

**BENZIE-LEELANAU DISTRICT HEALTH DEPARTMENT
SPECIAL BOARD OF HEALTH MEETING**

December 15, 2015

11:30 a.m.

Meeting called to order at 11:45 a.m. by Chair Griner

A Quorum Was Present With the Following Members in Attendance:

Gary Sauer, Benzie County Board of Commissioners
Carolyn Rentenbach, Leelanau County Board of Commissioners
Roger Griner, Benzie County Board of Commissioners
Melinda Lautner, Leelanau County Board of Commissioners

Excused:

Dr. George Ryckman, Benzie County Member at Large

Marjorie McCulloch arrived at 12:15 p.m.

Pledge of Allegiance

Administration Present:

Lisa Peacock, Health Officer
Dodie Putney, Director of Administrative Services
Tom Fountain, Environmental Health Director

Staff:

None Present

Guests:

Frank Walterhouse, Benzie County Board of Commissioners
Michelle Thompson, Benzie County Treasurer
Gerry Chase, Northern Health Foundation – participated by speaker phone
Heidi Britton, CEO of NMHSI – participated by speaker phone

Approval of the Agenda:

Motion: by Lautner, seconded by Sauer to approve the agenda as presented.

Voice vote: 4 ayes Motion carried

Public Comments:

Griner stated he would like to allow guests Frank Walterhouse and Michelle Thompson to participate in the discussions. The members of the board agreed.

Benzie Community Resource Center Exhibit A –

Peacock stated the purpose of the meeting is to get approval from the board of health to explore with Benzie County the concept of refinancing and renovation of the Benzie Community Resource Center. Peacock reported on the following handout entered as Exhibit A:

On Friday December 7, 2015 a meeting was held between the leadership of Northwest Michigan Health Services, Inc., Benzie-Leelanau District Health Department and Centra Wellness Network as well as Gerry Chase from the Northern Health Foundation, who was present by phone. The meeting was called by Heidi Britton from NMHSI to discuss the possibility of co-locating dental services in the Benzie Community Resource Center. NMHSI had been exploring options with local private dentists to rent space, however, these discussions did not result in a viable option. Because dental services are a required service according to the federal funding they have received from HRSA they are very motivated to get another plan in place. Gerry Chase explained the history and financing of the Benzie Community Resource Center. The building was constructed utilizing "on behalf of" financing. In other words the project was financed over 20 years by Northern Health Foundation "on behalf of" Benzie County. The original agreement was for the building rights of ownership to transfer to Benzie County at the completion of the 20 year lease which is 12/01/2017. This presented a complex situation in looking at possible renovations to accommodate the dental services. There are a lot of agencies and entities that would have to be involved in that discussion.

Gerry presented a couple of options to consider if moving forward with renovation for dental space:

1. Benzie County could issue a bond or enter into long-term financing to complete this project.
2. Benzie County could pass a resolution to waive its reversionary rights to the building and deed the building back to Northern Health Foundation who would then obtain financing to remodel the building. Once the loan was paid off, Northern Health Foundation would transfer ownership back to the Benzie-Leelanau District Health Department.

Discussion regarding the options followed.

Peacock stated when Gerry Chase presented the proposal he did a rough estimate of cost which is in the handout passed out before the meeting. Chase explained Benzie County is in no way at risk with the financing of the building. Discussion followed regarding the renovation and costs involved.

Lautner inquired about the collateral for the building if Benzie County's full faith in credit is not behind the loan. Chase stated a non-cancellable lease agreement for the duration of the loan is collateral. Chase further explained that currently the BLDHD is under a non-cancellable lease agreement with Northern Health Foundation (NHF) which serves as the collateral for the current financing rather than full faith credit by Benzie County which was excused in the original resolution. Chase stated the only thing the health department is on the hook for is the loan payments. As far as the financing, that is the responsibility of the Northern Health Foundation. Putney inquired if the non-cancellable lease agreement is passed down to the tenants or is it something that is only between the Northern Health Foundation and the Health Department. Chase stated If you want to make your tenants be a part of it, that is your option.

Chase suggested writing the lease with tenants as non-cancellable until the loan is paid off.

Discussion between board members, staff and guests followed.

Rentenbach stated what we are looking at today is just the approval to explore the concept. Rentenbach asked if local dentists had been approached for shared space. Heidi Britton answered yes, all three of the Benzie County private dental practices had been involved in discussions regarding shared space but this had not resulted in a viable option and dental services are a required part of the HRSA funding for the clinic.

Griner stated it should be noted the board of health supports the concept of renovation and financing by NHF if that is the option that Benzie County chooses to move forward with. Griner would like to see language included to indicate reversion of the property to the County if the building is no longer being used for health services.

Motion: by Rentenbach, seconded by Lautner to approve the exploration with Benzie County for the concept of renovations and refinancing of the Benzie Community Resource Center as outlined in Exhibit A.

Ayes: Griner, Sauer, McCulloch, Rentenbach and Lautner **Nays:** None

Public Comments:

Walterhouse stated the whole building needs to be looked at, not just the lower level. There is much repair and maintenance needed throughout the entire building.

Board Comments:

Griner stated it is now turned over to Lisa Peacock to contact the Benzie County Clerk to be put on the agenda at the next Board of Commissioners meeting.

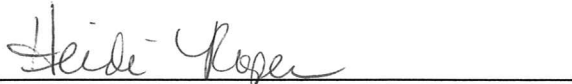
Motion: by Sauer, seconded by McCulloch to adjourn the meeting.

Voice vote: 5 ayes Motion carried

Chair Griner adjourned the meeting at 12:40 p.m.



Roger Griner, Chair



Heidi Roper, Recording Secretary