

**THE BENZIE COUNTY BOARD OF COMMISSIONERS**  
**Special Meeting**  
**July 27, 2009**

The Benzie County Board of Commissioners met in a Special Meeting on Monday, July 27, 2009, at 11:00 a.m. in the Commissioners Rom, Government Center, Beulah, Michigan.

Present were: Commissioners Hollenbeck, Kelley, Roper, Tanner and Walterhouse

Absent: Comm Pitcher arrives at 11:06 a.m.

Excused: Damm

The pledge of allegiance was given with invocation by Commissioner Kelley.

Agenda: Motion by Walterhouse, seconded by Hollenbeck, to approve the agenda as amended, adding Kevin Jackson Traverse Bay EDC; also need to discuss meeting with Beth Aben at the State on the Building Code Dept. Motion carried. Ayes: Hollenbeck, Kelley, Roper, Tanner and Walterhouse Nays: None

11:06 a.m. Comm Pitcher arrives

Broadband Presentation:

Tim Maylone, Cherry Capital Connections, LLC

Says he has been working (140 hours) over the last two years work in Benzie County and how it will work with the entire network in the region; the stimulus offered a unique opportunity and forced action right away which is an uncomfortable position; \$7.9 billion – this is the first round and will go quickly; the urgency is associated with moving forward and the best opportunity for small communities to move forward; we also brought in Mr. Selby to help out; we won't go away, it will just take us longer; Blaine Township doesn't even have cable TV; hi-speed translates to jobs and they will use Benzie County unemployed people to perform the work; want to protect your investment and therefore are recommending a private/public partnership; says AT&T and Verizon isn't willing to spend more money in Michigan; Shovel Ready Resources; Would like to use current towers in Benzie County; Technology is proven; Current time line is 10-12 years if they do it on their own; cost savings to the end consumer; offer services to a less price; improves zoning issues to make them more in line with federal law; Increases consumer education to know what broadband can due; reduces environmental impact; infrastructure backbone built for Benzie County;

Financial options with Stimulus: Agreement with Benzie County and CCC; if successful with the application process, would be ready to start in December; and in two years will be done; Up front cost is \$30,000 (business model, mapping, census blocking, application); in-kind service of 20% commitment is there; Benzie County has many assets to satisfy it; will go after some of the other large companies in the county too.

Action: Who is making application – better if it is a public entity; about a day late right now; this is all about scoring points; letter of support – no requirement for funding; will focus on Benzie County phase 2; Have all proper numbers to get the grant; sign a contract with CCC that holds our feet to the fire as to what we are to deliver – 6-page contract; move forward then create and sign a private/public partnership operating agreement; encourage you to make sure this agreement has openness; robust

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contact; will locate in-kind services; know this is risky, but for \$30,000 almost \$1 million comes in and good ratio of return; sorry for the urgency; Will be there for you.

Jim Selby, Aspen Wireless Networks, has been building engineering consulting for 10 years; history of building many networks; have written grants will good success rate; wants better service for the people of our area and you should step up with this service; a good broadband service is needed.

Comm Pitcher inquires as to what Leelanau County did last week? They made a commitment to study; they have a budget shortfall so only provided a letter of support and are looking to work with the tribe to come up with the \$30,000 and have set up a meeting with them.

Comm Kelley asks how this would assist public safety? The officers will be able to take laptops in the field with them with a hidden network for 911; would create a hidden network to 911 and will backtrack to the 911 center.

How would it help higher education? On-line classes to the university center – needs sufficient broadband.

Would bring 100 mg fiber to three locations in the County; Government Center, Honor, something in the southern part of the county too.

Goal is to have about \$38 for broadband and \$38 for phone; no TV at this point, but you could add on your own with a 40% to 60% savings over charter.

Kevin Jackson, Traverse Bay EDC & Benzie EDC, goal at both the county and regional area is to develop investment strategy for broadband with a two phase approach: address approach; bubble up from those counties; work with an independent firm Wireless 20/20; Did presentation on June 25 at a regional level; very positive response; funding: Benzie & Grand Traverse will tap revolving loan funds will be CDBG; will present at the August 18 meeting; if counties come to the table and fund phase 1 needs assessment, TBEDC will fund phase 2 to build a regional investment strategy.

Comm Pitcher: EDC funds could not be used if we wanted to use CCC to apply? No -- won't process to get funds down the road. CCC did make a presentation to EDC last year – were looking at that. Wireless 20/20 competitor to CCC? No

Rob \_\_\_\_\_, Wireless 20/20, been working on it; all were very surprised -- very aggressive time frame; lives in Northport, seasonal resident; go through the application; Tim is here and been consistently here; agree with Mr. Selby's assessment of the properties; know his system; viable system here; inventory --- tool that assesses inventory to hand to any applicant; county would own the property.

Kevin Jackson says \$15,000 from each county plus \$1,500 travel expenses if three or more counties are on board, there will be some discounts.

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Motion by Pitcher, seconded by Hollenbeck, to enter into an agreement with Cherry Capital Connection to apply for stimulus funds for broadband with the Board of Commissioners to send a letter of support and application costs to be raised from outside sources.

Walterhouse says from fund balance and if outside funds are received, to put back in. Wilson, technology is the wave of the future; money in fund balance; would rather see from excess revenues to fund from revenues; more we decrease our fund balance, bond rating goes down.

Motion by Walterhouse, seconded by Pitcher, to authorize money from fund balance to be replaced with excess revenue if available and contributions.

Fred Aflin will guarantee \$3,000 from Blaine Township residents; will find other people that want to put down money.

Motion by Roper, seconded by Walterhouse, to lay motion and amendment on the table.

Fred states that the only people that can write a grant are the people that own the infrastructure; assets are owned by the public entity.

Tim states that household cost could be \$99.00 labor and then an additional approximately \$38.00 per month.

Mark Roper, this could effect our assets too; will need to be put on the inventory list.

Rob says that under NOFA it allows for 5% of the grant funds to be reimbursable if the grant is successful.

Dave Neiger, Zoning Administrator, in the past we have a lot of applications for communications towers but not done yet; will use low-profile buildings/towers.

Thelma Rider-Novak, as the user, she is confused – are you saying about TV/internet/phone for \$50.00 per month? Working for internet & phone; has the ability to grow – about \$77.00.

12:45 p.m. Break

12:52 p.m. Reconvene

Motion by Walterhouse, seconded by Hollenbeck, to bring both motions back to the table. Motion carried. Ayes: Hollenbeck, Kelley, Pitcher, Roper, Tanner and Walterhouse Nays: None Exc: Damm

Vote on amendment: Motion carried. Roll call. Ayes: Hollenbeck, Kelley, Pitcher, Roper and Walterhouse Nays: Tanner Exc: Damm

Vote on original motion as amended: Motion carried. Roll call. Ayes: Hollenbeck, Kelley, Pitcher, Roper and Walterhouse Nays: Tanner Exc: Damm

Comm Roper feels the attorney should look at the contract before signing.

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Motion by Roper, seconded by Pitcher, to authorize Don Tanner to work with Cherry Capital Connections to make changes as directed by Attorney Figura. Motion carried. Ayes: Hollenbeck, Kelley, Pitcher, Roper, Tanner and Walterhouse Nays: None Exc: Damm

Any Other Business to Come Before the Board:

Chairman Tanner has talked with Beth Aben regarding her coming to discuss with this board the possibility of the State of Michigan taking over building code enforcement; August 12 or 27 are the dates she has provided, at 1:00 p.m.

1:10 p.m. Public Input – None

Motion by Walterhouse, seconded by Pitcher, to adjourn at 1:10 p.m. Motion carried. Ayes: Hollenbeck, Kelley, Pitcher, Roper, Tanner and Walterhouse Nays: None Exc: Damm

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Donald R. Tanner – Chairman

Dawn Olney – County Clerk

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1. Approved to enter into an agreement with Cherry Capital Connection to apply for stimulus funds for broadband with the Board of Commissioners to send a letter of support and application costs to be raised from outside sources.
2. Approved amending motion to authorize money from fund balance to be replaced with excess revenue if available and contributions.
3. Authorized Don Tanner to work with Cherry Capital Connections to make changes as directed by Attorney Figura.