

**SUBSTITUTE FOR
SENATE BILL NO. 1434**

A bill to allow the state to acquire and convey certain parcels of land in Otsego county; to provide conditions for the conveyances; to provide for certain easements; and to provide for disposition of the revenue derived from the conveyances.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) The department of natural resources may acquire
2 certain parcels of land previously conveyed by this state to the
3 county of Otsego pursuant to section 1 of 1999 PA 232. The
4 department of natural resources, on behalf of the state, shall
5 accept the conveyance of that land by quitclaim deed from the
6 county of Otsego. The property that is subject to this section
7 is described in section 2.

8 (2) After accepting the land under subsection (1), the
9 department of natural resources, on behalf of the state, shall
10 convey the property described in section 2 to the county of

Senate Bill No. 1434 (S-1) as amended December 7, 2004

1 Otsego for consideration of \$1.00, subject to the following
2 conditions:

3 (a) The property shall be used exclusively for a public
4 purpose open to the general public, including, but not limited
5 to, leasing the property to a nonprofit corporation. [If any fee, term,
or condition for the use of the property is imposed on members of the
public, or if any of those fees, terms, or conditions are waived for use
of the property, resident and nonresident members of the public shall be
subject to the same fees, terms, conditions, and waivers.] Upon
6 termination of the public purpose use or in the event of use for
7 any nonpublic purpose, the state may reenter and repossess the
8 property, terminating the grantee's estate in the property.

9 (b) If the grantee disputes the state's exercise of its right
10 of reentry and fails to promptly deliver possession of the
11 property to the state, the attorney general, on behalf of the
12 state, may bring an action to quiet title to, and regain
13 possession of, the property.

14 Sec. 2. The parcels of land that the department of natural
15 resources shall accept and then convey as provided in section 1
16 are described as follows:

17 Parcel #1: commencing at the intersection of the South Line of
18 Third Street (now called Fourth Street) and the West line of
19 Michigan Central Railroad right of way, thence West along the
20 South line of Third Street (now called Fourth Street) thirty (30)
21 rods more or less to the East line of "B" Street, thence South
22 along the East line of "B" Street to South 1/8 line of Sec. 4, T
23 30N, R3W, which was the South line of said village (now City) of
24 Gaylord, thence East along the former South line of said Village
25 (now City) to the West line of the Michigan Central Railroad
26 right of way, thence North along the West line of said Railroad
27 right of way to the point of beginning excepting therefrom a

1 parcel in the Northeast corner of the above described lands
2 beginning at the intersection of the South line of Third Street
3 (now called Fourth Street) and the West line of the Michigan
4 Central Railroad right of way, thence West along the South line
5 of Third Street (now called Fourth Street) twelve (12) rods,
6 thence in a southerly direction parallel with the West line of
7 said Railroad right of way fifteen (15) rods, thence East
8 parallel with the South line of Third Street (now called Fourth
9 Street) Twelve (12) rods to the West line of said Railroad right
10 of way, thence Northerly along the West line of said Railroad
11 right of way, fifteen (15) rods to the point of beginning, also
12 reserving a right of way for road purposes of a strip of land two
13 (2) rods wide running North and South adjacent to the West side
14 of the above described exception, also excepting therefrom a
15 parcel of land commencing at intersection of South One-eighth
16 line and West line of Penn-Central Railroad (formerly MCRR) right
17 of way, thence North Eighty-one Degrees (81°) Eighteen Minutes
18 (18') Thirty Seconds (30") West Four Hundred Sixty and Thirty-two
19 Hundredths (460.32) feet to East line of S. Illinois Avenue
20 (formerly "B" Street), North Zero Degrees (00°) Seven Minutes
21 (07') Fifty Seconds (50") East along said East line Forty-six
22 (46) feet, South Eighty-three Degrees (83°) Forty-nine Minutes
23 (49') Ten Seconds (10") East Four Hundred Sixty-one and
24 Thirty-one Hundredths (461.31) feet to a point on West line of
25 said Penn-Central Railroad right of way that is Sixty-six (66)
26 feet North Three Degrees (03°) Thirteen Minutes (13') Zero
27 Seconds (00") East of the point of beginning, South Three Degrees

1 (03°) Thirteen Minutes (13') Zero Seconds (00") West Sixty-six
2 (66) feet to said point of beginning.
3 Parcel #2: commencing at a point on the West line of "D" street
4 twenty rods South of the South line of Third Street (now called
5 Fourth Street) in the city of Gaylord, running thence Westerly
6 parallel with the South line of Third Street (now called Fourth
7 Street) to the East line of the Michigan Central Railroad right
8 of way thence Southerly along the East line of the Michigan
9 Central Railroad right of way to a point in line with the North
10 line of Fourth street thence easterly parallel to the South line
11 of Third street (now called Fourth Street) to the West line of
12 "D" street, thence northerly along the West line of "D" street to
13 the place of beginning.

14 Sec. 3. The conveyances authorized by section 1 shall be by
15 quitclaim deed approved by the department of attorney general.
16 The state shall not reserve mineral rights in the parcels of
17 property, but the quitclaim deeds shall provide that if the
18 grantee develops the mineral rights, the state shall receive not
19 less than 1/2 of the net royalties derived from that
20 development.

21 Sec. 4. The conveyances authorized by section 1 shall
22 provide that the department of natural resources reserves an
23 easement for the remediation of groundwater contamination,
24 including, but not limited to, the treatment buildings,
25 monitoring wells, flow lines, utility rights-of-way, and ingress
26 and egress to the same which are supporting the remediation
27 effort. The boundaries of the easement shall be delineated in a

1 survey conducted by the department of natural resources. The
2 easement shall remain in effect until completion of the
3 groundwater remediation as determined by the department of
4 natural resources. Any uses that interfere with or damage the
5 operation and maintenance of the remediation effort and equipment
6 are prohibited. The county of Otsego, by acceptance of this
7 conveyance, agrees not to disrupt the area defined in the
8 easement by excavation, wells, or other subsurface disturbance
9 without written permission of the department of natural
10 resources.

11 Sec. 5. The revenue received pursuant to the conveyances
12 authorized by section 1 shall be deposited in the state treasury
13 and credited to the general fund.