

***Muskegon County***  
***Board of Commissioners***  
*Hall of Justice, 990 Terrace, 4<sup>th</sup> Floor*  
*Muskegon, MI 49442*

*Kenneth Mahoney, Chairman*  
*Lewis Collins*  
*Benjamin E. Cross*  
*James Derezinski*  
*Marvin Engle*  
*Alan Jager*

*I. John Snider, II, Vice Chairman*  
*Anthony Longmire*  
*Scott Plummer*  
*Robert Scolnik*  
*Rillastine R. Wilkins*

*Board Minutes may be found on the web at <http://co.muskegon.mi.us/clerk>*

***Full Board Meeting***

***October 25, 2011***

***3:47 P.M.***

***Chairman Kenneth Mahoney, Presiding***

The Full Board Meeting of the Board of Commissioners was called to order by Chairman Kenneth Mahoney. The invocation was given by Chairman Mahoney. The Pledge of Allegiance was recited in unison.

**Roll Call**

Present: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Absent: None

Also Present: County Administrator Bonnie B. Hammersley,  
 County Clerk Nancy A. Waters,  
 Chief Deputy County Clerk Marcia L. Wilkes,  
 Corporate Counsel Theodore N. Williams, Jr.

A request to amend the agenda by adding 10 C. Public Works Committee Recommendation regarding Wind Energy Lease and Easement Agreement with Muskegon Wind, LLC (Gamesa) was made by Chairman Mahoney.

2011-521     **APPROVE AGENDA WITH AMENDMENT**

A motion to approve the agenda with the amendment was made by Derezinski, seconded by Engle.

Voice vote.

**Motion Carried**

The motion was adopted and the agenda as amended was adopted.

2011-522      **APPROVE FULL BOARD MINUTES OF OCTOBER 11, 2011**

Moved by Engle, seconded by Longmire, to approve the Full Board Minutes of October 11, 2011.

Voice vote.

**Motion Carried**

**PRESENTATION**

Ed Garner, President and CEO, Muskegon Area First, in partnership with Rick Chapla, Vice President, Business Development, The Right Place, Inc., (Kent County) presented an overview and summary of the Next Michigan for West Michigan project. These projects would include rail, roads, water, port facilities, and air. They were requesting the Board's approval of the program so that an application could be submitted to the state by the end of the year.

Discussion followed.

**PUBLIC COMMENT (on an agenda item)**

None

**COMMUNICATION/INFORMATION**

Communications from the following were received by the County Clerk and distributed to the Board Members:

- A. VanBuren County: Resolution in Support of Retaining Personal Property Tax
- B. Wexford County: Resolution in Support of Employee Freedom to Work Act

**COMMITTEE REPORTS**

2011-523 **APPROVE AUTHORIZING THE CHAIRPERSON TO SIGN A FEDERAL AVIATION ADMINISTRATION GRANT OFFER IN THE AMOUNT OF \$1,079,086, PROVIDING FEDERAL FUNDS FOR FY2011 CAPITAL IMPROVEMENT PROJECTS AT THE AIRPORT, INCLUDING: SOUTH T-HANGAR REHABILITATION AND ASSOCIATED ENGINEERING (\$376,326); RUNWAY 32 INSTRUMENT LANDING SYSTEM LOCKOUT SWITCH AND ASSOCIATED ENGINEERING (\$63,284), ACQUISITION OF A LARGE AIRFIELD SNOW BLOWER (\$564,076), ACQUISITION OF TWO SMALL SNOW PLOW TRUCKS (\$70,650), AND; MDOT ADMINISTRATIVE COSTS (\$4,750)**

TR11/10-47 The Transportation Committee recommends, moved by Wilkins, seconded by Collins, to approve authorizing the Chairperson to sign a Federal Aviation Administration Grant Offer in the amount of \$1,079,086, providing Federal funds for FY2011 capital improvement projects at the Airport, including: South T-Hangar Rehabilitation and associated Engineering (\$376,326); Runway 32 Instrument Landing System Lockout Switch and associated Engineering (\$63,284), Acquisition of a large airfield Snow Blower (\$564,076), Acquisition of two small Snow Plow Trucks (\$70,650), and; MDOT Administrative costs (\$4,750).

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-524 **APPROVE MDOT CONTRACT NO. 2012-0215, PROVIDING THE STATE'S 2.5% SHARE, OR \$28,397, OF THE AIRPORT'S FY2011 CAPITAL IMPROVEMENT PROJECTS, AND AUTHORIZE THE CHAIRPERSON TO SIGN SAID CONTRACT**

TR11/10-48 The Transportation Committee recommends, moved by Wilkins, seconded by Collins, to approve MDOT Contract No. 2012-0215, providing the State's 2.5% share, or \$28,397, of the Airport's FY2011 capital improvement projects, and authorize the Chairperson to sign said contract.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-525 **APPROVE AUTHORIZING STAFF AND CORPORATE COUNSEL TO DRAFT A GROUND LEASE IN THE AMOUNT OF \$1,500 PER YEAR BETWEEN THE COUNTY AND GVB DEVELOPMENT GROUP, ALLOWING GVB DEVELOPMENT GROUP TO CONSTRUCT A 40-SPACE PARKING LOT ON AIRPORT PROPERTY, INTENDED TO BE USED AS EMPLOYEE PARKING FOR PRATT & WHITNEY, AND FURTHER AUTHORIZE THE CHAIRPERSON TO SIGN SAID GROUND LEASE UPON APPROVAL BY MDOT AND FAA**

TR11/10-49 The Transportation Committee recommends, moved by Wilkins, seconded by Collins, to approve authorizing staff and Corporate Counsel to draft a Ground Lease in the amount of \$1,500 per year between the County and GVB Development Group, allowing GVB Development Group to construct a 40-space parking lot on Airport property, intended to be used as employee parking for Pratt & Whitney, and further authorize the Chairperson to sign said Ground Lease upon approval by MDOT and FAA.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-526 **APPROVE PAYMENT OF THE ACCOUNTS PAYABLE OF \$10,240,254.98 COVERING THE PERIOD OF SEPTEMBER 28, 2011 THROUGH OCTOBER 10, 2011, AS PRESENTED BY THE COUNTY CLERK**

WM11/10 - 133 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to approve payment of the accounts payable of \$10,240,254.98 covering the period of September 28, 2011 through October 10, 2011, as presented by the County Clerk.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-527 **ACCEPT THE PROPOSED POSITION AMENDMENTS EFFECTIVE  
OCTOBER 1, 2011**

WM11/10 - 134 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to accept the proposed position amendments effective October 1, 2011.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-528 **ACCEPT THE PROPOSED AMENDMENT TO BOARD POLICY #2011-329,  
ESTABLISH THE PROPOSED POLICY & PROCEDURES AND  
SUBSEQUENT RELATED FORMS**

WM11/10 - 135 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to accept the proposed amendment to Board Policy #2011-329, establish the proposed policy & procedures and subsequent related forms.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-529 **APPROVE THE EXTENSION OF THE LEASE AGREEMENT WITH THE  
VETERANS ADMINISTRATION AND AUTHORIZE THE CHAIRMAN OF  
THE BOARD OF COMMISSIONERS TO SIGN THE EXTENSION OF THE  
LEASE AGREEMENT**

WM11/10 - 136 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to approve the extension of the lease agreement with the Veterans Administration and authorize the Chairman of the Board of Commissioners to sign the extension of the lease agreement.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-530 **ADOPT THE 2011 APPORTIONMENT REPORT AS PREPARED AND SUBMITTED BY THE MUSKEGON COUNTY EQUALIZATION DEPARTMENT**

WM11/10 - 137 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to adopt the 2011 Apportionment Report as prepared and submitted by the Muskegon County Equalization Department.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-531 **AUTHORIZE THE PROSECUTOR TO ACCEPT THE PROJECT SAFE NEIGHBORHOODS GRANT AMENDMENT, NO. 209851-4, AND TO ESTABLISH A FY12 COUNTY BUDGET FOR WHICH TO EXPEND THESE REMAINING GRANT FUNDS**

WM11/10 - 138 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to authorize the Prosecutor to accept the Project Safe Neighborhoods Grant Amendment, No. 209851-4, and to establish a FY12 County budget for which to expend these remaining grant funds.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-532 **APPROVE ACCEPTANCE OF THE PROSECUTOR'S FY2010  
COOPERATIVE REIMBURSEMENT CONTRACT AMENDMENT IN THE  
AMOUNT OF \$334,780 FOR FY12**

WM11/10 - 139 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to approve acceptance of the Prosecutor's FY2010 Cooperative Reimbursement Contract amendment in the amount of \$334,780 for FY12.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-533 **APPROVE THE SHERIFF TO INITIATE THE REQUEST FOR PROPOSAL  
PROCESS FOR THE PROVISION OF COMMISSARY SERVICES TO THE  
INMATES OF THE JAIL**

WM11/10 - 140 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to approve the Sheriff to initiate the Request for Proposal process for the provision of commissary services to the inmates of the jail.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-534 **APPROVE THE ACCEPTANCE OF THE FISCAL YEAR 2012  
SECONDARY ROAD PATROL GRANT AWARD FROM THE OFFICE OF  
HIGHWAY SAFETY PLANNING IN THE AMOUNT OF \$221,067**

WM11/10 - 141 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to approve the acceptance of the fiscal year 2012 Secondary Road Patrol Grant award from the Office of Highway Safety Planning in the amount of \$221,067.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-535 **APPROVE THE SHERIFF TO INITIATE THE BID PROCESS FOR THE  
PURCHASE OF TWO PINS VEHICLES; ONE ADMINISTRATIVE VEHICLE  
AND ONE REPLACEMENT GENERAL FLEET PATROL VEHICLE**

WM11/10 - 142 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to approve the Sheriff to initiate the bid process for the purchase of two PINS vehicles; one administrative vehicle and one replacement general fleet patrol vehicle.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-536 **APPROVE THE SHERIFF TO INITIATE THE BID PROCESS FOR THE  
PURCHASE OF A DIGITAL IN-CAR CAMERA SYSTEM**

WM11/10 - 143 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to approve the Sheriff to initiate the bid process for the purchase of a digital in-car camera system.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**



2011-537 **AUTHORIZE THE CANCELLATION OF THE COMMUNITY DEVELOPMENT/ STRATEGIC PLANNING COMMITTEE MEETING OF THE BOARD OF COMMISSIONERS SCHEDULED FOR OCTOBER 20, 2011**

WM11/10 - 144 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to authorize the cancellation of the Community Development/ Strategic Planning Committee meeting of the Board of Commissioners scheduled for October 20, 2011.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-539 **PREPARE A RESOLUTION IN SUPPORT OF THE MONA SHORES GIRLS GOLF TEAM FOR THEIR THIRD CONSECUTIVE DIVISION 2 STATE CHAMPIONSHIP WIN**

WM11/10 - 145 The Ways & Means Committee recommends, moved by Collins, seconded by Engle, to prepare a Resolution in support of the Mona Shores Girls Golf Team for their third consecutive Division 2 State Championship win.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

2011-540 **THE PUBLIC WORKS BOARD RECOMMENDS, MOVED BY ENGLE, SECONDED BY COLLINS, CONTINGENT UPON THE RECEIPT OF AN EXECUTED WIND ENERGY LEASE AND EASEMENT AGREEMENT FROM MUSKEGON WIND, LLC, TO SIGN THE LEASE AND AGREEMENT.** (see attached at the end of these minutes)

Discussion followed concerning what might happen if the personal property tax was eliminated.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

Mark Eisenbarth, Director of the Muskegon County Wastewater Management System, acknowledged Ted Williams, Corporate Counsel; Rodger Kershner from Howard and Howard; Bill Smeaton, Gamesa Energy; Steve Warner, Scandia Wind Offshore; Harald Dirdal, Scandia Wind Offshore, and Bruce Goodman, Varnum Law; Michael VanGessel, Rockford Construction; Bruce Thompson, Rockford Berge; Juan Lopez-Doriga Escalante, Rockford Berge; Philip Chizek, L-3 Communications; Jon D. Kreucher, Howard and Howard, George Hall, Gamesa Technology Corporation; David Roulston, Counsel for Gamesa T.C.; Jim Lemmen, Williams, Hughes & Cook, PLLC for their involvement in this project.

**CHAIRMAN'S REPORT/COMMITTEE LIAISON REPORTS**

Chairman Mahoney stated that the regular Board of Public Works meeting on Thursday, November 10, 2011, will be held in a different location. It will be at the Louis A. McMurray Conference & Transportation Center (MATS), located at 2624 Sixth Street, Muskegon Heights, MI 49444. There will be an open house immediately following the meeting in honor of the 10 year anniversary of the Louis A. McMurray Conference & Transportation Center. The public is invited.

Commissioner Snider stated that he attended the Community Corrections Advisory Board meeting which was held Monday, October 24, 2011. He stated that they are working toward a new approach to Community Corrections. There will be certain goals which will be set and if those are achieved they will be assured of funding.

**ADMINISTRATOR'S REPORT**

2011-541 **SIGN THE ACCESS AGREEMENT FOR THE PURPOSE OF THE IMPLEMENTATION OF EROSION CONTROL MEASURES AS PART OF THE REMEDIATION AND SHORELINE RESTORATION PROJECT IN MUSKEGON LAKE NEAR THE DIVISION STREET OUTFALL BY LATA-KEMRON FOR A PERIOD UP TO 12 MONTHS AFTER SIGNING DATE OF THE AGREEMENT WITH THE PROVISION THAT THE AGREEMENT MAY BE EXTENDED FOR AN ADDITIONAL 12 MONTHS UPON BY MUTUAL AGREEMENT OF THE PARTIES**

The Administrator recommends, moved by Engle, seconded by Longmire, to sign the Access Agreement for the purpose of the implementation of erosion control measures as part of the remediation and shoreline restoration project in Muskegon lake near the Division Street Outfall by Lata-Kemron for a period up to 12 months after signing date of the Agreement with the provision that the Agreement may be extended for an additional 12 months upon by mutual agreement of the parties.

Discussion followed. County Administrator stated that this agreement will not affect any scheduled festivals.

Roll Call

Ayes: Lewis Collins, Benjamin Cross, James Derezinski, Marvin Engle, Alan Jager, Anthony Longmire, Chairman Kenneth Mahoney, Scott Plummer, Robert Scolnik, Vice Chairman I. John Snider, Rillastine Wilkins

Nays: None

**Motion Carried**

**OLD BUSINESS**

Commissioner Snider and Commissioner Cross asked for an update concerning the electric car chargers in the County parking lot and city area.

Commissioner Jager stated that there still are problems regarding the local Treasurers selling dog licenses. County Administrator Hammersley stated that she is still working on the matter and does have a meeting set for later this week with the Public Health Director, Township Treasurer's Association, County Treasurer and Sheriff.

**NEW BUSINESS**

None

**PUBLIC COMMENT** (on a new topic)

Ed Garner, Muskegon Area First, thanked all of the Commissioners who came out to the Sappi site last Friday to view the site and look at development opportunities.

Deb Ackerman, Egelston Township Treasurer, requested that the Board consider the adoption of a resolution in support of not eliminating the personal property tax.

Harold Dirdal, Scandia Wind Offshore, thanked the Board for their vote in the Wind Energy Lease and Easement Agreement with Muskegon Wind, LLC.

Chairman Mahoney had students Amber Cunningham and Samantha Larson from Muskegon Community College introduce themselves.

Chairman Mahoney thanked the followed for being in attendance: Bethann Rahn, Egleston Township Trustee; Mike Thompson, Egelston Township Supervisor; Deb Ackerman, Egelston Township Treasurer; Charles Krepps, Moorland Township Supervisor.

**ADJOURN**

2011-542 **MOVED BY PLUMMER , SECONDED BY WILKINS, TO ADJOURN.**

Voice vote.

**Motion Carried**

Meeting adjourned at 4:34 p.m.

\_\_\_\_\_  
Nancy A. Waters, County Clerk

NAW:mlw

***PRELIMINARY MINUTES  
To be approved at the Full Board Meeting of November 8, 2011.***

SUMMARY OF PROPOSED  
WIND ENERGY LEASE AND EASEMENT AGREEMENT  
BETWEEN MUSKEGON COUNTY AND MUSKEGON WIND LLC,  
(A JOINT VENTURE BETWEEN GAMESA ENERGY USA LLC AND SCANDIA WIND  
OFFSHORE LLC, (THE "GRANTEE"))

The Lease covers all approximately 11,000 acres owned by Muskegon County and used by the Muskegon County Wastewater Management System. Some of that land will be occupied and used by the Grantee, if the Grantee decides to build a wind generation facility on the Property, and some of it will not be used but is subject to the Grantee's rights to prevent uses of the Property in a way that would interfere with the wind and wind power production.

The Lease provides that the 11,000-acre Wastewater Property is divided into three types of property as shown on a map attached to the Lease. Classification of specific areas depends on the importance of each area of the Property to the County's wastewater treatment activities. In some places on the Property the Grantee is given a relatively free hand to build wind turbines and supporting facilities, and on other places the Grantee is precluded from using the Property except in ways that the Wastewater Director agrees would not interfere with the County's activities.

The maximum possible length of the Lease is 60 ½ years. That time is divided into three periods, the first of which is the Development Term. During the Development Term, which is 5 years long with two possible 1-year extensions, the Grantee will study the suitability of the Property for development of a wind farm and at the same time pursue other commercial arrangements necessary to make a successful wind project. Those commercial arrangements might include arranging financing, arranging for a long-term contract to sell the power generated on the Property, and obtaining whatever permits may be required to construct and operate a wind farm.

The Development Term will end if the Grantee exercises its option to terminate the Lease, as it may at any time, or if the Grantee elects to begin construction of a wind farm. If the Grantee starts construction, the Construction Term begins. The Construction Term may last for a maximum of 3 ½ years, though ordinarily construction of a wind farm takes less than 1 year. If the Grantee does construct a wind farm on the Property, the Operations Term begins. The Operations Term is 25 years long with an optional extension of an additional 25 years.

During all three periods of the Lease term, the Grantee will pay rent. For the Development Term, Grantee will pay \$5 an acre per year for the 11,000 acres of Property with the first 2 years to be paid in advance within 45 days of the signing of the Lease. The first 2 years' rent is non-refundable, even if the Grantee should decide to terminate the Lease before the end of 2 years. In addition, a payment of approximately \$165,000 is due on the third anniversary of the Lease provided that Grantee has not terminated the Lease before that time. Rents during the Construction Term are also \$5 per acre per year.

At the end of the Construction Term the wind farm will go into commercial operation, and from that time on the County is entitled to rents equal to a percentage share of the value of the electricity generated on the Property. In the first 10 years of the Lease that percentage is 5.5% of the gross revenues from the sale of electricity and other valuable commodities or services from the wind farm. After year 10 the rents will be 6.5% of gross revenues. In the event that there are operational difficulties with the wind farm or miscalculations as to the amount of power that could be generated or the price of electricity, the Lease also provides for a minimum rent in each year of from \$4,000 increasing to more than \$8,000 per MW of generating capacity installed on the Property.

The Lease contains many protections for the County, including the following:

1. A guaranty that Grantee's activities and use of the Property will not cause the Wastewater or the County to have to pay taxes.
2. Grantee will pay for any injury to the Property, crops growing on the Property, the County's equipment, injury to people, or any other loss claim arising out of what the Grantee intends to do with the Property.
3. The Grantee will provide casualty insurance and workers' compensation insurance, and the County will be named as an insured under those policies. Minimum coverage limits are \$3 million escalating with inflation.
4. The Grantee will follow all laws, obtain all necessary permits, keep the Property free of any liens or claims by other people, will abide by certain rules spelled out in the agreement for Grantee's conduct on the Property.

The County, for its part, promises that no other people will be permitted to use any part of the Property for wind farm development and that the County will not do things, build things, or allow things to grow on the Property that would interfere with the wind to any of Grantee's wind turbines. In addition, the County agrees to certain things to facilitate the financing of a potential wind farm by the Grantee. None of those financing activities would create any liability or incur any expense on the part of the County.

Finally, the Lease provides that at the end of the Lease term the Grantee will remove any equipment or facilities it put on the Property and restore the land to its original condition. Beginning in the 12<sup>th</sup> year of the Lease, the Grantee will establish a fund or provide a bond sufficient to guaranty Grantee's obligations to restore the Property at the end of the Lease.