Tenant pursuant to this lease, even if such fire or other casualty shall have been caused by the fault or negligence of the Authority, the Landlord, their elected or appointed officials, employees or volunteers or others working on behalf of the Authority or Landlord. This provision shall be applicable and in full force and effect only with respect to loss or damage occurring during the time of the Tenant’s occupancy or use, and Tenant’s policies of insurance shall contain a clause or endorsement to the effect that such release shall not adversely affect or impair such policies or prejudice the right of the Tenant to recover thereunder.

The Tenant agrees that its policies will include such a clause or endorsement.
17. **Damage to Leased Premises.**

In the event the leased premises are damaged by fire, explosion, or other casualty or occurrence, the following provisions will apply:

A. Without right of reimbursement from Landlord, Tenant shall bear any loss, cost, or damage to any of Tenant's properties or assets, including, specifically, its books, records, movable furniture, furnishings, trade fixtures, and office equipment.

B. All other damage shall be repaired by Landlord at Landlord's option. If the Landlord does not elect to repair, this lease shall terminate.

18. **Assignment by Tenant.**

Tenant shall have the authority to assign its rights and obligations under the lease to a successor organization providing mental health services, provided that the successor organization is determined by Landlord, in its reasonable discretion, to be financially capable of fulfilling the Tenant's remaining obligations under the lease.

19. **Transfer by Landlord.**

Landlord may at any time sell, assign, or otherwise transfer its interest in this lease and in the leased premises, automatically relieving it of any and all obligations and liabilities on the part of the Landlord occurring from and after the date of such transfer, except those obligations set forth in subsection B of Section 4. In the event of a sale or assignment of Landlord's interest in the leased premises, or if any and all of the same comes into the hands of a mortgagee, ground lessor or any other person, Tenant shall, at the option of such purchaser, mortgagee, ground lessor, or other person, attorn to the purchaser or such mortgagee, ground lessor, or other person and recognize the same as Landlord hereunder, provided that such purchaser, mortgagee, ground lessor, or other person agrees to assume all Landlord's obligations in this lease. Tenant shall execute, at Landlord's request, any necessary or required attornment agreement containing such provisions hereof.

20. **Condemnation.**

If the leased premises or a part thereof materially affecting Tenant's use of the leased premises shall be taken by a public authority under the power of eminent domain, the lease shall terminate on the date when title vests pursuant to such taking. In the event the lease is so terminated the Tenant shall remain obligated to repay the Landlord any unamortized balance of an advance made pursuant to subsection C of Section 4 for operating expenses. The Tenant shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Tenant may file a claim for any taking of fixtures and improvements owned by Tenant, and for moving expenses.
21. Right Of Landlord To Cure Tenant’s Default; Late Payments.

If Tenant defaults in the making of any payment or in the doing of any act herein required to be made or done by Tenant, then after fifteen (15) days’ written notice from Landlord, Landlord may, but shall not be required to, make such payment or do such act; and the amount of the expenses thereof, if made or done by Landlord, with interest from the date paid by Landlord, shall be paid by Tenant to Landlord and shall constitute additional rent hereunder due and payable with the next monthly installment of rent; but the making of such payment or the doing of such act by Landlord shall not operate to cure the default or to preclude Landlord from the pursuit of any remedy to which Landlord would otherwise be entitled.

22. No Representations By Landlord.

Neither Landlord nor any agent or employee of Landlord has made any representations, promises, or undertakings with respect to the leased premises or any portion thereof except as herein expressly set forth; and no rights, privileges, easements, or licenses are granted to Tenant except as herein expressly set forth; and no rights, privileges, easements, or licenses are granted to Tenant except as herein set forth. Tenant, by taking possession of the leased premises, shall accept the same “AS IS”, and such taking of possession shall be conclusive evidence that the leased premises are in good and satisfactory condition at the time of such taking of possession.

23. Rights Of Landlord In Event Of Default.

The following events shall be deemed “Events of Default”:

A. Tenant shall fail to pay all rent promptly when due and such nonpayment shall continue for a period of ten (10) days after written notice of such failure from Landlord;

B. Tenant shall default in the performance of any other obligation required to be performed by Tenant, and such default shall continue for a period of thirty (30) days after written notice from Landlord specifying such default [provided that if the default is of such a character as to require more than thirty (30) days to cure, the continuance thereof shall not constitute an event of default as long as Tenant shall commence to cure such default within said thirty (30) day period, and shall thereafter use reasonable diligence to complete the curing thereof]; or

C. Tenant shall vacate or abandon the leased premises.

Upon the occurrence of an Event of Default, Landlord may, at its option, declare the lease terminated. In such event, Tenant shall be obligated to Landlord for: (a) amounts due hereunder to the date of termination; (b) any unamortized balance of an
advance made pursuant to subsection C of Section 4 for operating expenses; and (c) all reasonable expenses and attorneys’ fees incurred by Landlord in connection with such termination and recovery.


All notices, consents, or other communications hereunder shall be in writing and shall be deemed duly given on the date of delivery if delivered in person or on the second day next succeeding the day of mailing if sent by certified or registered mail, return receipt requested, first class, postage prepaid, addressed, if to Tenant:

Community Mental Health Board
Clinton, Eaton, Ingham Counties
Attention: Deputy Executive Director
812 East Jolly
Lansing, Michigan 48910

or to such other address as Tenant may furnish to Landlord from time to time, and if to Landlord:

Ingham County Controller
Ingham County Courthouse
P.O. Box 319
Mason, MI 48854

or to such other address as Landlord may furnish to Tenant from time to time.

25. Delays.

In the event that either party hereto shall be delayed, hindered in, or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws, or regulations, riots, insurrection, war, or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement and lease, then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this paragraph shall not operate to excuse Tenant from prompt payment of rent or any other payments required by the terms of this lease.

26. Miscellaneous.

A. Non-Waiver. Any waiver by Landlord of any breach of any covenant, condition, or agreement herein contained shall not operate as a continuing waiver of such covenant, condition, or agreement, or of any subsequent breach thereof.
B. **Acceptance Of Rents.** No payment by Tenant or receipt by Landlord of a lesser amount than the monthly installment of rent stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent or any other amount owed to Landlord, be deemed an accord and satisfaction; and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or other amount owed to or to pursue any other remedy provided in this lease.

C. **Re-Entry By Landlord.** No re-entry by Landlord and no acceptance by Landlord of keys from Tenant shall be considered an acceptance of a surrender of this lease.

D. **Terms.** Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number, in any place or places herein in which the context may require such substitution. "Including" shall mean "including but without limiting the generality of the foregoing." "This lease," "herein," "hereof," and similar words shall refer to this lease agreement.

E. **Benefit And Burden.** The provisions of this Agreement and lease shall be binding upon, and inure to the benefit of, the parties hereto and each of their permitted successor or assigns. Landlord may freely and fully assign its interest hereunder.

F. **Remedies Cumulative.** All rights and remedies of Landlord under this Agreement and lease shall be cumulative, and none shall exclude any other rights and remedies allowed by law.

G. **Not Binding Before Signature And Delivery.** Submission of this instrument for examination shall not bind Landlord in any manner; and no lease or obligations of the Landlord shall arise until this instrument is signed by Landlord and Tenant and delivery is made to each.

H. **No Easement.** No right to light or air over any property, whether belonging to Landlord or any other person, is granted to Tenant by this lease.

I. **Partial Invalidity.** If any provision of this Agreement or lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Agreement and lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby; and each provision of this Agreement and lease shall be valid and enforceable to the fullest extent permitted by law.

J. **Time Of The Essence.** The time of performance of all of the covenants, conditions, and agreements of this Agreement and lease is of the essence.
K. **Governing Law And Venue.** The laws of the State of Michigan shall govern the validity, performance, and enforcement of this Agreement and lease. The venue for the bringing of any legal or equity action under this Agreement and lease shall be established in accordance with the statutes of the State of Michigan and/or Michigan Court Rules. In the event that any action is brought in Federal Court under this Agreement and lease, the venue for such action shall be the Federal Judicial District of Michigan, Western District, Southern Division.

L. **Captions.** The captions of all paragraphs contained in this Agreement and lease and of the subparagraphs contained in this paragraph 28 are for convenience only and shall not be deemed to limit, construe, affect, or alter the meaning of such paragraphs.

M. **Nondiscrimination.** Both parties, as required by law, agree not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, sex, height, weight, marital status, age, except where a requirement as to age is based on a bonafide occupational qualification, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Breach of this paragraph 28M shall be regarded as a material breach of this Agreement and lease.

27. **Entire Agreement; Amendments/Consent.**

This Agreement and lease, together with any exhibits referred to herein, contain and embody the entire agreement of the parties hereto, and no other alleged representations, inducements, or agreements, oral or otherwise, shall be of any force or effect. This Agreement and lease may not be modified, changed, or terminated in whole or in part in any manner other than by an agreement in writing duly signed by the authorized representatives of all the parties hereto. No consent of Landlord referred to herein shall be effective or binding unless executed and delivered to Tenant by Landlord.

28. **Certification of Authority To Sign Agreement/Lease.**

The persons signing this Agreement and lease on behalf of the parties hereto certify by their signatures that they are duly authorized to sign on behalf of said parties and that this Agreement and lease have been authorized by said parties.

IN WITNESS WHEREOF, authorized representatives of the Authority, Landlord and
Tenant have signed their names on the day and year first above written.

Attest:

[Signature]
Date: 9/2/00

[Signature]
Date: 9/22/00

LANDLORD:
INGHAM COUNTY

Mary R. Stid, Chairperson
County Board of Commissioners

Mike Bryanton, County Clerk

TENANT:
COMMUNITY MENTAL HEALTH
BOARD OF CLINTON-EATON-INGHAM
COUNTIES

Judy Kayla
Date: 9/19/00

Robert Sheehan,
Executive Director

AUTHORITY:
INGHAM COUNTY BUILDING
AUTHORITY

Norma J. Hansen
Date: 10/4/00

Peter A. Cohl, Chairperson

Norma J. Hansen
Date: 10/4/01

Gerald W. Ambrose, Secretary

APPROVED AS TO FORM:
COHL, STOKER & TOSKEY, P.C.

By: Robert D. Townsend

N:\Old_Data\MELANIE\RDTC\CEICMB\Renovation Agr wout S&U.wpd
ING/Bldg Authority 59-003
Introducing the Law & Courts, Administrative Services/Personnel and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

RESOLUTION AUTHORIZING A LEASE CONTRACT WITH THE COMMUNITY MENTAL HEALTH BOARD OF CLINTON, EATON, AND INGHAM COUNTIES FOR THE PURPOSE OF EXPANDING THE HOUSE OF COMMONS, AND AUTHORIZING THE RENOVATION OF THE LIBRARY SERVICES BUILDING BY THE INGHAM COUNTY BUILDING AUTHORITY

RESOLUTION #99-236

WHEREAS, in 1998 the State of Michigan offered, and the Ingham County Board of Commissioners accepted, a grant to increase the amount of residential treatment services for probationers by providing capacity for up to 80 beds; and

WHEREAS, the Ingham County Board of Commissioners, acting upon the recommendation of the Lansing/Ingham Joint Community Corrections Advisory Board, selected the Community Mental Health Board of Clinton, Eaton, and Ingham Counties (CMHB) as the agency who will provide residential treatment services for probationers, based on their current excellent and effective delivery of such services through the House of Commons; and

WHEREAS, Ingham County currently contracts with CMHB for the provision of residential treatment services for probationers; and

WHEREAS, the CMHB has agreed to provide these services through an expanded House of Commons, operating the program in the same manner as it has previously been operated for the past twenty-five years; and

WHEREAS, in order for the CMHB to provide these services, it is necessary to expand the House of Commons; and

WHEREAS, the CMHB has indicated that the Library Services Building in Mason, currently owned by the County, would provide the necessary space for an expanded House of Commons;

THEREFORE BE IT RESOLVED, that the County Board of Commissioners authorize the lease of the Library Services Building to CMHB for the purpose of operating an expanded House of Commons at that site for a maximum of 40 beds and to utilize county property near or by the Jail for any future expansion.

BE IT FURTHER RESOLVED, that the CMHB, on behalf of the County, is authorized to obtain all necessary requirements and permits for operating an expanded House of Commons at the Library Services Building in Mason, including special land use permits.

BE IT FURTHER RESOLVED, that the terms of the lease will provide that the CMHB will pay for all maintenance and operating expenses plus the capitalized costs of expenses for renovating the Library Service Center which are in excess of grant funds received by the County from the state.
RESOLUTION #99-236

BE IT FURTHER RESOLVED, that the term of the lease shall be for 20 years, annually renewable unless one is notified by the other one year in advance that the lease is to be terminated; provided, however, that the lease can be terminated within the 20 year period upon one year’s notice, but if such notice is given by CMHB, then CMHB shall repay the county the balance of any unamortized costs or advances.

BE IT FURTHER RESOLVED, that the Ingham County Building Authority is directed to finance and renovate the Library Services Building, based on recommendations and specifications to be provided by the CMHB for operation of the House of Commons at that location.

BE IT FURTHER RESOLVED, that the CMHB is to provide the Building Authority with the specifications for any necessary renovations or other accommodations necessary to make the Library Services Building suitable for operation of the House of Commons.

BE IT FURTHER RESOLVED, that the County will advance the CMHB up to $200,000 from the General Fund for initial operating expenses and for other renovation expenses related to operation of the House of Commons, to be repaid as part of the lease in the same manner as the capitalized renovation costs.

BE IT FURTHER RESOLVED, that the County will advance the Building Authority up to $250,000 for expenses which may be incurred prior to the sale of bonds.

BE IT FURTHER RESOLVED, that residential treatment services for probationers are to be provided at the Library Services Building by the House of Commons as provided in the annual contracts between Ingham County and CMHB, as recommended by CCAB.

BE IT FURTHER RESOLVED, that with the prior approval of CCAB, CMHB may utilize unused capacity at the expanded site of the HOC to provide residential treatment services for probationers referred by local courts, other Community Corrections Advisory Boards, and counties, utilizing Ingham/Lansing CCAB admission standards; and that a waiting list be maintained by these entities with probationers from outside Ingham County required to meet the same standards and accepted only when no qualified Ingham County residents are available for placement.

BE IT FURTHER RESOLVED, that in the event there are unfilled beds or probationers are accepted from other counties, the CCAB/House of Commons will report to the Law & Courts Committee.

BE IT FURTHER RESOLVED, that the Chairperson of the Board and County Clerk are authorized to sign any documents necessary to implement the provisions of this resolution, as recommended by the County Controller and approved as to form by the County Attorney.

LAW & COURTS: Yea: Grebner, Schafer, Smiley, Stid, Bernero, Schmidt, Juall  
Nays: None  
Absent: None  
Approved 9/9/99

ADMINISTRATIVE SERVICES/PERSONNEL: Yea: Czamecki, McDonald, Lynch, Severino, Minter  
Nays: None  
Absent: None  
Approved 9/14/99

FINANCE: Yea: McDonald, Bernero, Grebner, Lynch, Schafer, Minter  
Nays: None  
Absent: Juall  
Approved 9/15/99
MEMORANDUM

October 10, 2000

TO: Bob Sheehan
Community Mental Health

FROM: Jerry Ambrose
Controller

RE: Expanded House of Commons Project Agreement

Enclosed is a fully signed original of the Agreement, for your records, for Renovation and Lease Between the County of Ingham and Ingham County Building Authority and Community Mental Health Board Clinton-Eaton-Ingham Counties for Expanded House of Commons Project.

Thank you for your attention to this matter.

GWA/njh

Enclosure