

# City of Boyne City

Founded 1856

319 N. Lake Street

Boyne City, Michigan 49712

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BOYNE CITY  
CITY COMMISSION REGULAR MEETING  
Boyne City Hall  
319 North Lake Street  
Tuesday, March 11, 2014 at 7:00 p.m.

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. CONSENT AGENDA  
The purpose of the consent agenda is to expedite business by grouping non-controversial items together to be dealt with by one Commission motion without discussion. Any member of the Commission, staff, or the public may ask that any item(s) on the consent agenda be removed and placed as the last item under new business to receive full discussion. Such requests will be automatically respected.
  - A. Approval of the February 18, 2014 Facilities Proposal Interviews meeting minutes as presented
  - B. Approval of the February 24, 2014 County Wide Leadership Summit meeting minutes as presented
  - C. Approval of the February 25, 2014 City Regular City Commission meeting minutes as presented
4. HEARING CITIZENS COMMENTS (on non-agenda items; 5 minute limit)
5. CORRESPONDENCE
  - A. Correspondence from Char-Em ISD regarding the upcoming election
6. CITY MANAGER'S REPORT
7. REPORTS OF OFFICERS, BOARDS, AND STANDING COMMITTEES
  - A. Draft Minutes of the February 6, 2014 Parks & Recreation Commission Meeting
  - B. Draft Minutes of the February 6, 2014 Main Street Board Meeting
  - C. Draft Minutes of the February 17, 2014 Planning Commission Meeting
  - D. Draft Minutes of the February 27, 2014 Airport Advisory Board Meeting
8. UNFINISHED BUSINESS
9. NEW BUSINESS
  - A. Downtown Infrastructure Grant – MEDC #MSC 213027-DIG  
Consideration to approve a grant agreement with the MEDC for the Boyne City Downtown Infrastructure Grant MEDC # MSC213027-DIG project in the amount of \$583,519 and authorize the City Manager to execute the documents

An Equal Opportunity Provider and Employer

**Hometown Feel, Small Town Appeal**

- B. DIG Grant Administration Assistance Agreement  
Consideration of an agreement with the Northern Lakes Economic Alliance to provide Community Development Block Grant administration assistance for the Boyne City Downtown Infrastructure Grant MEDC # MSC213027-DIG project in the amount not to exceed \$10,000 and authorize the City Manager to execute the documents
- C. Pleasant & Division Street project  
Consideration to award the bid for the Pleasant and Division Streets Repair Project to the low bidder Reith Riley Construction in the amount of \$302,996.17 and authorize the City Manager and City Clerk / Treasurer to sign the required documents
- D. Pleasant Avenue Engineering and Sewer Addition  
Consideration to approve the proposal from C2AE for design and bidding of the Pleasant Avenue sewer addition for \$9,800 and authorize the City Manager to sign the contract
- E. Community Growth Grant  
Consideration to approve the project and grant application requesting \$7,500 for amenities toward the creation of a recreation trail head in Old City Park and associated way-find signage and authorize staff to complete and submit the appropriate application
- F. Cross Connection Contract  
Consideration to approve to accept the proposal from H2O in the amount of \$3,600 to perform site inspections on all commercial and industrial sites in Boyne City as part of the Cross Connection Control Program and authorize the City Manager to execute the documents
- G. Traffic Counter Purchase  
Consideration to approve the purchase of a traffic counter from Jamar Technologies at a cost of \$4,231 and authorize the City Manager to sign the required documents
- H. Michigan Mountain Mayhem  
Consideration to approve a request by Michigan Mountain Mayhem to hold a pre-registration street party in the 100 block of Water Street on Friday, June 13, 2014 and to serve alcohol within a fenced-in area in the block in accordance with the rules of the Liquor Control Commission
- I. Rotary Club Sign Request  
Consideration to approve the current request from the Rotary Club of Boyne City and other local service clubs to install the requested and similar signs on property under the jurisdiction and control of the City subject to working out any details with City staff
- J. Budget Presentation  
City Manager presentation of proposed FYE 2015 Budget
- K. Request of the City Manager to go into closed session with our attorney regarding  
1) Attorney/Client Privilege document as provided in MCL 15.268 (h) of the Michigan Open Meetings Act (PA 267 of 1976) and 2) to consider the purchase of real property as provided in MCL 15.268 (d) of the Michigan Open Meetings Act (PA 267 of 1976)

10. GOOD OF THE ORDER

11. ANNOUNCEMENTS

- The City Commission Budget Work Session is scheduled for Tuesday, March 18, 2014 at 8:00 a.m.
- The next regular City Commission meeting is scheduled for Tuesday, March 25, 2014 at Noon

12. ADJOURNMENT

*Individuals with disabilities requiring auxiliary aids or services in order to participate in municipal meetings may contact Boyne City Hall for assistance: Cindy Grice, City Clerk/Treasurer, 319 North Lake Street, Boyne City, MI 49712; phone (231) 582-0334*



*Scan QR code or go to  
[www.cityofboynecity.com](http://www.cityofboynecity.com)  
click on Boards & Commissions for complete  
agenda packets & minutes for each board*

**FEBRUARY 18, 2014 CITY FACILITIES PROPOSALS WORK SESSION**

RECORD OF THE PROCEEDINGS OF THE FACILITIES PROPOSAL INTERVIEWS WORKSESSION BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON TUESDAY FEBRUARY 18, 2014 AT 10:00 a.m.

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Mayor Grunch called the meeting to order at 10:00 AM followed by the Pledge of Allegiance.

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Present: Mayor Ron Grunch, Mayor Pro Tem Gene Towne (who arrived at 12:15 p.m., Commissioners Laura Sansom, Tom Neidhamer and Derek Gaylord

Staff: Cindy Grice, Michael Cain, Scott McPherson, Andy Kovolski, John Lamont and Hugh Conklin

Others: Individuals representing THA, Northwest Design Group, Environment Architecture and Elaine Keiser

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City Staff interviewed representatives from the firms, THA, Northwest Design Group, Environment Architecture and Elaine Keiser who submitted proposals for the City Facilities Architectural services request.

**ADJOURNMENT**

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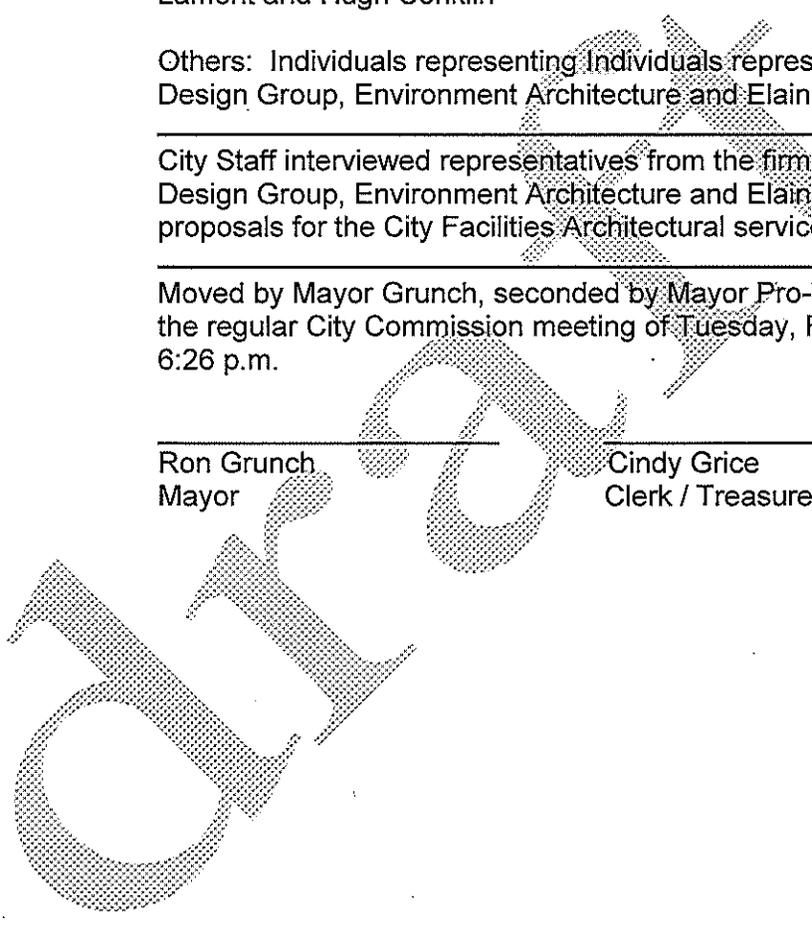
Moved by Mayor Grunch, seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Tuesday, February 18, 2014 at 6:26 p.m.

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Ron Grunch  
Mayor

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Cindy Grice  
Clerk / Treasurer



**FEBRUARY 24, 2014  
COUNTY WIDE  
LEADERSHIP SUMMIT**

RECORD OF THE PROCEEDINGS OF THE COUNTY WIDE LEADERSHIP SUMMIT WITH A QUORUM OF THE BOYNE CITY COMMISSION DULY CALLED AND HELD AT BOYNE AREA SENIOR CENTER, 411 E DIVISION STREET, ON MONDAY FEBRUARY 24, 2014 AT 6:00 p.m.

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Mayor Grunch called the meeting to order at 6:00 pm followed by the Pledge of Allegiance.

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Present: Mayor Ron Grunch, Mayor Pro Tem Gene Towne, Commissioners Laura Sansom, Tom Neidhamer and Derek Gaylord

Staff: Cindy Grice, Michael Cain, Barb Brooks, Scott McPherson, Anne Doyle, Jeff Gaither, John Lamont, Andy Kovolski and Hugh Conklin

Others: 32 other individuals including representing the Charlevoix County Board of Commissioner and other townships and cities within Charlevoix County

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Robin Berry, Melrose Township Clerk called for introductions of attendees. Sara Lucas of the Northwest Michigan Council of Governments spoke in regards to their support of this meeting.

Updates of topics discussed in 2013 were provided.

A presentation regarding broadband was provided. City Managers from the City of Boyne City, East Jordan and Charlevoix discussed Emergency Services within their jurisdictions.

**ADJOURNMENT**

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Moved by Mayor Grunch, seconded by Mayor Pro-Tem Towne to adjourn the regular City Commission meeting of Tuesday, February 24, 2014 at 8:51 p.m.

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Ron Grunch  
Mayor

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Cindy Grice  
Clerk / Treasurer

**FEBRUARY 25, 2014  
REGULAR MEETING**

RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY COMMISSION MEETING DULY CALLED AND HELD AT BOYNE CITY HALL, 319 NORTH LAKE STREET, ON TUESDAY FEBRUARY 25, 2014 AT 7:00 P.M.

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**CALL TO ORDER**

Mayor Grunch called the meeting to order at 7:00 PM followed by the Pledge of Allegiance.

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Present: Mayor Ron Grunch, Mayor Pro Tem Gene Towne, Commissioners Laura Sansom, Tom Neidhamer and Derek Gaylord

Staff: Cindy Grice, Michael Cain, Andy Kovolski, Jeff Gaither, Dennis Amesbury, Barb Brooks, Hugh Conklin

Others: There were 8 citizens in attendance, including representatives from the Petoskey News Review and the Charlevoix County News.

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**MOMENT OF SILENCE FOR  
JEAN TALBOYS**

Mayor Grunch called for a moment of silence in memory of Jean Talboys who passed away this past week.

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**CHECK PRESENTATION  
OF GRANT AWARD FROM  
THE GRAND TRAVERSE  
BAND**

George Antoine of the Grand Traverse Band generously presented members of the Boyne Area Free Clinic a check for \$50,000. Funds will be earmarked for medical diagnosis and testing equipment.

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**CONSENT AGENDA  
MOTION**

2014-02-016  
Moved by Sansom  
Second by Gaylord

2014-02-016A  
Approval of the corrected January 28, 2014 City Regular City Commission meeting minutes as presented

2014-02-016B  
Approval of the February 11, 2014 City Regular City Commission meeting minutes as presented

2014-02-016C  
Approval of the February 13, 2014 Joint Board and City Commission meeting minutes as presented

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

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**CITIZENS COMMENTS**

None

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**CORRESPONDENCE**

Correspondence from Mr. William Beeman of Pearl Street was received and filed.

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**CITY MANAGERS REPORT**

City Manager Cain reported:

- We had our first overnight hangar rental on Saturday February 15.
- The State received bids for Pleasant / Division Street. All bids came in within 7% of the engineers estimate with Reith Riley construction being the low bidder.
- The first food truck meeting was earlier tonight at 6 pm.

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**REPORTS OF OFFICERS,  
BOARDS AND STANDING  
COMMITTEES**

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The January, 2014 Financial Statement was received and filed.

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Consideration to award the contract for the City Facilities Architectural Services project to Environment Architects of Traverse City in the amount of \$25,860

**City Facilities Architectural  
Service Proposal**

City Manager Cain discussed the proposals for Architectural services for City facilities received. Seven were received, department heads met and reviewed the proposals and individually ranked them. Those rankings were combined to develop a group ranking. After that ranking, cost portions of the bids were opened ranging from \$21,750 to \$91,645. Based on the evaluations and rankings and costs, 4 firms were selected to come in for interviews that were attended by the full City Commission. The department heads met following the interviews and unanimously had the consensus of Environment Architects. Reasons for the recommendation include quality of services previously provided to the City, public participation plan, team assembled for the project, previous experience with similar projects, potential whole site benefits and price. Their references have been very positive.

Citizens Comments: None

Staff Comments: Elaine Keiser stated she reviewed the cost proposal from Environment Architects and under line item Phase 3, there are no costs attributed to it. It doesn't add up and she noted \$2,065 that didn't get totaled in.

Board Deliberation: Commissioner Sansom said she thinks any of the four would do a fine job. After final analysis, Environment Architects public interaction was noticeable at the Pavilion project. They paid a lot of attention to detail. The final project was impressive for the short amount of time. This needs to be done right, quickly visualized. This group seems to do that. She wants to make sure this building is not too similar to the pavilion plan. She feels they are environmentally conscious. An amount of enthusiasm is important to sell this to the community and she agrees with the recommendation.

Commissioner Gaylord said looking at the proposal, regarding the pavilion project, he has concerns that Environment Architects are able to separate the focus of the pavilion project to move forward with the City facilities project. He also referenced the pavilion project information gathered, was that information shared with other vendors. City facilities are one of the top goals, not the Veterans Park Pavilion. He is concerned they are looking at this as one big campus project. The RFT would consider the view shed and layout, waterfront master plan. The fact they are involved with the other gives him pause. We shouldn't take this lightly for the citizens. What is their advantage? The one firm that, to him is the best representative of this project and jumped to the top, is Elaine Keiser. She spoke of energy savings features. Her ability to breakdown the cost phase showed an actual cost breakdown. We should be penny wise and pound foolish. Looking at the difference in hours estimated for the project, you have to look that they're not going to give the full time needed. Commissioner Gaylord added that he contacted Elaine's references and got great feedback. Elaine will look for ways we can utilize things here and formulate a plan. He also spoke with Glen Catt regarding the mechanical engineer that Elaine has planned to use for this

project and it is someone Elaine brought to her team that already has their fingerprint on Boyne City, thru the One Water project. He added he looked at the pavilion project that was fast tracked through.

Commissioner Gaylord discussed after looking at the total number of hours and said we are only dealing with an \$11 / hour difference. He can assure us the City fire trucks need to be in a proper location. He is confident that Elaine could deliver that project and is comfortable recommending her for the project.

Mayor Pro-Tem Towne said he agrees somewhat. He felt three of the firms would do a good job and then he looked at how staff rated the firms. He agrees Elaine Keiser would be okay for the job, but is okay with Environment Architects.

Commissioner Neidhamer said he appreciates being involved. He agrees with Elaine's firm, but to be fair, there are other firms that are equally as good, passionate and creative. Environment Architects is familiar with how the city works. What is there is a combination of the two projects that could happen. It's out there. It is important that Environment Architects brought in C2AE, they're a known quantity. It is a good dovetail of two difference firms. He appreciated how Environment Architects talked about budgeting and financing. Let's do have a budget. That approach made sense to him. With the fact that five department heads picked Environment Architects, he is comfortable with that recommendation noting that numbers 2 and 3 were darn close. All had resumes, staff, experience and process that we couldn't go wrong with.

Mayor Grunch said in order to sell this, get it appropriated; it's going to have to have support from the citizens. A 30 to 40 year municipal bond ties both projects together. When he left the meeting, he felt Elaine Keiser's presentation was the best way to go. Even going in with a low bid, he doesn't see how that could do this project. Part of Environment Architect was a five day intense charrette, but to complete a project in 45 days would leave out a lot of our population. We shouldn't be in a rush to complete the process. He feels something is missing in Environment Architects proposal and recommends Elaine Keiser.

City Manager Cain said with staff, Environment Architects was the only one with all first or second choice.

Commissioner Gaylord said as far as input, he added that Elaine serviced 12 years as a planning commissioner and understands the value of taxpayer money. Follow the evidence. Our job is to save money thru design, staffing and making sure citizens receive the best response. If we did go with Elaine and not Environment Architects, he's confident that we will get an efficient, well designed facility.

Commissioner Neidhamer said all seven applicants have good resumes and successes. He's equally confident that of 8 department heads, 6 say Environment Architects was number one. They did so for a reason and he's going to trust his department staff. He said he's not disagreeing with Commissioner Gaylord's comments about Elaine Keiser. He knows her firm, will have an efficient cost effective building design. He thinks Environment Architects can work fast, just as equally as you can work in details. Both systems work.

Commissioner Gaylord said he goes back to the amount of hours and details. How many of staff met with Environment Architects. Does that lead to more comfortable? He added he's sure it played a role in the ranking discussion.

Mayor Grunch said he believes the pay me now or pay me later situation is here. Maybe we need to invite the two firms back as ask the hard questions. Commissioner Neidhamer said the proposal guarantees we get details.

2014-02-017  
Moved by Neidhamer  
Second by Towne

To award the contract for the City Facilities Architectural Services project to Environment Architects of Traverse City in the amount of \$25,860

Ayes: 3  
Nays: 2, Mayor Grunch, Commissioner Neidhamer  
Absent: 0  
Motion carried

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Consideration to approve a grant application to the Charlevoix County Community Foundation for \$1,000 to support a summer music series at the Boyne City Farmers Market.

**Charlevoix County  
Community Foundation  
Farmers Market Grant  
Application**

Main Street Program Director Hugh Conklin discussed the application the Boyne City Farmer's Market is interested in applying to the Charlevoix County Community Foundation for a \$1,000 grant to help fund a music series for the 2014 outdoor Farmers Market season. The "Eats & Beats Music Series" will feature a 13 week program of local musicians playing each Saturday at the market June through August from 10 am to noon. This project meets the Foundation's grant making criteria. The Farmer's market will match the \$600 additional needed through sponsorships of their own funds.

Citizens Comments: None

Staff Comments: None

Board Deliberation: All are in support.

**MOTION**

2014-02-018  
Moved by Towne  
Second by Sansom

To approve a grant application to the Charlevoix County Community Foundation for \$1,000 to support a summer music series at the Boyne City Farmers Market

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

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Consideration to support and endorse the 2014 Boyne Thunder event to be held July 9 – 13, 2014, support the application to the Liquor Control Commission for a special license for the sale of beer, wine and spirits on the premises; and authorize City staff to work with the Boyne Thunder committee on needs and issues that may arise as event plans move forward.

## **Boyne Thunder Resolution of Support**

Main Street Program Director Hugh Conklin discussed the Boyne Thunder event planned for July 11 -12, 2014 and the events and activities involved. In its 10 years, Boyne Thunder has grown to be a signature event for Boyne City. The event has raised more than \$300,000 for Camp Quality and more than \$100,000 for the Main Street Program. Last year, Main Street also partnered with Challenge Mountain and it raised more than \$8,000 for the organization. Challenge Mountain will be a partner again this year.

Staff Comments: None

Citizens Comments: None

Board Deliberation: Mayor Pro-Tem Towne said Boyne Thunder has raised a lot of money for a great cause. All other Commissioners agree and are in support.

2014-02-019

Moved by Sansom

Second by Gaylord

**MOTION**

To support and endorse the 2014 Boyne Thunder event to be held July 9 – 13, 2014, support the application to the Liquor Control Commission for a special license for the sale of beer, wine and spirits on the premises; and authorize City staff to work with the Boyne Thunder committee on needs and issues that may arise as event plans move forward.

Ayes: 5

Nays: 0

Absent: 0

Motion carried

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Consideration to officially declare the week of March 9 – 16, 2014 to be “Boyne City Irish Heritage Week”.

## **Irish Heritage Week**

Main Street Program Director Hugh Conklin discussed the upcoming Irish Heritage Fest. It originally began as a single evening event, and was extended to a multi day celebration now in its seventh year.

Staff Comments: None

Citizens Comments: None

Board Deliberation: Commissioner Neidhamer said it sounds like one more thing we do well with good volunteers. All other Commissioners are in agreement and in support

2014-02-020  
Moved by Grunch  
Second by Sansom

To officially declare the week of March 9 – 16, 2014 to be “Boyne City Irish Heritage Week”.

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

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Barb Brooks discussed the overall summary of the goal setting, including results from the January 9 public input meeting and the online survey. She has since broken down the online responses by demographics. The reports from the online input all include how they graded the City on progress of past goals, whether they feel the goals listed are a high or low priority or should be removed from the list. The public meeting report includes all of the same information, but is not broken down by demographics.

**Goal Setting Summarized Information**

This information is for review to be able to have further in depth discussion at a future meeting. The information is also available on our website. City Manager Cain added the Commissioner have a chance to review this before it's adopted.

Staff Comments: None

Citizens Comments: None

Board Deliberation: Commissioner Gaylord thanked Barb and everyone else for this. Mayor Pro-Tem Towne thanked Barb and said we should revisit this a little more often.

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Consideration of dates to travel to and receive guests from the City of Frankenmuth. After discussion of presented dates, Commissioners decided to have representatives from the City of Frankenmuth in Boyne City on July 13<sup>th</sup> and 14<sup>th</sup> and representatives from the City of Boyne City in Frankenmuth on June 15 and 16<sup>th</sup> for Mayor's Exchange and directed staff to make the arrangements.

**Mayors Exchange Dates**

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Commissioner Sansom said to keep up the good work on snow removal.

**GOOD OF THE ORDER**

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2014-02-021  
Moved by Grunch  
Second by Gaylord

**CLOSED SESSION**

To approve the request of the City Manager to go into closed session to consider strategy connected with the negotiation of a collective bargaining agreement as provided in MCL 15.268 (c) of the Michigan Open Meetings Act (PA 267 of 1976) at 9:11 p.m.

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

2014-02-022  
Moved by Grunch  
Second by Gaylord

**RETURN TO OPEN  
SESSION**

To return to open session at 10:13 p.m.

Ayes: 5  
Nays: 0  
Absent: 0  
Motion carried

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Moved by Mayor Grunch, seconded by Mayor Pro-Tem Towne to adjourn  
the regular City Commission meeting of Tuesday, February 25, 2014 at  
10:14 p.m.

**ADJOURNMENT**

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Ron Grunch  
Mayor

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Cindy Grice  
Clerk / Treasurer



Supporting Schools | 08568 Mercer Blvd.  
 Supporting Students | Charlevoix, MI 49720  
 | 231.547.9947 p  
 | 231.547.5621 f  
 | www.charemisd.org

February 25, 2014

Dear Ms. Grice,

I'm writing this letter to confirm that the Charlevoix-Emmet Intermediate School District (Char-Em ISD) will be holding an election this spring on the May 6, election date traditionally designated for school elections. We will ask voters to renew expiring millage for Career and Technical programs, commonly known as Voc Ed. These programs are strongly desired by our business community, help to prepare a trained workforce and contribute to the economic vibrancy of our region. This year we explored the option of delaying until an August election in order to reduce the cost of the election because we thought it made sense. We discovered, however, that this delay would actually be more costly and significantly problematic from several perspectives.

As you may be aware, critical to the timing of school elections is the relationship between the "tax year" and a school's "fiscal year" which begins July 1. Delaying approval of expiring millage from one fiscal year into another (from May until August) would set in motion a chain of events that would be both disruptive and very costly, not only to the ISD but to every one of our constituent local districts.

You may also be aware that the Michigan Legislature has changed state election laws numerous times over the past decade. It is important to recognize that each time lawmakers have made changes they have also retained the May school election date. This option was not left in place to preserve a 100 year tradition maintaining the principle of separating school elections from partisan elections, but rather it was done so that school districts could comply with Michigan's Uniform Budgeting Act and to prevent numerous and very significant legal, cash flow, budgeting, and operational impacts.

A series of events would unfold if the ISD were to delay the election from one fiscal year into the next by switching from May until August. Without voter approval of these important revenues Michigan's Uniform Budgeting Act would not allow the revenue to be included in the 2014-15 budget which is required by Michigan law to be approved prior to the start of the school fiscal year July 1. As a result every one of the 11 local constituent districts within our service area would be unable to include their portion of these revenues in their 2014-15 budgets as well.

Because Michigan law prohibits inclusion of unapproved revenues in budgets, the ISD plus all 11 districts would be unable to provide reasonable assurance to any employees whose positions are supported through these Career Tech millage funds. This would require all 12 school districts to lay off these employees prior to the end of this school year, making them immediately eligible for unemployment benefits over the course of the entire summer. The aggregate cost of unemployment is far greater than any additional election day related costs.

In addition to these high unemployment expenses, moving an election into a future fiscal year would add many costly hours and legal fees for all schools related to layoff and recall procedures, revising and amending budgets in August, configuring then re-configuring student class schedules and then re-scheduling students, etc. Generally speaking, school districts who pushed traditional May school elections into the next fiscal year would also suffer significant complications related to summer tax collections since Michigan's General Property Tax Act requires that county and township treasurers be notified of millage rates prior to June 1. These complications would negate the purpose of summer tax collection and would force schools to borrow against anticipated tax revenues adding legal and interest costs and forfeiting any investment revenues.

Our local districts, the ISD and the 10,000-plus students in our region genuinely appreciate the time and effort that our township clerks, officers, and staff put into any election. I hope you can fully appreciate that the May election date is vital to the future success of our students, our schools, and communities. It is also the only date allowing schools to comply with various Michigan laws, and when viewed in full context it is most certainly a more financially responsible option.

Thanks again for all you do.

Sincerely,

Richard Diebold, Ed.D.  
 Superintendent

Approved: \_\_\_\_\_

**MEETING OF  
FEBRUARY 6, 2014**

**RECORD OF THE PROCEEDINGS OF THE REGULAR BOYNE CITY  
PARKS AND RECREATION COMMISSION MEETING HELD AT  
6:00 P.M. AT CITY HALL ON THURSDAY, FEBRUARY 6, 2014.**

**CALL TO ORDER**

Meeting was called to order by Chair Sheean at 6:01 p.m.

**ROLL CALL**

Present: Mike Sheean, Bill Kuhn, Jerry Swift, Heath Meeder, Marie Sheets and Jo Bowman

Absent: Darryl Parish and Gail VanHorn

**MEETING  
ATTENDANCE**

City Staff: Streets/Parks & Recreation Superintendent Andy Kovolski  
and Recording Secretary Barb Brooks

Public Present: Fourteen

**\*\*MOTION**

Excused Absence(s): **Kuhn moved, Meeder seconded, PASSED UNANIMOUSLY** to excuse the absence of VanHorn and Parish due to traveling out of town.

**APPROVAL OF  
MINUTES \*\*MOTION**

**Swift moved, Meeder seconded, PASSED UNANIMOUSLY**, a motion approving the January 2, 2014 meeting minutes as presented.

**CITIZENS COMMENTS**

None

**DIRECTOR'S REPORT**

Kovolski reported Avalanche is going well and the staff is doing a great job. It appears that the overall number of users might be down slightly but it could be attributed to the really cold temperatures and wind.

**CORRESPONDENCE**

None

**REPORTS OF  
OFFICERS, BOARDS  
AND STANDING  
COMMITTEES  
Park Inspections**

**Avalanche** - Kuhn, who is working at the warming house, reported that the ice on the rink has been spectacular this winter and the DPW guys have been doing a great job with it. He agreed with Kovolski that the numbers may be down slightly but the weekends are still really busy. He continues to hear great comments about the place and people are appreciative of all we have to offer there.

## Disc Golf

**Disc Golf** – Forest Omland, Jason McCarey and Rob Wiltjer presented a proposal to install a practice basket that would be separate from the course and trails. It would be used as a warm-up / practice area. They also inquired about basket replacements on the course. In order to be a sanctioned course, the baskets all need to be the same and of a certain specification. If these baskets are installed, it would allow for tournaments to be held there, bringing more people to the area and additional use and recognition for the course. The general consensus of the board was to have the club work with staff to look at options for everything discussed plus new tee pads. The board again thanked club members for their continued dedication in improving the disc golf experience at Avalanche.

## UNFINISHED BUSINESS

### Veterans Park Pavilion

Between comments received via facebook, comments that Kuhn has heard from users at Avalanche, etc. it seems that the building in concept 2 & 3 is the favored option. Kovolski still believes that the pitch of the roof should be lowered. The grant that was received from the Charlevoix County Community Foundation paid for the architectural services of the charette and concept drawings. There is remaining funds from the grant if we would like to move forward with the design phase. The grant is a 50% matching grant and the Main Street and Farmers Market has committed to the match but would like to see some of the investment come from the Parks and Recreation budget if possible. **Public Comment** – Scott MacKenzie stated that he believes that the building as proposed in concept 2 & 3, in the right location, will not block anymore view than the current pavilion. It even opens up more view with the removal of the old pavilion.

**Board Discussion:** Sheean stated that there is a lot more discussion and research that would need to take place before there is anymore discussion regarding whether the pavilion should be relocated. The question before the board is which building design is the best for the use and aesthetics of the park, should we move forward with the design process and will put money towards matching the grant funds. Meeder asked if staff would have input towards tweaking the design for things such as the roof pitch. Kovolski stated he planned on being a part of the process. **Meeder moved, Bowman seconded, PASSED**

**\*\*MOTION**

**UNANIMOUSLY** to move forward with design of the building shown in Concept 2 & 3 and allocate budget funds to assist with the match.

## NEW BUSINESS

### Dog Park Location Proposal

Members Scott MacKenzie and Michele Carter from the Dog Park committee gave a overview presentation of the committee structure and the background work they have been doing to come to the conclusion for what they feel is the best location. The proposed location includes two City owned parcels at North Boyne. After approval of the location, next steps will be grant writing, fund-raising and further research of

costs, regulations, landscape, materials, etc.

**Board discussion:** the general consensus of the board was that the volunteer committee has been working hard, have done their homework and presented an informative presentation. They did encourage the committee to continue to seek public input now that they have a recommended location. **Kuhn moved, Sheets Seconded, PASSED UNANIMOUSLY** to recommend that the City Commission consider a proposed Dog Park at North Boyne including both City owned parcels to the north and south of Ridge St. including the potential of closing Ridge St. to through traffic.

## **\*\*MOTION**

### **Trail Town Update**

Sheean reported the Trail Town committee has met several times and at the last meeting they discussed possible locations for a downtown trailhead. Old City Park kept rising to the top; Pros are proximity to shopping, restaurants, parking, water access (kayak/canoe launch), a park setting (shade), drinking fountain and room for the future development of restrooms, kiosk and additional bike racks. Cons are no bathroom currently, water (river) access but no lake view, narrowing of the street/bridge on East St and Park St.

**Board Discussion** – Kovoiski stated that he didn't think that it was necessary to designate a trail head at this time that "Trail Town" was more about coming up with a general blueprint for tying trails and economics together, not specifics of any one trail. Sheean explained that because we have proposed future trails that we can use this to plan for them and this experience and master plan as a guide for not only these trails but future trails. Kuhn added that Old City Park really seems to make sense with the tie in to the lake & river. He also added that most of the discussion is about how to get trail users into the downtown by signage, amenities and best route practices. **Meeder moved, Kuhn seconded, PASSED UNANIMOUSLY** to recommend the City Commission considers using Old City Park as a downtown trailhead.

### **2014/15 Budget Considerations**

The board reviewed proposed projects listed in the current Recreation Plan and discussed the items that were either completed, ongoing or should be potential items for the FY 2014/15 budget. The list of projects they would like to potentially see in the upcoming budget are: pave Avalanche parking lot, removal of trees and slope stabilization on the face of Avalanche, disc golf baskets and tee box replacements, Veterans Park pavilion remodel, Tannery Beach storm water outfall, Old City Park concrete pads, Lower Lake site furnishings and Rotary Park safety nets at ball fields.

### **Good of the Order**

Kuhn updated the board on the targets from the archery range. The repair kit was purchased; Mr. Fruge (who is storing the targets for the winter) refurbished 8 that will be able to be put back into use.

**NEXT MEETING**

The next regular meeting of the Parks and Recreation Board is scheduled for Thursday, March 6, 2014 at 6 pm at City Hall.

**ADJOURNMENT**  
**\*\*MOTION**

The February 6, 2014 meeting of the Parks and Recreation board was adjourned at 8:09 p.m. **Moved by Bowman, seconded by Sheets, PASSED UNANIMOUSLY.**

---

Barb Brooks, Recording Secretary

**Draft**



Approved: \_\_\_\_\_

Meeting of  
February 6, 2014

MINUTES OF THE BOYNE CITY MAIN STREET BOARD REGULAR MEETING HELD ON THURSDAY February 6, 2014 AT 8:30 A.M. IN THE COMMISSION CHAMBERS AT CITY HALL, 319 NORTH LAKE STREET

Call to Order

Chair Swartz called the meeting to order at 8:30 a.m.

Roll Call

Present: Michael Cain, Michelle Cortright, Jim Jensen, Larry Lenhart, Pat O'Brien, Rob Swartz, Robin Berry Williams and Ben Van Dam

Meeting Attendance

Absent: Jodie Adams

City Staff: Main Street Manager Hugh Conklin, Planning Zoning and Administrator Scott McPherson, Assistant Planning Zoning Administrator Annie Doyle and Recording Secretary Karen Seeley

Public: Two

Excused Absences  
MOTION

**Cortright moved Lenhart second PASSED UNANIMOUSLY** to excuse Jodie Adams.

Approval of Minutes  
MOTION

**Cain moved Williams second PASSED UNANIMOUSLY** to approve the January 9, 2014 regular meeting minutes as presented.

Citizens Comments

None

Correspondence

Following last year's Boyne City Irish Heritage Festival activities there was discussion about the possibility of Boyne City participating in a Sister City relationship with a community in Ireland. In particular there has been interest in developing a relationship with Drogheda, Ireland, a city famous for the Boyne River. Our first step was to join the Sister Cities International organization. Through this \$150 membership a variety of resources are available. A proposal for the City of Boyne City to participate in the Sister Cities International program will to the City Commission at its February 11<sup>th</sup> meeting. **Cain moved Cortright seconded PASSED UNANIMOUSLY** a motion of support for Boyne City to join the Sister Cities International organization and participates in a relationship with a community in Ireland.

MOTION

Main Street Committee Reports

In addition to the committee reports included in the agenda packet Main Street Manager Conklin reported on a few items:  
The Farmers Market Committee: Adopted the rules for 2014, also adopted rules for food trucks, they will be charged same fees as other vendors plus electrical fees. The crafters will be rearranged to accommodate food trucks at the market.  
Design Committee: A sub-committee has been appointed to look at the Christmas decorations and give recommendations as our current contact is up.

Early registration for the National Main Street Conference to be held in Detroit is

open through March 17<sup>th</sup>.

## MANAGER'S REPORT

The food truck committee has set two public hearing dates, one for the businesses and stakeholders and one for the general public. They will be held February 25<sup>th</sup> at 6:00 p.m. and March 6<sup>th</sup> at 5:30 p.m. at the Boyne District Library Community Room. The committee is still collecting data and gathering public opinion, to pass on to the City Commission.

The Joint Board and Commission meeting will be held February 13<sup>th</sup>, 6:00pm, City hall auditorium.

## UNFINISHED BUSINESS

Trail Town update: Mike Sheenan updated the board on the progress of the 16 member committee. The group is working with consultant Harry Burkholder of Land Information Access Information. The committee has discussed central locations for the trail heads; one would be at Old City Park for those coming from Charlevoix going to Boyne Falls and the other at the Airport, where there are bathrooms available. Board discussion followed and they prefer the safest and direct route as possible.

Veterans Park update: It is time to move to the design phase of the pavilion. At this point, we are not worried about the location, just the design. The cost for the design of concept 1 is \$7600 and 10,500 for concept 2. Concept 2 and Concept 3 are the same building just different location. Board asked the square footage between concept one and two. #2 has an approximately 32-foot addition. We will need between \$8,000 and \$9,000 for our match.

**Cain moved Cortright seconded PASSED UNANIMOUSLY** to pursue the continuation of design building concept 2, subject to Main Street being able to come up with additional resources.

Board suggestion to meet with the parks director regarding their budget.

## MOTION

## NEW BUSINESS

Board Officers: For the past year the Main Street Board has been under the leadership of chair Rob Swartz and vice chair Pat O'Brien. Swartz is eligible to serve a second term as chair and it is the organization committee's recommendation he be reappointed. **Cain moved Cortright seconded PASSED UNANIMOUSLY** to reappoint Rob Swartz as board chair and Pat O'Brien as vice chair for a one-year term beginning February 2014.

## MOTION

Michigan Vietnam Veterans Traveling Memorial: Bob Carlile presented the board with information regarding the Michigan Vietnam Veterans' Traveling Memorial (received and filed). He has contacted them and they have July 18 and 19<sup>th</sup> available to bring the memorial to Boyne City. They will need motel rooms, security overnight for the memorial and 2 large tents. Board discussion regarding the American Legion and VFW joining in this venture. **Cain moved Williams seconded PASSED UNANIMOUSLY** that Main Street serve as the lead agency sponsoring the Michigan Vietnam Veterans Traveling Memorial to come to Boyne City July 18 and 19 with as many partners as possible. Bob Carlile will make contact with representative from the American Legion and VFW and also a few people that were suggested that might be willing to help.

## MOTION

Boyne Area Chamber Visitors Guide:

In the past Main Street has purchased a full-page ad in the Boyne Area Chamber of Commerce Visitors Guide. The recommendation this year is to again purchase a full page ad. The cost remains at \$1,995, the same it has been the past two years. The content has not yet been decided but the marketing committee will be working with Kecia Freed, our graphic artist, to design an ad that reflects the quality of the program. The expense will be for the 2014-15 fiscal year which begins on May 1. **O'Brien moved Lenhart**

## MOTION

**seconded** that the Main Street Board approves the purchase of one –full page add in the Boyne Area Chamber of Commerce Visitors Guide at a cost of \$1,995. Cortright abstained. **Motion Carried.**

Boyne Thunder Resolution of Support:

Boyne Thunder is scheduled for July 11 and 12. As in past years, the Main Street Board and City Commission are being asked for their support.

**Cain moved O'Brien seconded PASSED UNANIMOUSLY** that the Main Street Board support and endorse the Boyne Thunder 2014 event; and approve a resolution to make application to the Liquor Control Commission for a Special License for the sale of beer, wine and spirits for the consumption on the premises, to be in effect on July 11 and 12, 2014 in Veteran's Park.

MOTION

SOBO Arts Festival Charlevoix County Community Foundation Grant Request:

The SOBO Arts Festival is interested in applying to the Charlevoix County Community Foundation for a grant to support the 2014 event scheduled for June 27-28. The Festival committee chair has reviewed with the foundation a potential grant request to support music for the festival and was encouraged to apply. The foundation recommends the grant request be specific and that the festival not ask for more than \$2,000. In addition to the Main Street board's support, the foundation also requires support of the City Commission. **O'Brien moved Cortright seconded PASSED UNANIMOUSLY** that the Main Street Board support and recommends to the City Commission the SOBO Arts Festival grant application to the Charlevoix County Community Foundation. This application is due by March 1<sup>st</sup>.

MOTION

Farmers Market Committee Appointments:

The term for one vendor position has expired on the Farmers Market Committee. The position was held by Richard Friske, who chose not to serve another term. Three applications for the position were received. The farmer's market committee is recommending the appointment of Erica Tosch for the three-year term. **Cain moved O'Brien seconded PASSED UNANIMOUSLY** that the Main Street Board appoint Erica Tosch to a three-year term on the Boyne City Farmer's Market Committee. With a letter of appreciation to Richard Friske for his service.

MOTION

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**Cain moved O'Brien seconded PASSED UNANIMOUSLY** to adjourn the February 6, 2014 meeting of the Boyne City Main Street Board at 10:11 am.

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ADJOURNMENT  
MOTION

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Karen Seeley, Recording Secretary

Approved: \_\_\_\_\_

**Meeting of  
February 17, 2014**

Record of the proceedings of the Boyne City Planning Commission meeting held at Boyne City Hall, 319 North Lake Street, on Monday, February 17, 2014 at 5:00 pm.

**Call to Order**

Chair MacKenzie called the meeting to order at 5:01 p.m.

**Roll Call**

Present: Jason Biskner (arrived at 5:02 pm), George Ellwanger, Jim Kozlowski, Jane MacKenzie, Lori Meeder, Tom Neidhamer, Aaron Place and Joe St. Dennis  
Absent: Chris Frasz

**\*\*MOTION**

**2014-2-17-02**  
**Meeder moved, Ellwanger seconded, PASSED UNANIMOUSLY**, a motion to excuse the absence of Frasz

**Meeting Attendance**

City Officials/Staff: Planning Director Scott McPherson, and Recording Secretary Pat Haver  
Public Present: One

**Consent Agenda  
\*\*MOTION**

**2014-2-17-03**  
**St. Dennis moved, Meeder seconded, PASSED UNANIMOUSLY**, a motion to approve the consent agenda; approval of the Planning Commission minutes from January 20, 2014 as presented.

**Comments on  
Non-Agenda Items**

None

**Reports of Officers, Boards  
and Standing Committees**

The Trail Town committee has met a couple of times, and will continue to do so. They are making progress.

**Unfinished Business**

None

**New Business**

Planning Director McPherson reviewed his report in the agenda packet. The Harborage Condominium Association is requesting approval for an amendment to an approved development plan for the construction of a new 30' x 40' storage building and to continue to use the property for outdoor storage of association seasonal boat trailers, located on the corner of Division St. and Second St. In the new site plan, they have indicated where additional trees will be planted to assist in blocking the view from the residential areas.

**Harborage Storage Facility  
Development Plan Review**

**Kozlowski** – How did the current outside storage and trees happen without approval?

**McPherson** – Unknown, it is something that has occurred over the past 15 years or so, and now needs to be addressed.

**Jim McIntyre is representing the Harborage** – We would like the put up the additional building to clean up the property. We will be using it for storage that is currently kept outside. We will also continue storing homeowner seasonal boat trailers along the berms. We will not be storing any sort of landscape materials at this site.

**MacKenzie** – Will there be access to the new storage building from both ends through the roll up doors at each end?

**McIntyre** – We will extend the gravel drive to the front of the new building. The door in the back maybe eliminated or will be for an emergency exit and

convenience only. We have plans to remove the cedar trees that are next to the current building. The other larger trees will remain in place the new trees are planned for 30 ft apart, with staggered rows of 15 ft.; the building will be used for cold storage only; however, will have power.

**St. Dennis** – The only lighting at the doorway?

**McIntyre** – There will be service lights only on the exterior

**MacKenzie** – What color will it be?

**McIntyre** – As close to the existing building as possible, tan in color

**McPherson** – In this district, it calls for a 5:12 pitch roof, your plans indicate a 4:12 pitch, so that will need to be modified to meet district standards.

**McIntyre** – Ok, we will change the trusses.

**\*\*MOTION**

After board discussion, **motion by Neidhamer, seconded by Ellwanger**, to approve an amendment to the approved development plan with the following conditions: (1) roof pitch must be 5:12; (2) landscape to include 11 planned trees, spaced 30 ft apart in 2 rows staggered 15 ft apart on the Division Street side as shown on the site plan and installed before the end of the 2014 season; (3) outdoor storage limited to seasonal boat trailers for residents of the association only.

**2014-2-17-7A**

**Roll Call:**

Aye: Biskner, Ellwanger, Kozlowski, MacKenzie, Meeder, Neidhamer, Place and St. Dennis

Nay: None

Absent: Frasz

**Motion Carries**

**Review Existing Land Use Profile for the Boyne City Master Plan**

Planning Director McPherson reviewed the portion of the master plan titled "Existing Land Use Profile". There are fewer and fewer places in the city that are available, and/or are buildable. Land has been expanded in the Industrial Park, and there has been some growth there the past couple of years. The board discussed various aspects and reviewed the existing map. The next step would be public input and participation, looking at possibly getting a consultant to assist with this process; to help identify goals and objectives.

**Staff Report**

- City staff will be doing interviews with four different consultants who submitted bids for the city facilities update. They will begin at 10:00 am tomorrow. After the interviews, a recommendation will be taken to the City Commission for consideration.

**Good of the Order**

- What can be done with the dilapidated buildings in town through our ordinance? There are a few places in town that may qualify. McPherson – That process is quite intensive. A property maintenance code would be the best way to go. We currently do not have one, but could look at creating one.
- Food Truck public discussions will be held on Tuesday, February 25<sup>th</sup> at 6:00 pm and Thursday, March 6<sup>th</sup> at 5:30 pm, both at the Community Room at the Boyne District Library.
- The city is asking all residents on the city water system to run their water until further notice to assist with keeping the service lines and water mains from freezing.
- Commissioners discussed the new flashing sign at the bowling alley. It falls under the jurisdiction of Wilson Township, and they do not have a sign ordinance; they are looking at creating one.

**Adjournment**

---

The next meeting of the Boyne City Planning Commission is scheduled for March 17, 2014 at 5:00 pm in the Auditorium.

**2014-2-17-10**

**St. Dennis moved, Place seconded, PASSED UNANIMOUSLY** a motion to adjourn the February 17, 2014 meeting at 6:00 p.m.

**\*\*MOTION**

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Jane MacKenzie, Chair

---

Pat Haver, Recording Secretary

*Draft*



Approved: \_\_\_\_\_

**MEETING OF**  
February 27, 2014

RECORD OF THE PROCEEDINGS OF THE REGULAR MEETING OF THE  
**BOYNE CITY AIRPORT ADVISORY BOARD HELD FEBRUARY 27, 2014**

**CALL TO ORDER**

*Chair Schmidt* called the meeting to order at **5:30 p.m.** followed by the pledge of allegiance.

**ROLL CALL**

**Present:** Richard Bouters, Ed Hennessey, Jerry Schmidt, Oral Sutliff, Leon Jarema \* Roger Reynolds

**ATTENDANCE**

**Absent:** Rod Cortright\*, Jim Kozlowski\* Larry Trumble\* Bud Chipman\*  
\*Ex Officio Members  
**Citizens:** Ken Allen  
**Staff:** Airport Manager/City Manager, Michael Cain

**EXCUSED ABSENCES**

**Bouters moved Sutliff seconded PASSED UNANIMOUSLY** to excuse Ed Hennessey.

**APPROVAL OF MINUTES**  
**MOTION**

**Sutliff moved Reynolds seconded PASSED UNANIMOUSLY** to approve the January 23, 2014 minutes as written.

**CORRESPONDENCE**

Letter from UofM Health System Emergency Medicine reviewed (*see attached*)

**UNFINISHED BUSINESS**

**Hangar Inquires/Leasing:**

- \*Hangar's A18 & C19 are available for rental.
- \*There has been some interest in overnight hangar rentals and fees will be reviewed by Michael Cain.

**Delinquent Hangar/Fuel bills:**

- \*An overdue fuel bill was reviewed by the board and the city office will continue to attempt contact for payment.

**Goal/Priorities**

- \*The board reviewed and discussed Terminal and property upgrades for 2014 (*see attached list*).
- \*By request from the board, Jerry Schmidt obtained quotes to have the inside of the terminal dry walled. (*see attached quotes*)

**NEW BUSINESS**

**Budget Discussion**

- \*The board reviewed and discussed the 2014 Airport budget presented by City Manager, Michael Cain. No additions at this time.

**NEW BUSINESS: CONT.**

**Jet Fuel Update**

\*Richard Bouters gave an update (*see attached notes*) regarding offering Jet Fuel at the Airport. The board reviewed and discussed the information. No action taken at this time.

**MOTION**

**Business Expo – Thursday, April 24, 2014**

\*A report was given by Richard Bouters regarding the Airport participation in the Business Expo. (*see attached notes*) **Sutliff moved Reynolds seconded PASSED UNANIMOUSLY** to budget \$200.00 to spend on give-a-way items to the expo.

**Airport Conference Report**

\*Michael Cain attended the Michigan Association of Airport Executives in Lansing and offered a report.

**MOTION**

**Request of the City Manager to go into closed session to consider the purchase of real property as provided in MCL 15.268 (d) of the Michigan Open Meetings Act (PA 267 of 1976)**

\*Sutliff moved Reynolds seconded to go out of regular session at 6:28pm.

**Roll Call:**

Aye: Sutliff, Reynolds, Schmidt, Bouters

Nay: None

Abstain: None

Absent: Hennessy

**Motion Carried.**

**MOTION**

\*Reynolds moved Sutliff seconded to go into regular session at 6:48pm.

**Roll Call:**

Aye: Sutliff, Reynolds, Schmidt, Bouters

Nay: None

Abstain: None

Absent: Hennessy

**Motion Carried**

**GOOD OF THE ORDER**

\*Fuel price is \$5.31 per gallon as of November 20, 2013.

\*Joint Commission Meeting on February 13, 2014. Richard Bouters gave a brief report regarding his attendance at this meeting.

\*Michael Cain reminded the board of the March 6, 2014 meeting at the Library to discuss Food Trucks in Boyne City.

**ANNOUNCEMENTS  
NEXT MEETING**

The next regular Airport Advisory Board meeting is scheduled for Thursday, March 27, 2014 at 5:30pm in the Airport Terminal.

**ADJOURNMENT**

Chair Schmidt adjourned the Airport Advisory Board meeting at 6:54 pm.

Richard L. Bouters-Secretary\_\_\_\_\_



# City of Boyne City

# MEMO

Agenda Item 9A

Date: March 7, 2014  
To: Mayor Grunch and the Boyne City City Commission  
From: Michael Cain, City Manager *Mc*  
Subject: MEDC Downtown Infrastructure Grant (DIG) Agreement

In mid August of last year the Michigan Economic Development Corporation (MEDC) announced their latest round of DIG grants. The MEDC accepted applications for projects to assist communities improve their downtown district infrastructure quality. As the Commission is aware we have used these very successfully in recent years, most recently on South Park Street. With the City Commission's approval last September we submitted a Part I application for this round prior to the October 1<sup>st</sup> due date to reconstruct one block of South East Street, the two blocks of Ray Street and the alley south of the 100 block of Water Street, between Lake and Park Streets. The project will involve the replacement of the complete roadways, and the replacement of necessary curbs, sidewalks, and underground City utilities. In addition streetscape elements similar to those used in the rest of the downtown (brickpavers, trees and streetlights) will be incorporated. Overhead utilities will be relocated underground wherever possible throughout the project areas.

In mid November we were advised that our application was being recommended for further consideration and we submitted the Part II application and other materials prior to there respective due dates up to January 17<sup>th</sup>.

On Friday, February 28<sup>th</sup>, at a public event held at the Boyne District Library, representatives from the MEDC advised the City that we were successful in our grant application efforts and presented the City with a symbolic check for \$583,519, or 70% of the estimated project total of \$833,600.

On Wednesday, March 5<sup>th</sup> the City received the enclosed email and grant agreement for the parties to execute to formally complete the grant approval process.

We compared the agreement before you today with one we previously accepted for the South Park Street DIG Project in 2012. Except for changes in project specifics, including costs, the agreements are almost identical. One of the biggest changes in this agreement (shown on page 3) is that we are only given until December 31, 2014 (11 months) to complete this project where we had 15 months under the old one. This will be a tight schedule but we are confident that we can get the job done.

The grant is another excellent opportunity for the City to do work that needs to be done and to leverage our estimated \$250,081 local match from our Street, Water, Wastewater and Main Street funds to maximize their effectiveness, when combined with the grant funds. Funds to support this grant are included in the proposed 2014 -2015 fiscal year budget.

**RECOMMENDATION:** That the City Commission approve the Grant Offer from the State of Michigan CDBG FILE NO. MSC-213027-DIG as presented and authorize the City Manager to sign it on the City's behalf.

#### Options:

- 1) Postpone the matter for further consideration and/or information
- 2) Deny the request and turn down the grant.
- 3) Other option(s) as determined by the City Commission

**Michael Cain**

---

**From:** Charles Donaldson [donaldsonc2@michigan.org]  
**Sent:** Wednesday, March 05, 2014 2:49 PM  
**To:** rgrunch@hotmail.com  
**Cc:** Michael Cain; Sara Christensen  
**Subject:** Boyne Grant Agreement MSC 213027-DIG  
**Attachments:** Boyne MSC 213027-DIG - AB Grant Agr.pdf

The Honorable Ronald Grunch,

Attached is the grant agreement for the City of Boyne City's proposed CDBG project, MSC 213027-DIG. Please sign two originals and return to our office one original. Keep the other original for the City's files. As indicated in the grant you can return by e-mail a scanned copy. The City must wait to incur project costs (other than non-CDBG costs which were previously authorized on December 4, 2013) until the grant agreement has been executed by all parties and the City of Boyne City has been provided written authorization to incur project costs.

***Below is a brief explanation of some, but not all, requirements of the Grant. Please make sure to review the Grant Agreement and refer to our Grant Administration Manual GAM for further information.***

**Timing:**

- According to the timeline in the City of Boyne City's Part 1 Application, the City intends to start construction in August of this year. The City needs to adhere to this schedule, or accelerate it, if possible, to complete construction this season. If there are unanticipated delays, please contact our office immediately. You will notice in the Grant Agreement that written notification is necessary if construction does not start by September 1, 2014.

**Procurement for construction (Chapter 4 of GAM):**

- The City will need to follow Sealed Bids to select the construction contractor(s). The project may be advertised in plan rooms but it must also be advertised once in the local paper at least 25 days prior to bid opening. Our office will need:
  - a copy of the published notice (affidavit of publication or entire page from paper showing both publication date and advertisement),
  - a copy of the bid tab,
  - a copy of the contractor(S) SAM eligibility (see next bullet); and
  - the UGLG's recommendation for award.
- The City must check the selected contractor(s) and subcontractors on the SAM website to ensure that the contractors are eligible to work on CDBG projects. Here's the link: [SAM](#).
- Refer to Chapter 4 for additional information on bonding and insurance requirements.

**Procurement for Streetscaping amenities or other materials/supplies/fixtures if ordered outside of construction contract (Chapter 4 of GAM):**

- If less than \$100,000, follow Small Purchase Procedures
- If \$100,000 or greater, sealed bids are required. Must be advertised once in local paper at least 15 days prior to bid opening.

**Payments (Chapter 8 of GAM):**

- CDBG funds must be requested on a reimbursement basis or when there is an immediate cash need. Generally match/leverage funds must be spent first or at a minimum expended on a pro rata basis. Form 8A must be used to request CDBG funds. The payment request must be signed and include

documentation of project expenditures. All pre-disbursement requirements noted in the Grant Agreement must be submitted prior to disbursement of the CDBG funds.

- CDBG funds cannot be held for an extended period of time (3 days) and cannot earn interest.

***Fair Housing (Chapter 9 of GAM):***

- The City is required to comply with the Fair Housing Requirements outlined in Chapter 9

***Federal Labor Standards (Chapter 10 of GAM):***

- Federal Labor Standards Requirements, including the payment of prevailing wage rates, will apply to the construction activities. Please contact our office prior to contracting as the required federal language will need to be included in the bid documents.
- Refer to Chapter 10 for further information on:
  - Obtaining an updated wage decision 10 days prior to bid opening
  - Change orders
  - Collecting and reviewing weekly certified payrolls
  - Conducting and reviewing employee interviews

***Monitoring and Changes (Chapter 12 of GAM):***

- Any proposed change to the Grant Agreement must be requested in writing. Keep in mind that changes may require a reevaluation of the environmental review so do not sign or proceed with any change until you receive written authorization from our office. Proceeding without authorization could jeopardize the CDBG funding.
- At least once during the project period, a site visit will be conducted by the MEDC. The City should pay special attention to the items listed on the monitoring checklist (Form 12A) as these items will be expected to be included in the City's files at the time of the visit.

As indicated above, this email does not cover everything. Please let me know if you have any questions and/or concerns and I look forward to working with you on this project.

Thanks.

Chuck

**Charles Donaldson**

Program Specialist

**Michigan Economic Development Corporation**

300 N. Washington Square | Lansing, MI 48913

Office: 517.373.0982 | Fax: 517.373.6683

[donaldsonc2@michigan.org](mailto:donaldsonc2@michigan.org)

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GRANT NO. MSC 213027-DIG

STATE OF MICHIGAN

COMMUNITY DEVELOPMENT GRANT AGREEMENT

BETWEEN THE

MICHIGAN STRATEGIC FUND

AND THE

CITY OF BOYNE CITY

STATE OF MICHIGAN

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

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#### A. Total authorized budget

1. Source of funds
2. Application of funds

#### B. Scope of Work

### III. General Terms and Conditions

Attachment A: Project Budget

Attachment B: Project Description

I. GRANT OFFER FOR MICHIGAN CDBG NO. MSC 213027- DIG

The Fund Manager of the Michigan Strategic Fund (the "Grantor"), acting pursuant to Resolution \_\_\_\_\_ of the Michigan Strategic Fund Board, hereby offers to the City of Boyne City (the "Grantee"), grant assistance subject to the Grant Agreement.

The maximum amount of grant assistance hereby offered is \$583,519 (the "Grant"), but in no event shall the amount of the grant assistance exceed more than seventy percent (70%) of the total project costs financed with the Grant and local matching funds. If the actual cost is less than shown in the Total Authorized Budget (See Section II(A)(1)), the amount of the Grant shall be reduced on a proportional basis. The Grantee shall be responsible for any cost overruns.

The term of work performance shall be eleven (11) months from February 1, 2014 through December 31, 2014 (the "Term"), plus additional time to meet reporting or other procedural requirements. The Grant will only be made available for the Grantee's eligible expenses, which occur during the Term in accordance with the Grant Agreement. The Grant is dependent upon the Grantor's continued receipt of Community Development Block Grant funds and the availability of adequate funds.

If the Grantee will not start construction by September 1, 2014 (the "Commencement Period"), then the Grantee must seek and receive in writing an extension of the Commencement Period from the Grant Administrator prior to the expiration of the Commencement Period, otherwise this Grant Agreement shall terminate and no longer be in effect. In the event this Grant Agreement is terminated as set forth herein, the Grantee must request that the Grant be reapproved by the MSF Board before it may be reinstated.

This Grant Offer does not commit the Grantor to approve requests for additional funds during or beyond this grant.

The foregoing Grant Offer is hereby accepted and it is agreed that the funds made available will be used only as set forth herein and in the attached Special and General Terms and Conditions. The signatories below warrant that they are empowered to enter into this Agreement.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2014

Dated this \_\_\_\_ day of \_\_\_\_\_, 2014

\_\_\_\_\_  
Karla K. Campbell  
Fund Manager  
Michigan Strategic Fund

\_\_\_\_\_  
Michael Cain  
City Manager  
City of Boyne City

**Counterparts: Facsimile, Electronic and PDF Signatures; Copies** – This Agreement may be executed in any number of counterparts, each of which, when executed shall be deemed an original, and all of which together, shall constitute one and the same agreement. This agreement may be delivered by facsimile, or PDF or other electronic format and in such circumstances, may be relied upon to the same extent as though such copy was an original.

## II. SPECIAL TERMS AND CONDITIONS

For Michigan CDBG under Title I of  
the Housing and Community Development Act  
of 1974, as amended.  
CFDA #: 14.228

EFFECTIVE DATE: February 1, 2014

GRANT NO.: MSC 213027-DIG

TITLE: City of Boyne City Downtown Infrastructure – South East Street, Ray Street, and Alley

GRANTEE / ADDRESS: City of Boyne City  
319 N. Lake Street  
Boyne City, Michigan 49712

GRANT ADMINISTRATOR /  
ADDRESS: Grant Administrator  
300 North Washington Square  
Fourth Floor  
Lansing, Michigan 48913  
Phone: 517-373-0982

### A. TOTAL AUTHORIZED BUDGET

1. Sources of funds for the project under this Grant Agreement consist of:

State Cash Contributions	\$583,519
Local Cash Contributions	<u>\$250,081</u>
TOTAL	\$833,600

2. Application of funds to the project supported under this Grant Agreement consists of:

PLEASE REFER TO ATTACHMENT A FOR THE AUTHORIZED BUDGET FOR THIS PROJECT.

### B. SCOPE OF WORK

The Scope of Work of the Grantee under this grant shall be to undertake and complete the following activities, as further detailed in the Grantee's Part 1 Application received October 1, 2013, and Part 2 Application received January 17, 2014, subject to the limitations set forth in the Grant Agreement and applicable federal and state laws, rules and regulations:

1. Prior to the commitment of any project funds, incurring any project costs, and Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator a copy of the complete Environmental Review Record (including the Environmental Assessment), and secure written approval by the Grant Administrator for the Request for Release of Funds and Certification. The Request for Release of Funds and Certification represents local completion of the environmental review procedures

and requirements as set forth in 24 CFR Part 58, "Environmental Review Procedures for Title I Community Development Block Grant Program," issued by the U.S. Department of Housing and Urban Development. Project costs include costs to be paid by the Grant and other local, public and private funds.

2. If the Grantee will be engaging the consultant, supplier, or contractor then the Grantee shall comply with the procurement process required by 24 CFR Part 85. Among other things, this regulation applies to all CDBG funded engineering, administrative, and consultant contracts as well as all CDBG funded construction contracts.
  - a. For supplies and service contracts such as engineering, administrative and consulting less than or equal to \$100,000, the Small Purchase Procedures as provided in 24 CFR Part 85 may be used. In accord with this regulation and prior to Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator documentation that price or rate quotations were obtained from an adequate number of qualified sources and a copy of the executed contract.
  - b. For supplies and service contracts such as engineering, administrative and consulting greater than \$100,000, Grantee must use competitive negotiation through a Request for Proposal (RFP) or Request for Qualifications (RFQ) process as provided in 24 CFR Part 85. In accord with this regulation and prior to Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator a copy of the locally published RFP / RFQ, a list of respondents to the RFP / RFQ, Grantee's evaluation and recommendation for the award of the contract(s), and the executed contract(s).
  - c. For construction related contracts, Grantee must use the procurement by Sealed Bids Process as provided in 24 CFR Part 85. In accord with this regulation and prior to Grantor disbursement of the Grant, the Grantee shall provide for approval by the Grant Administrator a copy of the locally published advertisement for bids and the bid tabulation.
3. If the Grantee will not be engaging the consultant, supplier, or contractor, then the procurement process required by 24 CFR Part 85 shall not apply.
4. If the project involves construction activities using the Grant, the Grantee shall provide for approval by the Grant Administrator a copy of all bidding documents or other evidence of compliance with federal labor standards for all construction activities financed in whole or in part with the Grant. Such approval must be secured prior to Grantor disbursement of the Grant for relevant construction activities.
5. If the project involves both Grant and Non-Grant funded construction activities on private property, the Grantee shall provide for approval by the Grant Administrator a copy of all bidding or contract documents showing evidence of compliance with federal labor standards for all construction activities financed with the Grant and any other matching funds on said private property. Such approval must be secured prior to Grantor disbursement of the Grant.

6. If the project involves the installation of machinery and equipment and the installation cost is greater than 20% of the total cost of the machinery and equipment, the Grantee shall provide for approval by the Grant Administrator a copy of all bidding documents or other evidence of compliance with federal labor standards for all installation activities financed in whole or in part with CDBG funds. Such approval must be secured prior to Grantor disbursement of the Grant.
7. If the project involves acquisition, including donations, of real estate, permanent easements and/or right-of-ways, or the relocation of persons, families or farms, the Grantee shall provide for approval by the Grant Administrator documentation of compliance with the Uniform Relocation and Real Property Acquisition Policies Act of 1970. Such approval must be secured prior to Grantor disbursement of the Grant.
8. If the project involves the demolition or conversion of an occupied dwelling unit or a vacant occupiable dwelling unit, the Grantee shall provide for approval by the Grant Administrator documentation of compliance with Section 104(d) of the Housing and Community Development Act of 1974. Such approval must be secured prior to Grantor disbursement of the Grant.
9. If the Project involves improving and/or acquiring real property in whole or in part using Grant funds in excess of \$100,000, the Grantee shall provide for approval by the Grant Administrator a Real Property Management Report (RPMR) prior to Grantor disbursement of the Grant, annually, at close out, and when the property is no longer needed for its original purpose.

If the real property acquired and/or improved with the Grant is no longer needed for its original purpose at any time during the project and up to five years from close out, the Grantee shall request disposition instructions from the Grantor prior to disposing of the real property acquired or improved in whole or in part with the Grant. Depending on the disposition request, the Grantee may be required to return a portion of the Grant to the Grantor.

10. If the Project involves acquiring personal property in whole or in part using Grant funds in excess of \$100,000, the Grantee shall provide for approval by the Grant Administrator a Personal Property Management Report (PPMR) prior to disbursement of the Grant, annually, at close out, and when the property is no longer needed for its original purpose.

If the personal property acquired with the Grant is no longer needed for its original purpose at any time during the project and after project close out, the Grantee shall request disposition instructions from the Grantor prior to disposing of the personal property acquired in whole or in part with the Grant. Depending on the current per unit fair market value of the personal property, the Grantee may be required to return a portion of the Grant to the Grantor.

11. Grantee is responsible for ensuring that all contractors working on the project are CDBG eligible and properly licensed, bonded, and insured.

12. The Grant must be requested on a reimbursement basis or when there is an immediate cash need for the funds.
13. The Grantee shall expend up to \$583,519.00 of the Grant for the project activities as further described in Attachment B.
14. The Grantor may, in its sole discretion, after discussion with representatives of the Grantee, modify or reduce the total amount of grant assistance offered under this Agreement or terminate this Agreement and demand full repayment of disbursed grant proceeds if the Grantee violates, fails, or refuses to comply with any term, condition, or provision of this Agreement.
15. The Grantee shall provide Program Progress Reports beginning October 15, 2014, and every six (6) months thereafter.
16. The Grantee shall provide a final Payment Request within 60 days of the expiration of the Term. Payment Requests received after this time will not be processed.
17. The Grantee shall provide a final Program Progress Report and all other required close out documents specified by the MSF within 120 days of the expiration of the Term.
18. The Grantee shall provide documentation that at least one public hearing was held after grant award and prior to formal grant closeout. Such documentation shall be provided prior to formal grant closeout.
19. During each of the Grantee's fiscal years in which a disbursement of the Grant is made under this Agreement, the Grantee shall file an Audit Report. This Audit Report must be prepared by an independent auditor, and be in compliance with the requirements of OMB Circular A-133, or as required by the Grant Administrator. This Audit Report shall be filed with the Grant Administrator within 30 days after completion of the audit, but not later than nine months after the close of the Grantee's fiscal year.
20. Whenever possible, auditees shall make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in the A-102 Common Rule, OMB Circular A-110, or the FAR (48 CFR part 42), as applicable.

### III. GENERAL TERMS AND CONDITIONS

1. Applicability to Sub Recipients and Contractors: Where performance of the grant project is carried out by any sub recipient or contractor of the Grantee, the provisions of the Grant Agreement shall be made binding on such sub recipient or contractor by the Grantee. This shall be accomplished by a written agreement or contract between the Grantee and sub recipient or contractor. Where the term "Grantee" appears in this Grant Agreement it shall be read to include any sub recipient or contractor of the Grantee.

The ultimate legal responsibility for insuring compliance with requirements of the Grant Agreement is that of the Grantee designated in the Grant Offer.

2. Compliance by the Grantee: The Grantee shall comply with all applicable provisions of the following:
  - a. "Statement of Assurances" as included in the Application.
  - b. Compliance with Section 3 of the Housing and Urban Development Act of 1968, as amended.
  - c. Compliance with Title I of the Housing and Community Development Act of 1974, as amended (Fair Housing).
3. Maintenance of Records: The Grantee shall maintain records which will allow assessment of the extent of Grantee performance of the Scope of Work and which allow for the comparison of actual outlays with budgeted amounts. The Grantee's overall financial management system must ensure effective control over, and accountability for, all funds received. Accounting records must be supported by source documentation such as time sheets and invoices.
4. Retention of Records: The Grantee shall retain all financial records, supporting documents, statistical records, and all other pertinent records until notified by the MSF.
5. Amendments. The Grantee must obtain prior written approval of the Grant Administrator for grant amendments as follows:
  - a. changes of substance in the Scope of Work including new activities or alterations of existing approved activities;
  - b. extensions to the term of work performance for completion of project activities;
  - c. for Grants of less than \$100,000, cumulative changes among approved CDBG funded budget items which exceed \$5,000 or five (5) percent of the Grant, whichever is the lesser amount; and
  - d. for Grants of \$100,000 or more, cumulative changes among approved CDBG funded budget items which exceed \$10,000 or five (5) percent of the Grant, whichever is the lesser amount.

The amendment request must be submitted by an authorized local official of the Grantee.

6. Suspension of Grant: When the Grantee has failed to comply with the grant award stipulations, standards, or conditions, the Grantor may, on reasonable notice to the Grantee, suspend the grant and withhold further payments, or prohibit the Grantee from incurring additional obligations of grant funds, pending corrective action by the Grantee or a decision to terminate in accordance with these Terms and Conditions. The Grantor will allow all necessary and proper costs, which the Grantee could not reasonably avoid during the period of suspension, provided they meet the provisions of OMB Circular A-87.
7. Termination for Cause: The Grantor may terminate this grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of the grant. The Grantor will promptly notify the Grantee in writing of the determination and the reasons for the termination, together with the effective date. Payments made to recipients, or recoveries by the Grantor, will be in accordance with the legal rights and liabilities of the parties.
8. Termination for Convenience: The Grantor or the Grantee may terminate this grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of the Grant. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The Grantee shall not incur new obligation for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Grantor will allow full credit to the Grantee for the Grantor's share of the noncancelable obligations that were properly incurred by the Grantee prior to termination.
9. The Grantee and political subdivisions, agencies, and instrumentalities thereof, when engaged in letting contracts or procuring products or services which involved funds obtained from the Grantor shall ensure that bid specifications, project agreements, other controlling documents, and any other local requirements do not:
  - a. require bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations on the same or related projects;
  - b. discriminate against bidders, offerors, contractors or subcontractors for refusing to become or remain signatories or otherwise adhere to agreements with one or more labor organizations on the same or related construction projects; or
  - c. require any bidder, offeror, contractor, or subcontractor to enter into, adhere to or enforce any agreement that requires its employees as a condition of employment to:
    - i. become members of or become affiliated with a labor organization; or

Execution Copy

- ii. pay dues or fees to a labor organization, over an employee's objection, in excess of the employee's share of labor organization costs relating to collective bargaining, contract administration or grievance adjustment.

**PROJECT BUDGET**  
**MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**MICHIGAN ECONOMIC DEVELOPMENT CORPORATION**

1. Applicant: City of Boyne City (Grant No: MSC 213027-DIG)		2. Project Title: City of Boyne City Downtown Infrastructure -- South East Street, Ray Street, and				
3. Project Cost Elements	4. Project Funding Sources (Identify all other funding sources)					
Activities	CDBG	Local				TOTAL
Architecture and/or Engineering	\$0	\$85,600				\$85,600
Construction and Contingency	\$57,100	\$0				\$57,100
Administration	\$0	\$10,000				\$10,000
Demolition	\$0	\$20,600				\$20,600
Water / Sewer / Stormsewer Improvement	\$149,400	\$0				\$149,400
Street Improvements	\$254,000	\$0				\$254,000
Lighting / Utilities	\$73,450	\$73,450				\$146,900
Overhead Utility Burial	\$49,569	\$60,431				\$110,000
<b>TOTAL</b>	<b>\$583,519</b>	<b>\$250,081</b>				<b>\$833,600</b>

Acceptable: Minimum 2 megapixels (1200 x 1600 pixel image) at 300 dpi

**Image requirements/format:**

BEST: First generation Tag image file format (TIFF) or RAW

Acceptable: Joint Photographic Experts Group (JPEG) converted to TIFF

Acceptable: JPEG must not be altered in any way prior to conversion

- 21. Other than the preliminary cost estimates, describe the status of any engineering plans or specifications. If engineering plans or specifications have been completed, please provide copies.

If completed, are they attached?  Yes  N/A

**PLEASE NOTE: Costs for engineering and/or architectural plans to be funded with non-CDBG funds may be incurred at the UGLG's own risk with written authorization from the MSF and may be included in the project budget as match. Preliminary plan costs are not eligible to be counted as match and should not be included in the budget.**

- 22. Provide the history of the problems associated with this project and explain how this project will help alleviate those problems. Be sure to note how rates for residents will be impacted with and without funding, if applicable.

The underground utilities on Ray Street have been in place for at least 50 to 75 years. The sanitary sewer main is Crock/Clay pipe. This type of pipe has not been used in the industry for many years and has more than lasted its life expectancy. The installation of a water main on Ray Street will provide a loop and eliminate long service leads. The aged utilities are ticking time bombs. It is far easier to address these issues in a planned project rather than during an inopportune failure making for an emergency project. There is also a lack of proper storm sewer drainage to address run-off on Ray and S. East St. All of the items listed above are maintenance problems for city staff and require significant time and effort. Sand has been filtering into the sanitary sewer and there is danger of erosion under the road bed and the potential of collapse. Some of the parking and driveway openings are not well defined from pedestrian areas causing both problems with pedestrian mobility and vehicular traffic. The existing lighting is inadequate to encourage night time pedestrian traffic and safety.

The proposed project will ensure the citizens of Boyne City have dependable utility services, address the proper treatment of stormwater run-off to our nearby lake and river, and improve the road bed, streetscape and overall appearance of this area. If the City is successful in obtaining this grant, we would be able to assure the citizens that the improvements will be done without raising taxes, water/sewer rates and there would not be any special assessment.

- 23. Does the project contain design elements that impact the sense of place? (examples: Green infrastructure & Storm Water Management; Complete Streets/Streetscape Beautification; Public Art; and Other) Refer to examples of Holistic Infrastructure

**FINANCIAL PARTICIPATION**

Improvement Zone (BIZ) or other similar entity?  Yes  No

If yes, describe: DDA - TIFF District

26. Has the community been designated a Redevelopment Ready Community?  
 Yes  No

If yes, describe: We have been recently accepted into the program and are currently working towards a successful completion of the program and designation.

27. Describe how this project is consistent with the local government's capital improvements plan and how the project will fit within that plan.  
This roadway and infrastructure project was identified as one of the critical priorities in a recently City-wide infrastructure needs assessment.

28. Is the project happening adjacent to another project that has committed, leveraged funds by State or Federal resources?  Yes  No

If yes, describe the adjacent project and funding committed: This project is adjacent to the City's Park Street project that was completed in 2012/13 with local and CDBG funding and two façade projects (front & back of buildings) on businesses that have entrances off the alley with CDBG funding and private match.

29. In the below space, provide a project timeline that includes the anticipated start and completion dates for the following activities at this property location if awarded in February 2014. Attachments are not acceptable.

Activities	Start date	End date
Engineering and/or design	March 1, 2014	May 16, 2014
Bidding, if applicable	May 16, 2014	June 19, 2014
CDBG funded construction	August 18, 2014	November 1, 2014
Match funded construction	August 18, 2014	November 1, 2014

**PLEASE NOTE:** When completing the timeline, please refer to the Application Guide with regard to when project costs can be incurred. Also, the project must be completed by December 31, 2014, no time extensions will be offered.

- **Public Safety** – Aspects of the project will increase public safety by improving pedestrian walkways. The installation of curbs, new sidewalks where necessary, defined crosswalks with ADA ramps, and proper lighting will provide for a more attractive, safe, walkable corridor of the City. The project elements will be consistent with other projects completed in downtown Boyne City and help tie all of the elements together for a complete streets plan.
- **Economic Stimulus** – Improvements to this area will add to the improvements already completed to adjacent areas of the downtown and strengthen and/or stimulate economic growth. As current business owners see the City improving areas of the downtown, it encourages them to make improvements and investments to their own properties. All of this activity spurs interest from potential new businesses to invest in our community. This has been proven with many of our downtown business owners utilizing the popular MEDC façade grant program. A project of this size would also help sustain current and /or create jobs with area contractors.
- **Direct Economic Benefit** – Being able to utilize grant funds will significantly reduce the cost of the project; therefore there will not be any special assessments or burden to resident taxpayers. An increase in property taxes, millage rates or a sizeable increase in water/sewer rates would be detrimental to a community with 68.09% low to moderate income residents.
- **Improve the Core Downtown** – The two blocks of Ray Street and S. East Street are two of the last few streets in the core downtown in desperate need of infrastructure and streetscape improvements. The project elements will be consistent with other projects completed in downtown Boyne City and help tie all of the elements together for a complete streets plan and improved walkability.



# City of Boyne City

# MEMO

Agenda Item 9B

Date: March 7, 2014  
To: Mayor Grunch and the Boyne City City Commission  
From: Michael Cain, City Manager *Mc*  
Subject: NLEA Grant Administration Assistance Agreement

The City has had a long and successful run of obtaining and implementing infrastructure improvement and other grants. Part of our success has been the quality of the team we have assembled to help us meet all the requirements, from grant application to grant closure. These processes generally extend over multiple years.

One of the members of our team has been the Northern Lakes Economic Alliance (NLEA). Their expertise and interactions with state and federal grant administrators have been very successful over the years.

As usual, we included funding for grant administration as part of our recent Downtown Infrastructure Grant (DIG) application and as part of our local match.

Attached please find for your consideration a proposed agreement with the NLEA to again provide these services for our proposed project on South East and Ray Streets and the alley south of the 100 block of Water Street.

**RECOMMENDATION:** That the City Commission approves the proposed Grant Administration Assistance Agreement with the NLEA for DIG project MEDC #MSC 213027-DIG as presented for an amount not to exceed \$10,000 and authorize the City Manager to sign it on behalf of the City.

**Options:**

- 1) Postpone for additional consideration or materials.
- 2) Change or modify the proposed agreement.
- 3) Deny the request.
- 4) Other option(s) as determined by the City Commission.



**Northern Lakes**  
ECONOMIC ALLIANCE

*A regional public/private economic development organization serving Antrim, Charlevoix, Cheboygan and Emmet Counties, Michigan, USA*

***Grant Administration Assistance Agreement between  
Northern Lakes Economic Alliance***

***&***

***City of Boyne City***

***for***

***Downtown Infrastructure Grant (DIG) Project  
MEDC #MSC 213027-DIG***

The City of Boyne City agrees that the Northern Lakes Economic Alliance shall provide Community Development Block Grant (CDBG) administration assistance on the City of Boyne City Downtown Infrastructure Grant – S. East Street, Ray Street, and Alley.

The City of Boyne City will be invoiced for up to \$10,000 based on NLEA hours dedicated towards the administration of this grant, funded with local match.

Grant administration services to be provided during the grant period include assistance in administering CDBG grant activities for Federal & State compliance, including but not limited to the following:

- Contractor Selection (construction)
  - Bid documentation
  - HUD 2516 reporting
  - Contractor verification (Excluded Parties System)
  - Preconstruction meeting
- Federal Labor Standards
  - Federal prevailing wage compliance
  - Weekly payroll report monitoring
  - Employee interviews for wage compliance
  - Apprenticeship documentation
- Civil Rights
  - Provide community profiles and demographics
  - Civil rights policy and status of civil rights complaints
  - Fair housing and equal opportunity compliance

**1313 Boyne Ave • P.O. Box 8  
Boyne City, Michigan 49712**

**Phone: 231.582.6482 • Fax: 2231.582.3213  
www.northernlakes.net • Info@northernlakes.net**

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- Core Partners -

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National Policy Objectives

Documentation related to national policy objectives (area-wide benefit, job creation or blight removal)

Grant Reporting

Prepare progress reports  
Annual audit and accounts payable reports  
Prepare for and attend site monitoring visit(s)  
Facilitate possible grant extensions or budget adjustments

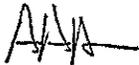
Financial Management

Prepare and processing payment requests in a timely manner  
Documenting grant expenditures and public match  
Pre-disbursement requirements  
Flow of payments and project budget

Grant close-out reporting

Prepare final progress report  
Present at grant close-out public hearing  
Assist with possible US Dept. of Housing and Urban Development audit that could occur post grant closeout.

The City will be responsible for maintaining the project checking account and project files, will issue grant funded payments, and will pay the costs of publishing required notices. NLEA's grant administration assistance on this project in no way diminishes the City's responsibility regarding this grant as described in grant contract # MSC 213027-DIG.



\_\_\_\_\_  
Andrew H. Hayes, President  
Northern Lakes Economic Alliance

3/6/14

\_\_\_\_\_  
Date



\_\_\_\_\_  
Witness

3/6/14

\_\_\_\_\_  
Date

\_\_\_\_\_  
Michael Cain, Manager  
City of Boyne City

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

## MEMORANDUM

**TO: MICHAEL CAIN; CITY MANAGER** 

**FROM: ANDREW KOVOLSKI; PUBLIC WORKS SUPERINTENDENT** 

**DATE: 3/7/14**

**RE: PLEASANT AND DIVISION STREETS REPAIR BIDS**

As you may recall the original scope of work for the Pleasant and Division Street project was a basic mill and resurface of the existing roadway. This work will alleviate the delaminated pavement treatment that was performed 3 years previous on these sections of roadway. This work was to take place on Pleasant Street from Division Street south to the City Limits and on Division Street from Pleasant Street to Front Street at a total cost of \$162,500.00; The City's portion of that project would be \$32,500.00. This type of repair is designed to extend the life of the road by 7-10 years.

In June of 2013 we were made aware of extra STP funds available for our use. At that time the City Commission approved adding storm sewer on Pleasant Street from Division Street to Prospect Street as part of the project at an estimated cost total of \$314,033.00; with STP funding of \$242,500.00 the net cost to the City would be \$71,533.00 plus \$18,900.00 for engineering making the total estimated cost to the city \$90,433.00.

This project funding streams requires MDOT to be the bidding agent for the project. This project was part of the MDOT letting due on February 21, 2014. Following is a breakdown of the bids:

- |                            |              |
|----------------------------|--------------|
| • Reith Riley Construction | \$302,996.17 |
| • M&M Excavating           | \$308,000.00 |
| • Elmer's Crane and Dozer  | \$329,751.90 |
| • Payne and Dolan          | \$336,426.54 |

We plan to complete construction of this project beginning in early May if ground frost conditions allow. Please also see recommendations for Sanitary Sewer in attached memo from Water/ Wastewater Superintendent Dan Meads.

**RECOMENDATION:**

It is my recommendation that the City Commission award the bid for the Pleasant and Division Streets Repair Project to the low bidder Reith Riley Construction for the amount of \$302,996.17 and authorize the City Manager and Clerk/Treasurer to sign the required documents. Funds for this work are allocated in the Street Department FYE 2015 budget.

**OPTIONS:**

- That this matter be postponed for additional information or consideration
- That this matter be approved subject to some revision
- Other options as determined by the City Commission



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

KIRK T. STEUDLE  
DIRECTOR

January 27, 2014

Ms. Cindy Grice, City Clerk/Treasurer  
City of Boyne City  
319 North Lake Street  
Boyne City, Michigan 49712

Dear Ms. Grice:

RE: MDOT Contract Number: 13-5603  
Control Section: STL 15029  
Job Number: 121005

Enclosed are the original and one copy of the above described contract between your organization and the Michigan Department of Transportation (MDOT). Please take time to read and understand this contract. If this contract meets with your approval, please complete the following checklist:

- \_\_\_\_\_ **Do not date the contracts.** MDOT will date the contracts when they are executed. A contract is not executed unless it has been signed by both parties.
- \_\_\_\_\_ **Secure the necessary signatures on the enclosed contracts.**
- \_\_\_\_\_ **Include two (2) certified resolutions.** The resolution should specifically name the officials who are authorized to sign the contract and include the contract number.
- \_\_\_\_\_ **Return the original and copy of the contract to:**

Attention: Kathy J. Fulton  
MDOT – Development Services Division, 2<sup>nd</sup> Floor  
425 West Ottawa Street, P.O. Box 30050  
Lansing, MI 48909

**In order to ensure that the work and payment for this project is not delayed, the contracts need to be returned within 35 days from the date of this letter. A copy of the executed contract will be forwarded to you.**

If you have any questions, please feel free to contact me at [fultonk@michigan.gov](mailto:fultonk@michigan.gov) or (517) 373-4161.

Sincerely,

Kathy J. Fulton  
Contract Monitoring/Reporting Technician  
Development Services Division

Enclosure

STP

DA

Control Section	STL 15029
Job Number	121005
Project	STP 1315(310)
Federal Item No.	RR 8583
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	13-5603

### PART I

THIS CONTRACT, consisting of PART I and PART II (Standard Agreement Provisions), is made and entered into this date of \_\_\_\_\_, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF BOYNE CITY, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY"; for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in the City of Boyne City, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated September 12, 2013, attached hereto and made a part hereof:

Hot mix asphalt cold milling and resurfacing work along Division Street from Front Street easterly to Pleasant Avenue and along Pleasant Avenue from Division Street to the south city limits; including storm sewer and pavement marking work; and all together with necessary related work.

WITNESSETH:

WHEREAS, pursuant to Federal law, monies have been provided for the performance of certain improvements on public roads; and

WHEREAS, the reference "FHWA" in PART I and PART II refers to the United States Department of Transportation, Federal Highway Administration; and

WHEREAS, the PROJECT, or portions of the PROJECT, at the request of the REQUESTING PARTY, are being programmed with the FHWA, for implementation with the use of Federal Funds under the following Federal program(s) or funding:

SURFACE TRANSPORTATION PROGRAM

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

2. The term "PROJECT COST", as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including any other costs incurred by the DEPARTMENT as a result of this contract, except for construction engineering and inspection.

No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering, construction materials testing, inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to administer on behalf of the REQUESTING PARTY all phases of the PROJECT including advertising and awarding the construction contract for the PROJECT or portions of the PROJECT. Such administration shall be in accordance with PART II, Section II of this contract.

Any items of the PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

4. The REQUESTING PARTY, at no cost to the PROJECT or to the DEPARTMENT, shall:

- A. Design or cause to be designed the plans for the PROJECT.
- B. Appoint a project engineer who shall be in responsible charge of the PROJECT and ensure that the plans and specifications are followed.
- C. Perform or cause to be performed the construction engineering, construction materials testing, and inspection services necessary for the completion of the PROJECT.

The REQUESTING PARTY will furnish the DEPARTMENT proposed timing sequences for trunkline signals that, if any, are being made part of the improvement. No timing

adjustments shall be made by the REQUESTING PARTY at any trunkline intersection, without prior issuances by the DEPARTMENT of Standard Traffic Signal Timing Permits.

5. The PROJECT COST shall be met in part by contributions by the Federal Government. Federal Surface Transportation Funds shall be applied to the eligible items of the PROJECT COST at the established Federal participation ratio equal to 77 percent. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

Any items of PROJECT COST not reimbursed by Federal Funds will be the sole responsibility of the REQUESTING PARTY.

6. No working capital deposit will be required for this PROJECT.

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses.

In the event of any discrepancies between PART I and PART II of this contract, the provisions of PART I shall prevail.

7. Upon completion of construction of the PROJECT, the REQUESTING PARTY will promptly cause to be enacted and enforced such ordinances or regulations as may be necessary to prohibit parking in the roadway right-of-way throughout the limits of the PROJECT.

8. The performance of the entire PROJECT under this contract, whether Federally funded or not, will be subject to the provisions and requirements of PART II that are applicable to a Federally funded project.

Buy America Requirements (23 CFR 365.410) shall apply to the PROJECT and will be adhered to, as applicable, by the parties hereto.

9. The REQUESTING PARTY certifies that a) it is a person under the Natural Resources and Environmental Protection Act, MCL 324.20101 et seq., as amended, (NREPA) and is not aware of and has no reason to believe that the property is a facility as defined in the NREPA; b) the REQUESTING PARTY further certifies that it has completed the tasks required by MCL 324.20126 (3)(h); c) it conducted a visual inspection of property within the existing right of way on which construction is to be performed to determine if any hazardous substances were present; and at sites on which historically were located businesses that involved hazardous

substances, it performed a reasonable investigation to determine whether hazardous substances exist. This reasonable investigation should include, at a minimum, contact with local, state and federal environmental agencies to determine if the site has been identified as, or potentially as, a site containing hazardous substances; d) it did not cause or contribute to the release or threat of release of any hazardous substance found within the PROJECT limits.

The REQUESTING PARTY also certifies that, in addition to reporting the presence of any hazardous substances to the Department of Environmental Quality, it has advised the DEPARTMENT of the presence of any and all hazardous substances which the REQUESTING PARTY found within the PROJECT limits, as a result of performing the investigation and visual inspection required herein. The REQUESTING PARTY also certifies that it has been unable to identify any entity who may be liable for the cost of remediation. As a result, the REQUESTING PARTY has included all estimated costs of remediation of such hazardous substances in its estimated cost of construction of the PROJECT.

10. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either state or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Department of Environmental Quality, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

11. If federal and/or state funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Department of Environmental Quality and the DEPARTMENT, shall make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the FHWA and/or the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

12. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the Federal Highway Administration pursuant to Title 23 of the United States Code.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT or its agents pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT or its agents shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT or its agents is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT or its agents does not relieve the REQUESTING PARTY and the local agencies, as applicable of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT or its agents is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.

13. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended, rests with the REQUESTING PARTY and other local agencies having respective jurisdiction.

14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.

16. The parties shall promptly provide comprehensive assistance and cooperation in defending and resolving any claims brought against the DEPARTMENT by the contractor, vendors or suppliers as a result of the DEPARTMENT'S award of the construction contract for the PROJECT. Costs incurred by the DEPARTMENT in defending or resolving such claims shall be considered PROJECT COSTS.

17. The DEPARTMENT shall require the contractor who is awarded the contract for the construction of the PROJECT to provide insurance in the amounts specified and in accordance with the DEPARTMENT'S current Standard Specifications for Construction and to:

- A. Maintain bodily injury and property damage insurance for the duration of the PROJECT.
- B. Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other county, county road commission, or municipality in whose jurisdiction the PROJECT is located, and their employees, for the duration of the PROJECT and to provide, upon request, copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume jurisdiction of the highway described as the PROJECT as a result of being named as an insured on the owner's protective liability insurance policy.
- C. Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current standard specifications for construction and to provide, upon request, copies of notices and reports prepared to those insured.

18. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolutions approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first above written.

CITY OF BOYNE CITY

MICHIGAN DEPARTMENT  
OF TRANSPORTATION

By \_\_\_\_\_  
Title:

By \_\_\_\_\_  
Department Director MDOT

By \_\_\_\_\_  
Title:



APPROVED BY  
  
\_\_\_\_\_  
Administrator  
Real Estate

1/27/14  
\_\_\_\_\_  
Date

September 12, 2013

EXHIBIT I

CONTROL SECTION	STL 15029
JOB NUMBER	121005
PROJECT	STP 1315(310)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$314,000
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$314,000
Less Federal Funds	<u>\$241,800</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ 72,200

NO DEPOSIT

DOT

TYPE B  
BUREAU OF HIGHWAYS  
03-15-93

PART II

STANDARD AGREEMENT PROVISIONS

SECTION I COMPLIANCE WITH REGULATIONS AND DIRECTIVES

SECTION II PROJECT ADMINISTRATION AND SUPERVISION

SECTION III ACCOUNTING AND BILLING

SECTION IV MAINTENANCE AND OPERATION

SECTION V SPECIAL PROGRAM AND PROJECT CONDITIONS

## SECTION I

### COMPLIANCE WITH REGULATIONS AND DIRECTIVES

- A. To qualify for eligible cost, all work shall be documented in accordance with the requirements and procedures of the DEPARTMENT.
- B. All work on projects for which reimbursement with Federal funds is requested shall be performed in accordance with the requirements and guidelines set forth in the following Directives of the Federal-Aid Policy Guide (FAPG) of the FHWA, as applicable, and as referenced in pertinent sections of Title 23 and Title 49 of the Code of Federal Regulations (CFR), and all supplements and amendments thereto.
  - 1. Engineering
    - a. FAPG (6012.1): Preliminary Engineering
    - b. FAPG (23 CFR 172): Administration of Engineering and Design Related Service Contracts
    - c. FAPG (23 CFR 635A): Contract Procedures
    - d. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
  - 2. Construction
    - a. FAPG (23 CFR 140E): Administrative Settlement Costs-Contract Claims
    - b. FAPG (23 CFR 140B): Construction Engineering Costs
    - c. FAPG (23 CFR 17): Recordkeeping and Retention Requirements for Federal-Aid Highway Records of State Highway Agencies
    - d. FAPG (23 CFR 635A): Contract Procedures
    - e. FAPG (23 CFR 635B): Force Account Construction
    - f. FAPG (23 CFR 645A): Utility Relocations, Adjustments and Reimbursement

- g. FAPG (23 CFR 645B): Accommodation of Utilities (PPM 30-4.1)
  - h. FAPG (23 CFR 655F): Traffic Control Devices on Federal-Aid and other Streets and Highways
  - i. FAPG (49 CFR 18.22): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments—Allowable Costs
3. Modification Or Construction Of Railroad Facilities
- a. FAPG (23 CFR 140I): Reimbursement for Railroad Work
  - b. FAPG (23 CFR 646B): Railroad Highway Projects
- C. In conformance with FAPG (23 CFR 630C) Project Agreements, the political subdivisions party to this contract, on those Federally funded projects which exceed a total cost of \$100,000.00 stipulate the following with respect to their specific jurisdictions:
- 1. That any facility to be utilized in performance under or to benefit from this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities issued pursuant to the requirements of the Federal Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended.
  - 2. That they each agree to comply with all of the requirements of Section 114 of the Federal Clean Air Act and Section 308 of the Federal Water Pollution Control Act, and all regulations and guidelines issued thereunder.
  - 3. That as a condition of Federal aid pursuant to this contract they shall notify the DEPARTMENT of the receipt of any advice indicating that a facility to be utilized in performance under or to benefit from this contract is under consideration to be listed on the EPA List of Violating Facilities.
- D. Ensure that the PROJECT is constructed in accordance with and incorporates all committed environmental impact mitigation measures listed in approved environmental documents unless modified or deleted by approval of the FHWA.
- E. All the requirements, guidelines, conditions and restrictions noted in all other pertinent Directives and Instructional Memoranda of the FHWA will apply to this contract and will be adhered to, as applicable, by the parties hereto.

## SECTION II

### PROJECT ADMINISTRATION AND SUPERVISION

- A. The DEPARTMENT shall provide such administrative guidance as it determines is required by the PROJECT in order to facilitate the obtaining of available federal and/or state funds.
- B. The DEPARTMENT will advertise and award all contracted portions of the PROJECT work. Prior to advertising of the PROJECT for receipt of bids, the REQUESTING PARTY may delete any portion or all of the PROJECT work. After receipt of bids for the PROJECT, the REQUESTING PARTY shall have the right to reject the amount bid for the PROJECT prior to the award of the contract for the PROJECT only if such amount exceeds by ten percent (10%) the final engineer's estimate therefor. If such rejection of the bids is not received in writing within two (2) weeks after letting, the DEPARTMENT will assume concurrence. The DEPARTMENT may, upon request, readvertise the PROJECT. Should the REQUESTING PARTY so request in writing within the aforesaid two (2) week period after letting, the PROJECT will be cancelled and the DEPARTMENT will refund the unused balance of the deposit less all costs incurred by the DEPARTMENT.
- C. The DEPARTMENT will perform such inspection services on PROJECT work performed by the REQUESTING PARTY with its own forces as is required to ensure compliance with the approved plans & specifications.
- D. On those projects funded with Federal monies, the DEPARTMENT shall as may be required secure from the FHWA approval of plans and specifications, and such cost estimates for FHWA participation in the PROJECT COST.
- E. All work in connection with the PROJECT shall be performed in conformance with the Michigan Department of Transportation Standard Specifications for Construction, and the supplemental specifications, Special Provisions and plans pertaining to the PROJECT and all materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. No extra work shall be performed nor changes in plans and specifications made until said work or changes are approved by the project engineer and authorized by the DEPARTMENT.

- F. Should it be necessary or desirable that portions of the work covered by this contract be accomplished by a consulting firm, a railway company, or governmental agency, firm, person, or corporation, under a subcontract with the REQUESTING PARTY at PROJECT expense, such subcontracted arrangements will be covered by formal written agreement between the REQUESTING PARTY and that party.

This formal written agreement shall: include a reference to the specific prime contract to which it pertains; include provisions which clearly set forth the maximum reimbursable and the basis of payment; provide for the maintenance of accounting records in accordance with generally accepted accounting principles, which clearly document the actual cost of the services provided; provide that costs eligible for reimbursement shall be in accordance with clearly defined cost criteria such as 49 CFR Part 18, 48 CFR Part 31, 23 CFR Part 140, OMB Circular A-87, etc. as applicable; provide for access to the department or its representatives to inspect and audit all data and records related to the agreement for a minimum of three years after the department's final payment to the local unit.

All such agreements will be submitted for approval by the DEPARTMENT and, if applicable, by the FHWA prior to execution thereof, except for agreements for amounts less than \$100,000 for preliminary engineering and testing services executed under and in accordance with the provisions of the "Small Purchase Procedures" FAPG (23 CFR 172), which do not require prior approval of the DEPARTMENT or the FHWA.

Any such approval by the DEPARTMENT shall in no way be construed as a warranty of the subcontractor's qualifications, financial integrity, or ability to perform the work being subcontracted.

- G. The REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, shall make such arrangements with railway companies, utilities, etc., as may be necessary for the performance of work required for the PROJECT but for which Federal or other reimbursement will not be requested.
- H. The REQUESTING PARTY, at no cost to the PROJECT, or the DEPARTMENT, shall secure, as necessary, all agreements and approvals of the PROJECT with railway companies, the Railroad Safety & Tariffs Division of the DEPARTMENT and other concerned governmental agencies other than the FHWA, and will forward same to the DEPARTMENT for such reviews and approvals as may be required.
- I. No PROJECT work for which reimbursement will be requested by the REQUESTING PARTY is to be subcontracted or performed until the DEPARTMENT gives written notification that such work may commence.

- J. The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of the work it agrees to undertake and perform.
- K. The REQUESTING PARTY shall pay directly to the party performing the work all billings for the services performed on the PROJECT which are authorized by or through the REQUESTING PARTY.
- L. The REQUESTING PARTY shall submit to the DEPARTMENT all paid billings for which reimbursement is desired in accordance with DEPARTMENT procedures.
- M. All work by a consulting firm will be performed in compliance with the applicable provisions of 1980 PA 299, Subsection 2001, MCL 339.2001; MSA 18.425(2001), as well as in accordance with the provisions of all previously cited Directives of the FHWA.
- N. The project engineer shall be subject to such administrative guidance as may be deemed necessary to ensure compliance with program requirement and, in those instances where a consultant firm is retained to provide engineering and inspection services, the personnel performing those services shall be subject to the same conditions.
- O. The DEPARTMENT, in administering the PROJECT in accordance with applicable Federal and State requirements and regulations, neither assumes nor becomes liable for any obligations undertaken or arising between the REQUESTING PARTY and any other party with respect to the PROJECT.
- P. In the event it is determined by the DEPARTMENT that there will be either insufficient Federal funds or insufficient time to properly administer such funds for the entire PROJECT or portions thereof, the DEPARTMENT, prior to advertising or issuing authorization for work performance, may cancel the PROJECT, or any portion thereof, and upon written notice to the parties this contract shall be void and of no effect with respect to that cancelled portion of the PROJECT. Any PROJECT deposits previously made by the parties on the cancelled portions of the PROJECT will be promptly refunded.
- Q. Those projects funded with Federal monies will be subject to inspection at all times by the DEPARTMENT and the FHWA.

## SECTION III

### ACCOUNTING AND BILLING

#### A. Procedures for billing for work undertaken by the REQUESTING PARTY:

1. The REQUESTING PARTY shall establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this contract, said records to be hereinafter referred to as the "RECORDS". Separate accounts shall be established and maintained for all costs incurred under this contract.

The REQUESTING PARTY shall maintain the RECORDS for at least three (3) years from the date of final payment of Federal Aid made by the DEPARTMENT under this contract. In the event of a dispute with regard to the allowable expenses or any other issue under this contract, the REQUESTING PARTY shall thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.

If any part of the work is subcontracted, the REQUESTING PARTY shall assure compliance with the above for all subcontracted work.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract, or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY, a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and, (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate

arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, as amended, including, but not limited to, the Single Audit Amendments of 1996 (31 USC 7501-7507).

The REQUESTING PARTY shall adhere to the following requirements associated with audits of accounts and records:

- a. Agencies expending a total of \$500,000 or more in federal funds, from one or more funding sources in its fiscal year, shall comply with the requirements of the federal Office of Management and Budget (OMB) Circular A-133, as revised or amended.

The agency shall submit two copies of:

The Reporting Package  
The Data Collection Form  
The management letter to the agency, if one issued by the audit firm

The OMB Circular A-133 audit must be submitted to the address below in accordance with the time frame established in the circular, as revised or amended.

b. Agencies expending less than \$500,000 in federal funds must submit a letter to the Department advising that a circular audit was not required. The letter shall indicate the applicable fiscal year, the amount of federal funds spent, the name(s) of the Department federal programs, and the CFDA grant number(s). This information must also be submitted to the address below.

c. Address: Michigan Department of Education  
Accounting Service Center  
Hannah Building  
608 Allegan Street  
Lansing, MI 48909

d. Agencies must also comply with applicable State laws and regulations relative to audit requirements.

e. Agencies shall not charge audit costs to Department's federal programs which are not in accordance with the OMB Circular A-133 requirements.

f. All agencies are subject to the federally required monitoring activities, which may include limited scope reviews and other on-site monitoring.

2. Agreed Unit Prices Work - All billings for work undertaken by the REQUESTING PARTY on an agreed unit price basis will be submitted in accordance with the Michigan Department of Transportation Standard Specifications for Construction and pertinent FAPG Directives and Guidelines of the FHWA.
3. Force Account Work and Subcontracted Work - All billings submitted to the DEPARTMENT for Federal reimbursement for items of work performed on a force account basis or by any subcontract with a consulting firm, railway company, governmental agency or other party, under the terms of this contract, shall be prepared in accordance with the provisions of the pertinent FHPM Directives and the procedures of the DEPARTMENT. Progress billings may be submitted monthly during the time work is being performed provided, however, that no bill of a lesser amount than \$1,000.00 shall be submitted unless it is a final

or end of fiscal year billing. All billings shall be labeled either "Progress Bill Number \_\_\_\_\_", or "Final Billing".

4. Final billing under this contract shall be submitted in a timely manner but not later than six months after completion of the work. Billings for work submitted later than six months after completion of the work will not be paid.
5. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with Federal monies, the DEPARTMENT will act as billing agent for the REQUESTING PARTY, consolidating said billings with those for its own force account work and presenting these consolidated billings to the FHWA for payment. Upon receipt of reimbursement from the FHWA, the DEPARTMENT will promptly forward to the REQUESTING PARTY its share of said reimbursement.
6. Upon receipt of billings for reimbursement for work undertaken by the REQUESTING PARTY on projects funded with non-Federal monies, the DEPARTMENT will promptly forward to the REQUESTING PARTY reimbursement of eligible costs.

B. Payment of Contracted and DEPARTMENT Costs:

1. As work on the PROJECT commences, the initial payments for contracted work and/or costs incurred by the DEPARTMENT will be made from the working capital deposit. Receipt of progress payments of Federal funds, and where applicable, State Critical Bridge funds, will be used to replenish the working capital deposit. The REQUESTING PARTY shall make prompt payments of its share of the contracted and/or DEPARTMENT incurred portion of the PROJECT COST upon receipt of progress billings from the DEPARTMENT. Progress billings will be based upon the REQUESTING PARTY'S share of the actual costs incurred as work on the PROJECT progresses and will be submitted, as required, until it is determined by the DEPARTMENT that there is sufficient available working capital to meet the remaining anticipated PROJECT COSTS. All progress payments will be made within thirty (30) days of receipt of billings. No monthly billing of a lesser amount than \$1,000.00 will be made unless it is a final or end of fiscal year billing. Should the DEPARTMENT determine that the available working capital exceeds the remaining anticipated PROJECT COSTS, the DEPARTMENT may reimburse the REQUESTING PARTY such excess. Upon completion of the PROJECT, payment of all PROJECT COSTS, receipt of all applicable monies from the FHWA, and completion of necessary audits, the REQUESTING PARTY will be reimbursed the balance of its deposit.

2. In the event that the bid, plus contingencies, for the contracted, and/or the DEPARTMENT incurred portion of the PROJECT work exceeds the estimated cost therefor as established by this contract, the REQUESTING PARTY may be advised and billed for the additional amount of its share.

C. General Conditions:

1. The DEPARTMENT, in accordance with its procedures in existence and covering the time period involved, shall make payment for interest earned on the balance of working capital deposits for all projects on account with the DEPARTMENT. The REQUESTING PARTY in accordance with DEPARTMENT procedures in existence and covering the time period involved, shall make payment for interest owed on any deficit balance of working capital deposits for all projects on account with the DEPARTMENT. This payment or billing is processed on an annual basis corresponding to the State of Michigan fiscal year. Upon receipt of billing for interest incurred, the REQUESTING PARTY promises and shall promptly pay the DEPARTMENT said amount.
2. Pursuant to the authority granted by law, the REQUESTING PARTY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified in PART I and PART II. If the REQUESTING PARTY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the REQUESTING PARTY and the State Treasurer of the State of Michigan or such other state officer or agency having charge and control over disbursement of the Michigan Transportation Fund, pursuant to law, of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, said State Treasurer or other state officer or agency is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the REQUESTING PARTY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the REQUESTING PARTY with payment thereof, and to notify the REQUESTING PARTY in writing of such fact.
3. Upon completion of all work under this contract and final audit by the DEPARTMENT or the FHWA, the REQUESTING PARTY promises to promptly repay the DEPARTMENT for any disallowed items of costs previously disbursed by the DEPARTMENT. The REQUESTING PARTY pledges its future receipts from the Michigan Transportation Fund for repayment of all disallowed items and, upon failure to make repayment for any disallowed items within ninety (90) days of demand made by the DEPARTMENT, the DEPARTMENT is hereby authorized to withhold an equal amount from the REQUESTING PARTY'S share of any future distribution of Michigan Transportation Funds in settlement of said claim.

4. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT and upon completion of the PROJECT, payment of all items of PROJECT COST, receipt of all Federal Aid, if any, and completion of final audit by the DEPARTMENT and if applicable, by the FHWA, shall make final accounting to the REQUESTING PARTY. The final PROJECT accounting will not include interest earned or charged on working capital deposited for the PROJECT which will be accounted for separately at the close of the State of Michigan fiscal year and as set forth in Section C(1).
  
5. The costs of engineering and other services performed on those projects involving specific program funds and one hundred percent (100%) local funds will be apportioned to the respective portions of that project in the same ratio as the actual direct construction costs unless otherwise specified in PART I.

## SECTION IV

### MAINTENANCE AND OPERATION

A. Upon completion of construction of each part of the PROJECT, at no cost to the DEPARTMENT or the PROJECT, each of the parties hereto, within their respective jurisdictions, will make the following provisions for the maintenance and operation of the completed PROJECT:

1. All Projects:

Properly maintain and operate each part of the project, making ample provisions each year for the performance of such maintenance work as may be required, except as qualified in paragraph 2b of this section.

2. Projects Financed in Part with Federal Monies:

a. Sign and mark each part of the PROJECT, in accordance with the current Michigan Manual of Uniform Traffic control Devices, and will not install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the FHWA, pursuant to 23 USC 109(d).

b. Remove, prior to completion of the PROJECT, all encroachments from the roadway right-of-way within the limits of each part of the PROJECT.

With respect to new or existing utility installations within the right-of-way of Federal Aid projects and pursuant to FAPG (23 CFR 645B): Occupancy of non-limited access right-of-way may be allowed based on consideration for traffic safety and necessary preservation of roadside space and aesthetic quality. Longitudinal occupancy of non-limited access right-of-way by private lines will require a finding of significant economic hardship, the unavailability of practicable alternatives or other extenuating circumstances.

c. Cause to be enacted, maintained and enforced, ordinances and regulations for proper traffic operations in accordance with the plans of the PROJECT.

d. Make no changes to ordinances or regulations enacted, or traffic controls installed in conjunction with the PROJECT work without prior review by the DEPARTMENT and approval of the FHWA, if required.

- B. On projects for the removal of roadside obstacles, the parties, upon completion of construction of each part of the PROJECT, at no cost to the PROJECT or the DEPARTMENT, will, within their respective jurisdictions, take such action as is necessary to assure that the roadway right-of-way, cleared as the PROJECT, will be maintained free of such obstacles.
- C. On projects for the construction of bikeways, the parties will enact no ordinances or regulations prohibiting the use of bicycles on the facility hereinbefore described as the PROJECT, and will amend any existing restrictive ordinances in this regard so as to allow use of this facility by bicycles. No motorized vehicles shall be permitted on such bikeways or walkways constructed as the PROJECT except those for maintenance purposes.
- D. Failure of the parties hereto to fulfill their respective responsibilities as outlined herein may disqualify that party from future Federal-aid participation in projects on roads or streets for which it has maintenance responsibility. Federal Aid may be withheld until such time as deficiencies in regulations have been corrected, and the improvements constructed as the PROJECT are brought to a satisfactory condition of maintenance.

## SECTION V

### SPECIAL PROGRAM AND PROJECT CONDITIONS

- A. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the acquisition of right-of-way must be under construction by the close of the twentieth (20th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that right-of-way.
- B. Those projects for which the REQUESTING PARTY has been reimbursed with Federal monies for the performance of preliminary engineering must be under construction by the close of the tenth (10th) fiscal year following the fiscal year in which the FHWA and the DEPARTMENT projects agreement covering that work is executed, or the REQUESTING PARTY may be required to repay to the DEPARTMENT, for forwarding to the FHWA, all monies distributed as the FHWA'S contribution to that preliminary engineering.
- C. On those projects funded with Federal monies, the REQUESTING PARTY, at no cost to the PROJECT or the DEPARTMENT, will provide such accident information as is available and such other information as may be required under the program in order to make the proper assessment of the safety benefits derived from the work performed as the PROJECT. The REQUESTING PARTY will cooperate with the DEPARTMENT in the development of reports and such analysis as may be required and will, when requested by the DEPARTMENT, forward to the DEPARTMENT, in such form as is necessary, the required information.
- D. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.
- E. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

**APPENDIX A**  
**PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS**

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

**APPENDIX B**  
**TITLE VI ASSURANCE**

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:
  - a. Withholding payments to the contractor until the contractor complies; and/or
  - b. Canceling, terminating, or suspending the contract, in whole or in part.

6. Incorporation of Provisions: The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

**CITY OF BOYNE CITY**

**To:** Michael Cain, City Manager *Mc*  
**From:** *DM* Dan Meads, W/WW Superintendent  
**Date:** 3/6/2014  
**Subject:** Engineering and Sewer Addition to the Pleasant Valley Project

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**Background**

The City is planning to resurface part of Division Street, and Pleasant Valley from Division to Prospect Street. The sanitary sewer on Pleasant from Trent to Prospect is in poor condition and on our list for replacement. This was not originally a concern or included in the project because the resurfacing of the street was intended as a short term fix of up to seven years until a complete project could be undertaken.

The addition of new storm sewer to the Pleasant Valley portion of the project is much needed and should move forward, but caused concern because of the proximity to an ageing sewer that is on the replacement schedule, and has already collapsed in one area.

Because of these concerns we had the sewer in that area televised to verify its condition. The televising verified the need for replacement of this sewer. We could only access about 80ft. north of Prospect Street and 300 ft. going south from Ann Street, leaving about 500ft. we could not get the camera through. We were able to inspect the entire line from Trent back to Ann Street. Overall the sewer has considerable root infiltration into the pipe and several areas where it is cracked and could potentially collapse during construction of the storm sewer.

After verification of the condition of the sewer on Pleasant Valley I requested an estimate from Capital Consultants for the cost to replace the sewer in that project area, and a proposal for Engineering. Both are attached.

**Discussion**

Construction in this area is difficult because of the detours needed while working between Prospect and Ann Streets. I believe that to minimize disruptions to the community it would be better to place the needed infrastructure in one project period rather than in two projects separated by only a few years.

The estimated cost to replace the sanitary sewer from Trent to Prospect Street is \$120,000.00, and the cost for design and bidding services is \$9,800.00. The funds for design and bidding are available within the FYE 2014 budget, and the work needs to be completed before the end of this budget year. The cost for construction if approved is being included in next year's FYE 2015 proposed budget.

The design for replacement of this section of sewer is needed now or in the near future, and to keep this year's planned project on track I believe it should be done now.

### **Available Options**

The Commission may choose to postpone design of this sewer to a later date, or accept the proposal from Capital Consultants for \$9,800.00 for design and bidding services for the replacement of sanitary sewer on Pleasant Valley and authorize the City Manager to complete the necessary paperwork, or refer this back to staff with directions.

### **Financial**

There are available funds in the FYE 14 budget for the design services.

### **Recommendation**

I recommend that the Commission accept the proposal from Capital Consultants for design and bidding of the Pleasant Valley sewer addition for \$9,800.00 and authorize the City Manager to sign the contract.



March 6, 2014

Mr. Dan Meads, Water and Wastewater Superintendent  
City of Boyne City  
319 N. Lake Street  
Boyne City, MI 49712

RE: Pleasant Avenue and Division Street Resurface Project  
Amendment #2 for Engineering Design and Construction Phase Services

Dear Mr. Meads:

Per our on-going discussions, the City would like to complete the reconstruction of the sanitary sewer on Pleasant Avenue from Trent Street to Prospect Street. Based on discussions with MDOT, this would best be accomplished by a separate construction project prior to the construction of the MDOT Local Agency mill and resurfacing project. The sanitary sewer is in poor condition and is fairly close to the storm sewer that is going to be replaced, and therefore it makes sense to have the sanitary sewer replaced at this time. This amendment is for design, bidding and construction phase services specific to the sanitary sewer replacement constructed as a separate project prior to the MDOT project.

We have been in contact with MDOT. Because of the funding provisions, it is not possible to add the construction of the sanitary sewer to the MDOT Local Agency project, nor is it practical to construct the sanitary sewer at the same time as the MDOT project without jeopardizing funding.

The Pleasant/Division resurfacing project is currently scheduled to begin April 21 and complete by May 28. Constructing the sanitary sewer in advance would like cause a 4 week delay to the resurfacing project, so final completion is likely by the end of June.

The cost to replace approximately 1,200 feet of 8" sanitary sewer, 15 service leads and 5 sanitary manholes is estimated at \$110,000.

We propose the following added fee amendments for this work:

Design Phase Services	\$8,000
Bidding or Negotiating Phase	\$1,800
Construction Phase Services	\$10,200

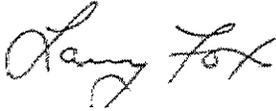
If this amendment is acceptable, please sign in the space provided below and return one copy to our office as your authorization for us to proceed with this work.

Mr. Dan Meads  
March 6, 2014  
Page 2 of 2

C2AE greatly appreciates the opportunity to submit this proposal for consideration and looks forward to assisting you with this project. Should you have questions or comments, please contact us at your convenience. Thank you.

Respectfully,

C2AE



Larry M. Fox, P.E.  
Principal, Director of Northern Municipal Infrastructure

Approved By:  
City of Boyne City

By: \_\_\_\_\_

Date: \_\_\_\_\_

LMF/keb

[http://sharepoint.c2ae.com/marketing/Proposals/2013/Boyne City Pleasant\\_Division/Amend2\\_BC\\_Div\\_Pleasant.doc](http://sharepoint.c2ae.com/marketing/Proposals/2013/Boyne City Pleasant_Division/Amend2_BC_Div_Pleasant.doc)

## Dan Meads

---

**From:** Fox, Larry <larry.fox@C2AE.COM>  
**Sent:** Thursday, March 06, 2014 2:18 PM  
**To:** Dan Meads (dmeads@utmi.net)  
**Cc:** Michael Cain; Andy Kovolski; Bartlett, Karen  
**Subject:** RE: Pleasant Sewer  
**Attachments:** 140306\_Amend2\_BC\_Div\_Pleasant.pdf

Sent prematurely by accident. Here is the attachment.

I will be available tomorrow morning for meeting or teleconference.

Larry M. Fox, P.E.  
Principal, Director of Michigan Municipal Infrastructure  
C2AE  
123 W. Main Street, Ste 200  
Gaylord, MI 49735  
P: 989-732-8131 Ext. 26  
F: 989-732-2714  
C: 989-619-7712  
E: [larry.fox@c2ae.com](mailto:larry.fox@c2ae.com)

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**Architects, engineers and planners delivering projects that thrive**

---

**From:** Fox, Larry  
**Sent:** Thursday, March 06, 2014 2:16 PM  
**To:** Dan Meads ([dmeads@utmi.net](mailto:dmeads@utmi.net))  
**Cc:** Michael Cain; Andy Kovolski; Bartlett, Karen  
**Subject:** Pleasant Sewer

Dan, per your request attached is a proposal for the design, bidding and construction engineering for the Pleasant Avenue sanitary sewer replacement from Trent to Prospect. I have re-run the numbers as a stand alone project and have a preliminary estimate of \$110,000.

I have had another discussion with Judy Browning regarding the options. If you want to replace the sanitary, it appears that the best option is to construct it via a separate contract in advance of the MDOT Local Agency project. She does not think that it will be a problem to postpone the construction of the mill and fill project to accommodate this. Based on the current frost and snow conditions it is likely that there will need to be a time extension for that project regardless.

Other options she is investigating:

- Rejecting the current bids, add the sanitary sewer to the plans and rebid (She is going to talk to Bruce Kadzban about this on Monday when he returns. I am doubtful they would even allow this because we asked the same question before prior to the original bidding).
- Deleting the storm sewer from the mill and fill project without rebidding. She will look into this, but initially it raises a lot of red flags.

The two options that have been ruled out:

- Adding the sanitary sewer to the MDOT project by change order.
- Constructing the sanitary sewer at the same time as the MDOT project, utilizing a separate contract with the contractor.

Let me know if you have any questions.

Larry M. Fox, P.E.  
Principal, Director of Michigan Municipal Infrastructure  
C2AE  
123 W. Main Street, Ste 200  
Gaylord, MI 49735  
P: 989-732-8131 Ext. 26  
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Boyer City Pleasant/Division  
 As-Bld Cost for Street Resurfacing and Storm Sewer  
 Estimated Cost for Sanitary Sewer

	Pay Item	Description	Units	Quantity	Unit Price	As-Bld		Estimated	
						Street/Storm	Total	Sewer Quant	Sewer Amount
	1	1500001 Mobilization, Max. _____	LS	1	\$19,375.00	\$19,375.00		\$7,000.00	
	2	2030011 Dr Structure, Rem	Ea	1	\$100.00	\$100.00		\$0.00	
	3	2030015 Sewer, Rem, Less than 24 Inch	Ft	350	\$4.00	\$1,400.00		\$0.00	
	4	2040050 Pavt, Rem	Syd	33	\$24.00	\$792.00		\$0.00	
	5	2080020 Erosion Control, Inlet Protection, Fabric Drop	Ea	17	\$70.00	\$1,190.00		\$0.00	
	6	3020016 Aggregate Base, 6 Inch	Syd	2100	\$4.50	\$9,450.00		\$0.00	
Rev	3020016	Aggregate Base, 6 Inch, Sewer Only	Syd	0	\$6.00	\$0.00	165	\$990.00	
New	3070028	Approach, Cl II, 6"	Syd		\$6.00		330	\$1,980.00	
	7	3070121 Shoulder, Cl II	Ton	5	\$44.76	\$223.80		\$0.00	
	8	4020033 Sewer, Cl A, 12 Inch, Tr Det B	Ft	1386	\$23.50	\$32,571.00		\$0.00	
	9	4020035 Sewer, Cl A, 18 Inch, Tr Det B	Ft	347	\$22.00	\$7,634.00		\$0.00	
	10	4021275 Video Taping Sewer and Culv Pipe	Ft	1733	\$1.18	\$2,044.94	1350	\$1,593.00	
	11	4030005 Dr Structure Cover, Adj, Case 1	Ea	13	\$250.00	\$3,250.00		\$0.00	
	12	4030010 Dr Structure Cover, Type B	Ea	5	\$460.00	\$2,300.00		\$0.00	
	13	4030050 Dr Structure Cover, Type K	Ea	8	\$630.00	\$5,040.00		\$0.00	
	14	4030200 Dr Structure, 24 Inch dia	Ea	8	\$850.00	\$6,800.00		\$0.00	
	15	4030210 Dr Structure, 48 Inch dia	Ea	3	\$1,200.00	\$3,600.00		\$0.00	
	16	4030230 Dr Structure, 72 Inch dia	Ea	3	\$2,250.00	\$6,750.00		\$0.00	
	17	4030318 Dr Structure, Tap, 18 Inch	Ea	1	\$200.00	\$200.00		\$0.00	
	18	5010002 Cold Milling HMA Surface	Syd	18115	\$0.75	\$13,586.25		\$0.00	
	19	5010005 HMA Surface, Rem	Syd	2220	\$3.74	\$8,302.80	165	\$617.10	
	20	5010050 HMA, 4E1	Ton	240	\$70.00	\$16,800.00		\$0.00	
Rev	5010050	HMA, 4E1	Ton		\$120.00	\$0.00	40	\$4,800.00	
	21	5010056 HMA, 5E1	Ton	1645	\$61.50	\$101,167.50		\$0.00	
Rev	5010056	HMA, 5E1	Ton		\$120.00	\$0.00	30	\$3,600.00	
	22	5010061 HMA Approach	Ton	20	\$130.00	\$2,600.00	5.5	\$715.00	
	23	8010005 Driveway, Nonreinf Conc, 6 Inch	Syd	33	\$78.00	\$2,574.00		\$0.00	
	24	8030034 Sidewalk Ramp, Conc, 4 Inch	Sft	400	\$6.75	\$2,700.00		\$0.00	
	25	8037001 Detectable Warning Surface, Special	Ft	40	\$65.00	\$2,600.00		\$0.00	
	26	8050010 Curb Sloped, HMA	Ft	8370	\$0.25	\$2,092.50		\$0.00	
	27	8110024 Pavt Mrkg, Ovly Cold Plastic, 6 Inch, Crosswalk	Ft	98	\$2.90	\$284.20		\$0.00	
	28	8110045 Pavt Mrkg, Ovly Cold Plastic, 24 Inch, Stop Bar	Ft	24	\$7.90	\$189.60		\$0.00	
	29	8110231 Pavt Mrkg, Waterborne, 4 Inch, White	Ft	1740	\$0.20	\$348.00		\$0.00	
	30	8110232 Pavt Mrkg, Waterborne, 4 Inch, Yellow	Ft	11290	\$0.10	\$1,129.00		\$0.00	
	31	8120012 Barricade, Type III, High Intensity, Double Sided, Lighted, Furn	Ea	20	\$80.00	\$1,600.00		\$0.00	
	32	8120013 Barricade, Type III, High Intensity, Double Sided, Lighted, Oper	Ea	20	\$20.00	\$400.00		\$0.00	
	33	8120140 Lighted Arrow, Type C, Furn	Ea	4	\$285.00	\$1,140.00		\$0.00	
	34	8120141 Lighted Arrow, Type C, Oper	Ea	4	\$115.00	\$460.00		\$0.00	
	35	8120170 Minor Traf Devices	LS	1	\$13,800.00	\$13,800.00		\$10,000.00	
	36	8120231 Pavt Mrkg, Type NR, Tape, 4 Inch, Yellow, Temp	Ft	600	\$0.21	\$126.00		\$0.00	
	37	8120250 Plastic Drum, High Intensity, Furn	Ea	40	\$15.00	\$600.00		\$0.00	
	38	8120251 Plastic Drum, High Intensity, Oper	Ea	40	\$1.00	\$40.00		\$0.00	
	39	8120350 Sign, Type B, Temp, Prismatic, Furn	Sft	1338	\$4.00	\$5,352.00		\$0.00	
	40	8120351 Sign, Type B, Temp, Prismatic, Oper	Sft	1338	\$1.00	\$1,338.00		\$0.00	
	41	8120370 Traffic Regulator Control	LS	1	\$348.39	\$348.39		\$0.00	
	42	8140010 Paved Ditch, HMA	Syd	75	\$30.00	\$2,250.00		\$0.00	
	43	8167011 Slope Restoration, Modified	Syd	975	\$6.50	\$6,337.50		\$0.00	
Rev	8167011	Slope Restoration, Modified	Syd		\$3.50	\$0.00	2200	\$7,700.00	
	44	8210001 Monument Box	Ea	1	\$262.18	\$262.18		\$0.00	
	45	8210005 Monument Box Adjust	Ea	1	\$137.51	\$137.51		\$0.00	
	46	8210010 Monument Preservation	Ea	1	\$390.00	\$390.00		\$0.00	
	47	8237001 Water Service, 1 Inch	Ft	100	\$30.00	\$3,000.00		\$0.00	
New	8237001	Sanitary Manhole with Casting	Ea		\$2,500.00	\$0.00	5	\$12,500.00	
New	8237001	Sanitary Sewer, Cl A, 8 Inch, Tr Det B	Ft		\$28.00	\$0.00	1350	\$37,800.00	
	48	8237001 Sanitary Sewer, Cl A, 6 Inch, Tr Det B	Ft	100	\$33.00	\$3,300.00	462	\$15,246.00	
	49	8237050 Water Main Relocation	Ea	1	\$4,300.00	\$4,300.00		\$0.00	
	50	8237050 Water Shut Off, Adj	Ea	6	\$120.00	\$720.00		\$0.00	
		<b>Subtotal</b>				<b>\$302,996.17</b>		<b>\$104,541.10</b>	
					Contingency (5%)			\$5,227	
					<b>Total Construction</b>	<b>\$302,996.17</b>		<b>\$109,768</b>	
					Design Engineering	\$17,700.00		\$8,000	
					Bidding Engineering	\$0.00		\$1,800	
					Construction Engineering	\$21,350.00		\$10,200	
					<b>Total Engineering</b>	<b>\$39,050.00</b>		<b>\$20,000</b>	
					<b>Total Project Cost</b>	<b>\$342,046.17</b>		<b>\$129,768</b>	

Denotes new or revised pay item

**MEMO**

Date: March 7, 2014  
To: Michael Cain, City Manager  
From: Annie Doyle, Asst. Planner



**Subject: Community Growth Grant**

---

Attached please find background information from the Northwest Michigan Council of Governments (NWMCOG) regarding a grant application opportunity we may wish to take advantage of. The grant places an emphasis on placemaking and “creating conditions for further investment in the local economy”. In our current Trail Towns development process, recreational trails leading into the community have been identified that will bring hikers, bikers, kayakers, canoes, etc. into the downtown area and to the local businesses. A key part of this design process is creating a centrally located trail head that provides information about what people can do once they are in our City. Both the Trail Town committee and the Parks and Recreation Commission have recommended Old City Park as this location. Our suggested grant proposal includes adding amenities to Old City Park and additional directional signage that will facilitate people going to the local businesses and recreational areas and also provide information about Boyne City in general.

**Staff is recommending that we submit a project requesting the maximum \$7,500 for amenities toward the creation of a recreational trail head in Old City Park and associated way-finding signage.** The specifics included in the request are as follows:

- 1.) Renovated Kiosk - Renovate the old Chamber of Commerce kiosk to display relevant community information such as business locations, restrooms, other places of interest, recreational facilities, recreational trail routes throughout the city and community events.
- 2.) Signage – Way-finding signs that direct people toward City facilities/businesses/recreational sites.
- 3.) WI-FI – Provided in the park to promote the functionality of the location as a resting/stopping location and information gathering site.

The estimated project budget would look something like this:

<b>Kiosk:</b>	<b>\$1,000*</b>
<b>Signage:</b>	<b>\$10,000</b>
<b>WI-FI:</b>	<b>\$4,000</b>
<b>TOTAL:</b>	<b>\$15,000</b>

<b>Grant:</b>	<b>\$7,500</b>
<b>Required Local Match:</b>	<b>\$7,500</b>

*\* Volunteers, Tom Neidhamer and The Woodshop, have offered to donate the labor for renovation of the Kiosk*

Numbers above may vary as estimates are received but the total amount, grant amount and local match should not increase.

We believe the combination of improvements will make for a highly competitive grant while also providing a feature that will encourage local economic growth and promote the many opportunities for shopping, dining and recreation that the City has to offer.

RECOMMENDATION: That the City Commission approve this project and application and authorize staff to complete and submit the appropriate application.

OPTIONS:

- Suggest other projects, parks or uses.
- Take no action
- Deny the request
- Other option as determined by the Commission.



## MICHIGAN REGIONAL PROSPERITY INITIATIVE: COMMUNITY GROWTH GRANTS PROGRAM

Release Date: February 14, 2014

Due Date: March 21, 2014

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Building on the success of the New Designs for Growth Community Growth Grants Program, which has been providing direct financial and technical assistance support to communities for planning and action-oriented projects in the six county Grand Vision region, the Regional Prosperity Initiative's Community Growth Grants Program represents a geographic expansion to include all of northwest lower Michigan. These counties include Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford Counties. This grant program is one component of northwest lower Michigan's response to the Governor's state-wide Regional Prosperity Initiative that was signed into law as a part of the FY 2014 budget (59 PA 2013). The Regional Prosperity Initiative's goal is to encourage local private, public and non-profit partners to create vibrant regional economies through collaboration and local decision making.

Funding for the program is provided by a State of Michigan Regional Prosperity Initiative Grant (Michigan Department of Technology, Management, & Budget) received by the Northwest Michigan Council of Governments with support from the Traverse City Area Chamber of Commerce, the Northern Lakes Economic Alliance, and the Alliance for Economic Success with additional financial support from the W. K. Kellogg Foundation (in support of the Grand Vision). This program, by providing direct financial and technical assistance support to communities for planning, collaboration, local decision-making for the purposes of action-oriented projects, will enhance our communities' sense of place and build the foundation for a stronger regional economy.

**Grants of up to \$7,500 (provided as cash and/or technical assistance) will be made available on a competitive basis to city, village, township, and county governments from the ten-county (NWMCOG/Northwest Prosperity Region #2) region.**

### Purpose

The Regional Prosperity Initiative Community Growth Grants Program is intended to strengthen our region by removing barriers and creating incentives for greater public and private sector investment in our region. Successful projects will create the conditions for sustainable and efficient growth and development by implementing strategies that are consistent with local values, community goals. Successful applicants are also likely to demonstrate linkages to principles within the Grand Vision ([www.thegrandvision.org](http://www.thegrandvision.org)) and/or New Designs for Growth ([www.newdesignsforgrowth.org](http://www.newdesignsforgrowth.org)).

## Project Application and Selection

All city, township, village, and county governments in Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford Counties are eligible to apply. The application can be for cash and/or technical assistance.

The NWMCOG is accepting applications in the form of clear and concise proposals of no more than 4 pages. Proposals should contain all of the following:

- **Purpose Statement.** Summarize the purpose of the project.
- **Background and Need.** Why did you to apply for this grant? What is the need for this activity?
- **Project Goals and Activities.** In a brief statement, please identify the project goals. What do you hope to achieve? What activities will be completed to meet the community's needs? Who will complete the work?
- **Participant Information.** Describe your community's organizational structure, including staff capacity and leadership. Who are the partners and how will they participate in the project?
- **Project Area.** Please provide a brief description of the project. *Maps and conceptual drawings do not count towards page count.*
- **Project Commitment.** The proposal must include a commitment to provide either cash or in-kind match within one month of project start-up, as well as a commitment to participate in the Northwest Prosperity Region's Growth and Investment Working group.
- **Innovation.** Does your program/project incorporate a new approach or methodology?
- **Community Impact.** What will be different in the community if your project is successful? How will the outcomes of the project have a long-term community benefit?
- **Performance Measures.** How are the impacts of this activity measurable?

An application review committee of the Region 2 Collaborative Development Council (CDC) will evaluate all applications received objectively and with use of a scoring rubric. The success of an application will be determined by its ability to demonstrate a clear linkage to regional initiatives, completeness and clarity of purpose, the likelihood of project success, level of local commitment, and most importantly how the proposal will create the conditions for further investment.

Please note that all grant recipients will be required to provide a representative to participate monthly in the Northwest Prosperity Region's Growth and Investment Working Group.

For questions regarding this grant opportunity, please contact Scott Gest by email ([scottgest@nwm.cog.mi.us](mailto:scottgest@nwm.cog.mi.us)) or phone (231-929-5091).

### To Apply:

Grant applications must be received no later than 4 p.m. on March 21, 2014. Please submit applications as Adobe Acrobat .pdf documents (preferred method), to [scottgest@nwm.cog.mi.us](mailto:scottgest@nwm.cog.mi.us) or mail to:

Northwest Michigan Council of Governments  
Attn: Scott Gest, Regional Planner  
PO Box 506  
Traverse City, MI 49685

**CITY OF BOYNE CITY**

**To:** Michael Cain, City Manager   
**From:** *Dm* Dan Meads, W/WW Superintendent  
**Date:** 3/6/2014  
**Subject:** Cross Connection Control Contract

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**Background**

The City established its cross connection control program and ordinance in December of 2000. At that time the City contracted with HydroDesigns to perform site inspections at all commercial and industrial sites in the City, and manage our program. We have continued this contract on an annual basis since that time.

**Discussion**

In order to verify that the City is receiving fair value for services, we regularly check pricing with other vendors providing similar products or services. I was aware of two additional companies that were doing cross connection inspections, and contacted the MDEQ to see if they had any additional recommendations. They gave me the same companies. Following this conversation I contacted each of the three companies and requested quotes for the management of our cross connection control program.

I received proposals for an annual contract from two of the companies contacted. HydroDesigns of Troy Michigan provided a proposal for the amount of \$4,200.00 the same amount as last year, and H2O in motion (Offices in Marquette and Harbor Springs) for \$3,600.00. The third did not return my calls for several weeks and did not provide a quote. Both of the companies that did provide proposals are well qualified to provide this service. Copies of both proposals are available on line at the City web site, or at City Hall for review.

**Available Options**

The commission may choose to maintain our existing contract with HydroDesigns for \$4,200.00, or accept the proposal from H2O in motion for \$3,600.00 and authorize the City Manager to complete the necessary paperwork, or refer this back to staff with directions.

**Financial**

This item is included in the FYE 15 budget, and the price is below the amount budgeted.

**Recommendation**

I recommend that the commission accept the proposal from H2O in motion for \$3,600.00 and authorize the City Manager to sign the contract.

Proposal by:



For:

**Boyne City**

Cross Connection Control Program

Phone: (906) 273-1568

Fax: (906) 273-2274

Tax ID Number: 20-1286503

DUNS Number: 008946815

Professional Engineering License Number: 6201029580



## **CONTACT INFORMATION**

Troy Gallagher, President  
906.273.1568 Marquette, Michigan office  
231.242.0069 Harbor Springs, Michigan office  
906.273.2274 fax  
[troy@h2oinmotion.com](mailto:troy@h2oinmotion.com)  
[www.h2oinmotion.com](http://www.h2oinmotion.com)

Mailing address:  
102 W. Washington Street  
Suite 213  
Marquette, MI 49855

## **OFFICE LOCATIONS**

102 W. Washington Street, Suite 213, Marquette, MI 49855  
906.273.1568; fax 906.273.2274

8288 S. Pleasantview Road, Harbor Springs, MI 49740  
231.242.0069; fax 906.273.2274

3236 E. Chandler Blvd., #1076, Phoenix, AZ 85048  
906.273.1568; fax 906.273.2274

## **INSURANCE COVERAGE**

H<sub>2</sub>O in Motion carries a general liability insurance policy of \$2,000,000 general aggregate, professional liability of \$2,000,000 general aggregate, worker's compensation insurance, and commercial automobile insurance.



January 7, 2014

Dan Meads, Water/Wastewater Superintendent  
Boyne City  
319 N. Lake St.  
Boyne City, MI 49712

Re: Cross Connection Control Program

Dear Mr. Meads:

H<sub>2</sub>O in Motion seeks to offer cross connection control program services to Boyne City. H<sub>2</sub>O in Motion is compiled of professionals who have extensive expertise in cross connection control programs. The cross connection control plan will provide the City with the opportunity to continue to meet its obligations pursuant to the Safe Drinking Water Act in relation to cross connection control. Based on our expert staff members' collective experience of creating and managing cross connection control programs for municipalities in Michigan for over 30 years, we are confident we can provide you with an excellent program that will meet the needs of the State of Michigan and the City of Boyne City.

Thank you for your time in considering our team's proposal. Please call us at anytime if you require any further information.

Respectfully,

A handwritten signature in black ink that reads "Troy R. Gallagher". The signature is written in a cursive, flowing style.

Troy R. Gallagher, President  
H<sub>2</sub>O in Motion, Inc.  
Enclosures

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## **A. Introduction**

H<sub>2</sub>O in Motion is composed of professionals who have extensive expertise in the operation, engineering, safety, cross connection control, maintenance, and management services of municipal and industrial water and wastewater treatment facilities. We specialize in providing operational and technical support to municipalities in water and wastewater treatment along with distribution and collection systems.

H<sub>2</sub>O in Motion is made up of several key staff members who have worked many years in the water and wastewater sector over their careers. Our team is composed of operators, mechanical support personnel, engineers, and utility management professionals who are capable of providing our clients with exceptional support in the full range of water and wastewater system needs. H<sub>2</sub>O in Motion provides:

- Operations management, consulting, and training
- Cross connection control programs and inspection
- Design engineering
- Troubleshooting and technical services
- ASSET management for water and wastewater treatment systems
- O&M manual creation/support
- Process control support
- Compliance reporting/permitting
- Sampling and analysis
- Facility planning
- Water and Sewer CAD design
- Regulatory compliance
- Water reuse
- Biosolids management

H<sub>2</sub>O in Motion offers the added benefit of the combined experience of regulations and finance experts, engineers, trainers, and operations professionals with distinguished careers. Our support staff is integrated into every project we do, which offers the added benefit of a team approach. This insures the best possible service at the lowest cost, as most problems are solved in house with our own expert service. Our professionals all retain a passion for providing quality environmental services to ensure the community and environment are always protected as we meet all of our clients' expectations.

### Staff Certifications:

- Grade L-1, L-2, D through A Wastewater Licensing Michigan
- Michigan Class S-1 Distribution System Operation
- Michigan Class D-1 Limited Treatment System Operation
- Michigan Registered Professional Engineers
- Arizona Registered Professional Engineers
- Grade F1 through F4 Water Licensing in Michigan
- Grade 4 Arizona Water Operations
- Grade 4 Arizona Wastewater Operations
- Grade 4 Arizona Collection
- Grade 4 Arizona Distribution
- Certificate Activated Sludge Operation
- Michigan Industrial Wastewater Licensing (A-1b through-3a)
- Hazmat/chemical certifications
- Safety Certifications (confined space, etc.)

### **B. References**

- 1) Name of Company : Eagle Mine – Lunding Mining Services  
Name of Reference: Kristen Mariuzza  
Address: 504 Spruce Street, Ishpeming, Michigan 49849  
Telephone Number: (906) 204-9392  
Email Address: kristen.mariuzza@riotinto.com
- 2) Name of Company : Hannahville Water/Wastewater Treatment Plant  
Name of Reference: Dan Stein  
Address: N14911 Hannahville B-1 Rd., Wilson, MI 49896  
Telephone Number: (906) 723-2200  
Email Address: dstein20@hotmail.com
- 3) Name of Company: Upper Peninsula Power Company  
Name of Reference: Charles Detiege  
Address: 2000 Power Plant Road, Escanaba, MI 49829  
Telephone Number: (906) 217-3100  
Email Address: cdetiege@escanabapower.com
- 4) Name of Company: Futuremark Papers, Inc.  
Name of Reference: Mark Ozoga

Address: 453 South Mackinac Avenue, Manistique, MI 49854

Telephone Number: (906) 341-2175

Email Address: mark.ozoga@futuremarkpaper.com

5) Name of Company or Government Entity: Arizona Department of Environmental Quality

Name of Reference: Noah Adams

Address: 1110 W. Washington Street, Phoenix, AZ 85003

Telephone Number: (602) 771-4511

Email Address: adams.noah@azdeq.gov

### **Cross Connection Training and Management References:**

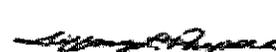
<u>WATER SUPPLY</u>	<u>ACTIVITY</u>	<u>CONTACT</u>	<u>PHONE#</u>
CITY OF PETOSKEY	Develop & Write the CCC Plan, Total Cross Connection Control Program Management	Sherrie Elliott	231-347-2500
CEDAR CREEK	Develop & Write the CCC Plan, Total Cross Connection Control Program	Tricia Holmes	231-929-1200
CRYSTAL MT.	Develop & Write the CCC Plan, Provide Employee Training, Survey Facilities Every Three Years	Mike Cutler	231-383-1932
BOYNE HIGHLANDS	Develop & Write the CCC Plan, Total Cross Connection Control Program Management for the Resort	Tim Mylloja	231-526-3076
CITY OF FRANKFORT	Develop & Write the CCC Plan, Total Cross Connection Control Program Management	Dave Bissell	231-620-6158
CITY OF HARBOR SPRINGS	Develop & Write the CCC Plan, Total Cross Connection Control Program Management, Develop & Write Emergency Response Plan	Joel Clark	231-526-0604
LITTLE TRAVERSE TOWNSHIP	Develop & Write the CCC Plan, Total Cross Connection Control Program Management, Sewer Infiltration Study, Develop & Write their Emergency Response Plan	Bill Dohm	231-526-0351

CITY OF ROGERS CITY	Develop & Write the CCC Plan, Employee Training, Total Cross Connection Control Program Management, Develop & Write their Water System Flushing Plan	Chuck Kielzewski	989-734-2191
WEST TRAVERSE TOWNSHIP	Develop & Write the CCC Plan, Total Cross Connection Control Program Management, Develop & Write Emergency Response Plan	Robert Sandford	231-526-7361
PERE MARQUETTE TOWNSHIP	Develop & Write the CCC Plan Employee Training	Andy Larr	231-845-7640
CITY OF MANTON	CCC Program Management	Jeff Puffer	231-620-8095
CITY OF EVART	Develop & Write the CCC Plan Employee Training/CCC Program Management	Patrik Mazcinski	231-250-2085

**OTHER CLIENTS (to whom our company provides cross connection plans, total program management and training):**

1. Harbor Springs Area Sewerage Disposal Authority
2. Peninsula Knolls Association
3. Cherry Knolls Association
4. Village of Bellaire
5. Village of Suttons Bay
6. Grand Traverse Condos
7. Deep Water Pointe
8. Hidden Hamlet Condominium Association
9. Bay View Association
10. Hidden Hamlet
11. City of McBain
12. Village of Marion
13. City of Scottville
14. City of Cadillac
15. City of Reed City
16. Village of Mesick
17. Village of Benzonia
18. Village of Beulah

### C. Proof of Liability Insurance

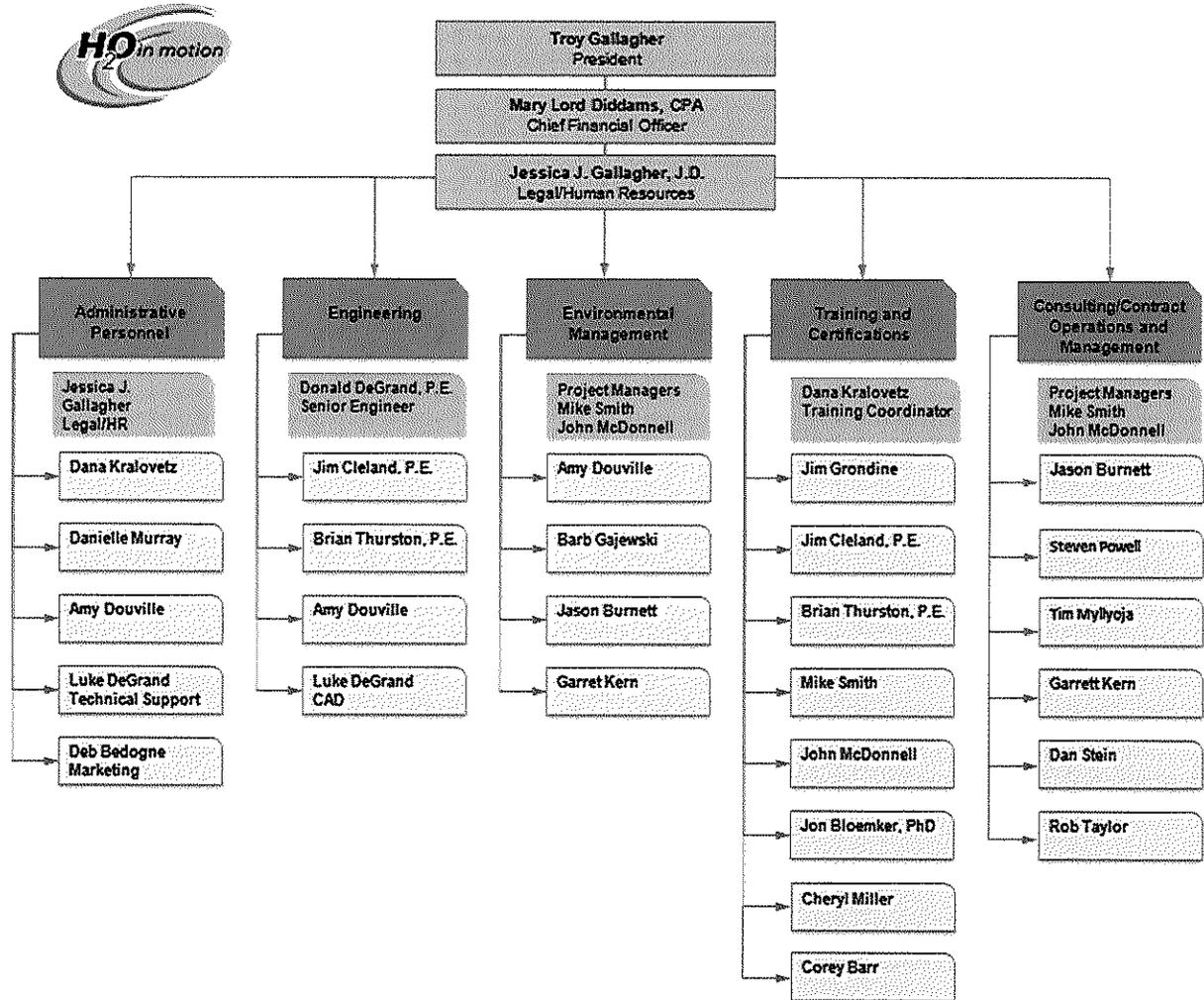
		<b>CERTIFICATE OF LIABILITY INSURANCE</b>		DATE PERMITTED: <b>7/25/2013</b>		
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURERS, AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.						
<b>IMPORTANT:</b> If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).						
<b>PRODUCER:</b> GARIBOLDI*Menick-Kutz*Magowan Insurance Agency 823 Ludington Street  Escanaba MI 49829		<b>AGENT:</b> Reed O'Connor License No. 9901783-0900 License No. 9901783-0900 License No. 9901783-0900				
<b>INSURED:</b> 820 In Motion Inc C/O Troy Gallagher 423 Ludington Street Escanaba MI 49829-3923		<b>INSURANCE COMPANY:</b> GENERAL LIABILITY INSURANCE GENERAL AUTO OWNERS TRANSPORTATION COMPANY 09980				
<b>COVERAGES</b> CERTIFICATE NUMBER: 2013-2014 RATES: REVISION NUMBER:						
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO THIS CERTIFICATE, THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
NO.	TYPE OF INSURANCE	INSURER	POLICY NUMBER	INSURANCE PERIOD (START/END)	INSURANCE PERIOD (START/END)	LIMITS
A	GENERAL LIABILITY					<input checked="" type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input checked="" type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
	COMMERCIAL GENERAL LIABILITY					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input checked="" type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
	LIABILITY					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input checked="" type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
	LIABILITY					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input checked="" type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
B	EXCESS LIABILITY					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
	EXCESS LIABILITY					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
	EXCESS LIABILITY					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
A	Professional Liability					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
	Professional Liability					<input type="checkbox"/> BODILY INJURY AND PROPERTY DAMAGE \$ 2,000,000 <input type="checkbox"/> PERSONAL AND ADJUTANT \$ 50,000 <input type="checkbox"/> MEDICAL EXPENSE \$ 0,000 <input type="checkbox"/> POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> CONTRACTORS POLLUTION LIABILITY \$ 0,000,000 <input type="checkbox"/> PRODUCTS AND COMPLETED OPERATIONS \$ 0,000,000
DESCRIPTION OF OPERATIONS, LOGS, ITEMS, PRODUCTS (Attach ACORD 106, Additional Expense Schedule, if such apply to operation)						
<b>CERTIFICATE HOLDER</b>  Insured's Copy			<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  Tiffany Pogore/TLP 			

ACORD 25 (2010/05)

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## D. H<sub>2</sub>O in Motion's Team



*Troy Gallagher: General Manager (Master of Science, Bachelor of Science)*

- President of H<sub>2</sub>O in Motion (water and wastewater system management, training, consulting, and engineering)
- Master of Science, Bachelor of Science in Physical Resource Management, and two-year Water Tech Program
- Assistant Superintendent – Galien River Sanitary District (New Buffalo Michigan) Responsible for operation and management of operations and collection system
- Educated in Cross Connection Control (Bay College Water Tech Program)
- Certified Grade 4 Water and Wastewater Operations, Grade 4 Collections and Distribution in Arizona (highest licensing level)
- Supervisor Water and Wastewater/Maintenance for Mead Paper – 4 years; responsible for operation/maintenance of entire wastewater and water plants.
- Managed and supervised operations for Galien River Sanitary District for 2 years. Responsible for all flow meters (billing) from four different communities.
- Instructor of ADEQ regulations for certification classes in Arizona (operations, collection, and distribution).
- Instructor for City of Phoenix and State of Arizona for water/wastewater courses, regulations, collection, distribution and maintenance.
- Instructor and Program Coordinator of Bay College Water Resource and Environmental Management Programs – water/wastewater operations, collection and distribution systems, hydraulics, management of systems, microbiology and laboratory water and wastewater analysis.
- Chemical sales and representative for industrial sectors
- Fire and Hazardous waste training (certified)
- Confined Space Entry training (certified)
- Emergency Response training (certified)
- Safety Audit class
- Certified Water and Wastewater Operator in Michigan, Class A-1b (Clarification), B-1b (Neutralization), B-2a (Chemical Clarification), C-1b (Aerated Lagoons) , C-1c (Stabilization Ponds), C-3a (Activated Sludge); State of Michigan/ DEQ – Class D Wastewater License
- Certified in Activated Sludge and Lab I/Department of Environmental Quality

*Don DeGrand: Senior Engineer*

- Registered Professional Engineer in the State of Michigan
- Registered Professional Engineer in the State of Arizona
- Over 35 years experience in public and private sectors as well as mining industry

- Over 25 years experience with MDEQ Community Drinking Water regulatory program
- Review SCADA system installation and approval for multiple community water systems
- Responsible for oversight and approval of engineering planning, design and construction of community water systems
- Experience with physical mining operations and management functions necessary for private industry
- Seven years of consulting engineering experience with participation in planning, design and construction of water and wastewater projects.

*Michael Smith:* Collection System and Maintenance Manager

- 37 years of O&M of pumping stations and lift stations
- Sewer System inspections/evaluations (Little Traverse Twp. and Bear Creek Twp. Harbor Springs) Sewer System Construction Inspections for Village of Elsie and Duplain Twp. 1979-1980, Sewer System Pumping Stations start-up and Lagoon System start-up 1980
- Little Traverse Township - extensive I&I work (2006) and Lift Station Failure Investigations (2008 and 2009) as well as IPP Surveys (2009)
- Sewer Lift Station Investigation for Bear Creek Twp. (2009)
- Grand Traverse DPW work and repairs on sewer lift stations and manhole inspections
- University of California Sacramento (Water System Operation)
- Michigan State University (Wastewater Chemistry)
- Cross Connection Control Program Manager for Grand Traverse County Department of Public Works
- Experience with Cross Connection Software (20 years)
- 30 Years Experience with Cross Connection Control Program Surveying and Management
- Wastewater Treatment Plant Operator for the City of St. Johns
- Public Works Superintendent for Village of Elsie
- Circuit Rider and Programs Manager for Michigan Rural Water Association
- 2005 recipient of the ASSE Burkholz Award for Municipal Cross Connection Control
- Municipal Services Director for Hydro-Designs, Inc.
- Member of AWWA for nearly three decades

*John McDonnell: Operations Expert*

- Michigan A Wastewater License: A#92668
- Municipal/Industrial wastewater and water management experience
- Supervisor for Port Austin Sewer Authority
- Storm Water: A-1i
- State of Michigan certification in Industrial treatment ; A-1b, A-2h, B-2a, and C-3a
- Certified Wastewater and Storm Water Operator
- Implementation of water reuse systems
- Chemical system sales
- Responsible for company environmental issues as well as responsible for the operation and maintenance of a 1.2 million gallon per day secondary treatment facility with bio-solids de-watering and composting.
- Provided assistance with environmental operations of sister company treatment plants worldwide.
- Experience in the supervision of the handling and disposal of obsolete and hazardous materials.
- Safety Committee member and member for the Safety Audit Team.

*Amy Douville: Project Engineer*

- B.S. in Environmental Engineering from Michigan Technological University
- Associate of Applied Science from Bay de Noc Community College
- Grad I Engineer at Minnesota Pollution Control Agency
- Grad II Engineer at Minnesota Pollution Control Agency
- Responsible for reviewing and recommending actions related to wastewater infrastructure improvement projects
- Responsible for ensuring state and federal regulations are met and project goals are technically acceptable and feasible
- Performed technical reviews of project alternative, cost effective evaluations, eligibility determination of facility plans
- Conducted onsite inspections as necessary
- Responsible for managing and communicating for simple and complex construction projects seeking state and federal financial assistance
- Responsible for drafting, issuing, reissuing, modifying and terminating NPDES/SDS permits
- Develop design guidance
- Coordinated process improvement activities

*Luke DeGrand: CAD/ Technical Support*

- Bachelor of Science – Engineering Management
- Associate of Applied Science – Computer Aided Design and Computer Systems Technology
- American Design Drafting Association certification
- AutoCAD certification

*Dana Kralovetz: Office Manager*

- Associate of Applied Science: Water Resource Management
- Document and Office Manager
- Experience writing professional reports and with computer software management
- Compilation of data and laboratory results into technical reports
- Sample collection for various private, public, and industrial facilities

## E. Description of Work

### CROSS CONNECTION CONTROL PROGRAM

**H<sub>2</sub>O in Motion** proposes the following services:

Execute and manage the Cross Connection Control Program for **BOYNE CITY** for approximately 174 commercial/industrial (non-residential) water customers. These services include:

- Develop a workable timetable (within the City's budget parameters) for initial on-site surveys.
- Conduct initial surveys/re-inspections (**45 per year** as identified by the City), compliance surveys and periodic re-inspections (based on the water customer degree of hazard schedule as determined by the City's Cross Connection Control Plan) for the elimination of direct or indirect cross connections and the inventory of testable backflow preventer(s) per Michigan Plumbing Code/Sanitation Standard 4201 and MDEQ Cross Connection Control Rules/Policies. This includes all mailings for survey notifications and non-compliance notices.
- Develop a testing schedule and track all testable backflow prevention assemblies including mailing of the first and second assembly testing notices as determined by Boyne City's Cross Connection Control Plan.
- All notices sent to the water customer for surveys, non-compliance or testing of backflow prevention assemblies shall be put on the Boyne City's letterhead and a copy of each notice shall be furnished to the City.
- A copy of all correspondence from H<sub>2</sub>O in Motion concerning Boyne City Cross Connection Control Program shall be forwarded to Boyne City.
- Activity reporting of the Cross Connection Control Program shall be submitted to the City during program activity and also includes a copy of the MDEQ Annual CCC Report submitted to the City and MDEQ.
- After all notifications for compliance have been completed, the facility shall be turned over to Boyne City for enforcement of the Cross Connection Control Ordinance.

- Provide water customer education and public relations materials concerning Cross Connection Control Program.

*The City shall provide H<sub>2</sub>O in Motion a list of Water Customers to be included in the Cross Connection Control Program. H<sub>2</sub>O in Motion shall follow Boyne City's Water Ordinance and Cross Connection Control Plan for the execution and management of the CCC Program. H<sub>2</sub>O in Motion will notify Boyne City's Water/Wastewater Superintendent when working in the City.*

**F. Proposal Pricing**

Item	Description	Unit Price
1.	Annual Cross Connection Control Program Management	\$3,600.00
<b>TOTAL</b>		<b>\$3,600.00</b>

H-O in Motion, Inc.  
Company Name

102 W. Washington St., Suite 213, Marquette, MI 49855  
Address

\_\_\_\_\_  
Authorized Signature                      President                      Title                      Date

Troy Gallagher  
Printed Name

Boyne City  
Company Name

319 N. Lake St, Boyne City, MI 49712  
Address

\_\_\_\_\_  
Authorized Signature                      Title                      Date

\_\_\_\_\_  
Printed Name



Please call or e-mail us with any questions or concerns you may have while considering our company for this project.

Thank you for your time and consideration.

Respectfully,

Troy R. Gallagher  
President, H<sub>2</sub>O in Motion

**Corporate Headquarters**

5700 Crooks Rd., Ste. 100  
Troy, MI 48098  
800.690.6651 toll free  
248.250.5000 phone  
248.786.1788 fax



[www.hydrodesignsinc.com](http://www.hydrodesignsinc.com)

January 29, 2014

Dan Meads  
Water & Waste Superintendent  
City of Boyne City  
319 N. Lake Street  
Boyne City, MI 49712

*Part 14 of the Michigan Safe Drinking Water Act, 1976 PA 399, as amended, (Act 399) and the Administrative Rules contain the Cross-Connection Regulations that public water systems must follow regarding Cross-Connection Control. R325.11401 – R325.11407*

Dear Mr. Meads,

Based on your current Cross Connection Control (CCC) Program, we have prepared a program that will continue to meet your specific Cross-Connection Control Program needs. Also, included within this package is our standard Professional Services Agreement. For your convenience, this presentation has been divided into four sections. They include:

- ◆ Background
- ◆ Executive Summary
- ◆ Professional Services Agreement
- ◆ Appendix

This proposal is based upon completing a total of 45 initial inspections, compliance inspections/re-inspections of your commercial, industrial & institutional facilities on an annual basis. These inspection numbers are based upon a total number of commercial/industrial connections estimated at 174. There are currently 11 high hazard facilities, 163 low hazard accounts and approximately 120 backflow prevention assemblies that require annual testing.

This proposal is based on a period of 12 months. High hazard facilities will be re-inspected on an annual basis with all the remaining low hazard facilities being inspected on a five-year re-inspection frequency. HDI has assessed the degree of hazard of each facility and determined the re-inspection frequency.

If you have any questions please feel free to contact me at 248.250.5022 or via email at [ppatterson@hydrodesignsinc.com](mailto:ppatterson@hydrodesignsinc.com). We look forward to working with you and City of Boyne City again on this project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Patterson', written over a horizontal line.

Paul Patterson  
Director of Operations

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# Proposal

January 29, 2014

Dan Meads  
Water & Waste Superintendent  
City of Boyne City  
319 N. Lake Street  
Boyne City, MI 49712

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Hydro Designs, Inc. Background

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Executive Summary

1

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Professional Service Agreement

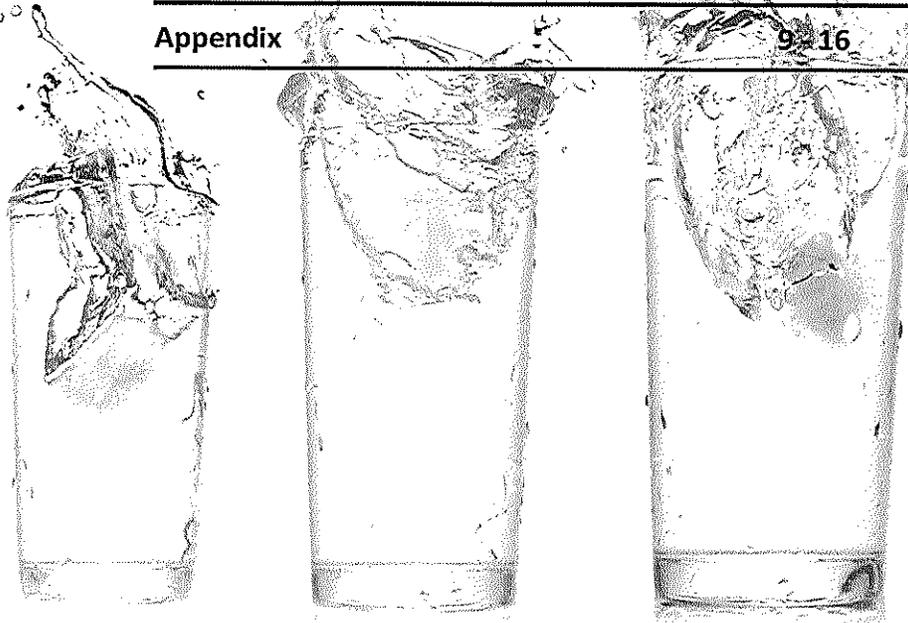
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Appendix

9-16

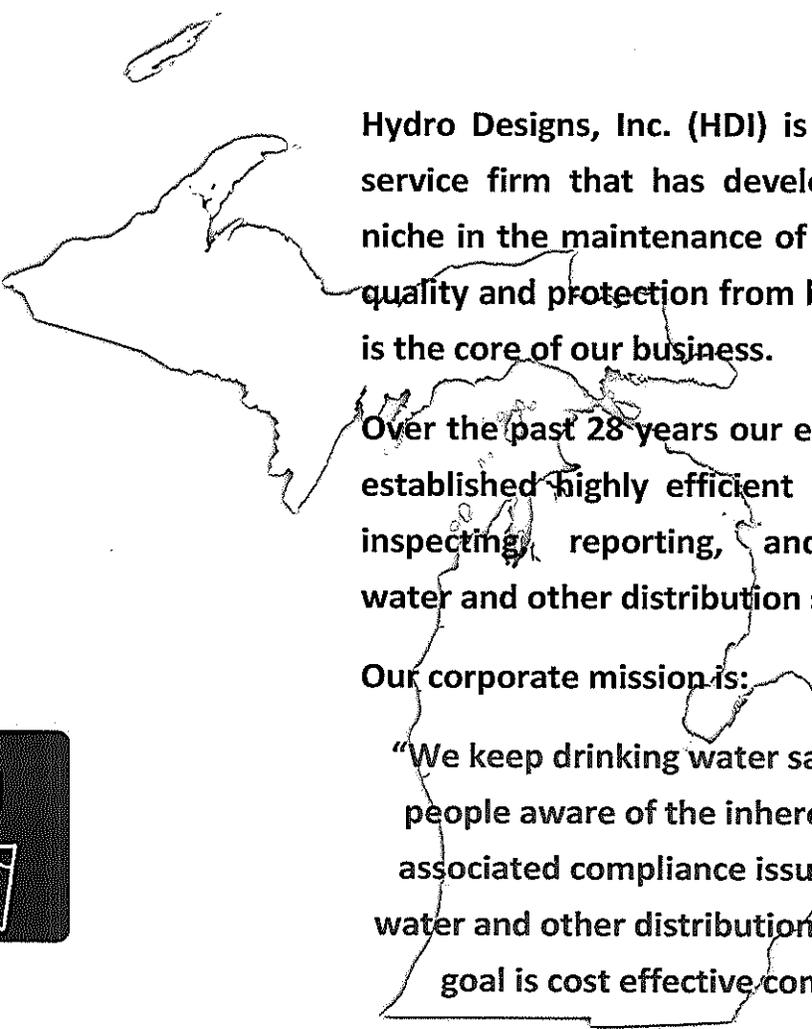
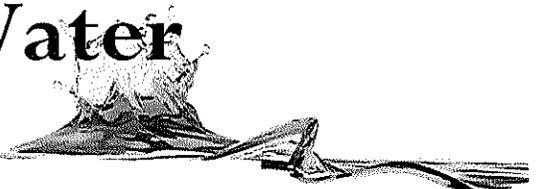
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"We Are All Connected" .....

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# We Keep Drinking Water Safe.....”



Hydro Designs, Inc. (HDI) is a professional service firm that has developed a unique niche in the maintenance of drinking water quality and protection from backflow which is the core of our business.

Over the past 28 years our employees have established highly efficient procedures for inspecting, reporting, and maintaining water and other distribution systems.

Our corporate mission is:

“We keep drinking water safe. We make people aware of the inherent risks and associated compliance issues related to water and other distribution systems. Our goal is cost effective compliance.”



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# Executive Summary

## Program Recommendations

Based on your current program, HDI will provide the following services to the City of Boyne City. This project is a continued effort for an ongoing Cross-Connection Control Program and will provide the City of Boyne City with the necessary data and information to maintain compliance with the Michigan Department of Environmental Quality (DEQ) Water Bureau Cross Connection Control Regulations. Once this project has been approved and accepted by the City and HDI, you may expect completion of the following elements within a one (1) year period. The components of the project include:

1. Annually, perform a minimum of 45 initial inspections, compliance inspections, and re-inspections at individual industrial, commercial, institutional facilities and miscellaneous water users within the City served by the public water supply for cross-connections. Inspections will be conducted in accordance with the DEQ Water Bureau Cross Connection Control regulations.
2. Generate all backflow prevention assembly test notices, non-compliance notices and coordinate/monitor backflow prevention assembly testing compliance for approximately 111 backflow prevention assemblies.
3. Perform administrative functions including: answering water user telephone calls, scheduling of inspections, mailing of all notices, verification of backflow prevention assembly tester credentials & proper testing results and general customer service and program education inquiries.
4. Generate and document the required program data for the facilities using the HDI Software Data Management Program.
5. Submit comprehensive management reports on a quarterly basis or monthly if requested.
6. Conduct an annual review meeting to discuss overall program status and recommendations.
7. Provide up to six- (6) ASSE approved hose bibb vacuum breakers or anti-frost hose bibb vacuum breakers, (i.e. combination) per facility as required, in order to place a facility into immediate compliance at the time of inspection.
8. Prepare the annual State of Michigan, DEQ Water Bureau Cross Connection Report.
9. Assist the City with a community wide public relations program including general awareness brochures and customized web site cross connection control program overview content and resources. (Sample Resource Web Page: <http://www.hydrodesignsinc.com/wiccc.html>)
10. Provide ongoing support via phone, fax, internet, text or email.

The above services will be provided for:

**Monthly Amount: \$ 350.00**

**Annual Amount: \$ 4,200.00**

Contract Amount is based upon a 12-month period. HDI will invoice in 12 equal amounts of \$ 350.00



# PROFESSIONAL SERVICE AGREEMENT

This agreement, made and entered into this \_\_\_\_\_ by and between the City of Boyne City, organized and existing under the laws of the State of Michigan, referred to as "Utility", and Hydro-Designs, Inc. a Michigan Corporation, referred to as "HDI".

WHEREAS, the Utility supplies potable water throughout its geographic boundaries to property owners; and desires to enter into a professional services contract for cross connection control program inspection, reporting and management services.

WHEREAS, HDI is experienced in and capable of supplying professional inspection of potable water distribution systems and cross connection control program management to the Utility and the Utility desires to engage HDI to act as its independent contractor in its cross connection control program.

WHEREAS, the Utility has the authority under the laws of the State of Michigan and its local governing body to enter into this professional services contract.

NOW THEREFORE, in consideration of the mutual agreements herein contained, and subject to the terms and conditions herein stated, the parties agree as follows:

## ARTICLE I. Purpose

During the term of this Agreement, the Utility agrees to engage HDI as an independent contractor to inspect its potable water distribution system in public, commercial and industrial facilities within the community and document its findings. Each party to this agreement agrees that it will cooperate in good faith with the other, its agents, and subcontractors to facilitate the performance of the mutual obligations set forth in this Agreement. Both Parties to this agreement recognize and acknowledge that the information presented to them is complete and accurate, yet due to the inaccessible nature of water piping or due to access constraints within water user's facilities, complete and accurate data is not always available.

## ARTICLE II. Scope of Services

The scope of services to be provided by HDI under this Agreement will include the inspections, compliance, preparation of quarterly management reports, and annual cross connection reports with respect to the Facilities to the extent specifically set forth in this Article II (hereinafter the "Scope of Service"). Should other reports be included within the scope of services, the same shall be appended to this Agreement as Exhibit 1.

**2.1 PROGRAM REVIEW.** HDI will review for the Utility Cross Connection Control Program. Items for review include the following:

- Review state & local regulations
- Review wording and timeliness for program notifications including:
  - Inspection Notice
  - Compliance Notice
  - Non-Compliance Notices 1-2, Penalty Notices
- Special Program Notices
- Prioritize Inspections
- Review procedures and protocol for addressing specific hazards
- Review program reporting procedures
- Review educational and public awareness brochures
- Obtain updated facility listing and address information
- Establish facility inspection schedule
- Review high hazard and large industrial facility inspection/containment procedures



**2.2 INSPECTIONS.** HDI will perform initial inspections, compliance inspections, and re-inspections at individual industrial, commercial, institutional facilities and miscellaneous water users within the utility served by the public water supply for cross-connections. Inspections will be conducted in accordance with Michigan Department of Department of Environmental Quality– Water Bureau Cross Connection Control Rules.

- *Initial Inspection* – the first time an HDI representative inspects a facility for cross connections. Degree of Hazard is assigned and/or verified during this facility visit. The Degree of Hazard will dictate future re-inspection frequency/schedule of facility, (facility will be either compliant or non-compliant after this inspection).
- *Compliance Inspection* – subsequent visit by an HDI representative to a facility that was non-compliant during the *Initial Inspection* to verify that corrective action was completed and meets the program requirements.
- *Re-Inspection* – Revisit by an HDI representative to a facility that was previously inspected. The re-inspection frequency/schedule is based on the degree of hazard assigned to the facility during the initial inspection (one or five year re-inspection cycle).

**2.3 INSPECTION SCHEDULE.** HDI shall determine and coordinate the inspection schedule. Inspection personnel will check in/out on a daily basis with the Utility designated contact person. Initial check in to include a list of inspections scheduled. An exit interview will include a list of inspections completed.

**2.4 PROGRAM DATA.** HDI will generate and document the required program data for the facilities listed below (in 2.10) using the HDI Software Data Management Program. Program Data shall remain property of the Utility; however, the HDI Software Data Management program shall remain the property of HDI. Data Services to include:

- Prioritizing and scheduling of inspections
- Notify users of inspections, backflow device installation and testing requirements
- Monitor inspection and testing compliance
- Maintenance of program to comply with all DEQ regulations

**2.5 MANAGEMENT REPORTS.** HDI will submit comprehensive management reports on a quarterly & annual basis to the Utility, which will include the following:

- Report format to include electronic updates and/or hard copy
- Electronic reports will be available in a downloadable format
- Number of facilities inspected/surveyed
- Number of facilities compliant/non-compliant
- Backflow prevention assembly testing notices sent and compliance status

**2.6 REVIEW OF CROSS-CONNECTION CONTROL ORDINANCE.** HDI will review the current cross-connection control ordinance and cross-connection control plan. Items for review include:

- Code adoption references, standard operational procedures, program notice documentation, reporting procedures and preference standards.
- Re-inspection frequency for all facilities.
- Backflow prevention assembly testing requirements.

**2.7 VACUUM BREAKERS.** Provide up to six- (6) ASSE approved hose bibb vacuum breakers or anti-frost hose bibb vacuum breakers per facility as required, in order to place a facility into immediate compliance at the time of inspection.

**2.8 PUBLIC RELATIONS PROGRAM.** HDI will continue to assist the Utility with a community wide public relations program including general awareness brochures and web site cross connection control program overview content and resources.



**2.9 SUPPORT.** HDI will provide ongoing support via phone, fax, text, internet or email for the contract period.

**2.10 FACILITY TYPES.** The facility types included in the program are as follows:

- Industrial
- Institutional
- Commercial
- Miscellaneous Water users

**Complex Facilities.** The primary responsibility of the water utility through the State of Michigan Cross-Connection Rules is to protect the public water supply distribution against the entrance of contaminants and/or pollutants. When the water utility is faced with a facility, (i.e., complex piping or potentially hazardous systems) whose internal piping system is difficult or too complex to follow or is subject to frequent unauthorized changes, service line protection or "containment" of the premises should be required. It is the responsibility of the owner of the property to provide adequate protection of the internal plumbing system from cross connections.

**2.11 INSPECTION TERMS.** HDI will perform 45 total inspections over a one (1) year contract period. The total inspections include all initial inspections, compliance and re-inspections.

**2.12 COMPLIANCE WITH DEPARTMENT OF ENVIRONMENTAL QUALITY & MICHIGAN ADMINISTRATIVE CODE.** HDI will assist in compliance with DEQ and Michigan Administrative Code cross connection control program requirements for all commercial, industrial, institutional and public authority facilities.

**2.13 POLICY MANUAL.** HDI will review and/or develop the comprehensive cross connection control policy manual/plan.

**2.14 INVENTORY.** HDI shall inventory all accessible (ground level) backflow prevention assemblies and devices. Information for testable assemblies to include: location, size, make, model and serial number if applicable.

**2.15 DATA MANAGEMENT.** HDI shall provide data management and program notices for all inspection services throughout the contract period.

**2.16 ANNUAL YEAR END REVIEW.** HDI will conduct an on-site annual year-end review meeting to discuss overall program status and specific program recommendations.

**2.17 CROSS CONNECTION CONTROL BROCHURES.** HDI will provide cross-connection control educational brochures for download at [www.hydrodesignsinc.com](http://www.hydrodesignsinc.com)

**2.18 INSURANCE.** HDI will provide all required copies of general liability, workers compensation and errors and omissions insurance naming the Utility as an additional insured if required.



### ARTICLE III. Responsibilities of the Utility

- 3.1 UTILITY'S REPRESENTATIVE.** On or before the date services are to commence under this Agreement, the Utility shall designate an authorized representative ("Authorized Representative") to administer this Agreement.
- 3.2 COMPLIANCE WITH LAWS.** The Utility, with the technical and professional assistance of HDI, shall comply with all applicable local, state, and federal laws, codes, ordinances, and regulations as they pertain to the water inspection and testing and shall pay for any capital improvements needed to bring the water treatment and delivery system into compliance with the aforementioned laws.
- 3.3 NOTICE OF LITIGATION.** In the event that the Utility or HDI has or receives notice of or undertakes the prosecution of any actions, claims, suits, administrative or undertakes the prosecution of any actions, claims, suits, administrative or arbitration proceedings, or investigations in connection with this agreement, the party receiving such notice or undertaking such prosecution shall give the other party timely notice of such proceedings and will inform the other party in advance of all hearings regarding such proceedings.
- 3.4 FACILITY LISTING.** The Utility must provide HDI a complete updated list of facilities to be inspected. Information to include facility name, address, contact person, and phone number, (if available). *Electronic file format such as Microsoft Excel, etc. is required. An additional one-time fee to manually enter facility listing will be charged at the rate of \$70.00 per hour. Incorrect facility addresses will be returned to the Utility contact and corrected address will be requested.*
- 3.5 LETTERHEAD/LOGO.** The Utility will provide HDI with an electronic file copy of the utility logo or utility letterhead and all envelopes for the mailing of all official program correspondence only.

### ARTICLE IV. Term

- 4.1 TERM AND TERMINATION TERM.** Services by HDI under this Agreement shall commence on \_\_\_\_\_ and end one (1) year from such date, unless this Agreement is renewed or terminated as provided herein. The terms of this Agreement shall be valid only upon the execution of this agreement within 90 days of its receipt. Failure to execute this Agreement within the 90-day period shall deem the proposed terms void.
- 4.2 RENEWAL.** Upon the expiration of this Agreement, HDI will continue to provide services as specified in this Agreement and the Agreement will automatically continue on a month-to-month basis at the same monthly contract dollar amount unless either party notifies the other in writing prior to sixty (60) calendar days before the end of this Agreement.
- 4.3 TERMINATION.** The Utility or HDI may terminate this Agreement at any time and on any date in the initial and renewal terms of this Agreement, with or without any cause, by giving written notice of such intent to terminate to the other party at least thirty (30) days prior to the effective date of termination. Notice of the intent to terminate shall be given in writing by personal service, by an authorized agent, or by certified mail, return receipt requested. The Utility shall pay the balance of any outstanding accounts of work performed by HDI.
- 4.4 BASE COMPENSATION.** From \_\_\_\_\_ the Utility shall pay HDI as compensation ("Base Compensation") for labor, equipment, material, supplies, and utilities provided and the services performed pursuant to this Agreement, the sum of **\$350.00** per month for a one (1) year contract period totaling **\$4,200.00**.
- 4.5 PAYMENT OF INVOICES.** Upon presentation of invoices by HDI, all payments including base and other compensation shall be due and payable on the first day of each month (due date) for which services will be or have been rendered. All such payments shall be made no later than thirty (30) days after the due date. Failure to pay shall be deemed a default under this agreement. For any payment to HDI which is not made within thirty (30) calendar days after the due date, HDI shall receive interest at one and one-half (1½) percent per month on the unpaid balance.



- 4.6 CHANGES IN SCOPE OF SERVICES.** In the event that the Utility request and HDI consents to perform additional work or services involving the consulting, management, operation, maintenance, and repair of the Utility's water delivery system where such services or work exceeds or changes the Scope of Services contemplated under this Agreement, HDI shall be provided additional compensation. Within thirty (30) calendar days from the date of notice of such additional work or services, the parties shall mutually agree upon an equitable sum for additional compensation. This amount shall be added to the monthly sum effective at the time of change in scope. Changes in the Scope of Service include, but are not limited to, requests for additional service by the Utility, additional costs incurred in (a) treating Abnormal or Biological Toxic Materials; (b) disposing of process residue; (c) meeting new or changed government regulations or reporting requirements, including changed effluent or potable water standards which increase the cost of operating the Facilities; (d) arising from construction or modification of the Facilities, or (e) expenditures for Capital Improvement and Capital Repairs.
- 4.7 CLIENT CONFIDENTIALITY.** All communications between HDI and the Utility regarding business practices and other methods and forms of doing business will be considered confidential, subject to the requirements of the Freedom of Information Act.
- 4.8 ACCESSIBILITY.** Backflow prevention device information will be completed in full only when the identifying information (i.e. data plate, brass tag, etc.) is accessible and visible from ground level or from a fixed platform/mezzanine.
- 4.9 CONFINED SPACES –** HDI personnel will not enter into confined spaces.

**ARTICLE V. Risk Management**

- 5.1 INFORMATION.** Both Parties to this agreement recognize and acknowledge that the information presented to them is complete and accurate, yet due to the inaccessible nature of water piping, complete accurate data is not always available.
- 5.2 INDEMNIFICATION.** HDI agrees to and shall hold the Utility, its elected and appointed officers, and employees harmless from any liability for claims or damages for personal injury or property damage which is caused by or arises from the sole negligence of HDI in the performance of its services under this Agreements. The Utility agrees to and shall hold HDI, its officers, and employees harmless from any liability for claims or damages for personal injury or property damage which is caused by, or arises from, the sole negligence of the Utility. In the event that both HDI and the Utility are found by a fact finder to be negligent and the negligence of both is a proximate cause of such claim for damage, then in such event each party shall be responsible for the portion of the liability equal to its comparative share of the total negligence. HDI's liability to the Utility for any loss, damage, claim, or expense of any kind or nature caused directly or indirectly by the performance or non-performance of obligations pursuant to this Agreement shall be limited to general money damages in an amount not exceed or within the limits of the insurance coverage provided hereunder. HDI shall in no event be liable for indirect or consequential damages, including but not limited to, loss of profits, loss of revenue, or loss of facilities, based upon contract, negligence, or any other cause of action.
- 5.3 HDI INSURANCE.** HDI currently maintains the following insurance coverage's and limits:

	Occurrence	Aggregate
Comprehensive General Liability	\$1 Million	\$2 Million
Excess Umbrella Liability	\$5 Million	\$5 Million
Automobile Liability (Combined Single Limit)	\$1 Million	
Worker's Compensation/ Employer's Liability	\$1 Million	
Errors and Omissions	\$2 Million	\$2 Million

Within thirty (30) calendar days of the start of the project, HDI shall furnish the Utility with satisfactory



proof of such insurance, and each policy will require a 30-day notice of cancellation to be given to the Utility while this Agreement is in effect. These policies will be in effect at the time HDI takes possession of the Facilities. The Utility shall be named as an additional insured according to its interest under the general liability policy during the term of this Agreement.

- 5.4 UTILITY INSURANCE.** The Utility will maintain liability insurance on an all risk basis and including extended coverage for matters set forth in this agreement. The Utility and HDI agree that with respect to insurance coverage carried by either party in connection with the Facilities, such insurance will provide for the waiver by the insurance carrier of any subrogation rights against the Utility or against HDI as the case may be.
- 5.5 RELATIONSHIP.** The relationship of HDI to the Utility is that of independent contractor and not one of employment. None of the employees or agents of HDI shall be considered employees of the Utility. For the purposes of all state, local, and federal laws and regulations, the Utility shall exercise primary management, and operational and financial decision-making authority.
- 5.6 ENTIRE AGREEMENT AMENDMENTS.** This Agreement contains the entire Agreement between the Utility and HDI, and supersedes all prior or contemporaneous communications, representations, understandings, or agreements. This Agreement may be modified only by a written amendment signed by both parties.
- 5.7 HEADINGS, ATTACHMENTS, AND EXHIBITS.** The heading contained in this Agreement is for reference only and shall not in any way affect the meaning or interpretation of this Agreement. The Attachments and Exhibits to this Agreement shall be construed as an integral part of this Agreement.
- 5.8 WAIVER.** The failure on the part of either party to enforce its rights as to any provision of this Agreement shall not be construed as a waiver of its rights to enforce such provisions in the future.
- 5.9 ASSIGNMENT.** This Agreement shall not be assigned by either party without the prior written consent of the other unless such assignment shall be to the affiliate or successor of either party.
- 5.10 REIMBURSABLE EXPENSES.** For the purpose of this Agreement, employee reimbursable expenses shall comply with the published Federal guidelines.
- 5.11 FORCE MAJEURE.** A party's performance under this Agreement shall be excused if, and to the extent that, the party is unable to perform because of actions due to causes beyond its reasonable control such as, but not limited to, Acts of God, the acts of civil or military authority, loss of potable water sources, water system contamination, floods, quarantine restrictions, riot, strikes, commercial impossibility, fires explosions, bombing, and all such interruptions of business, casualties, events, or circumstances reasonably beyond the control of the party obligated to perform, whether such other causes are related or unrelated, similar or dissimilar, to any of the foregoing. In the event of any such force majeure, the party unable to perform shall promptly notify the other party of the existence of such force majeure and shall be required to resume performance of its obligations under this Agreement upon the termination of the aforementioned force majeure.
- 5.12 AUTHORITY TO CONTRACT.** Each party warrants and represents that it has power authority to enter into this Agreement and to perform the obligations, including any payment obligations, under this Agreement.
- 5.13 GOVERNING LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, regardless of the fact that any of the parties hereto may be or may become a resident of a different state or jurisdiction. Any suit or action arising shall be filed in a court of competent jurisdiction within the State of Michigan, venue by Oakland County. The parties hereby consent to the personal jurisdiction of said court within the State of Michigan.



**5.14 COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

**5.15 NOTICES.** All notices, requests, demands, payments and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, telecopied or sent by nationally recognized overnight carrier, or mailed by certified mail, postage prepaid, return receipt requested, as follows:

If to HDI:

Hydro Designs, Inc.  
c/o John Hudak  
5700 Crooks Road, Ste. 100  
Troy, MI 48337  
(248) 250-5005  
(248) 789-1788 fax

If to Utility:

Dan Meads  
Water & Waste Superintendent  
City of Boyne City  
319 N. Lake Street  
Boyne City, MI 49712

**5.16 SEVERABILITY.** Should any part of this Agreement for any reason, be declared invalid or void, such declaration will not affect the remaining portion, which will remain in full force and effect as if the Agreement has been executed with the invalid portion eliminated.

**SIGNATURES**

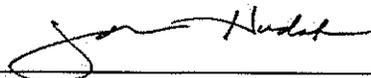
IN WITNESS WHEREOF, the parties have duly executed this Agreement effective as of the date first above written.

**City of Boyne City**

\_\_\_\_\_  
By:

Its:

**Hydro-Designs, Inc.**



\_\_\_\_\_  
By: John Hudak

Its: President/COO



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# Appendix

## Specific Qualifications & Experience

**Hydro Designs, Inc.** is a professional service organization that specializes in Cross Connection Control Programs. Cross Connection Control Program Management & Training is the main core and focus of our business. We are committed to providing water utilities and local communities with a cost effective and professionally managed cross connection control program in order to assist in protecting the public water supply.

- HDI conducts over 17,000 Cross Connection Control Inspections *annually*.
- HDI tracks and manages over 27,000+ backflow prevention assemblies for our Municipal client base.
- Our highly trained staff works in an efficient manner in order to achieve maximum productivity and keep program costs affordable. We have a detailed **system** and **process** that each of our field inspectors follow in order to meet productivity and quality assurance goals.
- Our municipal inspection team is committed to providing outstanding customer service to the water users in each of the communities we serve. We teach and train customer service skills in addition to the technical skills since our team members act as representatives of the community that we service.
- Our municipal inspection team has attended training classes and received certification from the following recognized Cross Connection Control Programs: UF TREEO, UW-Madison, and USC – Foundation for Cross Connection Control and Hydraulic Research, American Backflow Prevention Association (ABPA), American Society for Sanitary Engineering (ASSE). HDI recognizes the importance of Professional Development and Learning. We invest heavily in internal and external training with our team members to ensure that each Field Service and Administrative team member has the skills and abilities to meet the needs of our clients.
- We have a trained administrative staff to handle client needs, water user questions and answer telephone calls in a professional, timely and courtesy manner. Our administrative staff can answer most technical calls related to the cross connection control program and have attended basic cross connection control training classes.
- HDI currently serves over 160 communities in Michigan, Wisconsin, Maryland, Delaware, Virginia & Florida. We still have our first customer!
- HDI staff and company are active members in many water industry associations including: National Rural Water Association, State Rural Water Associations, National AWWA, State AWWA Groups, HDI is committed to assisting these organizations by providing training classes, seminars and assistance in the area of Cross Connection Control.
- Several Fortune 500 companies have relied on HDI to provide Cross Connection Control Surveys, Program Management & Reporting to assist in meeting state/local regulations as well as internal company guidelines.



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## Professional Associations & Organizations

At Hydro Designs, we are citizens of our industry. HDI Associates are active members of the following professional organizations:

- American Backflow Prevention Association (ABPA)  
[www.abpa.org](http://www.abpa.org)
- American Public Works Association (APWA)  
[www.apwa.net](http://www.apwa.net)
- American Society of Sanitary Engineers (ASSE)  
[www.asse-plumbing.org](http://www.asse-plumbing.org)
- American Water Works Association (AWWA)  
[www.awwa.org](http://www.awwa.org)
- International Association of Plumbing & Mechanical Officials (IAPMO)  
[www.iapmo.org](http://www.iapmo.org)
- Michigan Section of American Water Works (MI-AWWA)  
[www.mi-water.org](http://www.mi-water.org)
- Michigan Rural Water Association (MRWA)  
[www.mrwa.net](http://www.mrwa.net) (Associate Member)
- National Rural Water Association (NRWA)  
[www.nrwa.org](http://www.nrwa.org) (Corporate Member)
- University of Southern California Center for Cross Connection Control & Hydraulic Research (USCCFCCC&HR)  
[www.usc.edu/dept/fcchr](http://www.usc.edu/dept/fcchr)

---

## Project Staff

### **Glenn Adamus** **Vice President Operations**

Mr. Adamus has been with HDI for over ten years and is responsible for all field operations. He is conversant in Federal, State and industry drinking water regulations/guidelines as they apply to water quality control practices. Mr. Adamus holds a B.S. in Biochemistry and a Master's of Science in Environmental Science from the University of Michigan – Dearborn. He has performed various water quality analysis projects related to process water and potable water systems and has performed and managed industrial and state cross-connection control projects for over seven years.

In addition to his field experience, Mr. Adamus has the following certifications/training:

#### **Michigan Department of Environmental Quality (MDEQ) Water Bureau**

- Soil Erosion & Sedimentation Control Certification, Part 91 – Feb. 2005

#### **Michigan Department of Environmental Quality (MDEQ) Water Bureau**

- Certified Construction Site Storm Water Operator Certification – 2005

#### **Michigan Department of Environmental Quality (MDEQ) Water Bureau**

- Certified Industrial Site Storm Water Operator Certification – 2005

#### **University of Wisconsin Madison – College of Engineering**

- Cross-Connection Control and Backflow Prevention Assembly Testing Certificate, 2007
- Cross-Connection Control and Backflow Prevention Surveyor Certificate, 2009

#### **American Society of Sanitary Engineering (ASSE)**

- Series 5000, 5150 Backflow Prevention Program Administrator Certification, January 2010
- Certified Backflow Prevention Assembly Tester, August 2011



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## Project Staff (continued)

### **Paul Patterson** **Director, Municipal Division**

Mr. Patterson has been with HDI since 2004 and is responsible for overseeing operations of Cross Connection Control Programs in Delaware, Florida, Maryland, Michigan and Virginia. He also conducts training in Backflow Prevention and Cross Connection Control for the Michigan Department of Environmental Quality, Michigan Rural Water Association and Delaware Rural Water Association. Prior to HDI, Mr. Patterson was a member of the United States Air Force where he assisted in the implementation of a Cross Connection Control Program at a stateside installation and was involved in numerous construction projects worldwide. Mr. Patterson has over 18 years' experience in plumbing, water distribution, cross connection control and backflow prevention. In addition to his extensive experience Mr. Patterson has also held the following certifications through his career:

#### **State of Nevada**

- Water Distribution Operator
- Journeyman Plumbers License – Clark County
- CAL/NV AWWA Backflow Prevention Assembly Tester

#### **University of Florida – TREEO Center**

- Cross-connection Control Program Manager
- Cross-connection Control Ordinance & Organization
- Cross-connection Control Survey & Inspection
- Cross-connection Control Backflow Prevention Testing

#### **American Society of Sanitary Engineering**

- Cross-Connection Control Backflow Prevention Assembly Testing
- Cross-Connection Control Backflow Prevention Assembly Repair
- Backflow Prevention Program Administrator
- Instructor/Proctor – Backflow Prevention Assembly Tester Course
- Instructor/Proctor – Cross Connection Control Surveyor Course
- Instructor/Proctor – Backflow Prevention Program Administrator Course

#### **State of Virginia**

- Commercial Plumbing Inspector
- Backflow Prevention Device Worker

#### **International Code Council**

- Commercial Plumbing Inspector



---

## Project Staff (continued)

**Mark Kneibel**  
**Project Manager, Field Inspector**

Mr. Kneibel joined HDI in July 2011 after working with the City of Wyoming, MI for over 25 years. He holds many licenses and certifications in the water industry and is very active in the Plumbing and Backflow Prevention association communities.

**State of Michigan**

- S-1 Waterworks System Operator, I.D. #5344, Expiration 1/2014
  - Journeyman Plumber, License #8214718
  - Plumbing Inspector, Registration #004035
  - Backflow Prevention Assembly Tester, Certification #95-221
- 

**Jerry Ayers**  
**Project Manager, Field Inspector**

Mr. Ayers has been employed with Hydro Designs, Inc. for over 5 years. Jerry has performed numerous cross-connection control surveys and inspections at large, complex, high hazard industrial facilities. He recently was promoted to Regional Manager for the Michigan Municipal Division. He holds the following industry certifications:

**University of Florida – TREEO Center, June 2008**

- Cross-Connection Control Program Manager Certificate
- Cross-Connection Control Ordinance & Organization Certificate
- Cross-Connection Control Survey & Inspection Certificate

**University of Wisconsin – Madison, November 2006**

- Cross-Connection Control and Backflow Prevention Certification

**American Society of Sanitary Engineering (ASSE)**

- Series 5000, 5150 Backflow Prevention Program Administrator Certification, January 2010
- Certified Backflow Prevention Assembly Tester, August 2011



# Organizational Chart

Hydro Design, Inc. (HDI)  
 Corporate Office  
 5700 Crooks Road, Ste. 100  
 Troy, MI 48098  
 (800) 690-6651 or 248-250-5000  
 www.hydrodesigninc.com  
 www.backflownews.com

Hydro Design, Inc. (HDI)  
 Wisconsin Office  
 2665 S. Moorland Rd., Ste. 209  
 New Berlin, WI 53151  
 (800) 915-4305 or 262-264-6402  
 www.hydrodesigninc.com  
 www.backflownews.com

## Executive Leadership Team

Larry J. La Bute Founder/CEO 27 Years	Mark L. Martin, CPA Principal/CO 5 Years
John Hudak President 12 Years	Glenn Adams VP-Operations 11 Years

## Sales, Training & Regulatory Compliance Advisors

Steve Fox Training/Sales Mid-Atlantic Region	Gary McLaren General Manager WI-MN 8 Years	Open Program Advisor Training/Sales MI-IN-OH-Canada
--	---	--



"Protect Before You Connect"

### VIRGINIA/MD TEAM

Scott Price  
Field Manager  
Master Plumber  
New Hire

### FLORIDA TEAM

Greg Hooper  
Field Manager  
1 Year

Field Services  
 Program Management  
 Surveys / Inspections

### WISCONSIN TEAM

Craig Wolf Director - WI OPS 3 Years	Tony Arbeck Database Conversion/Set Up 30 years Water Utility
Al Roler Field Services Licensed Journeyman Plumber 5 Years	Jerry Rugg Field Services Large Complex Facilities 5 Years
D.J. Schneider Field Services Licensed Plumbing & Bldg. Inspector 3 Years	Dan Derzier Field Services Licensed Bld. Inspector 2 years
Rick Kinney Field Services 25 Years Water Utility/DPW 1 Year	Scott Mitchell Field Services 20 Years Water Utility/DPW New Hire
Kathy Skerman Administrative Account Manager 5 Years	
Anne Ekdahl Administrative 1 Year	Nancy Essers Administrative New Hire

### MICHIGAN TEAM

Paul Patterson Director 7 Years - HDI 2 Years Air Force Base CCC Program Mgr.	Mark Kneibel Regional Manager 20 Years Water Utility and CCC Program Mgt.
John Crable Field Services 24 Years	John Moe Field Services 18 Years
Mark Shalavko Field Services 9 Years	Jerry Ayers Field Services 8 Years
Gary Bendes Field Services 4 Years HDI 30 Years Water Utility and CCC Program Mgt.	Steve Oleskiewicz Field Services 8 Years - HDI 20 Years Water Utility and CCC Inspection
Bill Airans Field Services 20 Years Plumbing Experience	

### Customer Service Compliance Reports Administration

Ryan Hensley Client Care Manager 7 Years	Edward Auerth Technical Svc. Mgr. Compliance Reports Data Management 15 Years
Bethany Patterson Client Care Manager 7 Years	Dan Weinman CAD/Water Quality 10 years
Valencia McDonald Customer Service New Hire	DanyKay Field Services/CAD New Hire
Tracy Mata Customer Service 3 Years	Sharon McMahon Accounting 6 Years
Karen Hanson Customer Service 1 year	

Notice generation, scheduling,  
 database management,  
 recordkeeping, customer service  
 inquiries, telephone support.

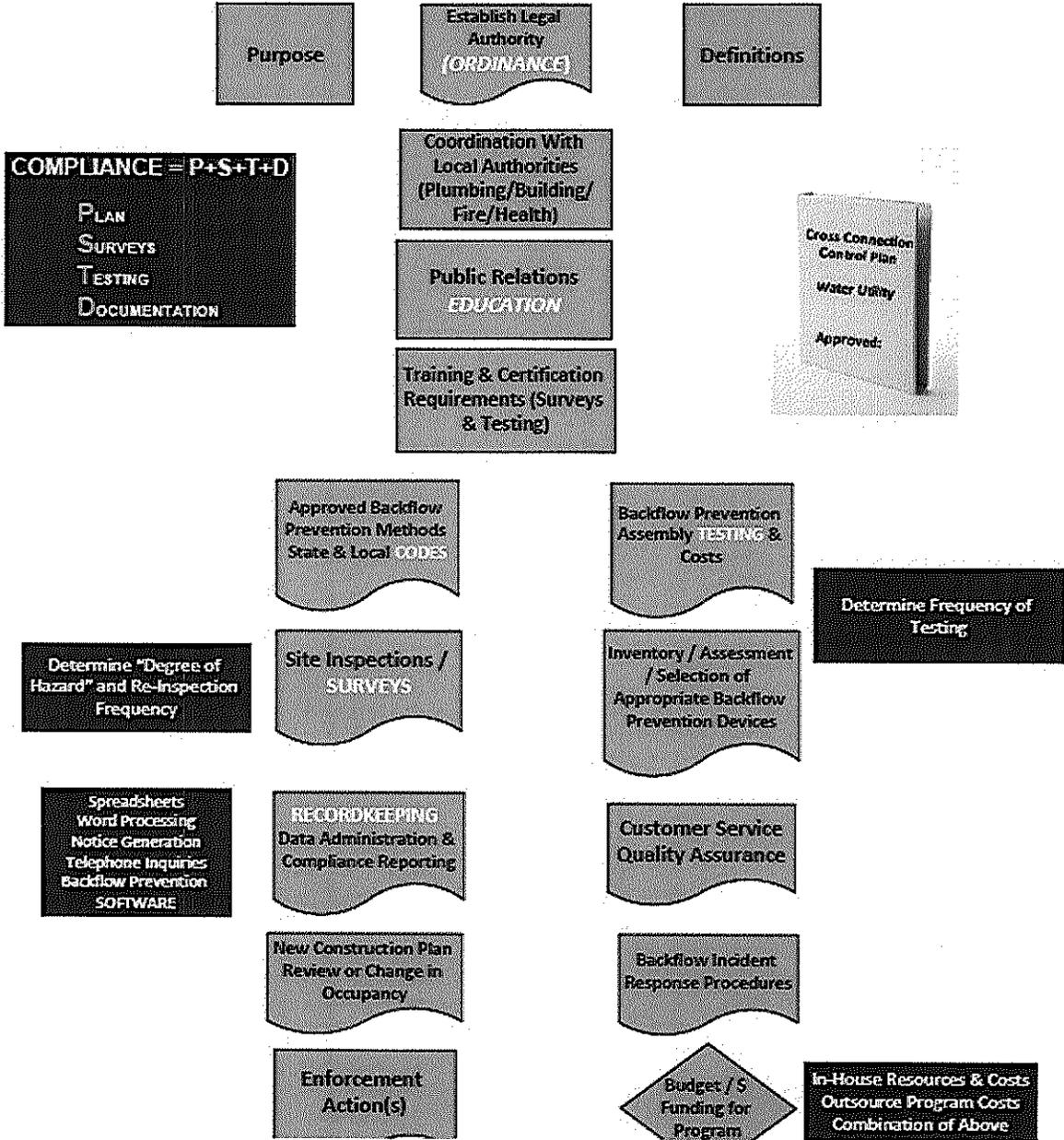
HDI utilizes X2™ Web Based  
 Software for database administration  
 & reporting

### Certifications / Training

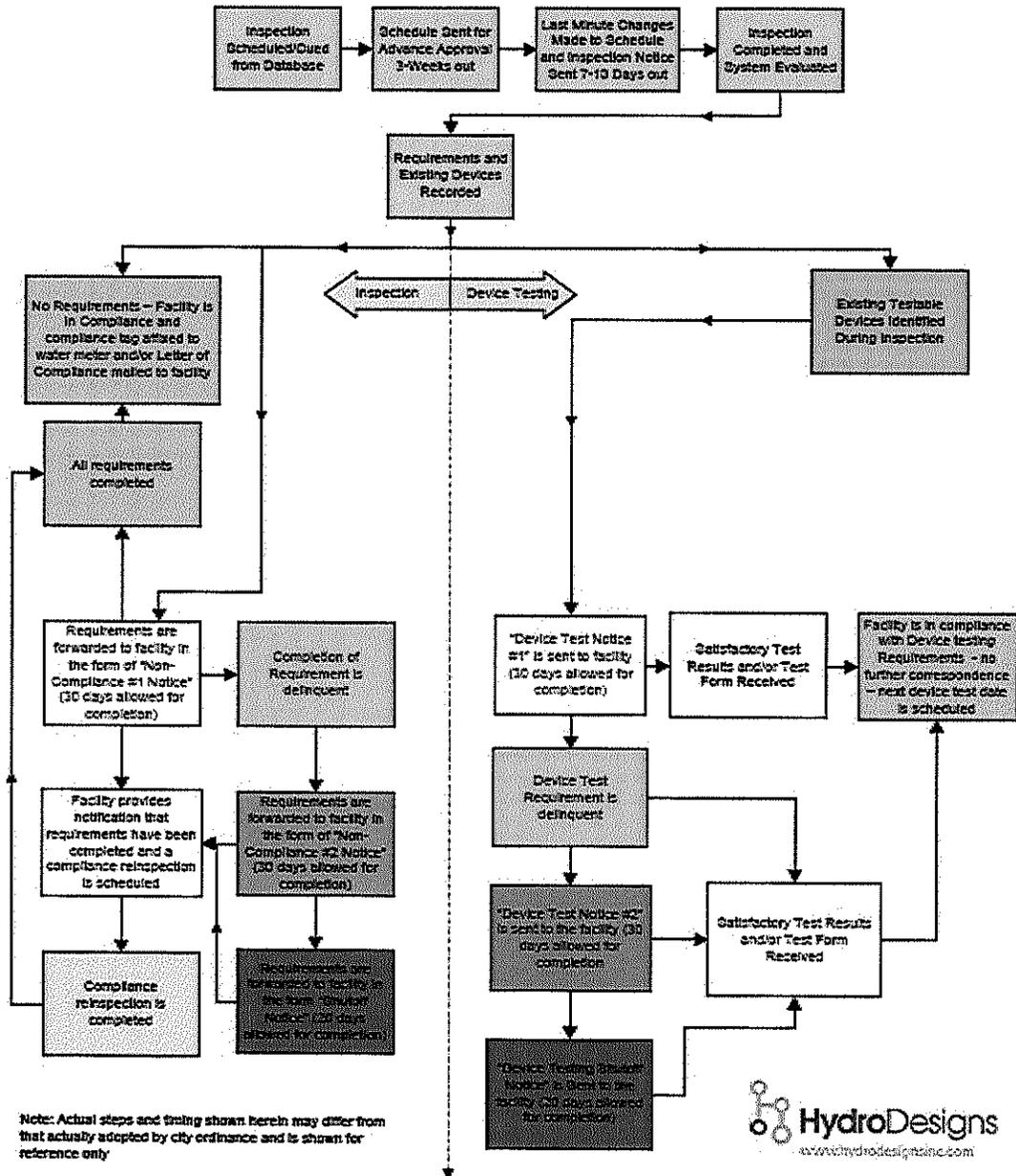


**Cross Connection Control Program**

**Sample PLAN Components**



## Cross Connection Control Program Completion Process



Cross-Connection Control Inspection & Backflow Prevention Assembly Testing Components – Process Flow Chart

## MEMORANDUM

TO: MICHAEL CAIN; CITY MANAGER 

FROM: ANDREW KOVOLSKI; PUBLIC WORKS SUPERINTENDENT 

DATE: 3/7/14

RE: TRAFFIC COUNTER PURCHASE

As we have discussed in the past; the existing traffic counting equipment owned by the City is broken and not repairable. It was manufactured in the 1980's and operates on DOS platform software. We use this equipment to perform traffic count studies for grant applications and speed studies for the Police department. Since our equipment has stopped functioning we have had to rely on the County Road Commission to perform these for us. To their credit they have done a fine job for us; just not always on our timetable.

Attached to this memorandum you will find specifications and proposals from 2 different companies for the purchase of this equipment. These companies, Jamar Technologies and International Road Dynamics, are considered to be the top 2 manufactures of this equipment. You will also notice that both of these counters use radar technology instead of the road tubes. It is my opinion that we would get more realistic data from the radar counter than the tube type as people would not know they are there.

### RECOMENDATION:

It is my recommendation that the City Commission approve the purchase of the Jamar Radar Traffic counter for the cost of \$4,231.00 and authorize the City Manager to sign the required documents. Funds for this work are available in this year's Street Department budget.

### OPTIONS:

- That this matter be postponed for additional information or consideration
- That this matter be approved subject to some revision
- Other options as determined by the City Commission





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**Making Data Collection Easier**

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**Radar Recorder**  
Traffic Data Collection Using Radar

The new Radar Recorder represents a leap forward in the use of radar for accurate traffic data collection. Equipped with 2nd generation algorithms, the Radar Recorder accurately records up to two lanes of bi-directional traffic data without personnel ever having to go into the road.

There are no road tubes or loops required with this device - simply mount the unit at a convenient location, aim it at the road and you'll begin collecting highly accurate data in a matter of minutes. The unobtrusive nature of this device means you can covertly record data without drivers knowing and altering their driving habits.

When you are ready to review your data and produce reports, connect a computer to the unit and download your data using the TRAXPro software. The data can then be processed, and reports produced.

**Features of the Radar Recorder**

- Non-Invasive Radar Technology
- Easy Installation
- Data for Volume, Speed & Length
- Optional Wireless Bluetooth
- Covert 'Black Box' Recording
- Waterproof Case
- Collect continuous data for months
- RS-232 Serial Port for Download
- Computer download & interface
- One-Year Warranty
- Powered by rechargeable battery
- Free Technical Support

**"Love the Radar Recorder. It has totally changed my counting program."  
- Satisfied User**



**USED BY:**

- State DOTs
- Planning Commissions
- Public Works
- Police Departments
- Universities
- Municipal Agencies
- Engineering Firms

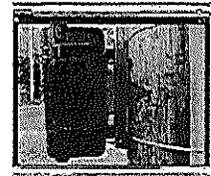
...And More



**Safe and Easy Installation**

The non-invasive radar sensing method allows you to easily install the Radar Recorder and begin collecting in just a matter of minutes. Since no tubes or loops are used, you never have to be in the road when installing the Radar Recorder. Simply mount the Radar Recorder to any convenient location and aim it toward the road.

Included with the Radar Recorder is an installation kit comprised of installation bracket and utility tools. This installation kit gives you everything you need to install the Radar Recorder in the field. Low cost spare mounting bracket kits are also available for purchase to simplify installation at locations you count frequently.



[View Installation Video](#)

**Covert 'Black Box' Recording**

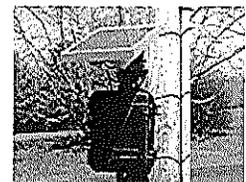
One of the advantages of the Radar Recorder is that it is all but invisible to drivers. Since there are no road tubes in the road, and no other obvious signs that data is being collected, you get unbiased data without drivers changing their driving habits and skewing the results.



[Click to Enlarge](#)

**Ideal for Portable or Permanent Station Use**

The compact design of the Radar Recorder makes it easy to take it from one location to another, if you need to record data at multiple sites. However, it can also be used at permanent stations to provide continuous counting coverage throughout the year. By using the Solar Panel option, you can record data for months at a time, without having to replace and recharge batteries. The recorder's 4 MB internal memory can store weeks or months of data before needing to be downloaded. More details on the optional solar panel...



**Highly Accurate Data Collection**

The Radar Recorder offers significant improvements over previous models of these types of data collectors. The most important of these is the 2nd generation processing algorithm, which provides highly accurate speed information. The speeds of recorded vehicles are accurate to +/- 1 Mph.

A sophisticated and powerful platoon splitting algorithm makes the Radar Recorder also an extremely accurate counting device. A properly installed Radar Recorder being used to record a busy two lane bi-directional road will accurately record more than 98 percent of vehicles for the near lane and more than 96 percent for the far lane. This makes the Radar Recorder a highly reliable tool for getting accurate data on both sides of a two-lane road with traffic volumes of up to approximately 12,000 vehicles.

Data comparison was done against a TRAX Flex road tube recorder, with the results showing that the Radar Recorder compares extremely favorably with the TRAX Flex. More details...



**Easy Data Interface & Retrieval**

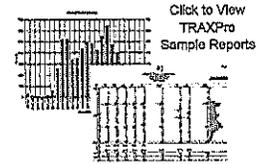
At any point while data is being collected, you can connect to a laptop (either directly or with

At any point while data is being collected, you can connect to a laptop (either directly or with optional Bluetooth wireless) and monitor the recording of vehicles using the TRAXPro software. TRAXPro can also be used to retrieve and process your data once you have completed your data collection.



**Comprehensive Reports**

Data from the Radar Recorder can be processed with our powerful TRAXPro software. TRAXPro has been designed specifically to be easy to use, while still providing powerful data analysis functions. The program allows you to create your own report formats and produce color graphs in 2 or 3 dimensions. Finished reports can also be saved in Acrobat PDF or Rich Text RTF format for easy electronic transfer. [View Sample Reports...](#)

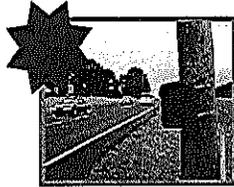


**Specifications**

Sensor: Microwave 24.2 GHz, power output 5 Mw  
Speed Range: 2-130 Mph  
Radar Range: Up to 100 Feet  
Setup Range: Up to 80 Feet

Installation Height: Up to 80 feet  
Memory Size: 4 MB (500,000 vehicles)  
Battery Life (1 Installed): 7 Days  
Battery Life (2 Installed): 14 Days  
Battery Life (with solar panel): 6 months+

Operating Temperature: -40°F to 158°F  
Weight (1 Battery Installed): 14 lbs.  
Weight (2 Batteries Installed): 19 lbs.  
Approx. Accuracy: Near Lane > 98%  
Approx. Accuracy: Far Lane > 96%



**Radar Recorder with Installation Kit and Software**  
Includes the Radar Recorder, installation kit, Laptop with software for interface and reporting, and User's Manual.

**[Request a Quote](#)**

You are here: [Home](#) > [Products](#) > [Automatic Data Recorders](#) > [Radar Recorder](#)

Questions? [Contact us](#) and our sales staff will be happy to assist you.



# JAMAR Technologies, Inc.

TRAFFIC COUNTING EQUIPMENT AND SUPPLIES  
 DISTANCE MEASURING EQUIPMENT AND SUPPLIES

1500 Industry Road, Suite C  
 Hatfield, PA 19440

Phone 215-361-2244 • Fax 215-361-2267

# QUOTATION

DATE: 3/6/2014

QUOTATION NO. 72934

P - (231) 582-0375 Ext. 0000  
 F - (000) 000-0000 Ext. 0000

BOYNE CITY PUBLIC WORKS  
 319 NORTH LAKE ST.  
 BOYNE CITY MI 49712

ATTN: ANDY KOVOLSKI

		CUSTOMER ID	SALES PERSON	SHIPPING METHOD	PAYMENT TERMS	REQUIRED SHIP DATE	MASTER NUMBER
		BOYNE CITY DPW	PAUL	UPS	NET 30	4/7/2014	104,173
QUANTITY ORDERED	ITEM NUMBER	DESCRIPTION				UNIT PRICE	EXTENDED PRICE
1 EACH	CRR-CK-BT-T	RADAR RECORDER W/BLUETOOTH & TRAXPRO THIS KIT INCLUDES:				\$3,995.00	\$3,995.00
1.00 Each	RADAR RECORDER					\$0	\$0.00
2.00 Each	BATTERIES					\$0	\$0.00
1.00 Each	BATTERY CHARGER					\$0	\$0.00
1.00 Each	MOUNTING KIT					\$0	\$0.00
1.00 Each	BLUETOOTH KIT					\$0	\$0.00
1.00 Each	TRAXPRO SOFTWARE					\$0	\$0.00
1 EACH	*1000	2 YEAR EXTENDED WARRANTY 2 YEAR EXTENDED WARRANTY - FOR A TOTAL OF A 3 YEAR WARRANTY				\$199.0000	\$199.00
*PRICE QUOTE IS VALID FOR 30 DAYS UNLESS OTHERWISE NOTED*						Subtotal	\$4,194.00
						Misc	\$0.00
						Tax	\$0.00
						Freight	\$37.00
						Total	\$4,231.00

By



**We make highways talk**

- **MANAGEMENT**
- **SAFETY**
- **PRESERVATION**

*International Road Dynamics Inc. develops and maintains traffic management products and systems technology that make highways talk. What are they saying? They are providing information that roadway administrators need to manage traffic, preserve infrastructure and provide safety warnings to drivers.*

*IRD's multi-discipline, innovative and customer-focused team is expert in advanced technologies, advanced traffic solutions and custom-designed systems.*



**CUSTOMER DRIVEN**

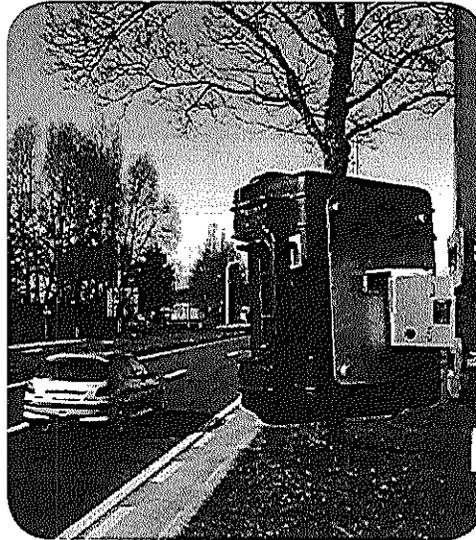
SEPTEMBER 2010, REV B  
PRINTED IN CANADA

# INTERNATIONAL ROAD DYNAMICS INC.

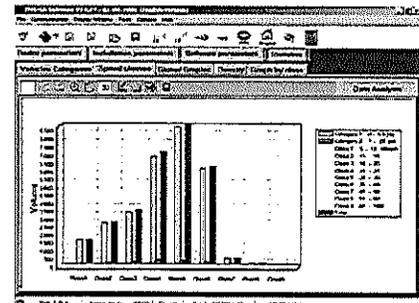
www.irdinc.com

## TMS-SA Portable Traffic Counter/Classifier

The TMS-SA is a portable and non-intrusive traffic counter/classifier adapted to urban and residential areas. Using a Doppler radar, the TMS-SA counts vehicles, measures speed, and classifies up to four length categories. The TMS-SA provides safe and quick installation, discreet data collection, and all-weather operation. The simple and complete software allows the user to set-up the radar, download and easily process the traffic data.



- **Easy-to-use (self adjustment)**
- **3 weeks autonomy**
- **Set-up without opening the unit**
- **Weatherproof case**
- **No road tube or sensors required**
- **Data analysis software included**



### Why the TMS-SA?

#### Easy to install

- special bracket and motorized antenna provide self-adjustment and short installation time

#### Comprehensive traffic data

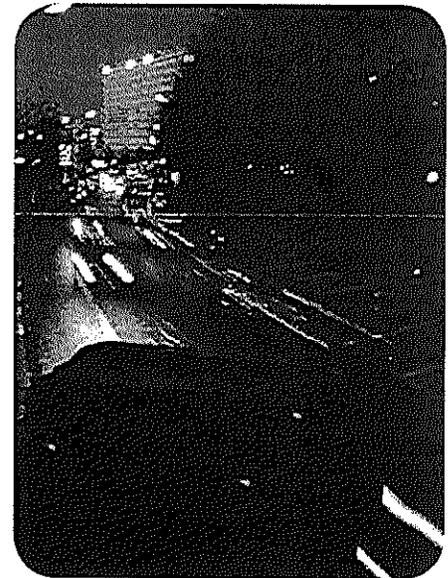
- volume – speed – classification
- time stamped to 1/100th of a second
- 1 or 2 lanes in opposite directions
- vehicle by vehicle data
- extensive easy-to-use software
- full data analysis package
- able to export to Excel, FIME, etc.

#### Useful and flexible

- 3 weeks autonomy, rechargeable batteries
- extended installation height settings (from 1 to 8 meters)
- wireless communication (Bluetooth) for parameters setting and data collection from your vehicle
- communication choice: use your computer or hand-held for settings & download

#### Non-intrusive

- determine peak times for speed violations
- collect data without affecting driver behavior



IRD products and components are protected by one or more worldwide patents and/or trademarks. IRD reserves the right to change, modify, or improve its products at any time without notice.

657 2357





**CARRIER & GABLE, INC.**

24110 Research Drive  
Farmington Hills, MI 48335  
(248) 477-8700 (248) 473-0730 • FAX

[www.carriergable.com](http://www.carriergable.com)

**QUOTATION**

Sales Quote Number **18668**

Sales Quote Date: 03/07/14

Expires On: 05/01/14

Page 1

Sell To: BOYNE CITY, CITY OF  
ANDY KOVOLSKI  
319 N. LAKE STREET  
BOYNE CITY, MI 49712

Ship To: BOYNE CITY, CITY OF  
319 N. LAKE STREET  
BOYNE CITY, MI 49712

Quote/Bid Ref:  
Shipment Within 2-4 WEEKS  
Shipping Terms  
Terms NET 30 DAYS

Customer ID 1145  
Salesperson Brad Case

*ALL VALUES STATED IN U.S. DOLLARS*

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
ITEM	COUNTER, IRD, TMS-SA INCLUDES EVERYTHING FOR ONE SYSTEM INCLUDING SOFTWARE  EXTRA MOUNTING BRACKETS \$199		1	4,979.00	4,979.00

Amt Subject to Sales Tax 0.00  
Amt Exmt from Sales Tax 4,979.00

Subtotal: 4,979.00  
Total Sales Tax: 0.00  
Total: 4,979.00



Date: March 11, 2014

To: Michael Cain, City Manager *Mc*  
and City Commissioners

From: Hugh Conklin, program manager *HC*

RE: Michigan Mountain Mayhem

### Overview

Started five years ago, the Michigan Mountain Mayhem has grown into one of the signature bicycling events in Michigan. From its first year with 400 riders, the Mayhem has grown to 1,500 riders. Registration opened in January and within 36 hours the event was at capacity.

Paul Nicholls, a local cyclist and owner with his wife Leslie of Inspired Living in downtown Boyne City, is the event organizer. He has done an excellent job building the event and putting Boyne City on the map in the cycling world. The event offers various lengths and degrees of difficulty. It begins at Boyne City High School and ends at Peninsula Beach where a post-event party is held. Not one to rest on his laurels, Mr. Nicholls is always trying to find ways to make the event better.

### Discussion

For the first three years of the event, a small pre-race registration party was held in the 100 block of South Park Street. Last year the pre-registration "street" party expanded to the 100 block of Water Street which was closed between Lake and Park streets. The City Commission also approved a one-day liquor license that allowed the sale of alcohol within a fenced-in area on Water Street which ran approximately from the front of Local Flavor to just past the Red Mesa. The pre-race event also included an "expo" featuring local businesses and non-profit organizations.

For the 2014 Mountain Mayhem pre-registration party, which falls on the same evening as the first Stroll the Streets of the summer, Mr. Nicholls is asking for permission to again hold a pre-race registration party in the 100 block of Water Street between Park and Lake streets.

Mr. Nicholls is also requesting permission to sell alcohol at the event much the same as he did last year. He is proposing two options which are explained in a letter addressed to

the city commission that is included with this memo. The first is to have a fenced-in area – running from curb-to-curb – the same as last year. The one change he’s requesting is to expand the fenced-in area to accommodate registration which was located outside the fencing last year. He is also not proposing an expo. The second option proposed is to fence off the intersections of Park and Lake streets as well as the pedestrian walkway to the Boyne Riverwalk and have the whole block open for alcohol consumption. Mr. Nicholls would have security at each entry point to ID and place wristbands on anyone over 21 year old. Security would also be responsible to make sure no alcohol leaves the area.

Mr. Nicholls presented his proposal for the street party to the Main Street Board at its March 6 meeting. It was a particularly engaging discussion because more than 30 students from Boyne City High School’s government class were in attendance and their questions and comments added an interesting perspective.

Overall, the Main Street Board fully supports Mr. Nicholls efforts and is impressed with the positive impact the Mountain Mayhem is having on the community. It believes last year’s street party was well managed and believes it will benefit even more by combining with Stroll the Streets. In a unanimous vote, the board passed a motion to recommend to the City Commission to approve Michigan Mountain Mayhem’s request to hold a block party in the 100 block of Water Street to include the sale and consumption of alcohol inside an expanded fenced-in area.

Mr. Nicholls has also met with Police Chief Jeff Gaither and DPW Director Andy Kovolski and they both support the recommendation from Main Street.

**Recommendation**

The City Commission approve the request by Michigan Mountain Mayhem to hold a pre-registration street party in the 100 block of Water Street on Friday, June 13, 2014, and to serve alcohol within a fenced-in area in the block in accordance with the rules of the Liquor Control Commission.

Dear City Commissioners,

On Saturday, June 14<sup>th</sup> Boyne City will have 1500 cyclists participating in the 5<sup>th</sup> Annual Michigan Mountain Mayhem. Most of the riders will come to Boyne City Friday night to pick up their registration bags.

Last year we had a street party for registration and we were allowed to close down the 100 block of Water Street. Magnum Hospitality put up a tent and served beer in a contained area.

We would like to do the event again this year.

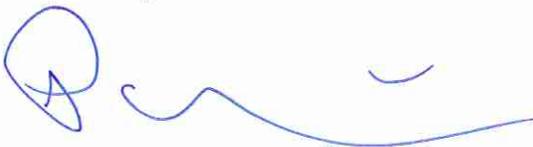
We have two options that would work. The first option is to have a fenced in area like last year from curb to curb allowing the sidewalks to be open to the public. The one difference for this year is the distance on Water Street would be expanded to allow the registration process and band to be in the contained area. The second option would be to fence off both ends of Water Street and also the alley to the Boardwalk. We would have security at all 5 entrance points. The security would ID and band anyone over 21 with a bright 21 and older wristband. Security would also make sure no beer left the controlled area.

There was concern last year about heavy drinking, which was not and would not be the case. The people attending this event are racing up to 200 miles the following day and have to be up and on the road by 7:00 a.m. All they are looking for is a good event in a welcoming community. I believe Boyne is this community. Again, I encourage you to check with local law enforcement and verify what I am telling you that there were no problems associated with allowing alcohol at this once a year event.

If this can't be done then the registration party will have to be moved to Peninsula Beach Park. I believe this would be severely detrimental to our local businesses and a missed opportunity to showcase our wonderful downtown area.

I hope all of you see the value and revenue this event does and would bring to Boyne City and allow this event in our downtown.

Respectfully,

A handwritten signature in blue ink, appearing to read 'P. Nicholls', followed by a long, wavy horizontal line.

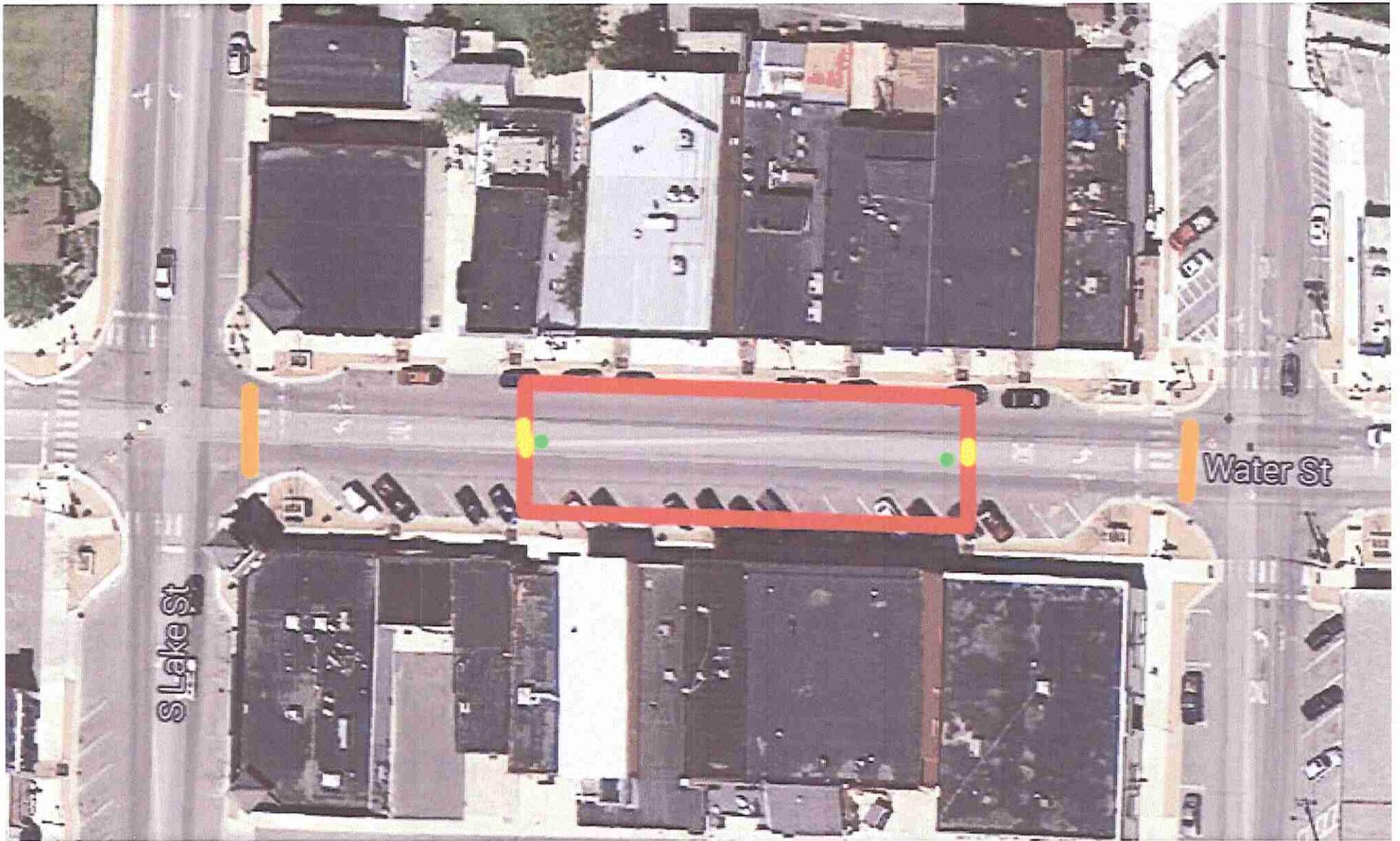
Paul D. Nicholls, Event Coordinator  
Michigan Mountain Mayhem



● Security

— Fence

**Option B**



- Security
  - Openings
  - Fence
  - Road Closure Barriers
- Option A**



# City of Boyne City

## MEMO

Agenda Item 91

Date: March 7, 2014  
To: Mayor Grunch and the Boyne City City Commission  
From: Michael Cain, City Manager   
Subject: Rotary Sign Requests

Throughout their long history, Rotary Club of Boyne City has been an active and positive force in our community. The local service club is looking to add to and upgrade their signage at several locations.

At last Thursday's Parks and Recreation Board meeting the Board voted to recommend the City allow the Rotary Club to place plaques at the newer concession stand/restroom building at the new pavilion in Rotary Park and on the two story green building at the Little League ball field in Veterans Park. See attached memo.

Also attached is a letter and information from Martha Mishler of the Rotary Club requesting permission to upgrade their current road side signage at five locations in town. We have jurisdiction on locations 1-3. Locations 4 and 5 are under the jurisdiction of MDOT and the Charlevoix County Road Commission respectively and applications would need to be filed with them.

We have no problems with the request and are seeking the City Commissions permission to work with the Rotary Club to get the signs installed, subject to working out the details with City Staff. At the same time we are asking for similar permission to work with other local service clubs where we can better coordinate our efforts and be consistent.

We do not anticipate that there would be any cost to the City in this effort, or if there us, it would be very small.

**RECOMMENDATION:** That the City Commission approve the current request of the Rotary Club of Boyne City and other local service Clubs to install the requested (and similar) signs on property under the jurisdiction and control of the City subject to working out any details with City staff.

#### Options:

- 1) Postpone for additional consideration or materials.
- 2) Change or modify the proposed recommendation.
- 3) Deny the request.
- 4) Other option(s) as determined by the City Commission.

# MEMORANDUM

**TO: MICHAEL CAIN; CITY MANAGER** *Mc*

**FROM: ANDREW KOVOLSKI; PUBLIC WORKS SUPERINTENDENT** *AK*

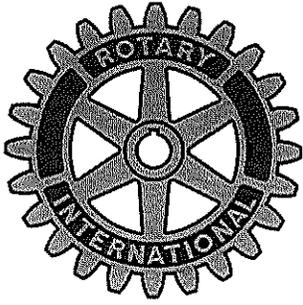
**DATE: 3/7/2014**

**RE: ROTARY PLAQUE PROPOSAL**

At the March 6, 2014 Parks and Recreation Commission meeting Martha Mischler, representing the Boyne City Rotary Club, presented a proposal to place bronze Rotary Plaques on two buildings that were built as Rotarian Projects. The buildings are the Concession / Restroom Building at Rotary Park and what used to be known as the "Beach House" which is the 2 story green building by the Little League field. This is something that Rotary members have wanted to do but was just not ever implemented. They have a couple current members were a part of both projects and would like to see the plaques put in place recognizing Rotary for their efforts and community involvement.

Board Discussion: The general consensus of the board after reviewing the proposal and looking at the plaques was that this was a good idea and should be implemented as soon as possible. The Rotary has been involved in some great community projects and should be recognized for it.

Meeder moved, Bowman seconded, PASSED UNANIMOUSLY to recognize and thank the Rotary Club for their service and recommend approval of the placement of the bronze plaques at the Beach House and Rotary Park Concession as presented.



March 6, 2014  
City Council of Boyne City  
Boyne City, MI 49712

Dear City Council Members,

I am writing on behalf of the Rotary Club of Boyne City to request permission to install Rotary signs at the city limits of Boyne City on several of the main roads leading into town. The exact locations we are proposing are listed below.

It is our belief that service organizations contribute greatly to the vibrancy and richness of the culture of our city. Service organizations also contribute to the community with projects and donations that benefit many residents. With all of the positives that these organizations bring to the city, it is our hope that the city council will permit us to install these Rotary signs as a way for us to get more local recognition and, because Rotarians that travel have meeting attendance requirements, to post the time and location of local meetings.

Please know that the Rotary Club of Boyne City will cover the entire cost of the signs and will conform to all guidelines for construction, materials and locations of the signs.

Proposed sign locations follow:

1. Boyne City/ Charlevoix Road (at curve by Michigan St.). Sign is already there, just need to add a rider.
2. Lakeshore – Sign and rider at the city limits sign
3. State Street (by Rotary Park) – Would like to add a rider to either the big deer sign or relocate the current Rotary sign at the north entrance to Rotary Park
4. M-75 S – Sign and rider by or attached under the Welcome to Boyne City Sign
5. Fall Park – Sign and rider as you get close to M-75

We understand that several of these locations are either county or state maintained roads. We are willing to submit the appropriate forms for permission in areas the city does not have the ability to approve.

Rider verbiage will be:  
**Roberts' Restaurant**  
**Monday 7:00 AM**

Samples of both the sign and rider are attached.

Thank you in advance for your consideration.

Sincerely,

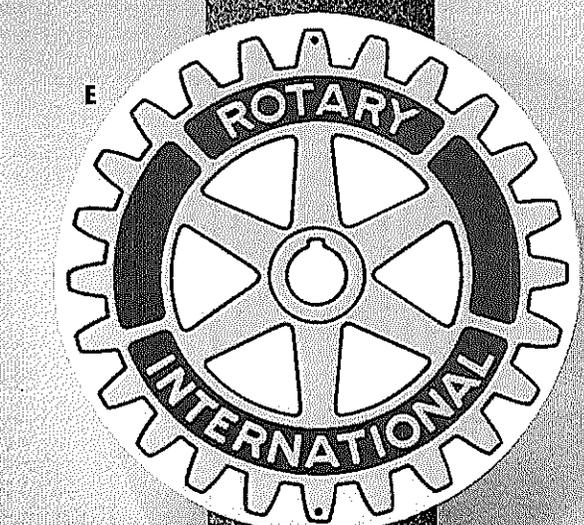
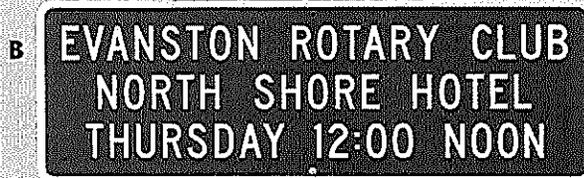
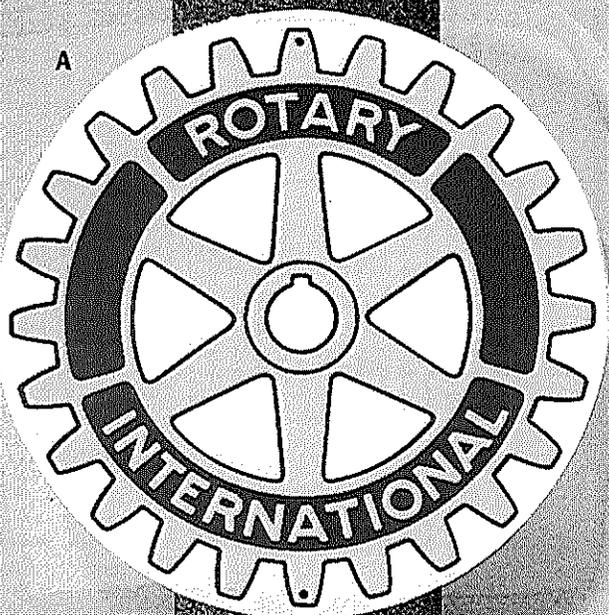
A handwritten signature in cursive script, appearing to read "Martha".

Martha Pixley Mishler  
231-582-2331 Office  
517-294-2265 Mobile  
[martha@marthamishler.com](mailto:martha@marthamishler.com)

**THE FOUR-WAY TEST** "Of the things we think, say or do"

1<sup>st</sup> Is it the **TRUTH**? 2<sup>nd</sup> Is it **FAIR** to all concerned? 3<sup>rd</sup> Will it build **GOOD WILL** and **BETTER FRIENDSHIPS**? 4<sup>th</sup> Will it be **BENEFICIAL** to all concerned?

# Outdoor Road Signs



## Outdoor Rotary Signs

Durable heavy gauge .08 aluminum outdoor road sign. Reflective, single or double-sided. 18" or 30" diameter.

		1	2+
A)	#C3M30 30" Single-Sided	79.95	73.95
	#C3M30D 30" Double-Sided	111.95	105.95
E)	#C3M18 18" Single-Sided	47.95	44.95
	#C3M18D 18" Double-Sided	61.95	57.95

## Blue Information Sign

Blue sign with information in white letters. 8" x 24" is most effective with 3 lines. For 4 lines, use 10 x 24" sign.

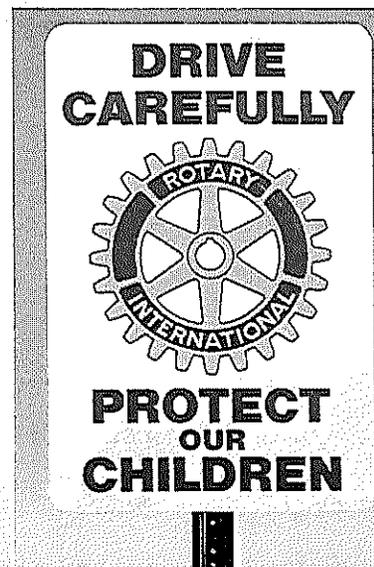
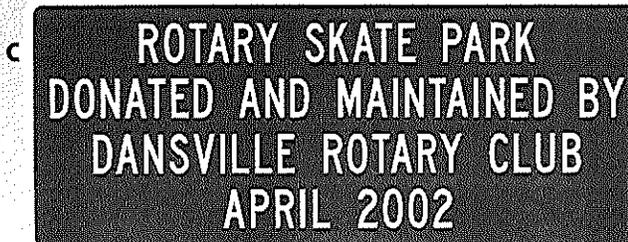
		1	2+
B)	#C3M8 8" Single-Sided	53.95	49.95
	#C3M8D 8" Double-Sided	69.95	66.95
C)	#C3M10 10" Single-Sided	59.95	56.95
	#C3M10D 10" Double-Sided	81.95	77.95

## D) White Information Sign

6" x 18" plate gives your club's meeting place. White sign with black letters. Most effective with 2 lines.

		1	2+
	#C3M6 Single-Sided	43.95	41.95
	#C3M6D Double-Sided	59.95	56.95

*New environmentally friendly reflective finish*



## F) #C3M24

Child Safety Sign

24" x 36"

Reflective Sign

1	2+
87.95	81.95

#C3M24PC  
Custom Sign  
Call for quote

*See website for higher quantity pricing for all signs.*

SIGNS

# March 2014

March 2014							April 2014						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
2	3	4	5	6	7	8	6	7	8	9	10	11	12
9	10	11	12	13	14	15	13	14	15	16	17	18	19
16	17	18	19	20	21	22	20	21	22	23	24	25	26
23	24	25	26	27	28	29	27	28	29	30			
30	31												

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
					March 1
					2
3	4	5	6	7	8
			8:30am Main Street Board mtg. 5:30pm Food Truck (Library) 6:00pm Parks & Rec		9
10	11	12	13	14	15
12:00pm EDC/LDFA	7:00pm City Commission				16
17	18	19	20	21	22
Board of Review	Budget Work Session	Board of Review			23
Saint Patrick's Day (United States) 5:00pm Planning Commission 7:00pm Historical Commission					24
24	25	26	27	28	29
	12:00pm City Commission		5:30pm Airport Advisory Board		30
31					

# April 2014

April 2014							May 2014						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
6	7	8	9	10	11	12	4	5	6	7	8	9	10
13	14	15	16	17	18	19	11	12	13	14	15	16	17
20	21	22	23	24	25	26	18	19	20	21	22	23	24
27	28	29	30				25	26	27	28	29	30	31

Monday	Tuesday	Wednesday	Thursday	Friday	Sat/Sun
	April 1	2	3	4	5
	5:00pm ZBA		6:00pm Parks & Rec		6
7	8	9	10	11	12
	7:00pm City Commission		8:30am Main Street Board mtg.		13
14	15	16	17	18	19
	Tax Day (United States)				20
					National Volunteer Week
21	22	23	24	25	26
National Volunteer Week					
5:00pm Planning Commission	12:00pm City Commission		Arbor Day Seedling Giveaway 5:30pm Airport Advisory Board		27
28	29	30			