



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, December 11, 2018 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 November 27, 2018 City Commission regular meeting minutes as presented
 - B. Approval of the ATT Metro Act Extension request as presented and authorize the City Manager to execute the documents
4. HEARING CITIZENS COMMENTS (on non-agenda items; 5 minute limit)
5. CORRESPONDENCE
6. CITY MANAGER'S REPORT
7. REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES
 - A. Draft minutes of the November 1, 2018 LDFA Board Meeting
 - B. Draft minutes of the November 1, 2018 Parks & Recreation Commission
 - C. Draft minutes of the November 7, 2018 Historical District Board Meeting
 - D. Draft minutes of the November 8, 2018 Main Street Board Meeting
 - E. Draft minutes of the November 19, 2018 Planning Commission Meeting
8. OLD BUSINESS
9. NEW BUSINESS
 - A. Consumers Circuit Clearing
Presentation by Consumers Energy regarding circuit clearing / tree trimming
 - B. Medical Marijuana Ordinance Introduction
Consideration of first reading of an ordinance 34-9 and 34-10 to prohibit marihuana establishments within the City of Boyne City as defined by the Michigan Regulation and Taxation of Marijuana Act and schedule a second reading for January 23, 2019

An Equal Opportunity Provider and Employer

Hometown Feel, Small Town Appeal

- C. North Lake Street Resurfacing
Consideration to approve: 1) the proposed North Lake Street MDOT contract up to the maximum \$234,461 in State and Federal Funds authorized for this project and 2) C2AE's proposal for professional services associated with this project at an estimated cost of \$28,100 and authorize the City Manager and/or City Clerk/Treasurer to execute the necessary documents contingent upon meeting the project budgets
- D. Financial Forecast
Presentation and review of financial forecasting model work prepared by interim Director of Public Works Michael Wiesner
- E. 2019 Meeting Calendar
Consideration to approve the regular meeting schedule for 2019 the 2nd Tuesday of each month at 7:00 p.m. and the 4th Tuesday of each month except December 24 at noon with all meetings to be held at Boyne City Hall, 319 N. Lake Street
- F. Request of the City Manager to go into closed session to consider a periodic personnel evaluation of a public officer as provided in MCL 15.268 (a) of the Michigan Open Meetings Act (PA 267 of 1976)

10. GOOD OF THE ORDER

11. ANNOUNCEMENTS

- City offices will be closed Monday, December 24, 2018 and Tuesday, December 25, 2018 in observance of Christmas Eve and Christmas Day
- City offices will be closed Monday, December 31, 2018 and Tuesday, January 1, 2019 in observance of New Year's Eve and New Year's Day
- The next regular City Commission meeting is scheduled for Tuesday, January 8, 2019 at 7:00 p.m.

12. ADJOURNMENT



Scan QR code or go to
www.cityofboyne.com
click on boards & commissions for complete
agenda packets & minutes for each board

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

**NOVEMBER 27, 2018
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 NOVEMBER 27, 2018

CALL TO ORDER

Mayor Neidhamer called the meeting to order at noon followed by the Pledge of Allegiance.

Present: Mayor Tom Neidhamer, Mayor Pro-Tem Ron Grunch, Commissioners Hugh Conklin, Sally Page and Dean Solomon

Absent: None

Staff: Cindy Grice, Michael Cain , Mike Wiesner, Scott McPherson, Mark Fowler, John Lamont, Melissa Suto and Jeff Gaither

Others: There were eight citizens in attendance.

**CONSENT AGENDA
MOTION**

2018-11-126
Moved by Solomon
Second by Page

Approved the October 16, 2018 City Commission special meeting minutes as presented

Approved the November 13, 2018 City Commission regular meeting minutes as presented

Approved to reappoint Jeff Wellman to the Boyne City Historic District Commission for a two year term ending November 30, 2020

Approved to reappoint Chris Bandy to the Boyne City Historic District Commission for a one year term ending November 30, 2019

Ayes: 5
Nays: 0
Absent: 0
Motion carried

CITIZENS COMMENTS

None

CORRESPONDENCE

None

**CITY MANAGERS
REPORT**

City Manager Cain reported:

- Work on the West Michigan/Woodland water main installation has pretty much wrapped up.
- We are pleased to report the recent results of the State's water testing shows no PFAS detected in our water supply system
- The November election has been certified in Michigan. Recreational marijuana's legalization for home and private consumption and production will be effective as of Thursday, December 6th. We are continuing to monitor the situation and will report back accordingly.
- The DPW's new lawn mower leaf bagger attachment has arrived and is working well. It is being used in Veteran's Park and on other public properties.

- The ice pole is up and ready to be activated once weather conditions are favorable.
- New distance remaining signs for the airport runway that are being donated by a local pilot were received yesterday and will be installed by DPW personnel as weather and time allows. The signs, a safety measure, are big numbers like “1” and “2” that give pilots indicators of how much runway they have left to work with before it ends.

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

John Lamont and Melissa Suto provided a demonstration of the new LUCAS machine.

The October, 2018 Financial Statement was received and filed.

GOALS UPDATE

City Manager Cain reported the goals are now on display at our meeting, only displaying the main verbiage. The subcommittee met yesterday morning and are in the process of clarifying those rolls to report back to the Commissioners.

**Northern Lakes
Economic Alliance
Director’s Update**

NLEA Executive Director Andy Hayes and Carly Bortz provided an overview of what the NLEA does. ½ of funding comes from the private sector, ½ from the public sector. Business retention and growth are a key part of what they do. Their goal is to keep companies in the local government they are currently in. They assist in community development and also provide help to new entrepreneurs. Newsletters are provided monthly. Social media is used as a means of communication as well.

**Lake Charlevoix
Association Sunset
Garden Update**

Lake Charlevoix Association Sunset Garden Update was provided by Tom Darnton and Joel VanRoekel. Participating Landscape Companies include Charlevoix Landscape, North by Nature, Ryan’s Landscape, Vidosh North and Water Paw. The Lake Charlevoix Association has committed to keeping this project going indefinitely. The Grand Opening is planned for early June 2019.

Good Of The Order

Motion by Mayor Neidhamer, second by Commissioner Conklin to adjourn the Regular City Commission meeting of Tuesday, November 27, 2018 at 1:17 p.m.

ADJOURNMENT

Tom Neidhamer
Mayor

Cindy Grice
Clerk/Treasurer



City of Boyne City

MEMO

Date: December 7, 2018

To: Mayor Neidhamer and the Boyne City City Commission

From: Michael Cain, City Manager 

Subject: AT&T METRO ACT Extension

Attached for the City Commission's review and consideration is a request from AT&T for an extension of their MRTRO act permit in the City. Several years ago the state created the METRO act to perform for the uniform regulation and permitting of the use of public right of ways (in most cases edges of roads) for utilities to place their infrastructure. This is a non-exclusive permit that allows company use of the City's right of ways in exchange for some modest payments. The permits are good for five year periods and can be renewed, as being requested in this case. Under the state law the City has very little ability to reject the request. In AT&T's case no issues have arisen that caused any significant issues under their previous permits. This would be at least their third METRO act permit from the City.

RECOMMENDATION: That the City Commission approve AT&T's METRO Act Extension request as presented and authorize the City Manager to execute the necessary documents.

OPTIONS:

- Postpone further action for additional information or review
- Some other action as determined as appropriate by the City Commission.
- Deny the request.



AT&T Michigan
Angela Wesson
METRO Act Administrator
54 N. Mill Street
Mailbox #30
Pontiac, MI 48342

June 1, 2018
Resend: November 8, 2018

City of Boyne City Clerk
319 N Lake St
Boyne City, MI 49712

METRO ACT RIGHT OF WAY PERMIT EXTENSION

Dear Boyne City Clerk,

This is a letter agreement which extends the existing METRO Act Permit issued by the City of Boyne City/Charlevoix County to Michigan Bell Telephone Company d/b/a AT&T Michigan ("AT&T") which expires on December 31, 2018. The extension is for a term to end on December 31, 2023.

If this is agreeable, please sign both copies of the extension letter agreement in the place provided below and return to AT&T Michigan at the address on this letterhead. Upon receipt AT&T will acknowledge and return one copy for your files.

Additional information regarding this renewal request may be found at <http://www.michigan.gov/mpsc>. Please click on Telecommunications, METRO Act/Right of Way, and AT&T 5 Year permit extension.

We would appreciate return of the signed copies within 30 days of receiving this request. Your cooperation is appreciated.

If you have any questions feel free to contact Ms. Angela Wesson via e-mail, AD3245@att.com or 248-456-0361.

Agreed to by and on behalf of the
City of Boyne City

**Michigan Bell Telephone Company d/b/a
AT&T** acknowledges receipt of this
Permit Extension granted by the municipality.

By: _____
Signature

By: _____
Angela Wesson

Its: _____

Its: METRO Act Administrator

Date: _____

Date: _____



Approved: _____

**MEETING OF
November 1, 2018**

**MINUTES OF THE BOYNE CITY LOCAL DEVELOPMENT FINANCE
AUTHORITY MEETING DULY CALLED AND HELD ON THURSDAY, November
1, 2018 at City Hall ~ 319 N Lake St, Boyne City**

CALL TO ORDER

Chair Gillett called the meeting to order at 12:00 Noon.

ROLL CALL

Present: Pat Anzell, Kelly Bellant, Michael Cain, Pete Friedrich, Ralph Gillett, Drew May
Absent: Michelle Cortright, Josette Lory

**EXCUSED ABSENCES
MOTION**

Cain moved, Friedrich seconded, PASSED UNANIMOUSLY to excuse Josette Lory
and Michelle Cortright

**MEETING
ATTENDANCE**

Staff: Recording Secretary Jane Halstead
Public: Pat O'Brien

**APPROVAL OF
MINUTES
MOTION**

Bellant moved, May seconded, PASSED UNANIMOUSLY to approve the
September 7, 2018 minutes as presented.

**HEARING CITIZENS
PRESENT**

None

CORRESPONDENCE

None.

UNFINISHED BUSINESS

None.

NEW BUSINESS

City Manager Cain requested 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).

Anzell moved, Friedrich seconded, PASSED UNANIMOUSLY 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) at 12:04 p.m.

Cain moved, May seconded, PASSED UNANIMOUSLY to return to open session at 12:30 p.m.

GOOD OF THE ORDER

None.

NEXT MEETING

The next meeting of the Local Development Finance Authority is scheduled for November 12, 2018.

ADJOURNMENT

The November 1, 2018 Local Development Finance Authority meeting was adjourned at 12:32 p.m.

Pete Friedrich, LDFA Secretary

Jane Halstead, Recording Secretary



Approved:

**Meeting of
November 1, 2018**

RECORD OF THE PROCEEDINGS OF THE **REGULAR BOYNE CITY PARKS AND RECREATION COMMISSION MEETING** HELD AT 5:00 P.M. AT CITY HALL ON THURSDAY, NOVEMBER 1, 2018.

Call to Order

Meeting was called to order by Chair Mike Sheean at 5:00 p.m.

Roll Call

Present: Mike Sheean, Diane Sterling, Lisa Alexander, Hugh Conklin, Greg Vadnais and Gow Litzenburger

Absent: Jo Bowman,

Meeting Attendance

City Staff: city manager Michael Cain, interim DPW superintendent Mike Wiesner and recording secretary Barb Brooks

Public Present: two (2)

Excused Absences

****MOTION**

Conklin moved, Litzenburger seconded, **PASSED UNANIMOUSLY** to excuse the absence of Bowman

Approval of Minutes

****MOTION**

Sterling moved, Alexander seconded, PASSED UNANIMOUSLY a motion approving the October 4, 2018 meeting minutes as presented

Citizens Comments

(on non-agenda items)

- Open Space sale closing is tentatively scheduled for November 9
 - Michael Cortright requested permission to groom trails at Avalanche this winter. The board felt there were no issues last year and that it was an asset.
 - Cortright also inquired about the process to hold the 2nd annual fat tire bike race at Avalanche. The board referred Cortright to work with staff. Downtown (2 hour) parking was discussed.
-

New Business

Walloon Lake Trust and Conservancy / TOMMBA property acquisition in Evangeline Twp.

Heather Huffstutler, Director of Conservation Programs for the Walloon Lake Trust and Conservancy reported that they recently signed purchase agreement on the 40 acre parcel between the school forest property and the City's property in Evangeline Township. The conservancy will be working with the Top of Michigan Mountain Bike Association (TOMMBA) to raise the necessary funds to cover the purchase price and begin trail development over the next 6 months. TOMMBA will be working on plans to develop mountain bike trails throughout the property connecting it to the trails on the school forest property. Huffstutler stated that the Conservancy is excited to partner with TOMMBA on this project and possibly the City if it is decided to pursue trail development on the City's property as well. Michael Cortright indicated the addition of the City property could add another 5 – 6 miles of trails and would make the riding attractive to many riders of all skill levels.

The board discussed the following items:

- The need for additional parking if the trails are expanded
- Continue to investigate if selective tree harvesting is an option and compatible with trail development
- Should the City consider selling the property, possibly to the conservancy or are there other uses that are not being considered.
- The City should keep the property as we already own it and nobody knows what the future may hold and what uses the City may have the vacant land.

Huffstutler added that they have a forester that they have brought on to review all of their properties and was willing to check into the possibility of utilizing them to review the City's property as well.

****MOTION**

Vadnais moved, Alexander seconded, PASSED UNANIMOUSLY a recommendation to move forward with investigating options working with TOMMBA and the Conservancy regarding recreational development and possible select forest harvesting.

Director's Report

Interim Director Wiesner distributed a list of project updates that included: a replacement tree at the dog park and finalizing bench and trash container map, and installed memorial benches. Board members inquired about the installation of poles at Rotary Park. Wiesner stated that nothing has taken place yet. Still trying to coordinate proper paperwork and permissions. Tennis courts at Rotary Park were discussed as well. Work will not take place until 2019. There was discussion as to whether one court should be striped specifically for pickle ball. This will be discussed further prior to the new striping being installed.

Correspondence

None

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

Park Inspection Reports –

- Board discussion regarding the boys' basketball team running up the face of Avalanche. The board thanked Sterling for taking action to address this with the school.
- Board members expressed disappointment regarding the trail markings (spray paint) all over the trail at Avalanche. In the absence of a full-time director, when the application was received to hold the event, Brooks shared with the City Manager the marking issue from the past year. It was conveyed to the City Manager that if they intended to mark the trails with spray paint in the future, the event would not be recommended for approval by the Parks and Recreation Commission. Board members felt strongly that if the parameters set forth couldn't be followed, then the event shouldn't take place at Avalanche.
- Board members also inquired about the winter activities for Avalanche and if staffing was all set and if there was a better plan in place for making and maintaining ice and the general operations of the warming house. Also, no smoking signs will need to be added for the park. There isn't anything in place at this time; however an update will be provided at the December meeting.

Unfinished Business

Avalanche RFP update

Nothing new to report. Wiesner was not aware there was already a draft RFP.

New Business

City-wide Goals

There was quite a bit of discussion at the Goal Setting session regarding our Parks and Recreation within the City. While there are many good things happening and on the horizon, the focus should be on completing projects that we have already started. There was also discussion regarding not only funding the projects but funding for staff to maintain as we continue to add and expand parks and activities. There will be more detailed discussion at an upcoming joint boards and commissions meeting.

December Meeting Date

Due to another meeting conflict, Brooks will not be able to attend and record the meeting minutes on the 1st Thursday of each month. The general consensus of the board is that they would like Brooks to continue on as the recording secretary. The December meeting date will be rescheduled to December 13, 2018. During the December meeting the board will review and adopt and meeting schedule for 2019.

Adjournment

The November 1, 2018 meeting of the Parks and Recreation Board was adjourned at 6:48 p.m.

Barb Brooks, Recording Secretary

BOYNE CITY
HISTORIC DISTRICT COMMISSION

Minutes of the November 7, 2018

Call to order: 5:02 pm

Present: Kragenbrink, Glassford, Litzenburger and Bandy

Not Present: Wellman

Staff: McPherson, Hewitt

Guests: none

Approval of minutes of the July 19, 2018 meeting, motioned by Litzenburger, second by Kragenbrink, all ayes.

Public Comments on Non-Agenda Items:

None

Old Business:

None

New Business:

- A. Recommendation to City Commission for board appointment renewal for Chris Bandy 1 year term, Jeff Wellman 2 year term, motioned by Kragenbrink, second by Litzenburger, all ayes.
- B. CLG (Certified Local Government) review and updates. Patrick Kilkenny, Assistant Planner and Michele Hewitt worked together to renew the CLG with the State of Michigan.
The State pointed out that there are a few things that we need to do to maintain our CLG status. Set Goals, meet at least 4 times a year and submit an annual report. Hewitt shared the original list of goals that were submitted back in 2009 indicating if completed.
 1. Renovate and Re-purpose the Boyne City Water Works 1910 Building, which is on the National Register of Historic Places. This has been done.
 2. Renovate Dilworth Hotel Building, which is on the National Register of Historic Places. This is in progress by current owner.
 3. The Historic Commission will survey the Core downtown district, which has been partially surveyed as part of the main street program. Main Street hired a consultant and had the downtown area surveyed and placed on the National Register of Historic Places.
 4. The City's Historic Commission will review and update the survey's already completed for Pearl Street district to ensure they comply with state requirements. This is to be done.
 5. Develop and implement a systematic review schedule for the rest of the City. This will be worked on.
 6. Survey Elm Street and maybe Terrace Street. To be discussed at future meetings.
 7. Complete façade enhancements for 5 downtown Historic Buildings. Done.
 8. Work with property owners on identifying and listing additional buildings on the National Register of Historic Places. To be discussed at future meetings.

2019 Calendar was also adopted for regular scheduled meetings. 4 meetings to be scheduled, February, May, September, and November. 4th Thursday of the month at 5:00 pm. Motioned by Litzenburger, second by Glassford, all ayes.

Litzenburger had questions about two items he found in the Michigan's Certified Local Government Program booklet. First was regarding our retaining an Architect. It was explained that we have retained Richard Neuman a local architect from Petoskey. Second was question regarding the local ordinance must avoid the following coming from page 5, section C. McPherson explained that this is all defined by our Historic District Ordinance.

C. Goal Setting

Inventory of existing District

Discussion of new district areas

Involve Main Street with façade projects and work with Design Committee

Training (spring training in 2019)

Survey to get public input on future district areas.

Announcements:

None

Correspondence:

None

Adjournment:

5:25 pm, motioned by Glassford, second by Litzenburger to adjourn, all ayes.

Next Meeting:

February 28, 2019 5:00 pm



Approved: _____

Meeting of November 8, 2018 MINUTES OF THE BOYNE CITY MAIN STREET BOARD REGULAR MEETING HELD ON THURSDAY, NOVEMBER 8, 2018 at 8:30 AM CITY HALL, 319 NORTH LAKE STREET

Call to Order Chair Michelle Cortright called the meeting to order at 8:30 a.m.

Roll Call Present: Jodie Adams, Chris Bandy, Michelle Cortright, Becky Harris, Rob Swartz

Absent: Michael Cain, Patrick Little, Pat O'Brien, Don Ryde

Meeting Attendance City Staff: Main Street Director Kelsie King-Duff, Recording Secretary Jane Halstead, Assistant Planner Patrick Kilkenny, Main Street Assistant Ingrid Day

Public: None

Excused Absences MOTION Swartz moved, Bandy seconded, PASSED UNANIMOUSLY to excuse Patrick Little, Pat O'Brien and Don Ryde

Approval of Minutes MOTION Harris moved, Adams seconded, PASSED UNANIMOUSLY to approve the October 4, 2018 minutes as presented.

Citizens Comments None.

Correspondence A thank you note from Challenge Mountain was received and filed.

Committee Reports Organization The Organization Committee did not meet last month. The next meeting is Tuesday, October 6th at 3:00 p.m.

Promotion Earlier Than The Bird is November 17th with 24 stores participating. The Christmas Open House and Santa Parade is scheduled for the day after Thanksgiving.

Design Colors for the façade for the old Sportsman's Bar building were reviewed with Glen Catt. The Committee is still working on downtown recycling.

The cement trashcans from downtown are being moved to the park and the green slated trash cans will be placed downtown.
The National Historic Trust Signs have been ordered.
The Mosaic Sculpture has been installed and the feedback is positive.

Team Boyne/Economic Vitality

Barb Brooks, the Harbor Master for Boyne City provided an overview of the marina expansion.
Available properties in the City were reviewed.

Farmer's Market

The vendors do not like changing locations for the Harvest Festival.
Review of the by-laws and market rules are on-going.

Director's Report

Received and filed.
Kelsie King-Duff thought the Main Street America Institute Community Transformation Workshop she recently attended was very worthwhile.

Unfinished Business

None.

New Business

Appointment of Jodie Adams to the Farmer's Market Advisory Committee

**Appointment of
Jodie Adams to the
Farmer's Market
Advisory
Committee
MOTION**

The position of Main Street Representative to the Farmer's Market Committee has gone unfilled since Robin Berry resigned from the Main Street Board. Jodie Adams is willing to fill the vacancy.
Harris moved, Bandy seconded, PASSED UNANIMOUSLY to appoint Jodie Adams to the Farmer's Market Advisory Committee to serve as the Main Street Representative.

**Appointment of
Adam Graef as
Chair of the Design
Committee
MOTION**

Appointment of Adam Graef as Chair of the Design Committee

Becky Harris recently stepped down as Chair of the Design Committee. The Committee has recommended Adam Graef to serve as the Chair.

Adams moved, Harris seconded, PASSED UNANIMOUSLY to appoint Adam Graef to serve as Chair of the Design Committee.

**Façade Grant
Approval
MOTION**

Façade Grant Approval

The approval of the façade grant for 116 S Lake Street was held off in June in hopes of receiving additional matching funds from the State. Those additional funds from the State were not granted. The project is now underway and the grant from Boyne City Main Street can be approved.

Adams moved, Swartz seconded, PASSED UNANIMOUSLY to approve the \$5,000 façade grant for 116 S Lake Street.

Financial Report Review

The Financial Report was received and filed.

Good Of The Order

- Cortright is working on a sign to thank the community upon the completion of the Pavilion
- The Boyne Housing Solutions group continues to meet and make good progress in addressing the housing shortage.

Adjournment

The November 8, 2018 meeting of the Boyne City Main Street Board was adjourned at 9:03 a.m.

Jane Halstead, Recording Secretary

DRAFT

Approved: _____

**Meeting of
November 19, 2018**

Record of the proceedings of the Boyne City Planning Commission meeting held at Boyne City Hall, 319 North Lake Street, on Monday November 19, 2018 at 5:00 pm.

Call to Order

Vice Chair Place called the meeting to order at 5:00 p.m.

Roll Call

Present: Ken Allen, Jason Biskner, George Ellwanger, Jim Kozlowski, Tom Neidhamer, Aaron Place and Jeff Ross

Absent: Joe St. Dennis

Vacancy: One

Excused Absences

2018-11-19-02

****Motion**

Ross moved, Ellwanger seconded, PASSED UNANIMOUSLY, a motion to excuse the absence of St. Dennis.

Meeting Attendance

City Officials/Staff: Planning and Zoning Administrator Scott McPherson and Recording Secretary Pat Haver

Public Present: Three

Consent Agenda

2018-11-19-03

****Motion**

Neidhamer moved, Biskner seconded, PASSED UNANIMOUSLY, a motion to approve the consent agenda, the Planning Commission minutes from October 15, 2018 as presented.

**Citizen comments on
Non-Agenda Items**

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

None

Unfinished Business

New Business

Planning Director McPherson advised with the resignation of Chris Frasz, the Commission will need to elect a Chair. With board discussion, and accepting the nomination, **motion by Ross, seconded by Ellwanger** to nominate Aaron Place as the Chair of the Planning Commission.

Election of Officers

****Motion**

2018-11-19-7A

Roll Call:

Ayes: Allen, Biskner, Ellwanger, Kozlowski, Neidhamer, Place and Ross

Nays: None

Absent: St. Dennis

Vacancy: One

Motion Carries

****Motion**

With Aaron Place, formerly the Vice Chair, accepting the Chair position, that left the Vice Chair position open. With board discussion and accepting the nomination, **motion by Ross, seconded by Ellwanger** to nominate Ken Allen as the Vice Chair of the Planning Commission.

2018-11-19-7A.1

Roll Call:

Ayes: Allen, Biskner, Ellwanger, Kozlowski, Neidhamer, Place and Ross

Nays: None

Absent: St. Dennis

Vacancy: One

Motion Carries

**Pre-application Review
216 N. Lake St.**

Planning Director McPherson advised that Case Construction, the contractor for the project, is before the board tonight for a pre-application meeting. With no conceptual site plans or building plans previously submitted, the developer indicated that they intend to demolish the existing structure and construct a new commercial space.

Cliff Harvey, Case Construction - showed the board some preliminary sketches of the concept of the 2,100 square foot one story structure that will be built. It will have the same design as the city facilities utilizing cultured stone and materials, the colors will be different and they will have awning type window treatments. They will be using the same footprint with the length running along Lake St. McPherson advised that they would need to adhere to the current zoning requirements and be 10' off of the lot lines on both streets. Due to the current lack of housing options, it was discussed possibly putting a second floor on the structure and using it for housing. Nate Vohwinkle, the developer, will speak with the client and present that option. The design will utilize energy efficiencies with the electrical and lighting and investigating the possibility of using geothermal heating. There was discussion on parking, which could not be finalized until the final designs are submitted. The board was excited for the project and to see the development plans, which should come before the board for the next meeting.

**Michigan Regulation
and Taxation of
Marijuana Act update**

Planning Director McPherson detailed the information included in the agenda packets, and gave a brief overview of the law. The exact date that this will become a law is not specifically known, but appears that sometime in early December. The Act establishes regulations for the legal possession, use, transport, transfer, growing and processing of specified amounts of marijuana and marijuana accessories for persons over the age of 21. The city will have to make some decisions in regards to implementation of the law within the city limits, such as which zoning district to allow it in if we move forward. The law established and clarified different types of establishments which include a grower, processor, transporter, safety compliance facility, retailer and microbusiness. If the city chooses not to permit marijuana establishments within the municipality, it would have to "opt out" of the MRTRA and it is recommended to be done by ordinance and not resolution. If the city chooses to "opt in" they may adopt ordinance regulations for commercial recreational marijuana establishments. Whatever decision the city makes, the state has one year from the effective date in order to assemble the regulatory framework for licensing commercial recreational marijuana establishments. Discussion for tonight was just a heads up that more meetings are likely to be held; possibly a public forum or Countywide forum.

Biskner left at 5:52 pm

**Development of 2019
Planning Commission
Work Plan**

Previously this item was before the Commission to develop a list of items to focus on. With the area wide shortage of housing, it seems the best place to continue discussions; such as possible adjustments of lot sizes and housing sizes to allow for smaller footprint houses. Staff has been looking at building height regulations. It is mentioned not only in feet but building stories; what is the difference in height or story; nothing. It hinders the ability to put in a 4 or 5 story building, yet remain under the requirement of height in feet. Looking at article 18; Open Space Community Option the "Cluster Development

Housing Option” which uses a formula of base density for residential districts only; can be quite detrimental to developers as they would need to remove land which could be used for housing and put towards collective open space parks or non-useable space, and it is not beneficial for them to go through the process. If we are sincere about looking at better ways of helping to develop housing, we may want to look at those items. We could look through the Master Plan to identify areas that would help with ways to increase density or regulations in order to garner additional housing, maybe look at the Professional Office District and housing regulations. What is the impact of short term rentals on available inventory, neighborhood noise or nuisances, impact on economy or additional services on the city? There is a possibility that this may become state wide as a Use by Right, and we would not be able to do anything about short term rentals. Currently there is no way to regulate them, perhaps we should have a Police Power License Ordinance with a local point of contact person. Staff was directed to develop ordinance amendment language on height for a public hearing next month.

**Staff Report
Good of the Order**

Happy Thanksgiving

The next regular meeting of the Boyne City Planning Commission is scheduled for Monday, December 17, 2018 at 5:00 p.m.

**Adjournment
Motion

2018-11-19-10

Kozlowski moved, Neidhamer seconded, PASSED UNANIMOUSLY a motion to adjourn the November 19, 2018 meeting at 6:18 p.m.

Chair Aaron Place

Recording Secretary Pat Haver

WE'RE PROUD TO PROVIDE OUR NEIGHBORS WITH SAFE AND RELIABLE ELECTRIC SERVICE.

PRESORTED
FIRST-CLASS MAIL
US POSTAGE PAID
CONSUMERS ENERGY C

Service Address: 852 DEER RUN DR, BOYNE CITY



Energy Delivery
One Energy Plaza
Jackson, MI 49201-2357

Soon, we'll be doing tree-clearing work in your neighborhood. That means a planner will be surveying our right-of-way and marking trees that need to be trimmed with a blue dot and trees that need to be removed with a blue X. Also, trees outside our right-of-way may be marked for removal with a blue A.

If your tree is marked, a planner will attempt to contact you in person. If you're unavailable, a card will be hung on your door with the planner's contact information if you would like to discuss the planned work before it proceeds. An additional letter that further outlines this work will be arriving shortly.

Thanks for being a valued customer - because working to deliver the energy you need whenever you need it is our Promise to Michigan.

MICHAEL C CAIN
852 DEER RUN DR
BOYNE CITY MI 49712-8908



CLEARING NOW MEANS POWER LATER.

WORKING TO DELIVER THE ENERGY YOU NEED, WHENEVER YOU NEED IT. THAT'S OUR PROMISE TO MICHIGAN.



Michael Cain

From: HEATHER A. BUTLER <HEATHER.BUTLER@cmsenergy.com>
Sent: Wednesday, December 05, 2018 5:22 PM
To: Michael Cain
Cc: Timotey D. Petrosky
Subject: RE: BC Line Clearing Presentation
Attachments: Community Briefing - Boyne City_12-11-18.docx; Map for City.pdf

Hi Mike,

Please find attached the info you requested. We will cover the info in the community briefing document at the 12/11 council meeting. The separate map is the same as in the community briefing but may be a little easier to read.

To clear up the notification process, all customer accounts receive the postcard notice regardless if they are directly served by overhead or underground lines. The clearing work along the overhead system ultimately does affect the reliability of any underground lines fed off from it. We send the notice to all customer accounts for the following reasons:

- 1) This notice lets all customers know we are working to improve their electric reliability.
- 2) Some customers may have overhead lines on their property even though they are fed by an underground system.
- 3) It alerts area residents that we will have workers in and around their neighborhood so when they see unfamiliar individuals walking through yards and blue marks on trees they know what's going on.

After the postcard is sent the work planner starts surveying the lines and identifying the work. The planner knocks on doors at residences with clearing needs on the property to notify them. If no one answers the door, a door card explaining the work is left. There is a name and phone # to call should the resident have questions. If the property requiring work is vacant or it is evident it is a seasonal residence the work planner will mail a card notifying the owner of the pending work.

A second mailing, letter and brochure, is sent to all customer accounts just prior to the crews starting work. This mailing contains more information about the project and a phone number to call should a customer have questions or concerns regarding the project or concerns specific to their property. You can expect to receive this mailing late next week or the following week.

Let me know if you have further questions.

Thank You,

Heather Butler

Forestry

O: 231.929-6217



ELECTRIC LINE CLEARING COMMUNITY BRIEFING

BOYNE CITY, MI

DECEMBER 11, 2018



A CMS Energy Company

Consumers Energy is striving to improve reliability for many of the residents and business-owners within and around the Boyne City community. Historically, trees and limbs have accounted for approximately 40% of all power outages. While controlling the weather is beyond our means, systematically clearing the overhead electric lines lessens the impact weather has on electric service reliability. As such, line clearing activities are scheduled to commence on the Boyne City/Boyne City circuit in mid/late December and will continue through March 2019.

BOYNE CITY/BOYNE CITY CIRCUIT INFORMATION	
Voltage	7,200 volts
Miles of electric lines	21 miles
Customers served	1,573 customers
Tree-caused outages in 2018 (Through November)	11 outages affecting 1,875 customers

*Miles and customer counts are approximations

VOLTAGE	MINIMUM CLEARANCE
Distribution - Secondary	The secondary or service wire is not being displaced
Distribution – Primary (7,200 volts)	<p>Right-of-way: typically 30' wide</p> <p>Trimmed trees: 10' clearance from the wire</p> <p>Removed trees: 15' on both sides of pole line</p> <p>Hazard trees: 35' on both sides of pole line</p>

WHAT TO EXPECT:

- Customer communications:
 - Customers received the 1st of 2 mailed notifications (planning postcard mailed Nov. 14th)
 - Customers with affected trees will be contacted in person or via door hanger by a Consumers Energy Planner
 - Informational letters will be mailed to all customers prior to tree work commencing
- Line clearing standard practices:
 - Field work will be completed by Trees LLC crews under the supervision of CE Foresters
 - Trees marked with a blue dot '.' indicate a tree to be trimmed; trees marked with a blue 'X' indicate a tree to be removed; trees marked with a blue 'A' indicate a hazard tree outside of the right-of-way to be removed; brush to be cut/removed may be marked with a blue '/'.
- Clean-up practices:
 - Maintained areas (yards/landscaped):
 - Brush is chipped and hauled from the premise; larger pieces are cut, piled and left onsite
 - Unmaintained areas (rural/woodlots):
 - Wood and brush are windrowed and left along edges of right-of-way
 - Tree trimming debris may be 'shredded' by a mower if being used on the project

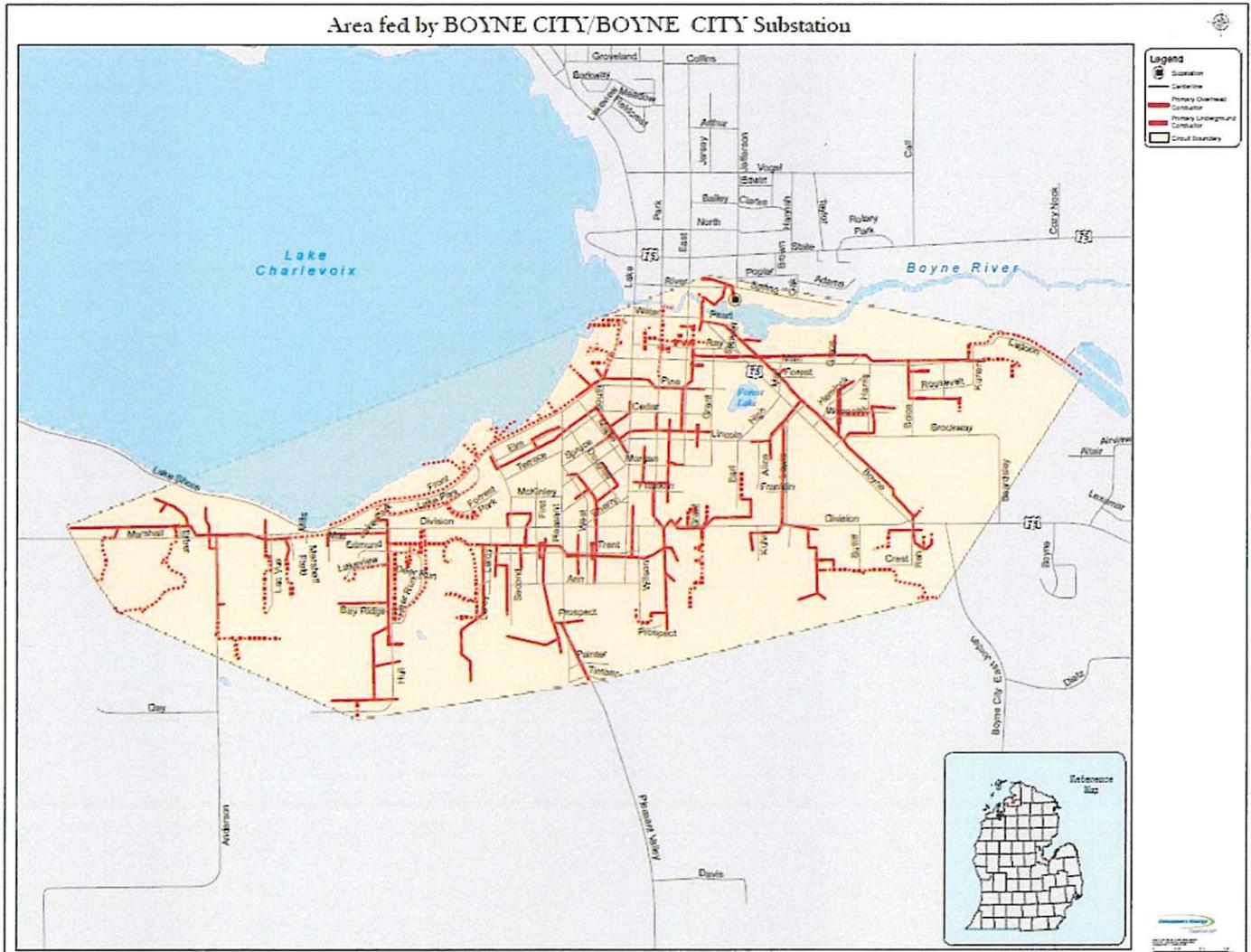
ELECTRIC LINE CLEARING COMMUNITY BRIEFING

BOYNE CITY, MI

DECEMBER 11, 2018



A CMS Energy Company



PRIMARY CONSUMERS ENERGY CONTACTS:

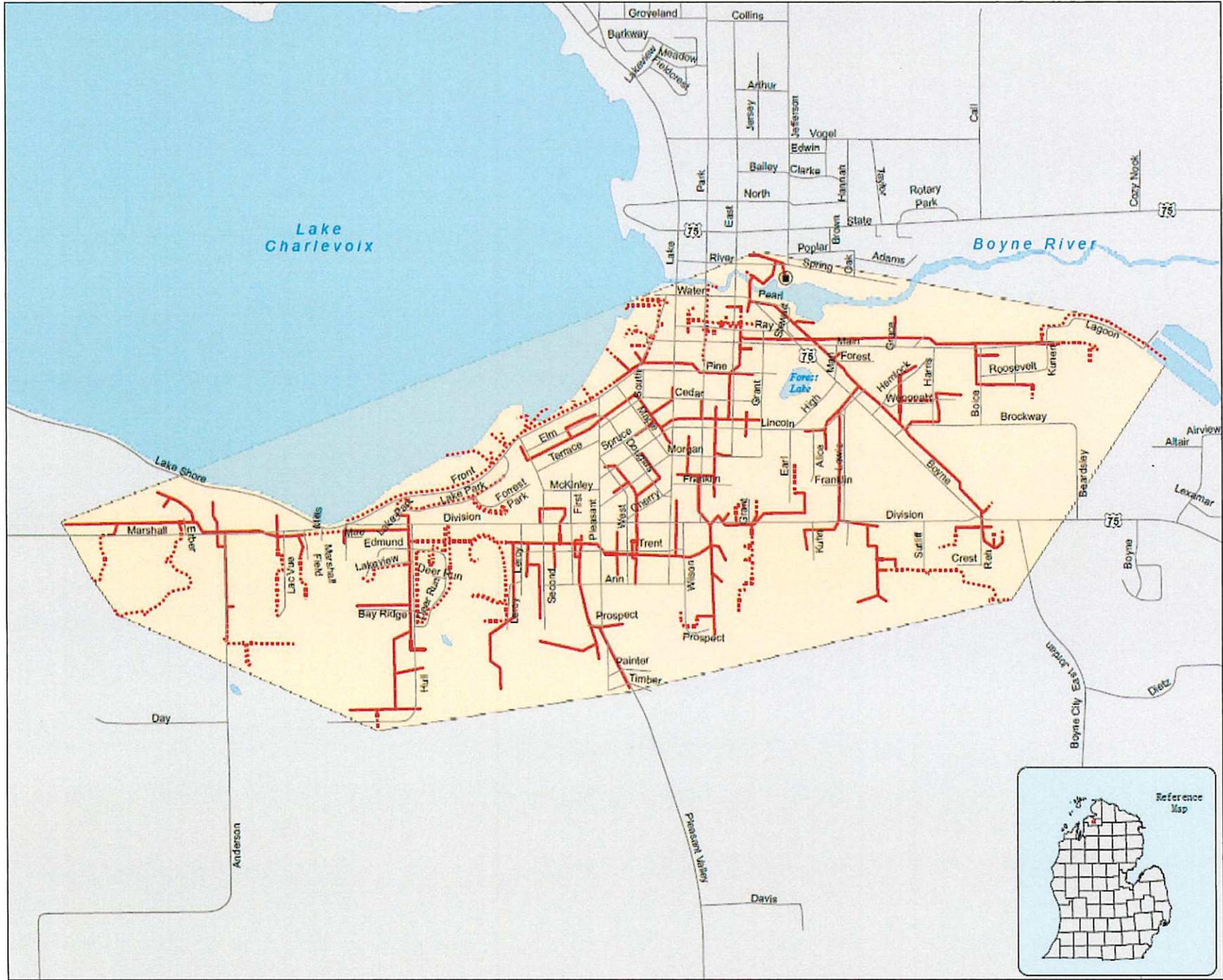
- Local Forestry Planner: Mitch Cleland
 - Phone: (231) 929-6282
- Local Forester: Heather Butler
 - Phone: (231) 929-6217
- Forestry Communications Lead: Lee Natzke
 - Phone: (517) 788-2585

For additional information regarding Consumers Energy's Forestry Operations, please visit:

<https://www.consumersenergy.com/company/reliability/trees-and-power-lines>

Please report all outages immediately by calling Consumers Energy at 1-800-447-5050.

Area fed by BOYNE CITY/BOYNE CITY Substation



Legend

- Substation
- Centerline
- Primary Overhead Conductor
- Primary Underground Conductor
- Circuit Boundary



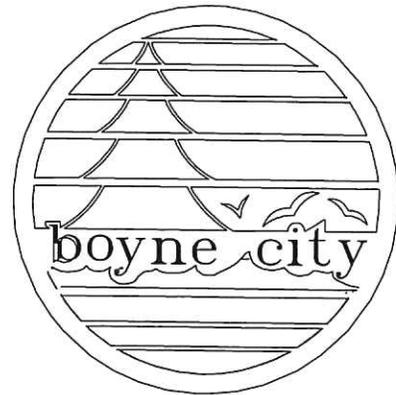
CITY OF BOYNE CITY

To: Michael Cain, City Manager *Mc*

From: Scott McPherson, Planning Director *SM*

Date: December 11, 2018

Subject: MRTMA First Reading



Background

The Michigan Regulation and Taxation of Marihuana Act (MRTMA) was approved by Michigan voters on November 6th and became effective on December 6, 2018. The Act requires municipalities to either “opt-in” to permit and regulate marihuana establishments, or “opt-out” to not permit marihuana establishments within the municipality. If a municipality wishes to “opt-out” it is recommend the action is done by ordinance.

From the effective date of the law the State has one year to assemble the regulatory framework for licensing commercial recreational marihuana establishments. While the State could adopt the regulatory framework in a shorter timeframe, it is not anticipated to be completed anytime in the near future. The City may opt in or out at any time. However given the fact that the nature and requirements of the rules that will be adopted by the State are completely unknown at this time, developing an ordinance to regulate establishments at this time would pose significant challenges. Therefore it would seem prudent to choose to opt out at this time to provide the City the time to further study the issue and fully consider the rules developed by the State once completed.

It should be noted that a municipality is not permanently bound by any actions it takes. If a municipality decides to opt-in after a decision to opt-out has been made, they can do so, and similarly the municipality can opt-out after opting in; however, this may pose challenges on how to treat any establishments that were legally created during the opt in period.

Process

The proposed amendment is being presented to the City Commission at its December 11, 2018 meeting for a first reading. As required by the Boyne City Charter, ordinance amendments cannot be adopted until at least one month after the meeting it is introduced. The next available City Commission meeting that meets this requirement would be January 23, 2019.

Recommendation

Given the fact the regulatory framework for licensing of marihuana establishments has not yet developed and there is a possibility that some of the terms and provisions of the act may be furthered clarified or defined by future litigation it is recommend that an opt out ordinance be considered at this time.

Other Options.

1. Send proposed ordinance back to staff for additional changes
2. Direct staff to develop an “opt-in” ordinance
3. Other actions as determined by the Commission.

An ordinance to amend Chapter 34 Article I of the Code of Ordinances City of Boyne City, by adding new Sections 34-9 and 34-10.

WHEREAS, the City Commission of the City of Boyne City has studied the existing provisions of the City Code of Ordinances and has determined that changes to the City Code Ordinances are desirable in order to prohibit the establishment or operation of marijuana establishments within the City as such facilities are defined in the Michigan Regulation and Taxation of Marijuana Act (the "Act"); and, to prohibit consumption (including smoking), cultivation, distribution, processing, selling or displaying marihuana or marijuana accessories in a building owned or operated by the City of Boyne City; and to prohibit consumption (including smoking) of marijuana in a public place; and

WHEREAS, the City Commission finds that immediate adoption of the within Ordinance is necessary for the health, safety and welfare of the City of Boyne City,

NOW, THEREFORE, THE CITY OF BOYNE CITY ORDAINS:

Section 1

Sections 34-9 and 34-10 of Chapter 34 of Article I of the Code of Ordinances of the City of Boyne City is hereby added, to read as follows:

**Section 34-9
PROHIBITION OF MARIJUANA FACILITIES**

- (1) The purpose of this Ordinance is to exercise the City of Boyne City's authority to prohibit the establishment or operation of marijuana establishments within the City as such facilities are defined in the Michigan Regulation and Taxation of Marijuana Act (the "Act").
- (2) Pursuant to the Act, Section 6.1, the City prohibits the establishment or operation of any and all categories of marijuana establishments within its boundaries.

**Section 34-10
PROHIBITION OF CONSUMPTION OF MARIJAUNA IN PUBLIC PLACES**

- (1) No person shall consume (including smoking) cultivate, distribute, process, sell, or display marijuana or marihuana accessories in a building owned or operated by the City of Boyne City, except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marijuana by means other than smoking;

(2) No person shall consume (including smoking) marijuana in a public place within the boundaries of the City of Boyne City, including but not limited to any street, sidewalk, highway, alley, park, or parking lot located therein, or the City docks or the City beach areas.

(3) Any person that violates any provision of this section is responsible for a municipal civil infraction, subject to the payment of a civil fine pursuant to section 1-7.

Section 2

The provisions of this ordinance are hereby declared to be severable, and if any clause, sentence, word, section or provision is declared void or unenforceable for any reason by a court of competent jurisdiction, the remaining portions of said ordinance shall remain in force.

Section 3

This ordinance shall take effect ten (10) days after its adoption and publication.

Section 4

A copy of this Ordinance may be purchased or inspected during normal business hours at City Hall, 319 N Lake Street, Boyne City, Michigan.



City of Boyne City

MEMO

Date: December 7, 2018

To: Mayor Neidhamer and the Boyne City City Commission

From: Michael Cain, City Manager *Mc*

Subject: North Lake Street Resurfacing

Attached are two items regarding the proposed milling and resurfacing of North Lake Street between State Street and 200' south of Lakeview Drive. The construction of this project is proposed to be paid for using up to \$234,461 of State and Federal funds. The City's responsibility is to cover the engineering and inspection costs.

North Lake Street was rebuilt in the late 1990's and is showing signs of wear that need repair. We have applied for and received funds to resurface the street in two sections. The first section, as described above, is before us tonight. The second section picks up at the north end where the first one leave off and continues to the West Michigan and will follow one year later in 2020.

Bids for the first phase of the project came into MDOT on Friday, December 7th. The low bid by Payne & Dolan Inc was \$199,195.50 with a second bid very close behind. Both bids were over 17% above the Engineers estimate of \$169,721.50. Even with the higher than expected bids there appears to be sufficient State and Federal funding set aside for this project that would allow it to move forward.

The first item needing the City Commission's consideration is the proposed project agreement with MDOT. Although this project is being done in the City on a City maintained street the funding sources require that it be done under MDOT's jurisdiction. This is similar to how we rebuilt like the eastern part of Division Street and the southern part of Pleasant Avenue. Please note that page 8 of the proposed agreement is using figures based upon the Engineer's estimate. I will be confirming with the State that the additional funds budgeted by the local road task force for this project are available as anticipated prior to actually executing the agreement.

The second item needing the City Commission's consideration is an agreement with the City's consulting engineers C2AE to perform the Construction Engineering and required test at an estimated cost of \$28,100 (see page 3 of proposal). These costs would be covered by the City's Major Street Fund and there will be funds available for this purpose (the project will cover two fiscal years so the majority portion of these costs will be included in next year's budget which hasn't been prepared yet).

RECOMMENDATION: That the City Commission approve: 1) the proposed North Lake Street MDOT contract up to the maximum \$234,461 in State and Federal Funds authorized for this project and 2) C2AE's proposal for professional services associated with this project at an estimated cost of \$28,100 and authorize the City Manager and/or City Clerk/Treasurer to execute the necessary documents contingent upon meeting the project budgets.

OPTIONS:

- Postpone further action for additional information or review
- Some other action as determined as appropriate by the City Commission.
- Deny the request.

Letting of December 07, 2018

Letting Call: 1812 021

Low Bid: \$199,195.50

Project: STL 15555-130358

Engineer Estimate: \$169,721.50

Local Agreement: 18-5444

Pct Over/Under Estimate: 17.37 %

Start Date: April 15, 2019

Completion Date: June 15, 2019

Description:

0.40 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter and ADA ramps and pavement markings on North Lake Street from State Street to south of Lakeview Road in the city of Boyne City, Charlevoix County. This is a Local Agency project.

No DBE participation required

Bidder	As-Submitted
Payne & Dolan Inc.	\$199,195.50
Rieth-Riley Construction Co., Inc.	\$200,557.00

Total Number of Bidders: 2

TED (D)
FED

COM

Control Section STL 15555
Job Number 130358CON
Project 1801(102)
CFDA No. 20.205 (Highway Research
Planning & Construction)
Contract No. 18-5444

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 13, 2018, attached hereto and made a part hereof:

Hot mix asphalt cold milling and resurfacing work along North Lake Street from State Street northerly to approximately 200 feet south of Lakeview Drive; including concrete curb and gutter, concrete sidewalk ramp, and pavement marking work; and all together with necessary related work.

WITNESSETH:

WHEREAS, the PROJECT has been approved for financing in part with funds appropriated to the Transportation Economic Development Fund, hereinafter referred to as "TED FUNDS", pursuant to PA 234 of the Public Acts of 1987, MCL 247.660; and

WHEREAS, it was determined that the PROJECT as described by this contract qualifies for funding pursuant to PA 233, Section 2(2); Public Act of 1987 and categorized as:

D FUNDED PROJECT

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 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 done in accordance with PART II, Section II of this contract.

Any items of 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 by contributions by the Federal Government and/or TED FUNDS. Federal Surface Transportation Funds shall be applied to the eligible items of the PROJECT COST at a participation ratio equal to 56 percent. State TED FUNDS Category D shall be applied to the eligible items of the PROJECT COST at a participation ratio equal to 44 percent. The remaining balance of the PROJECT COST, if any, after deduction of Federal Funds and/or TED FUNDS, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

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, if any, 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 and/or TED FUNDS earned as the PROJECT progresses.

Any items of PROJECT COST not reimbursed by Federal Funds and/or TED FUNDS will be the sole responsibility of the REQUESTING PARTY.

6. A working capital deposit by the REQUESTING PARTY will not be required for this PROJECT.

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.

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

Buy America Requirements (23 CFR 635.410) 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, if applicable, 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, if applicable, 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 state and/or the FHWA.

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 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 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 is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT 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 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. Each party to this contract will remain responsible for any and all claims arising out of its own acts and/or omissions during the performance of the contract, as provided by this contract or by law. In addition, this is not intended to increase or decrease either party's liability

for or immunity from tort claims. This contract is also not intended to nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this contract.

17. 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.

18. The REQUESTING PARTY and other local agencies, as applicable parties, understand and agree that the highway(s) or street(s) being improved under the terms of this agreement and funded with Transportation Economic Development Funds, shall not be subject to any restriction by local authorities in using certain commercial vehicles on such highway(s) or street(s). Such restrictions are in conflict with the basic concept of the Transportation Economic Development Program and Funding. The REQUESTING PARTY, by signing this agreement, agrees to obtain concurrence from other local governmental agencies within whose jurisdiction or control the highway(s) or street(s) are being improved.

19. 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.

20. 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 resolution 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; and with approval by the State Administrative Board.

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

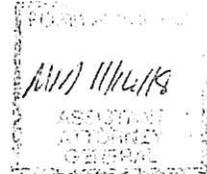
CITY OF BOYNE CITY

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



RDB
11/11/18

September 13, 2018

EXHIBIT I

CONTROL SECTION	STL 15555
JOB NUMBER	130358CON
PROJECT	1801(102)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$169,700
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$169,700
Less Federal Surface Transportation Funds	\$ 95,000
Less State TED FUNDS	<u>\$ 74,700</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ -0-

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

APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

December 4, 2018

Mr. Michael Cain, Manager
City of Boyne City
319 N. Lake Street
Boyne City, MI 49712

Re: Proposal for Professional Services: N. Lake Street Mill and Resurface Construction Engineering

Dear Mike and City Commissioners,

Thank you for the opportunity to provide this proposal for construction phase engineering services for the N. Lake Street Mill and Resurface Project. This will be a Michigan Department of Transportation Local Agency Project.

PROJECT UNDERSTANDING

The N. Lake Street mill and resurface project has been designed by C2AE and is currently included in the MDOT bid letting for December 7, 2018. The project limits are from just south of the City boat launch drive to State Street, a distance of approximately 2,100 feet. This is the curbed section of N. Lake from State Street to the north. The estimated construction cost for the mill and resurface project is \$190,000 including contingencies. We should have actual bid results prior to the December 11 City Commission meeting.

All construction engineering services for this project will need to be completed in compliance with MDOT Local Agency Standards and utilizing MDOT software.

The mill and resurfacing of N. Lake is anticipated to include the following:

- Cold milling of approximately 1.5 inches of the existing pavement surface from curb line to curb line.
- Curb and gutter replacements to replace deteriorated sections or meet ADA standards in select locations.
- Sidewalk ramp upgrades at intersections to comply with current ADA standards.
- No storm sewer, sanitary sewer or water main improvements are included.

C2AE has completed numerous MDOT Local Agency projects in the past, which is an important benefit to the City of Boyne City. Recent C2AE/MDOT Local Agency projects include Boyne City Court Street Reconstruction, Pleasant/Division Resurfacing, Division Street Reconstruction and State Street Reconstruction, as well as current projects for the City of Gaylord, City of East Jordan and Otsego County Road Commission. C2AE has the qualified office and field personnel with the necessary certifications, as well as the required design and construction software to complete these MDOT local agency projects.

SCOPE

C2AE will work closely with the City of Boyne City and Michigan Department of Transportation to provide a cost-effective and high-quality deliverable for the N. Lake Street Project.

Construction Phase Services

Provide construction phase services, including administration and on-site observation and testing, throughout project construction:

1. Construction Administration:
 - a. Attend and conduct a preconstruction conference to review the project with the City, Contractor, Sub-contractor(s), utility companies, MDOT and other interested parties. Review project schedule. Record meeting minutes and distribute.
 - b. Consult with City during construction.
 - c. Prepare modifications and supplementary sketches required to resolve actual field conditions encountered.
 - d. Review product and material certifications. Maintain status of tested materials information.
 - e. Issue instructions from the City to the contractor; issue necessary interpretations and clarifications of contract documents; and prepare-required change orders.
 - f. Prepare biweekly pay estimates.
 - g. Attend monthly (or more frequent) progress meetings.
 - h. Attend final project inspection with the City and Contractor representatives. Prepare final punch list for project completion.
 - i. Preparation of record drawings upon project completion.
 - j. All construction documentation will be performed utilizing the current version of FieldManager software.
 - k. Accept, review and maintain Contractor submitted Certified Payrolls in accordance with MDOT requirements. Perform wage rate interviews per MDOT requirements.
2. Construction Observation and Testing:
 - a. Provide on-site observation services based upon the type of construction work in progress (to monitor compliance with plans, specifications and all other contract documents). Provide appropriate reports to the City. All IDR's will be prepared using FieldBook software, per MDOT requirements.
 - b. Provide survey layout of lines and grades as required to complete construction.
 - c. Provide field material density testing services for backfill, subgrade, base course and hot mix asphalt courses.

- d. Provide laboratory testing services for aggregate, concrete and hot mix asphalt.

3. Project Closeout

- a. Initiate the Project Acceptance Report and conduct a final project inspection with the City and MDOT.
- b. Initiate and conduct a final project records review with MDOT and submit the required paperwork for project closeout and final payment.

Engineering Fee

C2AE proposes to provide engineering services as follows:

Construction Engineering Fee	\$26,500 Estimated, Time and Materials
HMA Quality Testing (Subconsultant)	\$1,600 Estimated, Time and Materials

We feel that this is a very conservative estimate, and that construction engineering costs may come in well below this amount if the contractor can complete the work expeditiously.

The following assumptions are used to form the basis for the determination of the engineering fee for the project.

- For the purposes of this proposal, C2AE is basing the required construction hours on a 4 week, 20 working day construction period, which is consistent with the contract specifications.
- We estimate that the Contractor's work will require one person, full time for construction observation. We estimate 20 days at 10 hours per day for a total of 200 observation and testing hours for an Engineering Technician.
- We estimate that construction surveying and staking will require 12 hours of a one person survey crew.
- We estimate that contract administration will require approximately 12 hours per week of combined time for a Project Manager and Project Engineer, and an additional 8 hours for contract closeout procedures.
- We estimate that HMA Quality Assurance Testing will require an engineering technician for approximately 16 hours.
- The hourly estimate provided in this proposal is based on 20 working days (200 observation and testing hours) by the Contractor to complete the work. The Engineer has no control over the Contractor's schedule or ability to complete the work in a timely fashion. Should the Contractor require more than 20 working days (200 observation and testing hours) to complete the work, a prorated budget increase will be necessary.

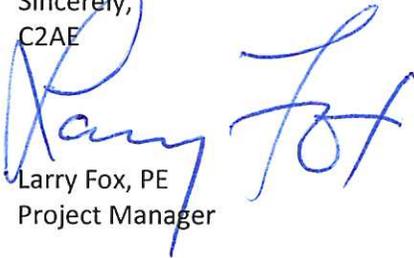
SCHEDULE

The current project schedule is as follows:

MDOT Bid Letting Date	12/7/18
Construction Period	4 week period between 4/15 and 6/15/2019

We have included our Standard Contract Provisions as part of our proposal. If the terms and conditions as stated are acceptable, please countersign and return one (1) copy to our office. Please do not hesitate to contact us should you have any questions or concerns, or if you need additional information.

Sincerely,
C2AE



Larry Fox, PE
Project Manager

Accepted by:

Client

Date

The parties to this agreement, Capital Consultants, Inc., a Michigan Corporation doing business as C2AE in the State of Michigan, hereinafter called the A/E CONSULTANT and the City of Boyne City, Michigan, hereinafter called the OWNER, hereby agree to the following conditions:

- A. Limit of Scope: The services provided by the A/E CONSULTANT shall be limited to those described in the Scope of Services.
- B. Changed Conditions: If, during the term of this Agreement, circumstances or conditions that were not originally contemplated by or known to the A/E CONSULTANT are revealed, to the extent that they affect the scope of services, compensation, schedule, allocation of risks or other material terms of this Agreement, the A/E CONSULTANT may call for renegotiation of appropriate portions of this Agreement. The A/E CONSULTANT shall notify the OWNER of the changed conditions necessitating renegotiation, and the A/E CONSULTANT and the OWNER shall promptly and in good faith enter into renegotiation of this Agreement to address the changed conditions. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement.
- C. Additional Services: Additional services not specifically identified in the Scope of Services shall be paid for by the OWNER in addition to the fees previously stated, provided the OWNER authorizes such services in writing. Additional services will be billed monthly as work progresses and invoices are due upon receipt.
- D. Standard of Care: In providing services under this Agreement, the A/E CONSULTANT will endeavor to perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.
- E. Code Compliance: The A/E CONSULTANT shall put forth reasonable professional efforts to comply with applicable laws, codes and regulations in effect as of the date of submission to building authorities. Design changes made necessary by newly enacted laws, codes and regulations after this date shall entitle the A/E CONSULTANT to a reasonable adjustment in the schedule and additional compensation in accordance with the Additional Services provision of this Agreement.
- F. Permits and Approvals: The A/E CONSULTANT shall assist the OWNER in applying for those permits and approvals normally required by law for projects similar to the one for which the A/E CONSULTANT's services are being engaged. This assistance shall consist of completing and submitting forms to the appropriate regulatory agencies having jurisdiction over the construction documents, and other services normally provided by the A/E CONSULTANT and included in the scope of Basic Services of this Agreement.
- G. Opinions of Probable Construction Cost: In providing opinions of probable construction cost, the OWNER understands that the A/E CONSULTANT has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the A/E CONSULTANT's opinions of probable construction costs are made on the basis of the A/E CONSULTANT's professional judgment and experience. The A/E CONSULTANT makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from the A/E CONSULTANT's opinion of probable construction cost.
- H. Schedule for Rendering Services: The A/E CONSULTANT shall prepare and submit for OWNER approval a schedule for the performance of the A/E CONSULTANT's services. This schedule shall include reasonable allowances for review and approval times required by the OWNER, performance of services by the OWNER's consultants, and review and approval times required by public authorities having jurisdiction over the project. This schedule shall be equitably adjusted as the project progresses, allowing for changes in scope, character or size of the project requested by the OWNER, or for delays or other causes beyond the A/E CONSULTANT's reasonable control.
- I. Ownership of Reports, Drawings and Other Materials: The OWNER agrees that all reports, drawings, letters, work sheets, plans, preliminary material tables, supportive data, documents and other materials produced by the A/E CONSULTANT in the course of and for the purpose of meeting this contract are the property of the A/E CONSULTANT, and shall remain in

the possession of the A/E CONSULTANT. The OWNER shall have access to the above named material during normal business hours of the A/E CONSULTANT during and after completion of this contract. The OWNER may obtain copies of any of the above named material. Copies of electronic media may be obtained by the OWNER. (See Alteration and Reuse of CAD Information provision of this Agreement.)

- J. Alteration and Reuse of CAD Information: Because computer aided design/drafting (CAD) information stored in electronic form can be modified by other parties, intentionally or otherwise, without notice or indication of said modifications, the A/E CONSULTANT reserves the right to remove all indications of its ownership and/or involvement in the material from each electronic medium not held in its possession. The OWNER may retain copies of the work performed by the A/E CONSULTANT in CAD form. Copies shall be for information and used by the OWNER for the specific purpose for which the A/E CONSULTANT was engaged. Said material shall not be used by the OWNER, or transferred to any other party, for use in other projects, additions to the current project, or any other purpose for which the material was not strictly intended without the A/E CONSULTANT's express written permission. Any unauthorized modification or reuse of the materials shall be at the OWNER's sole risk, and the OWNER agrees to defend, indemnify, and hold the A/E CONSULTANT harmless, from all claims, injuries, damages, losses, expenses, and attorneys' fees arising out of the unauthorized modification of these materials.
- K. Record Documents: Upon completion of the work, the A/E CONSULTANT shall compile for and deliver to the OWNER a reproducible set of Record Documents. The A/E CONSULTANT shall also provide electronic information utilizing the appropriate elevation datum and State Plane coordinate system for insertion of the record information into the City's GIS base draw. These Record Documents will show significant changes made during construction.
- L. Payment Terms: Invoices will be submitted by the A/E CONSULTANT monthly, are due upon receipt and shall be considered past due if not paid within thirty (30) calendar days of the due date.
- M. Disputed Invoices: If the OWNER objects to any portion of an invoice, the OWNER shall so notify the A/E CONSULTANT in writing within ten (10) calendar days of receipt of the invoice. The OWNER shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with other payment terms of this Agreement. Any dispute over invoiced amounts due which cannot be resolved within ten (10) calendar days after receipt of invoice by direct negotiation between the parties shall be resolved within thirty (30) calendar days in accordance with the Dispute Resolution provision of this Agreement. Interest at one-and-one-half (1.5) percent (or the maximum rate allowable by law, whichever is less) shall be paid by the OWNER on all disputed invoice amounts that are subsequently resolved in the A/E CONSULTANT's favor and shall be calculated on the unpaid balance from the due date of the invoice.
- N. Abandonment of Work: If any work is abandoned or suspended, the A/E CONSULTANT shall be paid for services performed prior to receipt of written notice from the OWNER of abandonment or suspension.
- O. Betterment: If, due to the A/E CONSULTANT's negligence, a required item or component of the project is omitted from the A/E CONSULTANT's construction documents, the A/E CONSULTANT shall not be responsible for paying the cost required to add such item or component to the extent that such item or component would have been required and included in the original construction documents. In no event will the A/E CONSULTANT be responsible for any cost or expense that provides betterment or upgrades or enhances the value of the project.
- P. Indemnification: The A/E CONSULTANT agrees, to the fullest extent permitted by law, to indemnify and hold harmless the OWNER, its officers, directors and employees (collectively, OWNER) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the A/E CONSULTANT's negligent performance of professional services under this Agreement and that of its subconsultants or anyone for whom the A/E CONSULTANT is legally liable.

- Q. Consequential Damages: Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the OWNER nor the A/E CONSULTANT, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the OWNER and the A/E CONSULTANT shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in this project.
- The parties do not intend to confer any benefits on any person, firm, or corporation other than A/E CONSULTANT and OWNER. There are no third party beneficiaries. In no event shall either party, or their agents, servants, representatives or employees be liable for indirect, special or consequential damages to third parties. Both OWNER and the A/E CONSULTANT shall require waivers of consequential damages protecting all the entities or persons herein and all contracts and subcontracts with others involved in this project.
- R. Full-Time Construction Observation: The A/E CONSULTANT will provide full-time project representation in order to observe the progress and quality of the work completed by the Contractor. Such observation is not intended to be an exhaustive check or a detailed inspection of the Contractor's work but rather is to allow the A/E CONSULTANT, as an experienced professional, to become generally familiar with the work in progress and to determine, in general, if the work is proceeding in accordance with the Contract Documents.
- The A/E CONSULTANT shall keep the OWNER informed about the progress of the work and shall endeavor to guard the OWNER against deficiencies in the work.
- The A/E CONSULTANT shall not supervise, direct or have control over the Contractor's work nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the Contractor nor for the Contractor's safety precautions or programs in connection with the Work. These rights and responsibilities are solely those of the Contractor in accordance with the Contract Documents.
- The A/E CONSULTANT shall not be responsible for any acts or omissions of the Contractor, subcontractor, any entity performing any portions of the work, or any agents or employees of any of them. The A/E CONSULTANT does not guarantee the performance of the Contractor and shall not be responsible for the Contractor's failure to perform its work in accordance with the Contract Documents or any applicable laws, codes, rules or regulations.
- S. Jobsite Safety: Neither the professional activities of the A/E CONSULTANT, nor the presence of the A/E CONSULTANT or its employees and subconsultants at a construction/project site, shall relieve the General Contractor of its obligations, duties and responsibilities including, but not limited to, construction means, methods, sequence, techniques or procedures necessary for performing, superintending and coordinating the work in accordance with the Contract Documents and any health or safety precautions required by any regulatory agencies. The A/E CONSULTANT and its personnel have no authority to exercise any control over any construction contractor or its employees in connection with their work or any health or safety programs or procedures. The OWNER agrees that the General Contractor shall be solely responsible for jobsite safety, and warrants that this intent shall be carried out in the OWNER's contract with the General Contractor. The OWNER also agrees that the OWNER, the A/E CONSULTANT and the A/E CONSULTANT's subconsultants shall be indemnified by the General Contractor and shall be made additional insureds under the General Contractor's policies of general liability insurance.
- T. Hazardous Materials: As used in this Agreement, the term *hazardous materials* shall mean any substances, including but not limited to asbestos, toxic or hazardous waste, PCBs, combustible gases and materials, petroleum or radioactive materials (as each of these is defined in applicable federal statutes) or any other substances under any conditions and in such quantities as would pose a substantial danger to persons or property exposed to such substances at or near the project site.

Both parties acknowledge that the A/E CONSULTANT's Scope of Services does not include any services related to the presence of any hazardous or toxic materials. In the event the A/E CONSULTANT or any other party encounters any

hazardous or toxic materials, or should it become known to the A/E CONSULTANT that such materials may be present on or about the jobsite or any adjacent areas that may affect the performance of the A/E CONSULTANT's services, the A/E CONSULTANT may, at its option and without liability for consequential or any other damages, suspend performance of its services under this Agreement until the OWNER retains appropriate consultants or contractors to identify and abate or remove the hazardous or toxic materials and warrants that the jobsite is in full compliance with all applicable laws and regulations.

The OWNER agrees, without waiving defenses of governmental immunity, and notwithstanding any other provision of this agreement but only to the extent permitted by law, to indemnify and hold harmless the A/E CONSULTANT, its officers, partners, employees and consultants (collectively, A/E CONSULTANT) from and against any and all claims, suits, demands, liabilities, losses, damages or costs, including reasonable attorneys' fees and defense costs arising out of or in any way connected with the detection, presence, handling, removal, abatement, or disposal of any asbestos or hazardous or toxic substances, products or materials that exist on, about or adjacent to the project site, whether liability arises under breach of contract or warranty, tort, including negligence, strict liability or statutory liability or any other cause of action, except for the negligence or misconduct of the A/E CONSULTANT.

U. Change Orders/Stop Work Orders: The A/E CONSULTANT and the OWNER agree that any construction contract change orders or stop work orders must be approved in writing by the OWNER.

V. Dispute Resolution: The OWNER agrees, without waiving defenses of governmental immunity, and notwithstanding any other provision of this agreement but only to the extent permitted by law, that all claims, disputes, and other matters in question between the parties arising out of or relating to this Agreement or breach thereof first shall be submitted for nonbinding mediation to any one of the following, as agreed to by the parties: American Arbitration Association, American Intermediation Service, Americord, Dispute Resolution, Inc., Endispute, or Judicate. Any party hereto may initiate mediation within the time allowed for filing for arbitration as set forth below and the parties hereto agree to fully cooperate and participate in good faith to resolve the dispute(s). The cost of mediation shall be shared equally by the parties hereto. Any time expended in mediation shall not be included in calculating the time for filing arbitration.

If mediation fails to resolve the claim or dispute, the matter shall be submitted to arbitration with the American Arbitration Association under the Construction Industry rules, unless the parties agree otherwise or unless a plaintiff not a party hereto institutes litigation in a court of competent jurisdiction and said court takes personal jurisdiction over one of the parties hereto regarding the same subject matter as in dispute between the parties hereto.

No arbitration arising out of or relating to this Agreement shall include, by consolidation, joinder, or in any other manner, any additional person not a party to this Agreement except by written consent of the parties and such consent to arbitration involving an additional person(s) shall not constitute consent to arbitration of any dispute not described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional person(s) shall be specifically enforceable under the prevailing arbitration law.

The decision rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. In the event either party makes a claim or brings action against the other party for any act arising out of the performance of the services hereunder, and the claimant fails to prove such claim or action, then the claimant shall pay all legal and other costs (including attorneys' fees) incurred by the other party in defense of such claim or action.

2/15

Golf Course Capital Plan
 February 14, 2006
 (All cost estimates in 2006 dollars)

Project/Item	Area	Priority *	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Sand trap rake	Equipment Replace	1	13,250									
Airation turf spiker	Equipment Replace	1	3,000									
Pesticide mix/load pad	Capital Improve	1	4,000									
Spray rig engine	Equipment Component	1	650									
Pole building addition	Capital Improve	3							30000			
Rotary deck mower (1997)	Equipment Replace	1		5,500		14,500						
Range cart (used)	Equipment Replace	1		2,100								
Irrigation - practice area	Irrigation Upgrade	2		2,500								
Replace triplex mower #1 (1995)	Equipment Replace	1			19,700							
Build new putting green	Tee/Green Improv	2			10,000							
Irrigate club area	Irrigation Upgrade	2			2,500							
Office - bathrooms/heat/sewer to pole bldg	Capital Improve	3								20,000		
Replace trim mower 1994	Equipment Replace	1		18,000								
Shelter at #7 tee	Capital Improve	2		3,000		3,000						
Greens mower	Equipment Replace	1					19,500					
Replace utility vehicle (1990)	Equipment Replace	1					13,500					
Replace leaf blower 1995	Equipment Replace	1				6,900						
Replace fairway mower (2001)	Equipment Replace	1						26,000				
TOTALS:			20,900	31,100	32,200	24,400	33,000	26,000	30,000	20,000	0	0

Tax inflation rate 2.0% [1]
 Interest rate 3.0% [2]
 Inflation rate 3.0% [3]
 Marina debt begins 06-07 (20yrs @ 4.46117 [4])

3/15

Downtown Development Fund Future Year Projections
 2006-07 Proposed Budget
 2/14/2006

PROPOSED BUDGET	2006-07	2007-08	2008-09	2009-10	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
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REVENUES

CURRENT PROPERTY TAX	\$37,500	38,300	39,100	39,900	40,700	41,600	42,500	43,400	44,300	[1]
PROPERTY TAX-CAPTURE LOCAL	678,500	692,070	705,911	720,030	734,430	749,119	764,101	779,383	509,971	[1]
PENALTY-PROPERTY TAX	400	500	500	500	500	500	500	500	500	
FEDERAL REVENUES	0	0	0	0	0	0	0	0	0	
STATE REVENUE - GRANT	0	0	0	0	0	0	0	0	0	
INTEREST & RENTS	20,000	33,200	35,000	37,000	38,900	38,600	38,500	38,400	41,600	[2]
RENTS & ROYALTIES - BRIDGE PARK BLDG	18,300	16,877	17,561	18,268	19,001	19,759	19,759	19,759	19,759	
BOND SALE	4,980,000	0	0	0	0	0	0	0	0	
MISCELLANEOUS	0	0	0	0	0	0	0	0	0	
CONTRIBUTION - OTHER FUNDS (Marina)	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	
TOTAL REVENUES:	\$5,814,700	\$860,947	\$878,072	\$895,698	\$913,531	\$929,578	\$945,360	\$961,442	\$696,130	

EXPENSES

OPERATING SUPPLIES	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	[3]
PROFESSIONAL SERVICES	60,000	61,800	63,700	65,600	67,600	69,600	71,700	73,900	76,100	[3]
CONTRACTUAL SERVICES	16,100	16,100	16,100	16,100	16,100	16,100	16,100	16,100	16,100	
LEGAL SERVICES	8,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
CONFERENCE & TRAVEL	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
PRINTING & PUBLISHING	600	500	500	500	500	500	500	500	500	
PARK EQUIPMENT	5,100	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
REFUNDS-PROPERTY TAX	13,200	13,596	14,004	14,424	14,857	15,302	15,761	16,234	16,721	[3]
MISCELLANEOUS	500	500	500	500	500	500	500	500	500	
CAPITAL PROJECT	48,000	0	0	0	0	0	0	0	0	
BOND ISSUANCE COSTS	180,000	0	0	0	0	0	0	0	0	
DEBT SERVICE PAYMENTS	423,100	669,101	680,691	695,820	783,066	791,922	804,750	707,817	419,840	[4]
LIBRARY CONTRIBUTION	30,000									
TRANSFER TO MARINA FUND	4,800,000									
TOTAL EXPENSES:	\$5,718,542	\$778,897	\$793,103	\$810,871	\$900,877	\$912,517	\$928,252	\$834,350	\$549,429	

RESERVED FUND BALANCE YR END

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$96,158	\$82,050	\$84,969	\$84,827	\$12,654	\$17,060	\$17,108	\$127,092	\$146,701	
FUND BALANCE-PREVIOUS YR (RESTRICTED TO DDA PROJECTS)	987,135	1,105,338	1,166,438	1,230,456	1,294,334	1,286,037	1,282,148	1,278,306	1,384,448	
FUND BALANCE AT YEAR END:	1,083,293	1,187,388	1,251,406	1,315,284	1,306,987	1,303,098	1,299,256	1,405,398	1,531,149	
CASH BALANCE-YEAR END:	1,105,338	1,166,438	1,230,456	1,294,334	1,286,037	1,282,148	1,278,306	1,384,448	1,510,199	
CASH RESERVE-DEBT SERVICE & CASH FLOW:	300,000	458,021	487,693	496,878	505,760	534,059	300,000	300,000	300,000	
UNRESERVED CASH BALANCE:	805,338	708,417	742,763	797,456	780,277	748,989	978,306	1,084,448	1,210,199	

D-29

4/15

Assumptions: Interest Rate 4.0%
 Inflation 3.0%
 Wages 2.5%
 Growth 1.0%

Airport Fund
 6 Year Cash Flows
 2/14/2006

PROPOSED BUDGET	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
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REVENUES						
INTEREST EARNINGS	600	1,546	1,551	1,505	1,404	0
FEDERAL GRANTS	919,100	0	0	0	0	0
RENTS & ROYALTIES-AIRPORT PERMITS	13,600	13,736	13,873	14,012	14,152	14,294
RENTS & ROYALTIES-HANGAR RENTS	21,400	21,614	21,830	22,048	22,269	22,492
LAND LEASES	11,300	11,413	11,527	11,642	11,759	11,876
STATE OF MICHIGAN - GRANT	24,200	0	0	0	0	0
PARKING FEES	42,000	42,420	42,844	43,273	43,705	44,142
FUEL FEES	43,100	43,531	43,966	44,406	44,850	45,299
TIE DOWN/LANDING FEES	5,000	5,050	5,101	5,152	5,203	5,255
CONTRIBUTION FROM PRIVATE SOURCES	7,500	0	0	0	0	0
CIVIL AIR PATROL INCOME	0	0	0	0	0	0
TRANSFER FROM OTHER FUNDS	25,000	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL REVENUES:	\$1,112,800	\$139,310	\$140,693	\$142,038	\$143,343	\$143,358

EXPENSES						
SALARIES & WAGES-PERMANENT	14,100	14,453	14,814	15,184	15,564	15,953
SALARIES & WAGES-TEMPORARY	0	0	0	0	0	0
EMPLOYEE FRINGE BENEFITS	10,000	10,300	10,609	10,927	11,255	11,593
OFFICE SUPPLIES	1,500	1,500	1,500	1,500	1,500	1,500
PROFESSIONAL SERVICES	0	0	0	0	0	0
CIVIL AIR PATROL	500	0	0	0	0	0
CONTRACTUAL SERVICES	14,500	12,500	12,875	13,261	13,659	14,069
OPERATIONS-SVC FEES TO FBO	16,000	16,160	16,322	16,485	16,650	16,816
LEGAL FEES	5,000	5,000	5,000	5,000	5,000	5,000
TELEPHONE	2,500	2,575	2,652	2,732	2,814	2,898
CONFERENCE & TRAVEL	1,500	1,545	1,591	1,639	1,688	1,739
INSURANCE & BONDS	8,000	8,240	8,487	8,742	9,004	9,274
UTILITIES	26,900	31,307	32,246	33,214	34,210	35,236
TERMINAL BLDG REPAIR & GROUNDS	4,000	4,120	4,244	4,371	4,502	4,637
HANGER BLDG REPAIR & MAINT	500	500	500	500	500	500
EQUIPMENT RENTAL	0	0	0	0	0	0
DUES & MEMBERSHIPS	200	200	200	200	200	200
CAPITAL OUTLAY	967,500	0	0	0	0	0
DEBT SERVICE	30,400	30,500	30,500	30,500	30,500	30,500
TRANSFER TO GENERAL	0	0	0	0	0	0
TRANSFER TO MAJOR	0	0	0	0	0	0
MISCELLANEOUS	300	300	300	300	300	300
TRANSFER TO EFB	0	0	0	0	0	0
TOTAL EXPENSES:	\$1,103,400	\$139,200	\$141,840	\$144,555	\$147,346	\$150,215

RESERVED FUND BALANCE YR END						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$9,400	\$111	(\$1,148)	(\$2,517)	(\$4,003)	(\$6,858)
FUND BALANCE-PREVIOUS YR (RESTRICTED TO DDA PROJECTS)	62,069	38,661	38,772	37,624	35,108	31,105
FUND BALANCE AT YEAR END:	71,469	38,772	37,624	35,108	31,105	24,247
CASH BALANCE-YEAR END:	38,661	38,772	37,624	35,108	31,105	24,247

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5/15

Airport Capital Plan
February 14, 2006
(All cost estimates in 2006 dollars)

Project	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Future
Clear zone purchases	967,500							
Interest & Principal - Act 99 Loan	18,200	18,200	18,200	18,200	18,200	18,200	18,200	109,000
Principal & interest on MDOT loan	12,300	12,300	12,300	12,300	12,300	12,300	12,300	56,000
Equipment purchase								
Paving runway								475,000
Aircraft parking apron - Phase 2								325,000
TOTALS	998,000	30,500	30,500	30,500	30,500	30,500	30,500	965,000

C-7

SEWER FUND 6 YEAR PROJECTIONS
2006-2007 BUDGET
2/14/2006

5.50% RATE INCREASE New Budget
5.50% RATE INCREASE 2007-08
5.50% RATE INCREASE 2008-09
5.50% RATE INCREASE 2009-10
2.00% RATE INCREASE 2010-11
2.00% RATE INCREASE 2011-12

2.00% Growth
4.00% Interest Rate

6/15

PROPOSED BUDGET 2006-2007	2007-08	2008-09	2009-10	2010-11	2010-11
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REVENUES

SEWER SERVICES-MISC	5,400	6,000	6,000	6,000	6,000	6,000
SEWER SALES	827,100	889,100	955,800	1,027,500	1,068,600	1,111,300
INTEREST EARNINGS	15,400	5,305	514	-1,200	-97	1,628
OTHER	19,000	5,000	5,000	5,000	5,000	5,000
CAPITAL PI REVENUE (from PI#2)	48,800	0				
TRANSFER FROM OTHER FUNDS	210,000					
NORTHSIDE SEWER REVENUE PI#5	50,600					
TOTAL REVENUES:	\$1,176,300	\$905,405	\$967,314	\$1,037,300	\$1,079,503	\$1,123,928

EXPENSES

WASTEWATER TREATMENT PLANT	\$747,000	\$530,724	\$545,192	\$556,859	\$572,056	\$587,671
SEWER LINES	103,400	85,777	88,076	90,436	92,859	95,347
CUSTOMER ACCOUNTING	175,600	175,096	180,401	185,868	191,501	197,306
LIFT STATIONS	59,600	59,792	61,597	63,455	65,370	67,341
CAPITAL IMPROVEMENTS	87,000	172,400	133,500	111,700	113,200	114,700
NORTHSIDE SEWER EXPENDITURES	71,900					
DEPRECIATION	185,400	0	0	0	0	0
DEBT SERVICE	1,400	1,400	1,400	1,400	1,400	1,400
FUND TRANSFERS	244,100	0	0	0	0	0
TOTAL EXPENSES:	\$1,675,400	\$1,025,189	\$1,010,165	\$1,009,719	\$1,036,386	\$1,063,765

Retained Earnings/Cash

Net Income/(Loss)	(\$499,100)	(\$119,783)	(\$42,851)	\$27,582	\$43,118	\$60,163
Retained Earnings	4,488,029	4,023,029	4,075,646	4,166,295	4,305,576	4,461,894
CASH BALANCE:	\$848,110	\$534,410	414,627	371,776	399,357	442,475
Unrestricted Cash Bal:		132,637	12,854	-29,997	-2,416	40,702
						502,638
						100,865

Assumptions:
2.5% wage increases
EFB increases from 71% to 76% over 6 yrs
3% inflation

D-63

7/15

Sewer Fund Capital Plan
 February 14, 2006
 (All cost estimates in 2006 dollars)

Sewer Fund Projects:

Item	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Future
Containment for ferrous chloride	72,000								
Digester repairs	58,000								
Sludge hauling (3x)	33,500	34,500	35,500	36,600	37,700	38,800	40,000	41,200	
Stand by generator M-66 lift station **	30,000								
Contribution - Public Works Site DPW	25,600	25,600	25,600	25,600	25,600	25,600	25,600	25,600	
Sanitary TV & cleaning	15,000								
Replacement valves **	10,000								
Lift station grease removal	8,000	8,200	8,400	8,700	9,000	9,300	9,600	9,900	
Spare replacement pumps, lift stations (2)	8,000			8,000					
New pumps for 2 lift stations	8,000								
Aeration blower soft starts - WWTP	8,000								
Contribution - City Hall PI#10	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	
GIS system improvements **	7,000								
Effluent sampler	4,800								
Community Promotion	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	
Labwork for new NPDES permit	4,000								
State permit fees	3,000								
Generator services for 4 lift stations	2,000								
Chart drives	2,000								
Digester covers		58,600							
Normal capital expenditures			25,000	25,000	25,000	25,000	25,000	25,000	
Phone system replacement		25,000							
Replace A/C unit, service building		6,500							
Misc Computer upgrades		1,000	1,000						
SCADA System, WWTP			25,000						
Chemical tank storage (future)									
Sewer line oversizing Airport Lift Station to WWTP									180,000
Add module to WWTP for increased capacity to 1.5MGD (PI#2)									764,000
TOTALS:	239,900	172,400	133,500	116,900	110,300	111,700	113,200	114,700	2,884,000

Northside Sewer Projects (PI#5)

Forcemain - Mercer/Chicago	80,000								
Depot Lift Station upgrade		73,000							
US-31 sewer line Martin Rd to Lexalite Signal									
Gravity Sewer - US-31 to Waller									
Depot pump station - Chicago Club									272,500
TOTALS:	80,000	73,000	0	0	0	0	0	0	1,173,700

GRAND TOTALS - Sewer Fund:	319,900	245,400	133,500	116,900	110,300	111,700	113,200	114,700	4,057,700
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** Carry over

C-13

MARINA FUND 6 YEAR PROJECTIONS
2006-2007 BUDGET
February 14, 2006

Inflation assumption 3.00%
Wage increases est at: 2.50%
Interest rate: 4.00%

8/15

0.00% RATE INCREASE 06-07
3.00% RATE INCREASE 07-08
3.00% RATE INCREASE 08-09
3.00% RATE INCREASE 09-10
3.00% RATE INCREASE 10-11
3.00% RATE INCREASE 11-12

PROPOSED BUDGET	2006-2007	2007-08	2008-09	2009-10	2010-11	2011-12
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REVENUES	2006-2007	2007-08	2008-09	2009-10	2010-11	2011-12
DOCKING REVENUES	215,100	260,500	268,300	276,300	284,600	293,100
INTEREST INCOME	8,000	22,279	24,133	26,157	28,356	30,739
TOTAL REVENUES:	\$223,100	\$282,779	\$292,433	\$302,457	\$312,956	\$323,839
EXPENSES	2006-2007	2007-08	2008-09	2009-10	2010-11	2011-12
SALARIES & WAGES - PERMANENT	19,700	20,193	20,697	21,215	21,745	22,289
WAGES - ICMA	400	606	621	636	652	669
SALARIES & WAGES - TEMPORARY	53,300	63,345	64,929	66,552	68,216	69,921
EMPLOYEE FRINGE BENEFITS	20,900	22,572	24,378	26,328	28,434	30,709
OPERATING SUPPLIES	9,400	9,682	9,972	10,272	10,580	10,897
CONTRACTUAL SERVICES	11,500	11,845	12,200	12,566	12,943	13,332
TELEPHONE	700	721	743	765	788	811
INSURANCE & BONDS	3,600	3,708	3,819	3,934	4,052	4,173
UTILITIES	16,000	16,480	16,974	17,484	18,008	18,548
BUILDING MAINTENANCE	1,900	1,000	1,030	1,061	1,093	1,126
EQUIPMENT RENTAL	1,000	1,030	1,061	1,093	1,126	1,159
MISCELLANEOUS	4,100	4,223	4,350	4,480	4,615	4,753
DEPRECIATION	10,000	309,000	318,270	327,818	337,653	347,782
MACHINERY & EQUIPMENT	1,000	1,030	1,061	1,093	1,126	1,159
FUND TRANSFERS	0	80,000	80,000	80,000	80,000	80,000 [1]
TOTAL EXPENSES:	\$153,500	\$545,434	\$560,105	\$575,296	\$591,029	\$607,329
CASH BALANCE	2006-2007	2007-08	2008-09	2009-10	2010-11	2011-12
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$291,300	(\$262,655)	(\$267,672)	(\$272,839)	(\$278,073)	(\$283,489)
CASH BALANCE-YEAR END:	\$556,982	\$11,294,657	\$11,028,046	\$10,756,300	\$10,479,352	\$10,197,022
Unrestricted Cash Bal:	556,982	603,327	653,925	708,904	768,484	832,776

Assumptions:
Annual wage rate of 2.5%
Fringe rate increases 71-76% over six years
Inflation rate of 2-3% depending on type of expense.
Interest rate of 4% for budget, 4% for future years.

[1] Transfer to DDA for Debt Service on bonds for marina improvements

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9/15

Marina Fund Capital Plan
February 14, 2006
(All cost estimates in 2006 dollars)

Item	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Beyond 2014
Docks & landside improvements	10,999,300								
Debt service contribution		80,000	80,000	80,000	80,000	80,000	80,000	80,000	
TOTALS:	10,999,300	80,000							

10/15

MOTOR POOL FUND
6 YEAR BUDGET PROJECTIONS
February 14, 2006

	PROPOSED BUDGET 2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
REVENUES						
INTEREST AND RENTS	8,000	4,472	2,004	3,113	3,392	4,247
EQUIPMENT RENTAL	550,200	561,204	572,428	583,877	595,554	607,465
SALE OF FIXED ASSETS	0	0	5,000	0	5,000	0
OTHER	200	204	208	212	216	221
TRANSFER FROM OTHER FUNDS [1]	50,000	0				
TOTAL REVENUES	\$608,400	\$565,880	\$579,640	\$587,201	\$604,162	\$611,933
EXPENSES						
MOTOR POOL CAPITAL EXPENDITURES	\$294,700	300,594	306,606	312,738	318,993	325,373
DEPRECIATION	233,000	388,700	217,600	260,500	242,400	256,300
FUND TRANSFERS	147,000	0	0	0	0	0
	51,900	0	0	0	0	0
TOTAL EXPENSES:	\$726,600	\$689,294	\$524,206	\$573,238	\$561,393	\$581,673
NET ASSETS - CASH						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(\$118,200)	(\$123,414)	\$55,434	\$13,963	\$42,770	\$30,261
NET ASSETS-PREVIOUS YR	772,128	886,928	862,800	969,834	1,064,298	1,169,467
NET ASSETS-YEAR END:	\$886,928	\$862,800	\$969,834	\$1,064,298	\$1,169,467	\$1,276,028
CASH BALANCE-YEAR END:	\$223,605	\$100,191	\$155,625	\$169,589	\$212,358	\$242,619
	194,805					

- Assumptions:
- Rental rate increases of 2% per year, 10% in current year.
 - Inflation rate of 2% for wages and 3% expenses.
 - Interest rate of 4% for budget, 4% for future years.
 - Fringes to increase from 71% to 76% over 6 years of plan.
 - Auction of used equipment every other year @ \$5,000.
 - [1] Electric Fund contribution for bucket truck purchase in 06-07

D-82

11/15

Motor Pool Capital Plan
February 14, 2006
(All cost estimates in 2006 dollars)

Repl Unit #	Yr of Repl Vehicle	Replacement Vehicle Description	Primary Dept.	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Future
76	1994	50' Bucket truck	Electric	130,000						
18	1997	Holder	Street	60,000					60,000	
		Fire/Ambulance Reserve	Fire/Amb	27,900	28,700	29,600	30,500	31,400	32,300	\$39,140 + 3% annual inflation
		Police cars & accessories	Police	25,000	25,000		25,000	25,000		2 cars every 3 yrs
70	2005	3/4 Ton pickup	Elec & water	18,000			22,000			23000 2013
		Public Works Site Fund	PI#8	14,400	14,400	14,400	14,400	14,400	14,400	
		City Hall Improvements	PI#10	9,600	9,600	9,600	9,600	9,600	9,600	
17	1990	Vac All Jet Truck	Street/Sewer		190,000					
6	2003	Dump truck	Street		85,000					
81	1989	Trencher	Electric			70,000				
13	2004	Loader	Street			30,000				
73	1985	Pickup	Electric			22,000				
60	1993	Pickup	Sewer			22,000		22,000		
27	2003	Backhoe	Street			20,000				
3	1991	Plow truck - sander	Street							85000 2012
25	1993	Leaf vacuum	Street							16500 2012
79	1993	Pickup	Electric							
78	2002	Backhoe	Elec & water					30,000		30,000 2013
40	1990	Air compressor	Street				12,000			
2	2003	Plow truck	Street							76000 2013
71	2003	Pickup (meter reader)	Elec & water				18,000			
84	2002	Pickup	Water				22,000			
7	2002	Pickup	Street				16,000			
		Snow blower - Holder	Street				6,000			
14	1999	Street sweeper	Street					90,000		
79	1997	Digger Truck	Electric							100,000 2012
45	1991	Brush chipper	Street					20,000		
6	1992	Dump truck	Street				85,000			
75	2001	Bucket truck	Electric						140,000	
	2000	Sidewalk scrubber - Tennant	Street							will not replace
TOTALS:				\$284,900	\$388,700	\$217,600	\$260,500	\$242,400	\$256,300	

C-16

12/15

PI#1, Fire & Ambulance Capital Plan
 February 14, 2006
 (All cost estimates in 2006 dollars)



Item	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Beyond
Fire Car Chevy (1991)									
New Tanker Truck T-12 (1999)									2030
Aerial Ladder truck TK-16 (1984)									2020 115,000
Engine #2 (1985) 2000 gpm engine									2015 300,000
Rescue #21 (1990) rescue truck									2023 130,000
Tanker #11 (1973) 3500 gallons			145,000						
Ambulance A2 (2004)									
Ambulance A3 Ford (2002)									2016 120,000
Engine #1 (1994) 3D E-1									2019 207,000
Ambulance A1 Chevy (1994)							110,000		
TOTALS - EXPENSE:	0	0	145,000	0	0	0	110,000	0	
Fund balance previous year	77,954	108,654	140,275	27,845	61,391	95,944	131,534	58,192	
Motor Pool contribution + interest	30,700	31,621	32,570	33,547	34,553	35,590	36,657	37,757	
Total funds available	108,654	140,275	172,845	61,391	95,944	131,534	168,192	95,949	
FUND BALANCE	108,654	140,275	27,845	61,391	95,944	131,534	58,192	95,949	

13/15

PI#6, Infrastructure Capital Plan
 February 14, 2006
 (All cost estimates in 2005 dollars)

Construction Year	Project	Estimated Cost Infrastructure	Cash Balance Prior Yr	Millage Income + Interest	Total Income + Fund Bal.	Cash Balance Yr End
						136,784
2006-07 *	Chicago - Dixon/Cherry to Depot Beach (Major Street)	318,300				
	12" Water main- Chicago Club Upper Terrace (Water Fund)	221,500				
	City Hall Improvements (PI#10)	60,000				
	Sidewalk repair (Local)	4,000				
	Sidewalk repair (Major)	4,500				
2006-07 *	TOTAL:	608,300	136,784	472,200	608,984	684
2007-08 *	Hospital water main loop	254,100				
	Garfield, Western & Park					
	Misc Street resurfacing	25,000				
	Sidewalk repair	25,000				
	City Hall Improvements (PI#10)/DPW Fund	60,000				
2007-08 *	TOTAL:	364,100	684	461,700	462,384	98,284
2008-09 *	To be determined					
	Misc Street resurfacing	25,000				
	City Hall Improvements (PI#10)/DPW Fund	60,000				
2008-09 *	TOTAL:	85,000	98,284	461,700	559,984	474,984
2009-10 *	To be determined					
	Misc Street resurfacing	25,000				
2009-10 *	TOTAL:	25,000	474,984	461,700	936,684	911,684
2010-11 *	To be determined					
	Misc Street resurfacing	25,000				
2010-11 *	TOTAL:	25,000	911,684	461,700	1,373,384	1,348,384

GRAND TOTAL - ALL PROJECTS: \$1,107,400

14/15

PI#6, Infrastructure Capital Plan
 January 22, 2002
 (All cost estimates in 2002 dollars)

Construction Year	Project	Estimated Cost Infrastructure	Cash Balance Prior Yr	Millage Income + Interest	Total Income + Fund Bal.	Cash Balance Yr End
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65,598

2002-03	Repay Electric Fund for prior year loan + interest	145,400				
	Repay Perpetual Care Fund for prior year loan + interest	184,500				
	Repay Water Fund for prior year work done in fund	40,000				
	Misc Street resurfacing	55,000				
	Dixon stormsewer project (City's share)	78,600				
	Transfer to PI#8 Lk MI Beach	12,000				
	City Hall Improvements (PI#10)/DPW Fund	60,000				
2002-03	TOTAL:	575,500	65,598	555,200	620,798	45,298

2003-04	Mercer Ave - Dixon to Cherry	51,000				
	Chicago - Dixon/Cherry to Depot Beach	253,600				
	Repay Loan to Electric Fund for prior year	127,138				
	12" Water main Coast Guard Drive	76,100				
	Misc Street resurfacing	25,000				
	City Hall Improvements (PI#10)/DPW Fund	60,000				
2003-04	TOTAL:	592,838	45,298	555,200	600,498	7,660

2004-05	Hospital water main loop	254,100				
	Garfield, Western & Park					
	Misc Street resurfacing	25,000				
	Sidewalk repair	25,000				
	City Hall Improvements (PI#10)/DPW Fund	60,000				
2004-05	TOTAL:	364,100	7,660	555,200	562,860	198,760

2005-06	To be determined					
	Misc Street resurfacing	25,000				
	City Hall Improvements (PI#10)/DPW Fund	60,000				
2005-06	TOTAL:	85,000	198,760	555,200	753,960	668,960

2006-07	To be determined					
	Misc Street resurfacing	25,000				
	City Hall Improvements (PI#10)/DPW Fund	60,000				
2006-07	TOTAL:	85,000	668,960	555,200	1,224,160	1,139,160

GRAND TOTAL - ALL PROJECTS: \$1,702,438

* Estimate only. Will be revised after completion of new infrastructure plan.

15/15

CITY OF CHARLEVOIX
2006-2007 CAPITAL BUDGET SUMMARY
February 14, 2006

FUND	2006-2007 Budget	2007-8	2008-9	2009-10	2010-11	2011-12	2012-13	2013-14	Future
General Fund	\$463,300	\$153,600	\$43,600	\$43,600	\$31,600	\$31,600			
Cemetery	92,900	0	0	0	0	0	0		
Golf Course	20,900	31,100	32,200	24,400	33,000	26,000	30,000	20,000	
Electric Fund	783,200	516,000	451,300	433,300	423,300	171,300	181,300		4,500,000
Sewer Fund	239,900	172,400	133,500	116,900	110,300	111,700	113,200	114,700	2,884,000
Water Fund	124,500	67,300	39,300	39,300	39,300	39,300	39,300	39,300	
Marina Fund	10,999,300	80,000	80,000	80,000	80,000	80,000	80,000	80,000	
Public Works Site Fund	126,000	140,000	150,000	159,972	220,270	232,781	245,892	259,628	
Motor Pool Fund	284,900	388,700	217,600	260,500	242,400	256,300	330,500		
Downtown Development Authority	579,240	669,101	680,691	695,820	783,066	791,922	804,750	707,817	3,094,890
Airport Fund	998,000	30,500	30,500	30,500	30,500	30,500	30,500		965,000
PI#1 Fire Ambulance Replacement	0	0	145,000	0	0	0	110,000	0	872,000
PI#6 Infrastructure	608,300	364,100	85,000	50,000	50,000				
PI#10 City Hall Improvements	243,438	260,400	260,800	13,000					
PI#12 Mt McSaub	10,000	10,000	0	0	0	0	0	0	56,000
TOTAL:	\$15,573,878	\$2,883,201	\$2,349,491	\$1,947,292	\$2,043,736	\$1,771,403	\$1,965,442	\$1,221,445	\$12,371,891

Last year's budgeted capital spending: 15,040,226

Note: This overall list of capital expenditures includes committed fund transfers and debt service payments in current and future years for all funds.

Total - All Capital Needs: \$42,127,779

CITY OF BOYNE CITY

To: Michael Cain, City Manager *Mc*
From: Cindy Grice, City Clerk/Treasurer *cg*
Date: December 6, 2018
Subject: 2019 City Commission Meeting Schedule



We are required by the Open Meetings Act to formally adopt a meeting schedule for each year. Attached, please find a calendar for the 2019 proposed regular City Commission meeting dates with either a circle around the dates for 7:00 p.m. or a square around the dates noting a noon meeting. This, with the exception of December, follows the same 2nd and 4th Tuesday monthly schedule that we have followed for several years. All meetings will be held at the 319 N. Lake Street location.

All of the meeting dates are clear except for the 4th Tuesday of December, 2019 which happens to fall on December 24. It has been a long standing practice to cancel the City Commission meeting around the Christmas and New Year Holidays. If a need arises for a meeting towards the very end of the calendar year, a special meeting can be called. We also usually keep the additional Tuesdays in March, the 19th and 26th, and possibly the first Tuesday in April, the 6th in 2019 open for budget review sessions as needed.

RECOMMENDATION:

I am recommending the Boyne City Commission approve its regular meeting schedule for 2019 the 2nd Tuesday of each month at 7:00 p.m. and the 4th Tuesday of each month except December 24 at noon with all meetings to be held at Boyne City Hall, 319 N. Lake Street.

December 2018

December 2018							January 2019						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
2	3	4	5	6	7	1	6	7	1	2	3	4	5
9	10	11	12	13	14	8	13	14	8	9	10	11	12
16	17	18	19	20	21	15	20	21	15	16	17	18	19
23	24	25	26	27	28	22	27	28	22	23	24	25	26
30	31					29			29	30	31		

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Nov 25	26	27	28	29	30	Dec 1
2	3	4	5	6 8:30am Main Street Board mtg. 6:00pm Parks & Rec	7	8
9	10	11 7:00pm City Commission	12	13	14	15
16	17 5:00pm Planning Commission 7:00pm Historical Commission	18	19	20	21	22
23	24 Christmas Eve (United States) City Offices closed	25 City Offices Closed Merry Christmas 11:00am Christmas 12:00pm City	26	27	28	29
30	31 City Offices closed New Year's Eve (United States)	Jan 1, 19	2	3	4	5

January 2019

January 2019							February 2019						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
6	7	1	2	3	4	5	3	4	5	6	7	1	2
13	14	8	9	10	11	12	10	11	12	13	14	8	9
20	21	15	16	17	18	19	17	18	19	20	21	15	16
27	28	22	23	24	25	26	24	25	26	27	28	22	23

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 30	31	Jan 1, 19 City Offices Closed New Years Day	2	3 8:30am Main Street Board mtg. 6:00pm Parks & Rec	4	5
6	7	8 5:00pm ZBA 7:00pm City Commission	9	10	11	12
13	14 12:00pm EDC/LDFA	15	16	17	18	19
20	21 Martin Luther King Day (United States) 5:00pm Planning Commission	22 12:00pm City Commission	23	24 5:30pm Airport Advisory Board	25	26
27	28	29	30	31	Feb 1	2