



MARSHALL CITY COUNCIL AGENDA

MONDAY – 7:00 P.M.

May 2, 2016

- 1) CALL TO ORDER
- 2) ROLL CALL
- 3) INVOCATION – Scott Loughrige, Cross Roads Church & Ministries
- 4) PLEDGE OF ALLEGIANCE
- 5) APPROVAL OF AGENDA – Items can be added or deleted from the Agenda by Council action.
- 6) PUBLIC COMMENT ON AGENDA ITEMS – Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any agenda item.

7) CONSENT AGENDA

- | | | |
|----|---|------------------------|
| A. | <u>MDOT Contract for North Drive & Monroe Street</u> | P. 4 |
| | City Council will consider the recommendation to approve the resolution authorizing the City Clerk to sign MDOT Contract No. 16-5223 for the reconstruction of North Drive West and rehabilitation of Monroe Street between Pearl Street & South Marshall Avenue. | |
| B. | <u>Special Use Permit for the Marshall Area Farmer's Market</u> | P. 34 |
| | City Council will consider the recommendation to approve the Special Use Permit for the Parking Lot at 125 West Green Street for the 2016 Farmer's Market. | |
| C. | <u>Set Public Hearing – FY 2017 Budget</u> | P. 36 |
| | City Council will consider the recommendation to schedule a public hearing for Monday, May 16, 2016 to receive comment on the FY 2017 General Fund, Special Revenue Funds, Enterprise Funds and Internal Service Funds budgets. | |
| D. | <u>Set Public Hearing – Obsolete Property Exemption Application for 101 W. Michigan Avenue</u> | P. 38 |
| | City Council will consider the recommendation to schedule a public hearing for Monday, May 16, 2016 to hear public comment on issuing an Obsolete Property Rehabilitation Exemption to 101 W. Michigan Avenue. | |
| E. | <u>City Council Minutes</u> | P. 43 |
| | Work Session..... | Monday, April 18, 2016 |
| | Regular Session..... | Monday, April 18, 2016 |
| F. | <u>City Bills</u> | P. 53 |
| | Regular Purchases | \$ 329,081.88 |
| | Weekly Purchases – 4/15/16..... | \$ 13,383.00 |
| | Weekly Purchases – 4/22/16..... | \$ 15,373.41 |
| | Total..... | \$ 357,838.29 |

Mayor:

Jack Reed

Council Members:

Ward 1 - Kari Schurig

Ward 2 - Nick Metzger

Ward 3 - Brent Williams

Ward 4 - Michael McNeil

Ward 5 - Jon Gerten

At-Large - Kathy Miller



- 8) PRESENTATIONS AND RECOGNITIONS
- 9) INFORMATIONAL ITEMS
- A. Event Report – 2nd Annual Ride of Silence P. 58
- 10) PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION
- 11) OLD BUSINESS
- 12) REPORTS AND RECOMMENDATIONS
- A. Resolution Authorizing Issuance and Sale of 2016 General Obligation Limited Tax Bonds not to exceed \$4,300,000 for the New Electric Distribution Substation P. 60
- City Council will consider the recommendation to approve the resolution authorizing the issuance and sale of 2016 General Obligation Limited Tax Bonds in an amount not to exceed \$4,300,000 and to authorize the City Manager or Finance Director the ability to sell and deliver the bonds without any further Council action.
- B. Brewer Street Substation Project – Major Material Purchases and Construction Contracts P. 74
- City Council will consider the recommendation to approve the awarding of the following contract/purchases to the qualified low bidder and authorize the City Clerk to sign the labor contracts:
- Labor contract for the construction of the Brewer Street Substation in the amount of \$1,353,638 to Kent Power.
 - Labor contract for the construction of the 138kv transmission line in the amount of \$343,219.37 to Kent Power.
 - Purchase of 105 insulators for the 138kv transmission line in the amount of \$27,879.57 to Power Line Supply.
 - Purchase of 40,460 linear feet of conductor material for the 138kv transmission line in the amount of \$32,368.00 to RESCO.
 - Purchase of miscellaneous line material for the 138kv transmission line in the amount of \$52,424.39 to RESCO.
 - Purchase of 40 wood poles for the 138kv transmission line in the amount of \$170,429.00 to RESCO
- C. Charter Amendment P. 80
- City Council will consider the recommendation to adopt the resolution for the November 2016 ballot language for the City Charter amendment.
- D. Renewal of Trash, Brush, and Leaf Collection Millage Ballot Language Resolution P. 84
- City Council will consider the recommendation to adopt the resolution for the November 2016 ballot language for the renewal of the Trash, Brush, and Leaf Collection millage.



13) APPOINTMENTS / ELECTIONS

14) PUBLIC COMMENT ON NON-AGENDA ITEMS

Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any item not on the agenda.

15) COUNCIL AND MANAGER COMMUNICATIONS

16) ADJOURNMENT

Respectfully submitted,

A handwritten signature in black ink, which appears to read "Tom Tarkiewicz". The signature is written in a cursive style.

Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
May 2, 2016 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Kristin Bauer, Director of Public Services
Tom Tarkiewicz, City Manager

SUBJECT: MDOT Contract for North Drive & Monroe Street
(Job. No.-126296A), MDOT Contract No. 16-5223

BACKGROUND: The City has received Michigan Department of Transportation Small Urban Funds for the reconstruction of North Drive West and rehabilitation of Monroe Street between Pearl Street & South Marshall Ave. It is expected this project will be completed before the end of 2016. Below is the estimated contract costs:

- Total Engineer's Estimate: \$ 466,700
- Federal Grant Funds \$ 375,000
- City of Marshall Project Share: \$ 91,700

RECOMMENDATION: It is recommended that the City Council approve the attached resolution authorizing the City Clerk to sign MDOT Contract No. 16-5223 for Job Number: 126296A – North Drive West and Monroe Street.

FISCAL EFFECTS: Funds in the amount of \$91,700 are available in the Capital Outlay budget expenditure line item 202-900-970.00 within the Major Motor Vehicle Highway Fund.

CITY GOAL CLASSIFICATION:

Infrastructure Goal Statement: Preserve, rehabilitate, maintain and expand all city infrastructure and assets.

ALTERNATIVES: As suggested by the Council.

Respectfully submitted,

Kristin Bauer
Director of Public Services

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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f 269.781.3835

cityofmarshall.com

**CITY OF MARSHALL, MICHIGAN
RESOLUTION # 2016- ____**

WHEREAS, the City Council of the City of Marshall has reviewed attached Contract #16-5223 for Control Section: STUL 13446, Job Number: 126296A with the Michigan Department of Transportation (MDOT) for the Reconstruction of North Drive West and Rehabilitation of Monroe Street between Pearl Street and South Marshall Ave.; and

WHEREAS, the City Council agrees to utilize the combination of federal and local funding to fund these improvements as stated within contract #16-5223; and

WHEREAS, the estimated expense of the project is \$466,700; and

WHEREAS, the City participation in the project is estimated at \$91,700; and

WHEREAS, the City Council understands and agrees to the contract and its attached conditions, certifications and documentation.

NOW THEREFORE BE IT RESOLVED that based upon a motion made by _____, and supported by _____, to authorize Trisha Nelson, City Clerk to sign MDOT Contract #16-5223 for Control Section: STUL 13446, Job Number: 126296A.

Voting For:

Voting Against:

Absent:

CERTIFICATION OF CITY CLERK/TREASURER

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Marshall at a regular meeting held on the 2nd day of May, 2016.

Trisha Nelson, City Clerk

Date

STP

DA

Control Section	STUL 13446
Job Number	126296A
Project	STP 1613(012)
Federal Item No.	HK 0958
CFDA No.	20.205 (Highway Research Planning & Construction)
Contract No.	16-5223

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 MARSHALL, 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 Marshall, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I", dated March 24, 2016, attached hereto and made a part hereof:

Road reconstruction work along Monroe Street from South Marshall Avenue northerly to East Pearl Street, and along North Drive from Kalamazoo Avenue easterly to Brewer Street; including pavement removal, hot mix asphalt paving, concrete curb and gutter, sidewalk and ramp, and pavement marking work; and all together with necessary related work.

WITNESSETH:

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

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

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

SURFACE TRANSPORTATION PROGRAM

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

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

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

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

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

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

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

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

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

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

The REQUESTING PARTY will furnish the DEPARTMENT proposed timing sequences for trunkline signals that, if any, are being made part of the improvement. No timing adjustments shall be made by the REQUESTING PARTY at any trunkline intersection, without prior issuances by the DEPARTMENT of Standard Traffic Signal Timing Permits.

5. The PROJECT COST shall be met in part by contributions by the Federal Government. Federal Surface Transportation Funds shall be applied to the eligible items of the PROJECT COST up to the lesser of: (1) \$375,000, or (2) an amount such that 81.85 percent, the normal Federal participation ratio for such funds, is not exceeded at the time of the award of the construction contract. The balance of the PROJECT COST, after deduction of Federal Funds, shall be charged to and paid by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

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

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

In order to fulfill the obligations assumed by the REQUESTING PARTY under the provisions of this contract, the REQUESTING PARTY shall make prompt payments of its share of the PROJECT COST upon receipt of progress billings from the DEPARTMENT as herein provided. All payments will be made within 30 days of receipt of billings from the DEPARTMENT. Billings to the REQUESTING PARTY will be based upon an effective billing rate and the REQUESTING PARTY'S share of the actual costs incurred less Federal Funds earned as the PROJECT progresses. The initial effective billing rate for the federal funding of the PROJECT is calculated by using the federal funding for the PROJECT set at the time of the award of the construction contract, as described in Section 5, and dividing by the total costs of the PROJECT eligible for federal funding and authorized at the time of the award of the construction contract.

The effective billing rate for the federal funding of the PROJECT is determined by the current funding authorization for the PROJECT and may change as the PROJECT progresses and funding authorizations are increased or decreased.

7. At such time as traffic volumes and safety requirements warrant, the REQUESTING PARTY will cause to be enacted and enforced such ordinances as may be necessary to prohibit parking in the traveled roadway 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, with the FHWA, to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall be charged for and shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT, in the event that remediation and delay costs are not deemed eligible by the FHWA. If the REQUESTING PARTY refuses to participate in the cost of remediation, the DEPARTMENT shall terminate the PROJECT. The parties agree that any costs or damages that the DEPARTMENT incurs as a result of such termination shall be considered a PROJECT COST.

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

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

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

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

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

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

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

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

16. Each party to this contract will remain responsive 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.

The DEPARTMENT shall not be subject to any obligations or liabilities by contractors of the REQUESTING PARTY or their subcontractors or any other person not a party to this contract without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.

It is expressly understood and agreed that the REQUESTING PARTY shall take no action or conduct which arises either directly or indirectly out of its obligations, responsibilities, and duties under this contract, which results in claims being asserted against or judgments being imposed against the State of Michigan, the DEPARTMENT, and/or the Michigan State Transportation Commission.

In the event that the same occurs, for the purpose of this contract it will be considered as a breach of this contract thereby giving the State of Michigan, the DEPARTMENT, and/or the Michigan State Transportation Commission a right to seek and obtain any necessary relief or remedy, including but not by way of limitation, a judgment for money damages.

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 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.

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

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

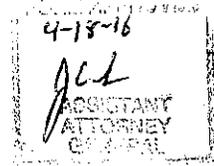
CITY OF MARSHALL

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By _____
Title:

By _____
Department Director MDOT

By _____
Title:



ROB
4/8/16

APPROVED BY:

Scott Trane
for Administrator
Real Estate

4/9/16
Date

March 24, 2016

EXHIBIT I

CONTROL SECTION	STUL 13446
JOB NUMBER	126296A
PROJECT	STP 1613(012)

ESTIMATED COST

CONTRACTED WORK

Estimated Cost	\$466,700
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COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$466,700
Less Federal Funds*	<u>\$375,000</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$ 91,700

*Federal Funds for the PROJECT are limited to an amount as described in Section 5.

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.



ADMINISTRATIVE REPORT
May 2, 2016 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Cheryl Vosburg, Environmental Programs Coordinator
Tom Tarkiewicz, City Manager

SUBJECT: Request Approval Special Use Permit for the Parking Lot at 125 West Green Street, Marshall, Michigan by the Marshall Area Farmers' Market Board

BACKGROUND: The Marshall Area Farmers Market wrapped up its first season in the new location at 125 West Green on October 31, 2015. Shortly after the outdoor market closed, Oaklawn Hospital requested the board manage an indoor market in the Hospital's lobby. The second market opened in early February and will close on May 4th. Both markets have done exceptionally well. The outdoor market averaged 850 customers a day; the indoor market should end the year with approximately 390 a day. The highest customer day at the outdoor market was 1354 and 540 at the Oaklawn site. Over the past year the number of approved vendors has increased from under thirty vendors at the old site to over eighty vendors composed of both full time and part time sellers. Both markets averaged 25 vendors a day for their seasons. Management is anticipating that a wait list may be necessary this year. Volunteers were a key component of the market and over 40 individuals worked at the market as well as a sizeable number of musicians entertained each Saturday free of charge.

The 2016 outdoor season opening is scheduled for Saturday, May 21st and will end October 29th. Hours will remain 8 am to 1 pm. An option to extend hours on September 10, 2016 is requested for Home Tour. Site improvements include the addition of street lighting on the edges of the lot and a third table has been installed and all tables will have umbrellas this upcoming season. Updated professional signage for the market has been purchased. Plans are in place to add to the children's activities and the baby rubber ducks promise to return every rainy day to their puddles. A Farm-To-Table Dinner event is in development as well as a few smaller fund raisers will be held at the marketplace. Martin Overhiser will chair a study committee to determine the feasibility of a pavilion in the future. City employees have been very supportive of the market and we are especially thankful for Dial-A-Ride's decision to open on Saturdays allowing customers to have transport to the market.

RECOMMENDATION: It is recommended that the City approve the Special Use Permit as requested for the 2016 Farmers Market.

FISCAL EFFECTS: The Farmer's Market budget is supported by revenue generated by the market itself. The City may provide some in-kind services and support as available but there will no significant fiscal impact.

CITY GOAL CLASSIFICATION:

GOAL AREA I. ECONOMIC DEVELOPMENT

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

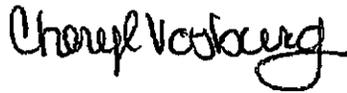
Goal Statement: Sustain and intensify the economic vitality of the Marshall area.

GOAL AREA 2. QUALITY OF LIFE

Goal Statement: To achieve and sustain a concentrated effort to promote a vibrant community atmosphere in the Marshall area.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,



Cheryl Vosburg
Environmental Programs Coordinator



Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
May 2, 2016 – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Jon B. Bartlett, Finance Director
Tom Tarkiewicz, City Manager

SUBJECT: FY 2017 Budget - Schedule a Public Hearing

BACKGROUND: Act 2 of 1968 commonly known as the Uniform Budgeting and Accounting Act (the "Act"), requires the legislative body of government to pass a general appropriations act for the General Fund and Special Revenue Funds (MVH Major and Local, LDFA, DDA and Special Projects) and may pass a special appropriations act for the Enterprise Funds (Marshall House, Electric, Dial-A-Ride, Waste Water and Water) and Internal Service Funds (Data Processing and Motor Pool). The general appropriations act shall set the total number of mills of ad valorem property taxes to be levied and the purposes for which that millage is to be levied. In accordance with Public Act 43 of 1963, a public hearing shall be held on the proposed budgets. The required notice shall be published in the newspaper not less than six days prior to the hearing.

Additionally, Section 9.05 *Adoption of Budget, Tax Limit* of the Marshall City Charter requires "not later than the first meeting of the council in June, the council shall, by resolution, adopt all budgets for the next year and shall, in such resolution, make an appropriation of the money needed for municipal purposes during the ensuing fiscal year of the city and provide for a levy of the amount necessary to be raised upon real and personal property for municipal purposes..."

RECOMMENDATION: It is recommended that the Council schedule a public hearing for Monday, May 16, 2016 to receive comment on the FY 2017 General Fund, Special Revenue Funds, Enterprise Funds and Internal Service Funds budgets.

FISCAL EFFECT: None at this time.

CITY GOAL CLASSIFICATION:

GOAL AREA I. ECONOMIC DEVELOPMENT

Goal Statement: Sustain and intensify the economic vitality of the Marshall area.

GOAL AREA 2. QUALITY OF LIFE

Goal Statement: To achieve and sustain a concentrated effort to promote a vibrant community atmosphere in the Marshall area.

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

GOAL AREA 3. HOUSING DEVELOPMENT

Goal Statement: Provide for progressive, diverse and unique housing opportunities.

GOAL AREA 4. INFRASTRUCTURE

Goal Statement: Preserve, rehabilitate, maintain and expand city infrastructure and assets.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,



Jon B. Bartlett
Finance Director



Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
May 2, 2016- CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Jon Bartlett, Finance Director
Tom Tarkiewicz, City Manager

SUBJECT: Set a public hearing for May 16, 2016 to consider an
Obsolete Property Exemption application for 101 W.
Michigan Ave., parcel # 53-001-005-00,

BACKGROUND: The City has designated all real property and improvements at
101 W Michigan Ave as an Obsolete Property Rehabilitation District (OPRD) under
the Obsolete Property Rehabilitation Act (OPRA). Under the OPRA, the next step
in this process is for the owner to file an application with clerk and the matter will
come before Council to set another public hearing on the application. The
application and the resolution are filed with the state. This public hearing is
needed to correct a date on the previous resolution passed by Council on April 18,
2016.

RECOMMENDATION: Staff recommends that City Council set a public hearing
for May 16, 2016 to hear public comment on issuing an Obsolete Property
Rehabilitation Exemption to 101 W Michigan Ave.

FISCAL EFFECTS: The City will receive taxes Ad Valorem only for land. The
City will also receive taxes based on the taxable value of the building that is
"frozen" at the value as of December 31, 2015 (\$39,949), for the duration of the
exemption period. The rehab portion of the building minus the frozen amount is
only taxed on School Operating and SET. The applicant has requested that this be
reduced to ½ of the 24 mills.

ALTERNATIVES: As suggested by Council.

CITY GOAL CLASSIFICATIONS:

GOAL AREA I. ECONOMIC DEVELOPMENT

Goal Statement: Sustain and intensify the economic vitality and activity of the
Marshall area.

GOAL AREA 3. HOUSING DEVELOPMENT

Goal Statement: Provide for progressive, diverse and unique housing
opportunities.

Respectfully submitted,

Jon Bartlett
Finance Director

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

**CITY OF MARSHALL
RESOLUTION #2016-**

**RESOLUTION TO APPROVE AN OBSOLETE PROPERTY REHABILITATION
EXEMPTION CERTIFICATE APPLICATION
PA 146 OF 2000 AS AMENDED**

Minutes of a regular meeting of the City Council of the City of Marshall, held on May 16, 2016, in City Hall Council Chambers at 7:00 p.m.

PRESENT:

ABSENT:

The following preamble and resolution was offered by _____, and supported by _____.

**Resolution 2016- Approving Obsolete Property Rehabilitation Exemption
Certificate Application for Cronin Building Development LLC, Located at
101 W. Michigan Ave, Marshall MI**

WHEREAS, pursuant to PA 146 of 2000, the City of Marshall is a Qualified Local Governmental Unit eligible to establish one or more Obsolete Property Rehabilitation Districts; and

WHEREAS, the City of Marshall legally established the Obsolete Property Rehabilitation District (Cronin Building Obsolete Property Rehabilitation District #001) on April 20, 2015, after a public hearing held on April 20, 2015; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Marshall; and

WHEREAS, the application was approved at a public hearing as provided by section 4(2) of Public Act 146 of 2000 on May 16, 2016; and

WHEREAS, Cronin Building Development LLC is not delinquent in any taxes related to the facility; and

WHEREAS, the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000; and

WHEREAS, the applicant, Cronin Building Development LLC, has provided answers to all required questions under the application instructions to the City of Marshall; and

WHEREAS, the City of Marshall requires that rehabilitation of the facility shall be completed by December 31, 2016; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Marshall eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, and revitalize the downtown area, in which the facility is situated; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marshall Be and hereby is granted an Obsolete Property Rehabilitation Exemption for the real property, excluding land, located in Obsolete Property Rehabilitation District (Cronin Building Obsolete Property Rehabilitation District #001) at 101 W. Michigan Ave. for a period of 12 years, beginning December 31, 2016, and ending December 31, 2028, pursuant to the provisions of PA 146 of 2000, as amended.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of the City of Marshall, County of Calhoun, Michigan at a regular meeting held on May 16, 2016.

Trisha Nelson
Clerk, City of Marshall

Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

INSTRUCTIONS: File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

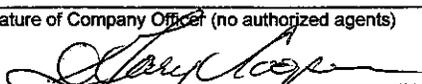
Applicant (Company) Name (applicant must be the OWNER of the facility) Cronin Building development LCC		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 100 Evening Star Ln., Okemos Mi.		
Location of obsolete facility (No. and street, City, State, ZIP Code) 101 W. Michigan Ave. ,		
City, Township, Village (indicate which) Marshall (City)		County Calhoun
Date of Commencement of Rehabilitation (mm/dd/yyyy) 07/10/15	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 10/01/16	School District where facility is located (include school code) Marshall 13110
Estimated Cost of Rehabilitation \$1.6 million	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet
Expected project likelihood (check all that apply):		
<input checked="" type="checkbox"/> Increase Commercial activity	<input type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input checked="" type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment _____		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. <input checked="" type="checkbox"/>		

APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Gary Cooper	Telephone Number (517) 202-2226	Fax Number
Mailing Address 100 Evening Star Ln., Okemos Mi.		Email Address gary@urbanconcepts.org
Signature of Company Officer (no authorized agents) 		Title owner

LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature 	Date application received 3/29/16
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FOR STATE TAX COMMISSION USE		
Application Number 4	Date Received	LUCI Code

LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

PART 1: ACTION TAKEN

Action Date: _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
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PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

	Taxable Value	State Equalized Value (SEV)	
Building(s)	39,949	41,300	
Name of Governmental Unit		Date of Action on application	Date of Statement of Obsolescence
CITY OF MARSHALL			MAY 1, 2015

PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Clerk's Mailing Address	City	State	ZIP Code
	Telephone Number	Fax Number	Email Address

Mail completed application and attachments to: Michigan Department of Treasury
 State Tax Commission
 P.O. Box 30471
 Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

IN A WORK SESSION held Monday, April 18, 2016 at 5:30 P.M. in the Training Room of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order.

Present: Council Members: Gerten, McNeil, Metzger, Miller, Mayor Reed, Schurig, and Williams.

Also Present: City Manager Tom Tarkiewicz, Finance Director Jon Bartlett, Director of Community Services Natalie Dean, Director of Public Services Kristin Bauer, Director of Public Safety Jim Schwartz, and Director of Electric Utility Ed Rice.

Absent: None.

City Staff presented the FY 2017 Proposed Budget for Council review and comments.

Work Session adjourned at 6:55 p.m. for Regular Council Meeting.

Returned to Work Session at 7:45 p.m. for more budget discussion.

The meeting was adjourned at 9:40 p.m.

Jack Reed, Mayor

Trisha Nelson, Clerk

CALL TO ORDER

IN REGULAR SESSION Monday, April 18, 2016 at 7:00 P.M. in the Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Reed.

ROLL CALL

Roll was called:

Present: Council Members: Gerten, McNeil, Metzger, Miller, Mayor Reed, Schurig, and Williams.

Also Present: City Manager Tarkiewicz and Clerk Nelson.

Absent: None.

INVOCATION/PLEDGE OF ALLEGIANCE

David Good of First Baptist Church gave the invocation and Mayor Reed led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Moved Williams, supported Metzger, to approve the addition of the Michigan South Central Power Agency invoice in the amount of \$632,823.55 and the addition of Sidewalk Use Licenses to the Consent Agenda. On a voice vote – **MOTION CARRIED.**

PUBLIC COMMENT ON AGENDA ITEMS

None.

CONSENT AGENDA

Moved Williams, supported Schurig, to approve the Consent Agenda:

- A. Adopt the resolution in support of the submittal of a grant to the Michigan Department of Transportation Local Bridge Program for the Monroe Street Bridge over Rice Creek;
- B. Approve the annual sidewalk use licenses for Pastrami Joe's and Schuler's Restaurant for the period of May 1, 2016 through April 30, 2017;
- C. Minutes of the City Council Work Session and Regular Session held on Monday, April 4, 2016;
- D. Approve city bills in the amount of \$ 886,837.10.

On a voice vote – **MOTION CARRIED.**

PRESENTATIONS AND RECOGNITION

None.

INFORMATIONAL ITEMS

Chief Schwartz provided event reports for the Hospitality Classic and the Memorial Day Parade.

PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

A. Obsolete Property Exemption Application for 101 West Michigan Avenue:

Finance Director Jon Bartlett provided background regarding the process for granting an Obsolete Property Rehabilitation Exemption.

Mayor Reed opened the public hearing to hear public comment on the Application for an Obsolete Property Rehabilitation Exemption Certificate for 101 West Michigan Avenue.

Hearing no comment, the hearing was closed.

Moved Metzger, supported Schurig, to adopt the resolution and accept the Application for an Obsolete Property Rehabilitation Exemption Certification for 101 West Michigan Avenue. On a voice vote - **MOTION CARRIED.**

**CITY OF MARSHALL
RESOLUTION #2016-12**

**RESOLUTION TO APPROVE AN OBSOLETE PROPERTY REHABILITATION
EXEMPTION CERTIFICATE APPLICATION
PA 146 OF 2000 AS AMENDED**

Minutes of a regular meeting of the City Council of the City of Marshall, held on April 18, 2016, in City Hall Council Chambers at 7:00 p.m.

PRESENT: Gerten, McNeil, Metzger, Miller, Mayor Reed, Schurig, and Williams.

ABSENT: None.

The following preamble and resolution was offered by Metzger, and supported by Schurig.

Resolution 2016-12 Approving Obsolete Property Rehabilitation Exemption Certificate Application for Cronin Building Development LLC, Located at 101 W. Michigan Ave, Marshall MI

WHEREAS, pursuant to PA 146 of 2000, the City of Marshall is a Qualified Local Governmental Unit eligible to establish one or more Obsolete Property Rehabilitation Districts; and

WHEREAS, the City of Marshall legally established the Obsolete Property Rehabilitation District (Cronin Commercial Redevelopment District No. 01) on December 7, 2015, after a public hearing held on December 7, 2015; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Marshall; and

WHEREAS, the application was approved at a public hearing as provided by section 4(2) of Public Act 146 of 2000 on April 18, 2016; and

WHEREAS, Cronin Building Development LLC is not delinquent in any taxes related to the facility; and

WHEREAS, the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000; and

WHEREAS, the applicant, Cronin Building Development LLC, has provided answers to all required questions under the application instructions to the City of Marshall; and

WHEREAS, the City of Marshall requires that rehabilitation of the facility shall be completed by December 31, 2016; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Marshall eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, and revitalize the downtown area, in which the facility is situated; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marshall Be and hereby is granted an Obsolete Property Rehabilitation Exemption for the real property, excluding land, located in Obsolete Property Rehabilitation District (Cronin Commercial Redevelopment District No. 01) at 101 W. Michigan Ave. for a period of 12 years, beginning December 31, 2016, and ending December 31, 2028, pursuant to the provisions of PA 146 of 2000, as amended.

AYES: Gerten, McNeil, Metzger, Miller, Mayor Reed, Schurig, and Williams.

NAYS: None.

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of the City of Marshall, County of Calhoun, Michigan at a regular meeting held on April 18, 2016.

Trisha Nelson
Clerk, City of Marshall

B. P.A. 425 Conditional Land Transfer with Marshall Township – 726 North Old US 27:

City Manager Tarkiewicz provided background regarding the PA 425 Land Transfer with Marshall Township for 726 North Old US 27. The City purchased the two acre parcel of property for the new electric substation.

Mayor Reed opened the public hearing to hear comment regarding the P.A. 425 Land Transfer.

Hearing no further comment, the hearing was closed.

Moved Schurig, supported McNeil, to approve the P.A. 425 Conditional Land Transfer Agreement with Marshall Township for 726 North Old US 27. On a voice vote – **MOTION CARRIED.**

CITY OF MARSHALL, MICHIGAN
RESOLUTION #2016-13

RESOLUTION AUTHORIZING EXECUTION OF CONTRACT
FOR CONDITIONAL TRANSFER OF PROPERTY

WHEREAS, The City of Marshall, owner of property commonly known as 726 Old US 27 North, have petitioned Marshall Township for a Conditional Transfer of the property from Marshall Township into the City of Marshall; and

WHEREAS, on February 25, 2006 the City of Marshall entered into a Master 425 Agreement with the Township of Marshall; and

WHEREAS, on September 15, 2014 the City of Marshall extended this Master 425 Agreement with the Township of Marshall until 2026; and

WHEREAS, the Master 425 Agreement facilitates the provision of City services, including municipal sewer, water, police and fire protection to properties currently within Marshall Township according to terms acceptable to both the Township of Marshall and the City of Marshall,

NOW THEREFORE, BE IT RESOLVED, that the City Manager and the City Clerk are authorized to execute a Contract for Conditional Transfer of Property commonly known at 726 Old US 27 North from the Township of Marshall to the City of Marshall.

IT IS FURTHER RESOLVED, that the Contract for Conditional Transfer shall be in the form of the attached document, subject to changes in form approved by the City Attorney.

As City Clerk I place my seal and sign my name that this is a true and accurate copy of the action taken by the Marshall City Council on April 18, 2016.

Trisha Nelson, City Clerk
CITY OF MARSHALL

OLD BUSINESS

None.

REPORTS AND RECOMMENDATIONS

A. Fee Schedule:

Moved Miller, supported Gerten, to approve the resolution authorizing the Fee Schedule as presented with an effective date of July 1, 2016. On a voice vote – **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #2016 – 14**

RESOLUTION ESTABLISHING FEES

WHEREAS, City of Marshall deems it necessary and appropriate to periodically review fees as certain costs are incurred in providing a service, and the intent is to set fees at an amount to recover those costs and still remain competitive with surrounding municipalities; and

WHEREAS, the City of Marshall now wishes to establish those fees in accordance with City policy;

NOW THEREFORE, BE IT RESOLVED, that the following fees shall be established and effective July 1, 2016;

Water Department

Hydrant Meter Security Deposit	\$500.00 per Rental
Hydrant Commodity Charge (outside City Limits)	\$0.02 per Gallon
Meter Testing:	
5/8" - 1"	\$50.00 per Meter
1-1/2" - 2"	\$200.00 per Meter
3"	\$225.00 per Meter
4"	\$250.00 per Meter
6"	\$250.00 per Meter
Water Connection Fee	\$600.00 per REU Connection
Fire Suppression Systems:	
6" or smaller	\$120.00 per Year
8"	\$220.00 per Year
10"	\$340.00 per Year
12"	\$500.00 per Year

Sanitary Sewer

Sewer Connection Fees	\$1,500 per REU Connection
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Geographic Information System

Providing Digital Maps (PDF's, JPEG's, Etc.)	\$10.00 per Map
Plotted / Printed Maps (with or without aerial photo):	
8-1/2" x 11"	\$6.00 per Map
11" x 17"	\$10.00 per Map
Larger Format Print/Plotted Maps (42" Maximum):	

with Aerial photo	\$22.00 per Map
without Aerial photo	\$26.00 per Map

Cemetery

Lot Prices	\$550.00 per Lot
Columbarium	\$650.00 per Niche
Columbarium Open/Close	\$50.00 per Opening
Burial Charge:	
Adult	\$400.00 per Opening
Infant (Age -2 and under)	\$200.00 per Opening
Cremains	\$200.00 per Opening
Overtime Charge - Burial & Columbarium (weekdays after 2pm, Saturdays, Holidays)	1.5X
Disinterment: (Only during Normal Work Hours)	
Full Size	\$650.00 per Opening
Infant/Cremation	\$350.00 per Opening
Foundations	\$0.50 per Sq. Surface Inch

Right of Way Permit Fees

Base Permit Application Fee (For consideration of ALL permits)	\$35.00 per Permit
Field Inspection Fee (Sewer Taps, Sidewalk / Drive Approach, etc)	\$50.00 per Inspection
Road Opening Deposit (after 1 year \$500 is refunded if road repair is satisfactory, \$50 covers required inspections)	\$550.00 per Opening

Stormwater

Single Family Residential Developments, less than 1 Acre incl. Institutional Projects	\$0.00 per Project \$150.00 per Project
Developments, 1 Acre to 5 Acres incl. Institutional Projects	\$150.00 plus \$50/acre over 1 acre per Project
Developments, over 5 Acres Incl. Institutional Projects	\$350.00 plus \$25/Acre over 5 acres per Project
Hourly Rate for Additional Review/Inspection Time	\$75.00 per Hour
Field Inspection Fee	
Single Family Residential	\$75.00 1 hour time
Developments, less than 1 Acre	\$75.00 1 hour time
Developments, 1 Acre to 5 Acres	\$150.00 2 hours time

Developments, over 5 Acres \$225.00 3 hours time

Building Department

Building Permit-Residential	\$60 per 1st \$1,000 construction cost plus \$5 for each additional \$1,000 construction cost per Application
Plumbing, Electrical and Mechanical Admin Fee	\$40/flat per Application
Residential Roofing	\$120.00 per Application
Residential Swimming Pool (Above Ground)	\$120.00 per Application
Fence Permits	\$45.00 per Application
Residential Demolition	\$140 per Building per Application
Commercial Demolition	\$150.00 plus \$.05 per square foot Per Application
Building Permit-Commercial	\$60 per 1st \$1,000 construction cost + \$6 for each additional \$1,000 construction cost per Application
Building Permit-Plan Review	25% of Building Permit Fee per Application

Planning and Zoning

Zoning Amendment	\$200 per Application
ZBA Variance (resident)	\$150 per Application
ZBA Variance (commercial)	\$200 per Application
Sign permit	
Wall Sign	\$40 per Application
Freestanding/Ground	\$50 per Application

Administrative

Credit Card Service Fee	3% of amount due
Mortgage Company Duplicate Bill Fee (per parcel)	\$2.50
Overnight Downtown Parking Permit	\$10.00 per Permit
Security Deposit Residential Tenant w/Landlord Affidavit	\$200 per Affidavit

A copy of this Schedule as amended from time to time, shall be maintained by the Marshall City Clerk.

AYES: Gerten, McNeil, Metzger, Miller, Mayor Reed, Schurig, and Williams.

NAYES: None.

ABSTAIN: None.

RESOLUTION DECLARED ADOPTED.

I, Trisha Nelson, being duly sworn as the Clerk for the City of Marshall, hereby certify that foregoing is a true and complete copy of a resolution adopted by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on April 18, 2016, and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available

Trisha Nelson, Clerk

B. Well #4 Improvements:

Moved Metzger, supported Williams, to authorize the execution of a purchase order with Peerless Midwest, Inc. for \$30,880 for the Variable Frequency Drive improvements to Well #4. On a voice vote - **MOTION CARRIED.**

APPOINTMENTS/ELECTIONS

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

John Sims introduced himself to Council and spoke of his candidacy for Calhoun County Circuit Judge.

COUNCIL AND MANAGER COMMUNICATIONS

ADJOURNMENT

The meeting was adjourned at 7:30 p.m.

Jack Reed, Mayor

Trisha Nelson, City Clerk

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
B84156	A-1 AUTO GLASS	SPRAY ON BED LINER		425.00
32144	ACTRON INTEGRATED SECURITY	QUARTERLY MONITORING -POWERHOUSE		330.00
9934973559	AIRGAS USA LLC	CYLINDER RENTAL		99.70
SLS 10044987	ALEXANDER CHEMICAL COR.	CHLORINE 150# CYL	2016.020	623.00
SLS 10044885	ALEXANDER CHEMICAL COR.	CHLORINE AND SULFUR DIOXIDE	2016.004	1,083.00
1271	ALL RELIABLE SERVICES	(2016 LINE CLEARANCE- TREE TRIMMING CONTR	2016.226	3,865.50
1260	ALL RELIABLE SERVICES	(2016 LINE CLEARANCE- TREE TRIMMING CONTR	2016.226	3,769.88
160982-0316	APWA	RENEWAL 06/01/16 -- 05/31/17		209.00
14-615305	ARROW UNIFORM	CUST #010198-06		31.23
14-615306	ARROW UNIFORM	CUST # 010198-05		25.29
14-615302	ARROW UNIFORM	CUST #010198-04		51.42
14-615296	ARROW UNIFORM	CUST #010198-01		27.47
14-615303	ARROW UNIFORM	CUST # 010198-03		153.28
14-615301	ARROW UNIFORM	CUST #010198-02		54.25
14-622832	ARROW UNIFORM	CUST #010198-06		31.23
14-622829	ARROW UNIFORM	CUST #010198-04		51.42
14-622824	ARROW UNIFORM	CUST #010198-01		27.47
14-622833	ARROW UNIFORM	CUST #010198-05		25.29
14-622830	ARROW UNIFORM	CUST #010198-03		153.28
14-622828	ARROW UNIFORM	CUST #010198-02		54.25
I024883	AUTO GLASS SOLUTIONS,	STONE CHIP REPAIR - IMPALA		50.00
225-391021	AUTO VALUE MARSHALL	OIL FILTER		4.70
225-391245	AUTO VALUE MARSHALL	BLASTER, SILIC SPRAY		142.56
225-391035	AUTO VALUE MARSHALL	MINI LAMPS		5.30
225-391278	AUTO VALUE MARSHALL	AIR FILTERS		21.04
225-391663	AUTO VALUE MARSHALL	RV PLUG & SOCKET		34.80
225-391503	AUTO VALUE MARSHALL	2014 FORD EXPLORER		71.19
225-391184	AUTO VALUE MARSHALL	ROLOC DISC		9.82
225-391448	AUTO VALUE MARSHALL	MINI LAMPS, FORM A GASKET		14.80
225-391374	AUTO VALUE MARSHALL	MINI LAMP, OIL FILTER		14.03
225-391335	AUTO VALUE MARSHALL	2012 FORD F250 SUPPLIES		27.69
225-392195	AUTO VALUE MARSHALL	SCOURING PADS		5.88
225-386197	AUTO VALUE MARSHALL	SHOE ASSY		29.09
225-387854	AUTO VALUE MARSHALL	PM R O HYDRAULIC		50.12
225-388584	AUTO VALUE MARSHALL	FLAT WIPER BLADE		30.98
880444	AWARENESS TECHNOLOGIES	WEB FILTERING & MONITORING V6-HOSTED		29.00
042216	BAKER TOOL RENTAL & ST	LINOLEUM ROLLER		20.00
244047-IN	BEAVER RESEARCH CO	INSECT KILLER		89.98
243390-IN	BEAVER RESEARCH CO	CLOSED LOOP TREATMENT - ENGINE MAINTENAN		1,195.20
631005	BOSHEARS FORD SALES INC	SOCKET		412.25
70732	BUDGET DRAIN CLEANING	SERVICE AT MH		190.00
41516	CARL COMMUNICATIONS	FIRE ALARM - INSTALLED CAT5E		156.61
96033	CARR BROTHERS & SONS	10 YDS SCREENED TOPSOIL		285.00
3205	CB HALL ELECTRIC COMPAN	WELL HOUSE LIGHTS		1,194.00
10443	COBAN TECHNOLOGIES	BATTERY, CHARGING BANK		910.00
10541	COBAN TECHNOLOGIES	DVMS SOLUTION RENEWALS, EDGE EXTENDED WA	2016.285	1,866.63
56856	COGITATE INC	MMS STATE TRUNKLINE SUPPORT		155.00
438807	COURY, JAMES	WELDED WIRE, POULTRY NETTING		93.26
292567	COURY, JAMES	WELDED WIRE		69.99
664836001	CRYSTAL FLASH ENERGY	DYED DIESEL FUEL		434.05
635837010	CRYSTAL FLASH ENERGY	DYED DIESEL		1,077.34
664852001	CRYSTAL FLASH ENERGY	PREM NL E10		756.21
134336	D & D MAINTENANCE SUPP	JANITORIAL SUPPLIES		55.00
134337	D & D MAINTENANCE SUPP	SUPERSORB		47.90
134281	D & D MAINTENANCE SUPP	JANITORIAL SERVICE @ DPW - MARCH		173.33
33640	D.C. BYERS COMPANY	EPOXY FLOORING LAB PROCESSING ROOM	2016.249	5,000.00
3087886	DAIKIN APPLIED	ANNUAL MAINT AGREEMENT FOR AIR HANDLING,	2016.203	1,480.00
482938	DARLING ACE HARDWARE	ALNICO BUTTON MAGNET		8.99
483283	DARLING ACE HARDWARE	SPRYPNT DUAL GLS LTHRBRN		5.99
482758	DARLING ACE HARDWARE	KEYS		5.45
483107	DARLING ACE HARDWARE	WIRE, U-POSTS, PLIERS, TROWELS, RAKES		60.38
483750	DARLING ACE HARDWARE	VENT HOOD DRYER		44.95
483946	DARLING ACE HARDWARE	ASPIRE INT S-G WHITE GL		73.98
483787	DARLING ACE HARDWARE	BOX JUNCTION		14.99
482757	DARLING ACE HARDWARE	KEY		3.98
INV25822	DORNBOS SIGN INC	SIGNS		540.85
INV25823	DORNBOS SIGN INC	SIGNS		143.60
INV25971	DORNBOS SIGN INC	5X3 SIGNS SAVE LIVES		190.00
14392	EMERGENCY VEHICLE SERV	SEALED BEAM GROUND LIGHT, 40 AMP CIRCUIT		683.57
782066	ENVIRONMENTAL RESOURCE	DMR-QA MINI-SET #4		573.73
61403	F. G. CHENEY LIMESTONE	LIMESTONE CHIPS		31.92
MIMA165253	FASTENAL COMPANY	NUTS & BOLTS		17.74
MIMA165052	FASTENAL COMPANY	CHNUT W/SPRING		4.30
MIMA165277	FASTENAL COMPANY	SUPPLIES		28.80
MIMA165202	FASTENAL COMPANY	SUPPLIES		34.69
MIMA164798	FASTENAL COMPANY	SUPPLIES		268.32
215576	FIRE EXTINGUISHER SERV	ANNUAL EXTINGUISHER INSPECTION		219.00
215594	FIRE EXTINGUISHER SERV	DIAL A RIDE		68.00
215591	FIRE EXTINGUISHER SERV	ANNUAL EXTINGUISHER SERVICE - POWER PLAN		359.00

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
215593	FIRE EXTINGUISHER SERV	ANNUAL EXTINGUISHER INSPECTION		77.00
215595	FIRE EXTINGUISHER SERV	ANNUAL EXTINGUISHER INSPECTION		108.00
215592	FIRE EXTINGUISHER SERV	FIRE EXTINGUISHER INSPECTION		132.00
980002	FIRST ADVANTAGE	CLEMONS, FAULKNER, KELLEY		41.25
11-26407	GARAGE DOORS UNLIMITED	SERVICE CALL - MOWER GARAGE		127.10
11-26849	GARAGE DOORS UNLIMITED	SERVICE CALL - DPW/CEMETERY		217.30
9079153798	GRAINGER	MICROSCOPE IMMERSION OIL		11.27
20160191	GRP ENGINEERING INC	ENGINEERING SERVICES FOR BREWER STREET S	2016.161	40,000.00
5924	GUTTERS R US LLC	2016 WINTER SNOW PLOWING AND SALTING AT	2016.217	505.00
9890289	HACH COMPANY	LAB SUPPLIES		619.90
100243-0416	HERITAGE CLEANERS	ACCT #100243		334.80
76059	HERMANS MARSHALL HARDW	ZIP STRIP, BRUSHES, CUP		22.96
76156	HERMANS MARSHALL HARDW	OIL, KEY BOXES		21.90
76043	HERMANS MARSHALL HARDW	US FLAG		119.99
76391	HERMANS MARSHALL HARDW	DUCT TAPE		5.99
76389	HERMANS MARSHALL HARDW	CHANNEL LOCK CUTTERS, CONNECTOR, ELECT T		31.47
76395	HERMANS MARSHALL HARDW	SPRAY FOAM, CLIPS		7.39
76155	HERMANS MARSHALL HARDW	48" PICKUP TOOL		27.99
76146	HERMANS MARSHALL HARDW	CROW BAR		7.49
76114	HERMANS MARSHALL HARDW	CLAMPS, BOLTS, NUTS		7.74
76110	HERMANS MARSHALL HARDW	SLOW MOVING VEHICLE SIGN		13.49
76394	HERMANS MARSHALL HARDW	BATTERIES		17.99
76383	HERMANS MARSHALL HARDW	SHOP VAC, FOAM SLEEVE, FILTER		181.97
76113	HERMANS MARSHALL HARDW	SOCKET, HEAT SHRINK - DOWNTOWN PARKING L		11.28
76125	HERMANS MARSHALL HARDW	LOCKWASHER, WIRENUTS, BUTT CONN, SHRINK		30.23
76133	HERMANS MARSHALL HARDW	KEYS FAUCET		7.58
76127	HERMANS MARSHALL HARDW	FOAM & SEALER		23.37
76132	HERMANS MARSHALL HARDW	CEMENT		24.99
76151	HERMANS MARSHALL HARDW	JANITORIAL SUPPLIES		34.47
76416	HERMANS MARSHALL HARDW	LIQUID NAILS, CEMENT		13.07
76403	HERMANS MARSHALL HARDW	1/16 NOTCH TROWEL		11.49
76396	HERMANS MARSHALL HARDW	STRING, PLUMB BOB, FLOOR LEVELER		42.67
76420	HERMANS MARSHALL HARDW	LAG SHIELD, LAGS		3.14
1901802011630	INTERSTATE ALL BATTERY	BATTERIES		335.88
040416	ISAAC & SONS	APT #421		195.00
409981	ITRON INC	05/01/16 TO 07/31/15 MVRS HARDWARE MAINT		796.62
101745	J & K PLUMBING SUPPLY	SUPPLIES		21.04
101763	J & K PLUMBING SUPPLY	NIPPLE GALV		1.06
101737	J & K PLUMBING SUPPLY	CLAMP SS, COUP, PIPE CUTTER		37.18
101718	J & K PLUMBING SUPPLY	FULL PORT BALL VALVE		18.28
101647	J & K PLUMBING SUPPLY	RECIPROCATING BLADES, VINYL TUBE		21.71
101581	J & K PLUMBING SUPPLY	PIPE GALV 1"		7.48
101601	J & K PLUMBING SUPPLY	HOSE ADPT SWIV 3/4		4.15
PC001279415:01	JACKSON TRUCK SERVICE	C-2 LED BEACON		149.85
305447	JUSTICE FENCE	BLACK TENSION BARS		162.50
032516	K-MART	MARCH CHARGES		729.95
603939	KAR LABORATORIES INC	CYANIDE ANALYSIS		100.00
17775	KEEP & MARTINSON, INC.	SILICA SAND		386.70
444654-00	KITCHEN SHOP OUTLET	MKD 12 X 60		100.00
29377	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		317.20
29395	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		208.52
29423	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		52.00
109349	LARRY'S FLOOR COVERING	COVE BASE		11.76
109336	LARRY'S FLOOR COVERING	ADHESIVE		69.95
109286	LARRY'S FLOOR COVERING	BREAKROOM FLOORING AT WWTP		551.88
201574.00-2160367	LAWSON-FISHER ASSOCIAT	GENERAL DAM SAFETY CONSULTING		332.80
1038723	LEGG LUMBER	OSB, DRYWALL		124.64
1038570	LEGG LUMBER	80 # GRAVEL MIX, PORTLAND CEMENT		22.12
1038623	LEGG LUMBER	4X4-8 TREATED		11.99
1038634	LEGG LUMBER	1X4 PINE CONST BRD LF, 1/2" AC PLYWOOD		45.67
1038658	LEGG LUMBER	GALV FIN BRADS		4.99
1038375	LEGG LUMBER	MORTAR REPAIR		16.47
1038451	LEGG LUMBER	BROOKS NATURE AREA BOY SCOUT PROJECT- IN	2016.288	2,496.84
DARIDE	LINE1 COMMUNICATIONS I	QTRLY - TEXTBOX CLOUD TEXTING SERVICE		73.50
041116	MARSHALL AREA FIRE FIG	04/02/16 CE BLITZ (4 HRS)		25.00
18615	MARSHALL TIRE CITY	TIRES		800.34
18581	MARSHALL TIRE CITY	TIRE REPAIR AND ROTATION		147.96
18547	MARSHALL TIRE CITY	2 TIRES		223.06
18352	MARSHALL TIRE CITY	4 TIRES		724.06
305162	MARTIN, BRITTNEY	PAINTED APT #107		300.00
305163	MARTIN, BRITTNEY	PAINTED #224		625.00
S3942339.001	MEDLER ELECTRIC COMPAN	12/2 COPPER WIRE		153.16
041916	MEL RIPLEY	INSTALL 4 LOCKS & REKEY ALIKE		175.00
X105004004:01	MIDWEST TRANSIT EQUIPM	MAGNET HARDWARE KIT		116.42
63881626	MSC INDUSTRIAL SUPPLY	TRAFFIC CONES		282.30
60047576	MSC INDUSTRIAL SUPPLY	MARKING PAINT		379.80
16-126	MULTI-LAB, LLC	FABRICATION OF LAB TABLES IN EVIDENCE PR	2016.248	3,495.00
11691	MWEA	MWEA MEMBERSHIP DUES		70.00
6682011X	NFPA	RENEWAL		1,305.00

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
547683	NYE UNIFORM COMPANY	NAME BAR - COLLAR BRASS		37.60
545106	NYE UNIFORM COMPANY	PIECE CUSTOM COLLAR BRASS		27.60
137739	OAKLAWN HOME MEDICAL	TRANSFER BENCH, RAISED TOILET SEAT		114.98
642554	OFFICE 360	INKCARTS, CLIPS, MARKERS, NOTES		112.28
641087	OFFICE 360	DESK PAD, FOLDERS		9.58
639264	OFFICE 360	TAPE, CLIPS, FOLDERS		60.30
637181	OFFICE 360	ENVELOPES, PENS		18.98
56022777	POWER LINE SUPPLY	RUBBER GOODS - KEVIN KOYL		201.50
56022598	POWER LINE SUPPLY	UNLINED GLOVES		714.00
56020981	POWER LINE SUPPLY	EPOXILATOR		272.77
56020979	POWER LINE SUPPLY	BRONZE BOLTED DEADEND		540.80
56020977	POWER LINE SUPPLY	ARRESTER GROUND LUG		116.73
56022846	POWER LINE SUPPLY	ATB2 ROADWAY LED LIGHT FIXTURES OUR ITE:2016.270		2,316.00
56022847	POWER LINE SUPPLY	CONNECTOR ALUM FLOOD-SEAL 8 POSITION		329.40
56022845	POWER LINE SUPPLY	BRONZE BOLTED DEADEND		270.40
56022779	POWER LINE SUPPLY	FR CARHART BIBS - KOYL		191.00
207483	PVS TECHNOLOGIES, INC.	FERRIC CHLORIDE	2016.007	4,232.62
269-781-3559-0416	QLT CLS	EXTENSION BELLS		13.20
635469-00	RESCO	DOWNTOWN PARKING LOT- HAPCO POLES AND G2016.240		4,159.80
76410	RICE'S SHOES, INC	BOB SIEGEL'S BOOT ALLOWANCE		118.80
ROG1069	ROGERS GLASS WINDOW & PARTS	PASS THROUGH GLASS, TRACK & SHOE, ROLLER		372.68
19308	RS TECHNICAL SERVICE	ANNUAL CL2 & SO2 EQUIPMENT PM	2016.265	2,890.25
HD020020	SENIOR TIMES	HOUSING DIRECTORY 2016 AD		305.00
34372	SHAFER BROS INC	FILE DIVIDER 2 X 2 X 6		55.00
1911-4	SHERWIN-WILLIAMS	PAINT		120.65
9409995698	SHRED-IT USA LLC	SHREDDING SERVICES AT MRLEC		65.16
8546	SIGNWORLD CONCEPTS	EMPLOYEE ENTRANCE ONLY		75.00
90017121	SPX TRANSFORMER SOLUTIONS	20 MVA SUBSTATION TRANSFORMER FOR BREWER	2016.162	211,573.80
18590	STANDARD PRINTING & OFFICE	SHUTOFF NOTICES/WARNING TAGS		597.00
18588	STANDARD PRINTING & OFFICE	DELIVERY FEE		7.00
18589	STANDARD PRINTING & OFFICE	BUSINESS CARDS - J. BARTLETT & W.DOPP		131.16
18539	STANDARD PRINTING & OFFICE	TOWN CRIER - APRIL		378.20
194157	STANLEY LAWN & GARDEN	TRIMMERS		799.96
8038736427	STAPLES ADVANTAGE	50FT CAT6 STRAIGHT CABLES		25.49
960944	STATE OF MICHIGAN	STORMWATER ANNUAL PERMIT FEE		260.00
1230759	STATE OF MICHIGAN	ELEVATOR INSPECTION @ PSB		305.00
SE 386423	STATE OF MICHIGAN - MD	SIGNAL ENERGY 10/01/15 TO 12/31/15		100.23
90337849	TEREX SERVICES	ROPE, SAFETY LATCH		794.44
3848634-00	VESCO OIL CORPORATION	DELVAC 1650 55 GALLON DRUMS	2016.279	6,470.70
228691	WESCO	WIRE FOR HYDROS		412.27
227225	WESCO	CREDIT FOR DEFECTIVE FIXTURE		(263.50)
				329,081.88

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
269789901104-16	A T & T	269 789-9011 599 1		57.60
269781981504-16	A T & T	269 781-9815 267 0		3,151.39
269781907004-16	A T & T	269 781-9070 573 1		62.79
269781444704-16	A T & T	269 781-4447 749 4		224.01
70224	AD-VISOR & CHRONICLE	MARCH ADS		719.48
051116A	ANSORGE, JANETTE	05/11/16 REFUND FARMERS MARKET DAY		8.00
06/18/16	BOYNE USA RESORTS	VOSBURG, CHERYL - MWEA CONFERENCE 06/18		1,106.84
051116B	BROWN, LISA	05/11/16 REFUND FARMERS MARKET DAY		8.00
051116C	BURDA, JAMES	05/11/16 REFUND FARMERS MARKET DAY		8.00
041216	CARVER, ROY	ENERGY OPTIMIZATION - LED BULBS		20.00
2551021104-0416	CHEMICAL BANK SOUTH	HSA ACCT#2551021104 MOORE, GARRETT		585.00
2551101211-0416	CHEMICAL BANK SOUTH	HSA ACCT# 2551101211 SANDERS, TIMOTHY		1,170.00
04/12/2016	COONTZ, ARIEL	UB refund for account: 2900390018		14.57
051116D	CUMMINS, LYNN	05/11/16 REFUND FARMERS MARKET DAY		8.00
040516	FISHER, CHARLIE	SCHOOL LUNCH		16.23
051116E	FORREST, JUDY	05/11/16 REFUND FARMERS MARKET DAY		8.00
040616	FREDS, MATT	SCHOOL LUNCH		14.23
041216	GEIGER, MATTHEW	ENERGY OPTIMIZATION - LED BULBS		24.97
051115F	GILLESPIE, STEVEN	05/11/16 REFUND FARMERS MARKET DAY		8.00
1334254, 1342324	GRIFFIN PEST SOLUTION	PSB PEST CONTROL		92.00
051116F	GROTHAUSE, DAVID	05/11/16 REFUND FARMERS MARKET DAY		8.00
051116H	HILL, ERIN	05/11/16 REFUND FARMERS MARKET DAY		8.00
051116I	JONES, MARK	05/11/16 REFUND FARMERS MARKET DAY		8.00
051116J	KARNS, GREG	05/11/16 REFUND FARMERS MARKET DAY		8.00
82130231059095-041	LOWES BUSINESS ACCOUN	ACCT #821 3023 105909 5		1,686.65
051116K	MACDONALD, BRUCE	05/11/16 REFUND FARMERS MARKET DAY		16.00
06/19/16	MWEA	VOSBURG, CHERYL - MWEA CONFERENCE 06/19		305.00
790004405582930704	NEOFUNDS BY NEOPOST	7900 0440 5582 9307		3,000.00
04/14/2016	ORCHARD, CAMERON	UB refund for account: 3205360022		107.79
051116L	PIETRASZEWSKI, ANGELA	05/11/16 REFUND FARMERS MARKET DAY		8.00
04/12/2016	ROBINSON, DAMON	UB refund for account: 2900480024		62.33
04/12/2016	STADFELD, JAMES	UB REFUND FOR ACCOUNT: 3102200002		100.00
6035517820348893	STAPLES CREDIT PLAN	ACCT #6035 5178 2034 8893		300.63
040516	SUNDBERG, KIP	SCHOOL LUNCH		14.23
041216	SYKORA, HELEN	ENERGY OPTIMIZATION - FURNACE		150.00
04/12/2016	VAQUERA, RODRIGO S	UB refund for account: 3001040000		28.94
04/12/2016	WILLIAMS, PAMELA	UB refund for account: 3005300021		129.85
13934621-0316	WOW! BUSINESS	ACCT #013934621		33.29
14226414-0316	WOW! BUSINESS	ACCT #014226414		84.95
040616	ZEBOLSKY, JOEL	SCHOOL LUNCH		16.23
				13,383.00

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APPROVAL LIST FOR CITY OF MARSHALL
 EXP CHECK RUN DATES 04/01/2016 - 04/22/2016
 UNJOURNALIZED OPEN
 BANK CODE: MAIN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
Z1406436QD	AMERICAN MESSAGING	ACCT # Z1-406436		9.58
287238047810X041116	AT&T MOBILITY	ACCT #287238047810		56.74
042216	CALHOUN COUNTY CLERK	- RECORDING FEES FOR SUBSTATION PROPERTY P		39.00
2800980001	CALHOUN COUNTY TREASURER	F/N 13-53-002-630-00 PROPERTY TAXES		3,160.45
2550709097-0416	CHEMICAL BANK SOUTH	HSA ACCT #2550709097 DEAN, NATALIE		1,170.00
2550998476-0416	CHEMICAL BANK SOUTH	HSA ACCT #2550998476 RAMEY, CHRISTY		585.00
7018274-0416	EARTHLINK BUSINESS	ACCT #0007018274		850.71
041416	FIELD, CARL	ENERGY OPTIMIZATION - FURNACE		150.00
040816	HACKWORTH, MICHAEL	TRAVEL EXPENSE REIMBURSEMENT		22.94
391716-2016	ICMA MEMBERSHIP RENEWAL	RENEWAL - THOMAS TARKIEWICZ		908.58
431	KELLY KOENIG	REFUND - YOUTH SPORTS, T-BALL		34.00
04/21/2016	MARSHALL COMM CREDIT UNION	refund for account: 1401560007		6.56
4562-0416	MARSHALL COMMUNITY CU	4562 - DEAN		1,065.96
7681-0416	MARSHALL COMMUNITY CU	7681 - TARKIEWICZ		322.07
1773-0416	MARSHALL COMMUNITY CU	1773 - MCCOMB		404.00
9156-0416	MARSHALL COMMUNITY CU	9156 - MILLER		165.37
4868-0416	MARSHALL COMMUNITY CU	4868 - RICE		76.92
041916	MARSHALL FIREFIGHTERS	CONTRIBUTIONS IN MEMORY OF CHIEF LEWIS S		330.00
M 03-16	MICHIGAN SOUTH CENTRAL	NATURAL GAS PURCHASES		1,197.87
2016	MWEA	WEF PRO WASTEWATER OPERATOR MEMBERSHIP		127.00
041416	SIEGEL, ROBERT	COMPUTER TRAINING COURSES		997.00
8948000000160408	TELNET WORLDWIDE	ACCT # CORP-008948		1,598.91
300934759	U.S. BANK EQUIPMENT FII	LEXMARK COPIER CONTRACT		58.56
9763076402	VERIZON WIRELESS	ACCT #987146080-00001		676.36
10040764-0416	WOW! INTERNET-CABLE-PH	ACCT #010040764		1,359.83
				15,373.41

EVENT REPORT

EVENT: 2nd Annual Ride of Silence

EVENT LOCATION: Downtown Marshall-Fountain Circle

SPONSOR: Diane Peters-Ride of Silence

EVENT DATE: Wednesday, May 18, 2016

EVENT TIMEFRAME: 6:15p – 8:30p

MDOT PERMIT REQUIRED: No

MDOT PERMIT GRANTED: N/A

ROAD CLOSURE DETAIL: None

ROAD CLOSURE TIMEFRAME: N/A

EVENT CLOSURE DETAIL: None.

DETOUR DETAIL: None

EVENT DETAIL: Participants of the Ride of Silence will gather and register at the Fountain Circle beginning at 6:15p. They will then begin their silent ride at 7p. The ride will consist of an 8 mile loop throughout the City of Marshall. This event is to recognize those that have been injured or killed while riding their bikes. To bring awareness that cyclist share the road and are present at any time. Helmets are required to participate. The event organizer is requesting emergency personnel to escort the riders on their route.

RIDE OF SILENCE ROUTE:

1. East on Michigan Avenue
2. South on Gordon
3. West on Green
4. North on Kalamazoo (then 3/4 around the fountain)
5. West on Michigan Avenue
6. North on West Drive
7. East on Verona
8. North on Sherman Drive
9. East on Wright Lane
10. North on Linden
11. South on Kalamazoo
12. East on Prospect
13. South on Division
14. East on Mansion

15. North on East Drive
16. West on North Drive
17. South on Brewer to end at the grassy area at Chemical Bank at the fountain circle.

COUNCIL NOTIFICATION DATE: May 2, 2016



ADMINISTRATIVE REPORT
May 2, 2016 – City Council Meeting

TO: Honorable Mayor and City Council Members

FROM: Jon B. Bartlett, Finance Director
Tom Tarkiewicz, City Manager

SUBJECT: Resolution Authorizing Issuance and Sale of 2016 General Obligation Limited Tax Bonds not to exceed \$4,300,000.

BACKGROUND: The City of Marshall has developed a plan to construct a new electric distribution substation, including a 138kV transmission line, north of the City and has made the determination to fund the project for the substation with the proceeds of General Obligation Bonds issued by the City. Principal and interest on the bonds will be paid from Electric Fund revenues.

Notice of Intent to Issue bonds was passed by Council on November 2, 2015 and the next step in the process to complete the project is to issue and sell the bonds.

The final construction cash flow schedule is complete showing the total estimated cost of the project at \$3,468,900. Staff recommends that a contingency be added to the construction bids, putting total bonding amount at \$3,600,000 for the substation project.

The resolution also includes the ability to refund the 1999 Electric Utility System Revenue Bonds, if and only if, there is a net present value savings at the time of the bond sale.

The bonds will include an amount to sufficient pay for the costs of issuance, such as; costs of printing the bonds, rating agency fees, preliminary and final official statements, publication of notices, municipal advisor fees, transfer agent fees, escrow trustee fees, bond counsel fees, and any other cost necessary to sell and deliver the bonds.

RECOMMENDATION: To approve Resolution Authorizing the Issuance and Sale of 2016 General Obligation Limited Tax Bonds in an amount not to exceed \$4,300,000 and to authorize the City Manager or Finance Director the ability to sell and deliver the bonds without any further Council action.

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Marshall, MI 49068

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cityofmarshall.com



FISCAL EFFECTS: The Electric Fund has sufficient resources to make the annual required principal and interest payments for the bonds being issued. Without the sale of these bonds, the Electric Fund does not have the resources to complete this project.

- ALTERNATIVES:**
- 1) Cancel Project
 - 2) Delay Project
 - 3) Suggestions by City Council

CITY GOAL CLASSIFICATION: GOAL AREA IV – INFRASTRUCTURE

Goal Statement: Preserve, rehabilitate, maintain and expand city infrastructure and assets.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jon B. Bartlett".

Jon B. Bartlett
Finance Director

A handwritten signature in black ink, appearing to read "Tom Tarkiewicz".

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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**City of Marshall
County of Calhoun, State of Michigan**

**RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
2016 GENERAL OBLIGATION LIMITED TAX BONDS**

A RESOLUTION TO APPROVE:

- Issuance of up to \$4,300,000 of Bonds to construct a new electric distribution substation and to refund the 1999 Electric Revenue Bonds;
- Bonds to be a First Budget Obligation secured by Pledge of City's Full Faith and Credit;
- Negotiated Sale of Bonds;
- City Manager or Finance Director authorized to sell Bonds without further Council Resolution;
- Other matters relative to sale and delivery of Bonds.

PREAMBLE

WHEREAS, the City of Marshall, County of Calhoun, State of Michigan (the "City") has previously issued its Electric Utility System Revenue Bonds, Series 1999 (the "1999 Bonds") for the purpose of paying the costs of acquiring and constructing improvements and extensions to the City's Electric Utility System, and the City could obtain net present value savings through refunding the 1999 Bonds; and

WHEREAS, the City has previously determined it to be necessary for the public health, safety and welfare of the City and its residents to (a) acquire the improvements financed with the 1999 Bonds through refunding the 1999 Bonds, and (b) construct a new electric distribution substation in the I-94/Brewer St. area, together with any appurtenances and attachments thereto and any related easement or site acquisition or site improvements (collectively, the "Capital Improvements"); and

WHEREAS, under the provisions of Section 517 of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34") a city may issue municipal securities to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, as required by Act 34, on November 7, 2015 the City published in *The Marshall Advisor/Chronicle* a Notice to Electors and Taxpayers of the City of Intent to issue bonds secured by the taxing power of the City and right of referendum thereon which described issuance of bonds in an amount not to exceed \$4,300,000 for the purpose of paying costs to acquire and construct the Capital Improvements (the "Bonds"), and no valid petitions were filed with the City Clerk requesting referendum on issuance of the Bonds; and

WHEREAS, the City's Municipal Advisor, Bendzinski & Co., Municipal Finance Advisors (the "Municipal Advisor") has recommended that the City select Robert W. Baird &

Co., Incorporated as managing underwriter for the Bonds (the "Underwriter") at a negotiated sale; and

WHEREAS, Act 34 permits the City to authorize, within limitations which shall be contained in the authorization resolution of the governing body, an officer to sell and deliver and receive payment for obligations, approve interest rates or methods for fixing interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters and procedures necessary to complete the transactions authorized; and

WHEREAS, the City Council wishes to authorize either the City Manager or the Finance Director (each, an "Authorized Officer") to sell and deliver and receive payment for the Bonds without the necessity of the City Council taking further action prior to sale and delivery of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Bond Details. Bonds of the City designated as the 2016 GENERAL OBLIGATION LIMITED TAX BONDS shall be issued in the aggregate principal amount of not to exceed Four Million Three Hundred Thousand (\$4,300,000), as finally determined by the Authorized Officer at the time of sale of the Bonds, for the purpose of paying the costs of acquiring and constructing the Capital Improvements including payment of legal, engineering, financial and other expenses incident thereto; provided that bonds shall only be issued to pay the costs of acquiring the improvements financed with the 1999 Bonds through refunding the 1999 Bonds if the refunding results in present value savings after payment of the costs of issuance related to the refunding.

The Bonds shall mature as serial bonds or term bonds on April 1 in the years and in the amounts as shall be determined by the Authorized Officer at the time of sale of the Bonds, provided that the date of the first maturity shall not be earlier than 2017, and that the date of the final maturity shall not be later than 2035. The Bonds shall bear interest at a rate or rates to be determined by the Authorized Officer at the time of sale of the Bonds but not to exceed 6.00% per annum, payable on October 1, 2016 or such other initial interest payment date as shall be determined at the time of sale of the Bonds, and semiannually thereafter on April 1st and October 1st of each year. The Bonds shall be subject to mandatory and/or optional redemption prior to maturity as determined by the Authorized Officer at the time of sale of the Bonds.

The principal of the Bonds shall be payable at the bank or trust company to be designated as registrar and transfer agent for the Bonds (the "Transfer Agent") by the Authorized Officer. The Bonds shall be registered as to principal and interest and shall be in the denomination of \$5,000 or integral multiples of \$5,000 not exceeding for each maturity the maximum principal amount of such maturity, dated as of the date of delivery thereof or such other date as may be determined at the time of sale of the Bonds, and numbered as determined by the Transfer Agent. The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC"), and the Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry-only form and to make such changes in the form of the Bonds within the

parameters of this Resolution as may be required to accomplish the foregoing. CUSIP identification numbers will be printed on the Bonds provided that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser of the Bonds.

Interest on the Bonds shall be payable by check drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of the registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at the corporate trust office of the Transfer Agent upon presentation and surrender of the appropriate bond. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

The Authorized Officer is authorized to execute an agreement with the Transfer Agent on behalf of the City. The City may designate a new Transfer Agent by notice mailed to the registered owner of each of the Bonds at such time outstanding not less than sixty (60) days prior to an interest payment date.

If in the future the City calls Bonds for redemption prior to maturity then official notice of redemption shall be given by the Transfer Agent on behalf of the City, unless waived by any registered owner of bonds to be redeemed, and shall conform to the requirements set forth in the Bond. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where bonds called for redemption are to be surrendered for payment; and that interest on bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date. In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Bonds shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk, and the corporate seal of the City shall be manually impressed or a facsimile thereof shall be printed on the Bonds. No Bond authorized under this resolution shall be valid until authenticated by an authorized representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Authorized Officer of the City upon payment of the purchase price for the Bonds in accordance with the Bond Purchase Agreement for the Bonds. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping

2. Full Faith and Credit Pledge. The City intends to pay the principal and interest of the Bonds from Electric Utility System revenues. In the event of the insufficiency of Electric

Utility System revenues, the City expressly and irrevocably pledges its full faith and credit for the prompt and timely payment of the principal of and interest on the Bonds. The Bonds shall be payable, as a first budget obligation, from the general fund of the City, and the City shall levy annually ad valorem taxes on all the taxable property in the City which, taking into consideration estimated delinquencies in tax collections, shall be fully sufficient to pay the principal and interest on the Bonds provided, however, that if at the time of making any such tax levy there shall be other legally available funds for the payment of principal of and interest on the Bonds, including but not limited to revenues received from the City's Electric Utility system, then credit therefor may be taken against the levy for payment of the Bonds. The levy shall be subject to constitutional, statutory and charter tax rate limitations.

3. Bond Form. The Bonds shall be substantially in the following form with such changes as may be necessary to conform the Bonds to the final terms of sale:

[FORM OF BOND TO BE COMPLETED AFTER BOND SALE]

United States of America
State of Michigan
County of Calhoun

CITY OF MARSHALL
2016 GENERAL OBLIGATION LIMITED TAX BOND

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
----------------------	-------------------------	-------------------------------	--------------

Registered Owner: Cede & Co.

Principal Amount:

The CITY OF MARSHALL, County of Calhoun, State of Michigan (the "City"), acknowledges itself to owe and for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on [date] and semiannually thereafter. Principal of this bond is payable upon presentation and surrender hereof at the designated corporate trust office of [Transfer Agent], or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner of record not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner of record, at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of [amount], for the purpose of paying costs to acquire and construct capital improvements for use by the City, under and in pursuance of the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City Council adopted on [date].

The limited tax full faith, credit and resources of the City are pledged for the payment of the bonds of this issue, and the City has pledged that it shall pay the principal of and interest on the bonds of this issue as they mature as a first budget obligation from its general fund and, after taking into account funds which the City may have legally available for payment of principal of and interest on the bonds of this issue, shall levy annually ad valorem taxes on all taxable property in the City sufficient to pay the principal of and interest on the bonds of this issue subject to applicable constitutional, statutory and charter tax rate limitations.

Bonds of this issue maturing on or prior to [date] are not subject to redemption prior to maturity.

Bonds or portions of bonds in multiples of \$5,000 of this issue maturing on or after [date] shall be subject to redemption prior to maturity without a premium, at the option of the City, in such order as the City shall determine and within any maturity by lot, on any date on or after [date], at par plus accrued interest to the date fixed for redemption.

[MANDATORY REDEMPTION]

[The bonds of this issue maturing [date] and [date] (the "Term Bonds") are subject to mandatory sinking fund redemption by lot prior to maturity on [date], in the years and amounts set forth below, at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.]

<u>[Term Bonds due [date]]</u>		<u>Term Bonds due [date]</u>	
<u>Redemption Dates</u>	<u>Principal Amounts</u>	<u>Redemption Dates</u>	<u>Principal Amounts</u>
[date]	[amount]	[date]	[amount]
[date] (maturity)	[amount]	[date] (maturity)	[amount]

[The principal amount of Term Bonds to be redeemed on the dates set forth above shall be reduced, in the order determined by the City, by the principal amount of Term Bonds of the same maturity which have been previously redeemed (other than as a result of a previous mandatory redemption requirement), or purchased or acquired by the City and delivered to the Transfer Agent for cancellation; provided, that each such Term Bond has not previously been applied as a credit against any mandatory redemption obligation.]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner of record a new bond of the same maturity and in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given by the Transfer Agent to each registered owner of bonds or portions thereof to be redeemed by mailing such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the City. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

It is hereby certified and recited that all acts, conditions and things required by law to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of the City have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of the City, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City, by its Council, has caused this bond to be signed in the name of the City by [the facsimile signatures of] its Mayor and Clerk, and a facsimile of its corporate seal to be [manually impressed/printed] hereon, all as of the Date of Original Issue.

CITY OF MARSHALL
County of Calhoun, State of Michigan

By: _____
Mayor

(Seal)

Countersigned:

By: _____
City Clerk

[STANDARD FORMS OF TRANSFER AGENT'S
CERTIFICATE OF AUTHENTICATION AND ASSIGNMENT
TO BE INSERTED IN BOND]

4. Debt Retirement Fund. Upon sale of the Bonds, the Treasurer of the City is directed to open a separate depository or trust account with a bank or trust company to be designated as the 2016 GENERAL OBLIGATION LIMITED TAX BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for issues of bonds of like character as provided by Act 34 or other state law. An amount sufficient to assure timely payment of the principal of and interest on the Bonds shall be transferred each year into the Debt Retirement Fund from funds legally available therefor, including the revenues received by the City from the operations of the City's Electric Utility System for payment of the Bonds, and the general fund of the City. In addition, a portion of the proceeds of sale of the Bonds may be deposited in the Debt Retirement Fund as provided in Section 7 below. The moneys deposited in the fund shall be used solely for the purpose of paying the principal of and interest on the Bonds and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") for the Bonds.

In the event a deposit of trust is made of cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest of the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Improvement Fund. Upon sale of the Bonds, the City Treasurer is authorized and directed to create a fund designated as the 2016 GENERAL OBLIGATION LIMITED TAX BONDS IMPROVEMENT FUND (the "Improvement Fund") for the deposit of the portion of the proceeds of sale of the Bonds to be used to construct a new electric distribution substation in the I-94/Brewer St. area, together with any appurtenances and attachments thereto and any related easement or site acquisition or site improvements (the "Electric Distribution Substation Project". Except for investment pending disbursement and as hereinafter provided, the moneys in the Improvement Fund shall be used solely and only to pay costs of the Electric Distribution Substation Project as such costs become due and payable, the costs of the issuance of the Bonds, and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code. Any balance remaining in the Improvement Fund after completion of the Electric Distribution Substation Project may be used (a) for any other projects of the City if bond counsel advises the City that such use is permitted by state law and will not cause the interest on the Bonds to be included in gross income for federal income tax purposes within the meaning of the Internal Revenue Code, or (b) shall be paid into the Debt Retirement Fund and used to pay principal of or interest on the Bonds.

6. Escrow Fund. The Authorized Officer shall designate a bank or trust company to serve as escrow trustee (the "Escrow Trustee"). In order to secure payment of the 1999 Bonds being refunded, the City will enter into an Escrow Agreement (the "Escrow Agreement") with

the Escrow Trustee which shall provide for the creation of a fund designated as the 2016 GENERAL OBLIGATION LIMITED TAX BONDS ESCROW FUND (the "Escrow Fund"). The Escrow Agreement shall irrevocably direct the Escrow Trustee to hold the Escrow Fund in trust for the payment of the principal of and interest on the 1999 Bonds being refunded, and to take all necessary steps to call for redemption any 1999 Bonds specified by the City upon sale of the Bonds, including publication and mailing of redemption notices, on any date specified by the City on which the 1999 Bonds may be called for redemption. The Authorized Officer is authorized to execute and deliver the Escrow Agreement and to purchase, or cause to be purchased, escrow securities, including United States Treasury Obligations – State and Local Government Series (SLGS), in an amount sufficient to fund the Escrow Fund.

The Authorized Officer is hereby authorized to transfer monies from the debt retirement funds for the 1999 Bonds to the Escrow Fund to be invested as provided in the Escrow Agreement and to be used to pay principal of and interest on the 1999 Bonds being refunded. The amount to be transferred under this section shall be an amount which will enable the interest on the Bonds and the 1999 Bonds to be, or continue to be, excluded from gross income for federal income tax purposes as determined by bond counsel.

7. Deposit of Bond Proceeds. Upon receipt of the proceeds of sale of the Bonds, the accrued interest and premium, if any, shall be deposited in the Debt Retirement Fund and used to pay interest on the Bonds on the first interest payment date, provided, however, that at the discretion of the Authorized Officer, all or a portion of any premium received upon delivery of the Bonds may be deposited in the Escrow Fund or the Improvement Fund.

There next shall be deposited from Bond proceeds to the Escrow Fund monies which may be invested as described in the Escrow Agreement and which shall be used by the Escrow Trustee solely to pay the principal of and interest on the 1999 Bonds being refunded. The City shall deposit to the Escrow Fund from bond proceeds and other monies available to the City an amount which, together with the investment proceeds to be received thereon, will be sufficient, without reinvestment, to pay the principal of and interest on the 1999 Bonds being refunded as they become due pursuant to maturity or the call for redemption.

There next shall be deposited from Bond proceeds to the Improvement Fund the amount borrowed to pay costs of the Electric Distribution Substation Project.

At the option of the Authorized Officer, the City shall deposit Bond proceeds in an amount sufficient to pay all or a portion of the costs of the issuance of the Bonds to a fund established for that purpose in the Escrow Agreement.

8. Tax Covenant. The City shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds or the 1999 Bonds pursuant to the Internal Revenue Code in such a manner as to cause the Bonds or the 1999 Bonds to be "arbitrage bonds" within the meaning of the Internal Revenue Code. The City hereby covenants that, to the extent permitted by law, it will take all actions within its control and that it shall not fail to take any action as may be necessary to maintain the exclusion of interest on the Bonds and the 1999 Bonds from gross income for federal income tax purposes, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Bond proceeds

and moneys deemed to be Bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the City on the date of delivery of the Bonds.

9. Bank Qualification. The City designates the Bonds as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions under the Internal Revenue Code.

10. Municipal Advisor. The City hereby requests that Bendzinski & Co., Registered Municipal Advisors with the Municipal Securities Rulemaking Board, continue to serve the City as Municipal Advisor to advise the City on the marketing and sale of the Bonds.

11. Appointment of Managing Underwriter. Upon the recommendation of the Municipal Advisor, the City Council hereby determines to sell the Bonds at a negotiated sale instead of a competitive sale for the reason that a negotiated sale will permit the City to enter the market on short notice at a point in time which appears to be most advantageous, and thereby possibly obtain a lower rate of interest on the Bonds and the most favorable price for purchase of securities to be escrowed for payment of the 1999 Bonds to be refunded.

Robert W. Baird & Co., Incorporated is hereby named as managing underwriter for the Bonds. The City reserves the right to name additional co-managers and/or to develop a selling group. The Authorized Officer is authorized to negotiate a Bond Purchase Agreement with the Underwriter in consultation with the Municipal Advisor. By adoption of this resolution the City assumes no obligations or liability to the Underwriter for any loss or damage that may result to the Underwriter from the adoption of this resolution, and all costs and expenses incurred by the Underwriter in preparing for sale of the Bonds shall be paid from the proceeds of the Bonds, if the Bonds are issued, except as may be otherwise provided in the Bond Purchase Agreement to be signed by the City at the time of sale of the Bonds.

12. Bond Counsel. The City hereby requests Miller, Canfield, Paddock and Stone, P.L.C. to continue as bond counsel to the City for the Bonds. The City Council acknowledges that Miller, Canfield, Paddock and Stone, P.L.C. occasionally represents Robert W. Baird & Co., Incorporated and other municipal bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Bonds by the City.

13. Verification Agent. The Authorized Officer is hereby directed to select an independent certified public accountant to serve as verification agent to verify that the securities and cash to be deposited to the Escrow Fund will be sufficient to provide, at the times and in the amounts required, sufficient moneys to pay the principal of and interest on the 1999 Bonds being refunded as they become due

14. Municipal Bond Ratings or Insurance. The Authorized Officer is hereby authorized to apply for bond ratings from such municipal bond rating agencies as deemed appropriate, in consultation with the Municipal Advisor. If the Municipal Advisor recommends that the City consider purchase of municipal bond insurance, then the Authorized Officer is hereby authorized and directed to negotiate with insurers regarding acquisition of municipal bond insurance, and, in consultation with the Municipal Advisor, to select an insurer and determine which Bonds, if any, shall be insured.

15. Preliminary Official Statement. The Authorized Officer is authorized to approve circulation of a Preliminary Official Statement describing the Bonds and to deem such Preliminary Official Statement “final” for purposes of compliance with Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”).

16. Sale of Bonds. The Authorized Officer is hereby authorized, on behalf of the City, subject to the provisions and limitations of this resolution, and in consultation with the Municipal Advisor, to negotiate sale of the Bonds to the Underwriter, and to accept an offer by the Underwriter to purchase the Bonds without further resolution of this City Council. This authorization includes, but is not limited to, determination of original principal amount of the Bonds; the prices at which the Bonds are sold; underwriter’s discount for the Bonds, the date of the Bonds; the schedule of principal maturities and whether the Bonds shall mature serially or as term bonds; the provisions for early redemption including mandatory redemption of term bonds, if any; the interest rates and payment dates of the Bonds, application of the proceeds of the Bonds; selection of the maturities of the 1999 Bonds to be refunded, the transfer of balances, if any, from the debt retirement fund for the 1999 Bonds to the Escrow Fund; and purchase of securities for the Escrow Fund.

The maximum interest rate on the Bonds shall not exceed 6.00% per annum. The underwriter’s discount for the Bonds shall not exceed 0.70% of the total par amount of the Bonds. Bonds shall not be sold to refund the 1999 Bonds unless the net present value of the principal and interest to be paid on the refunding portion of the Bonds, including the related cost of issuance, is less than the net present value of the principal and interest to be paid on the Prior Bonds being refunded.

In making such determinations the Authorized Officer is authorized to rely upon data and computer runs provided by the Municipal Advisor or the Underwriter. Approval of the matters delegated to the Authorized Officer under this resolution may be evidenced by execution of the Bond Purchase Agreement or the Official Statement by the Authorized Officer. The Authorized Officer is authorized to sign the Bond Purchase Agreement on behalf of the City.

17. Final Official Statement. After sale of the Bonds, the Authorized Officer is authorized to prepare, execute and deliver a final Official Statement describing the Bonds.

18. Continuing Disclosure Undertaking. In order to enable the Underwriter to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City hereby agrees to undertake Continuing Disclosure as issuer of the Bonds. The Authorized Officer of the City is authorized to execute such Continuing Disclosure Undertaking on behalf of the City in such form as she shall, in consultation with bond counsel, determine appropriate.

19. Other Actions. In the event that neither of the Authorized Officers is available to undertake responsibilities delegated to them under this resolution, then a person designated by one of the Authorized Officers is authorized to take such actions. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate issuance and sale of the Bonds, and to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to

complete the issuance, sale and delivery of the Bonds in accordance with this resolution, and to pay costs of issuance including but not limited to rating agency fees, costs of printing the Bonds and the preliminary and final official statements, publication of notices, municipal advisor fees, transfer agent fees, escrow trustee fees, verification agent fees, bond counsel fees, and any other costs necessary to accomplish sale and delivery of the Bonds.

20. Conflicting Resolutions. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Marshall, County of Calhoun, State of Michigan, at a Regular meeting held on May 2, 2016 at 7:00 p.m., Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that the following Members were present at said meeting: _____
_____ and that the following Members were absent:
_____.

I further certify that Member _____ moved for adoption of said resolution and that Member _____ supported said motion.

I further certify that the following Members voted for adoption of said resolution: _____
_____ and that the following Members voted against adoption of said resolution: _____.

City Clerk



**ADMINISTRATIVE REPORT
MAY 2, 2016 - CITY COUNCIL MEETING**

REPORT TO: Honorable Mayor and Council Members

FROM: Ed Rice, Director of Electric Utilities
Tom Tarkiewicz, City Manager

SUBJECT: Major Material Purchases and Construction Contracts for the New Brewer Street Substation Project.

BACKGROUND: The City Council approved the expediting of design and construction of the new Brewer Street 138/12.47kv Substation Project at its regular meeting on August 17, 2015. The Project must be completed by October 1, 2016 to maintain the normal two 138kv transmission feeds into the city.

There are several major material purchases for the 138kv transmission line and labor contracts for the construction of the substation and transmission line that are now required for the timely completion of the project. These material purchases and labor contracts require City Council approval and are as follows:

1. Labor for the construction of the new Brewer St Substation.

Competitive bids were sought from four (4) qualified electric substation construction firms with the following results:

	<u>Bid</u>	<u>Meet Completion Date</u>
Kent Power	\$1,353,638	Yes
Rauhorn Electric	\$1,801,714	No
The Hydaker-Wheatlake Co.	No Bid	--
Newkirk Electric, Inc.	No Bid	--

2. Labor for the construction of the 138kv transmission line.

Competitive bids were sought from five (5) qualified transmission line construction firms with the following results:

	<u>Bid</u>	<u>Meet Completion Date</u>
Kent Power	\$343,219.37	Yes
Newkirk Electric, Inc.	\$443,338.75	Yes
CC Power	\$612,355.00	Yes
Hydaker-Wheatlake Co.	No Bid	--
Rauhorn Electric, Inc.	No Bid	--

3. Purchase of 105 line post insulators for the 138kv transmission line.

323 W. Michigan Ave.
Marshall, MI 49068
p 269.781.5183
f 269.781.3835
cityofmarshall.com

Competitive bids were sought from five (5) qualified line hardware suppliers with the following results:

	<u>Bid</u>	<u>Meet Construction Date</u>
Power Line Supply	\$27,879.57	Yes
Anixter	No bid	--
Irby	No bid	--
RESCO	No Bid	--
WESCO	No Bid	--

4. Purchase of 40,460 linear feet of 477kcml conductor material for the 138kv transmission line.

Competitive bids were sought and received from five (5) qualified suppliers of transmission line conductor with the following results:

<u>Vendor</u>	<u>Bid</u>	<u>Meets Schedule</u>
RESCO	\$32,368.00	Yes
Irby	\$31,477.88	Bid incorrect conductor
Anixter (HD Supply)	\$33,500.88	No
Power Line Supply	\$35,200.20	Yes
Wesco	\$35,766.64	Yes

5. Purchase of 138kv transmission line hardware.

Competitive bids were sought and received from four (4) qualified transmission line hardware suppliers with the following results:

<u>Supplier</u>	<u>Bid</u>	<u>Meets Schedule</u>
RESCO	\$52,424.39	Yes
Anixter (HD supply)	\$53,012.40	Yes
Power Line Supply	\$54,943.18	Yes
Irby	\$67,135.16	Yes

6. Purchase of 40 wood poles for the 138kv transmission line.

Competitive bids were sought and received from three (3) qualified transmission line wood pole suppliers with the following results:

<u>Vendor</u>	<u>Bid</u>	<u>Meets Schedule</u>
RESCO	\$170,429.00	Yes
Irby	\$190,415.00	Yes
Power Line Supply	\$197,426.00	Yes

RECOMMENDATION: It is recommended by staff that the City Council approve the awarding of the following contract/purchases to the qualified low bidder and authorize the City Clerk to sign the labor contracts:

- Item "1": Labor contract for the construction of the Brewer Street Substation in the amount of \$1,353,638 to Kent Power.
- Item "2": Labor contract for the construction of the 138kv transmission line in the amount of \$343,219.37 to Kent Power.
- Item "3": Purchase of 105 insulators for the 138kv transmission line in the amount of \$27,879.57 to Power Line Supply.
- Item "4": Purchase of 40,460 linear feet of conductor material for the 138kv transmission line in the amount of \$32,368.00 to RESCO.
- Item "5": Purchase of miscellaneous line material for the 138kv transmission line in the amount of \$52,424.39 to RESCO.
- Item "6": Purchase of 40 wood poles for the 138kv transmission line in the amount of \$170,429.00 to RESCO.

FISCAL EFFECTS: The total estimated cost of the Brewer Street Substation Project is \$3.6 million including a 3.8% contingency. The combined bids for items 1-6 is \$1,979,958.33. The total expenditures for all project costs are projected to be \$3,468,900 which is \$131,100 below the estimated total project cost. Funding for the project will be from the sale of General Obligation Limited Tax Bonds (Authorization to sell bonds by Council is set for May 2, 2016). It is expected, at this time, that the annual cost for funding the project will not cause an increase in customer electricity costs, and will be covered from the Electric Fund operating budget.

ALTERNATIVES: 1) Cancel Project
2) Delay Project
3) Suggestions by City Council

CITY GOAL CLASSIFICATION: GOAL AREA IV -- INFRASTRUCTURE
Goal Statement: Preserve, rehabilitate, maintain and expand city infrastructure and assets.

Respectfully Submitted,



Edward E. Rice, P.E.
Electric Utilities Director



Tom Tarkiewicz
City Manager

April 27, 2016
15-0767.01

Mr. Ed Rice
Director of Electrical Utilities
City of Marshall
323 W. Michigan Avenue
Marshall, MI 49068

**RE: Brewer Street Substation Transmission Line
Contractor Bid Evaluation & Recommendation**

Dear Ed:

GRP Engineering, Inc. has completed reviewing the bids submitted on April 27, 2016 for construction of the Brewer Street Substation Transmission Line. Of the five contractors solicited for bids, three (3) bids were received. Kent Power, Inc. submitted the low bid for the project in the amount of \$343,219.37. A complete bid tabulation is attached to this letter.

Estimated construction labor cost was \$600,000, therefore Kent Power's bid is well below the estimated amount. Kent Power, Inc. has submitted a complete and conforming bid. GRP Engineering, Inc. sees no reason not to accept their bid in the full amount for this project.

Please contact me should you have any questions regarding this evaluation.

Sincerely,
GRP Engineering, Inc.



Michael P. McGeehan, P.E.
Project Manager

April 15, 2016
15-0767.01

Mr. Ed Rice
Director of Electrical Utilities
City of Marshall
323 W. Michigan Avenue
Marshall, MI 49068

**RE: Brewer Street Substation
Construction Bid Recommendation**

Dear Mr. Rice:

GRP Engineering, Inc. has completed reviewing the bids submitted on April 13, 2016 for the Brewer Street Substation Construction. Of the four contractors solicited for bids, two (2) bids were received. Kent Power had the lowest lump sum bid price in the amount of \$1,353,638.00. The complete bid tabulation is attached to this letter.

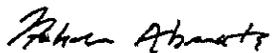
Kent Power's bid price is nearly \$400k over the construction cost estimate. The majority of this overage is in a single line item, distribution conduit duct bank installation. The duct bank is required for routing all potential future distribution circuits out of the substation. Although this line item has come in very high, GRP Engineering recommends the duct bank be installed during this phase of construction prior to the driveway reconstruction.

GRP Engineering, Inc. sees no reason not to accept Kent Power's bid in the full amount for the Brewer Street Substation Construction.

Please contact me should you have any questions.

Sincerely,

GRP Engineering, Inc.



Nicholas Abraitis
Electrical Engineer

Enclosures

**CITY OF MARSHALL
BREWER STREET SUBSTATION & 138kV TRANSMISSION LINE
CASH FLOW**

Project Estimate	Vendor	Bid Price	Bid Date	September-15	October-15	November-15	December-15	January-16	February-16	March-16	April-16	May-16	June-16	July-16	August-16	September-16	October-16	November-16	December-16	
Power Transformer	SPX Waukesha	\$705,246	15-Oct	\$3,600,000	\$211,574				\$211,574				\$211,574	\$70,525						
Circuit Switcher	Siemens	\$36,961	15-Nov								\$36,961									
Breakers	Siemens	\$68,346	15-Nov						\$68,346											
PT/CT Metering Units	Alstrom / GE	\$56,145	15-Nov									\$56,145								
Control Panels	Harto	\$61,920	15-Dec						\$61,920											
Misc Substation Hardware	Various	\$10,000	N/A												\$5,000	\$5,000				
Transmission Poles	RESCO	\$170,429	16-Mar											\$170,429						
Overhead Conductor	RESCO	\$32,368	16-Mar										\$32,368							
Insulators	PLS	\$27,880	16-Mar											\$27,880						
Line Hardware	RESCO	\$52,424	16-Mar									\$30,000	\$15,000	\$7,424						
Distribution Circuits			16-Apr											\$70,000						
Misc T&D Hardware	Various		N/A									\$3,000	\$3,000	\$3,000	\$3,000	\$3,000				
Substation Contractor	Kent Power	\$1,353,638	16-Apr											\$135,000	\$275,000	\$420,000	\$270,000	\$170,000	\$83,638	
Transmission Contractor	Kent Power	\$343,219	16-Apr											\$30,000	\$60,000	\$80,000	\$80,000	\$50,000	\$43,219	
Property Purchase		\$80,039	16-Apr								\$80,039									
Easements / ROW			N/A						\$2,500	\$4,000		\$2,000								
Permits			16-Apr								\$2,000									
Survey	SSI	\$21,300	N/A						\$21,300											
Legal Fees			N/A							\$4,000	\$6,000									
Consumers Energy Costs		\$75,485	N/A										\$75,485							
Engineering Design		\$213,000	N/A	\$10,000	\$25,000	\$10,000	\$20,000	\$20,000	\$4,697	\$20,000	\$40,000	\$30,000	\$20,000	\$10,000					\$3,303	
Engineering C/A & Startup		\$55,000	N/A										\$3,000	\$5,000	\$10,000	\$18,000	\$12,000	\$5,000	\$2,000	
Monthly Total				\$10,000	\$236,574	\$10,000	\$20,000	\$20,000	\$237,571	\$156,766	\$169,000	\$91,145	\$375,427	\$536,833	\$360,424	\$526,000	\$362,000	\$228,303	\$128,857	
Project Total		\$3,363,400		\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900	\$3,468,900
Balance				\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100	\$131,100



ADMINISTRATIVE REPORT
May 2, 2016 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members
FROM: Trisha Nelson, City Clerk
Tom Tarkiewicz, City Manager
SUBJECT: Charter Amendment Ballot Language Resolution

BACKGROUND: The City Attorney has reviewed the attached resolution for the proposed Charter Amendment. The resolution contains the one question to be placed on the November 2016 ballot. The State of Michigan Attorney General's office has accomplished a preliminary review of the November 2016 ballot question. The following is the recommended question to be placed on the ballot.

Question #1 – Shall Section 2.10 of the Marshall City Charter be amended to provide for the City Manager to appoint the Clerk, Treasurer, and Assessor in place of the current provision which provides for these offices to be appointed by the Mayor subject to confirmation by the Council?

Yes _____ No _____

RECOMMENDATION: It is recommended that the City Council adopt the attached resolution for the November 2016 ballot language for the City Charter amendment.

FISCAL EFFECTS: There will be no additional cost for the November ballot proposal.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Tom Tarkiewicz
City Manager

Trisha Nelson
City Clerk

323 W. Michigan Ave.

Marshall, MI 49068

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cityofmarshall.com

CITY OF MARSHALL
RESOLUTION NO. 2016-
CHARTER AMENDMENT

The City of Marshall has determined that with the passage of time it is in the best interests of the City to redefine the organizational structure between the City Council, the City Manager, the clerk, the treasurer, and the assessor by amending the City Charter to provide that the City Manager shall appoint a clerk, a treasurer and an assessor, who thereafter shall be immediately responsible to the City Manager for the administration of their respective duties.

IT IS HEREBY RESOLVED:

- A. That the existing City of Marshall Charter Article II, Section 2.10 shall be amended to read as follows:

Section 2.10, Appointment of City Officials.

~~The clerk, treasurer, assessor, and city attorney shall hold office by virtue of appointment by the mayor and subject to confirmation of two-thirds (2/3) of the council, which body shall also set their compensation. These appointees may be removed for cause by a two-thirds (2/3) vote of the council. All such appointments shall be made at the first regular meeting of the Council in May following each regular city election, and the persons so appointed shall hold office for terms of two (2) years from the first day of June following their appointment.~~

- (a) Clerk, treasurer and assessor. The clerk, the treasurer and the assessor shall each hold office by virtue of appointment by the City Manager. The authority of the City Manager to appoint under this section shall become effective upon the earliest of either the conclusion of the existing term being served as of November 8, 2016, or a vacancy of office. The compensation of the clerk, the treasurer and the assessor shall be set by the council.
- (b) Attorney. The city attorney shall hold office by virtue of appointment by the mayor and subject to confirmation of two-thirds (2/3) of the council, which body shall also set the attorney's compensation. The city attorney may be removed for cause by a two-thirds (2/3) vote of the council. The appointment shall be made at the first regular meeting of the Council in May following each regular city election, and the

person so appointed shall hold office for terms of two (2) years from the first day of June following the appointment.

IT IS FURTHER RESOLVED that the proposed Amendment to the City Charter relating to organizational structure shall be submitted to the electors in the following form

Question #1 – Shall Section 2.10 of the Marshall City Charter be amended to provide for the City Manager to appoint the Clerk, Treasurer, and Assessor in place of the current provision which provides for these offices to be appointed by the Mayor subject to confirmation by the Council?

Yes _____ No _____

IT IS FURTHER RESOLVED that the City Clerk shall forthwith transmit a copy of the proposed Amendment to the City Charter to the Governor of the State of Michigan for his approval, and transmit a copy of the proposed Amendment to the City Charter to the Attorney General of the State of Michigan for his approval, as required by law.

IT IS FURTHER RESOLVED that the proposed Amendment to the City Charter shall be, and the same are hereby ordered, to be submitted to the qualified electors of this City at the general election to be held in the City on Tuesday, November 8, 2016, and the City Clerk is hereby directed to give notice of the election and notice of registration, therefore, in the manner prescribed by law and to do all things and to provide all supplies necessary to submit such Amendment to the City Charter to the vote of the electors as required by law.

IT IS FURTHER RESOLVED that the proposed Amendment to the City Charter shall be published in full together with the existing Charter provision altered thereby in the Marshall Advisor/Chronicle (Election Notice) not less than ten (10) days prior to the election.

IT IS FURTHER RESOLVED that the canvass and determination of the votes on said question shall be made in accordance with the laws of the State of Michigan.

CERTIFICATION

I, Trisha Nelson, Clerk for the City of Marshall, Calhoun County, Michigan do hereby certify that the foregoing Resolution No. 2016- ____ was offered by Councilperson _____ and supported by Councilperson _____, and the same was duly passed at a regular meeting of the City Council in Town Hall held on the 2nd day of May, 2016 and that the vote was as follows:

Yeas:

Nays:

Absent:

Trisha Nelson, City Clerk



**ADMINISTRATIVE REPORT
MAY 2, 2016 - CITY COUNCIL MEETING**

REPORT TO: Honorable Mayor and City Council Members
FROM: Trisha Nelson, City Clerk
Tom Tarkiewicz, City Manager
SUBJECT: Renewal of Trash, Brush and Leaf Collection Millage
Ballot Language Resolution

BACKGROUND: Staff has prepared the attached resolution for the proposed Trash, Brush and Leaf Collection millage ballot language. The renewal of the millage would raise annually an estimated \$89,862 with a millage levy of 0.5 mills. The length of the levy is recommended to be four years. The millage would pay for once annual spring trash pickup, spring brush pickup and the fall leaf pickup.

RECOMMENDATION: It is recommended that the City Council adopt the attached resolution for the November 2016 ballot language for the renewal of the Trash, Brush and Leaf Collection millage.

FISCAL EFFECTS: There will be no additional cost for the November ballot proposal. Failure to renew the current millage would result in the General Fund having to fund the Leaf, Brush, & Trash pickups and/or the City Council could elect to eliminate these services.

CITY GOAL CLASSIFICATION:

GOAL AREA 2. QUALITY OF LIFE

Goal Statement: To achieve and sustain a concentrated effort to promote a vibrant community atmosphere in the Marshall area.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Tom Tarkiewicz
City Manager

Trisha Nelson
City Clerk

323 W. Michigan Ave.
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CITY OF MARSHALL
CALHOUN COUNTY, MICHIGAN

MAY 2, 2016

RESOLUTION #2016-

RESOLUTION TO ADOPT MILLAGE BALLOT LANGUAGE
TO GENERATE MILLAGE FOR TRASH, LEAF AND BRUSH REMOVAL

WHEREAS, the Marshall City Council wishes to continue to provide revenue for the collection and removal of trash, leaves and brush on an annual basis from within the city; and

WHEREAS, the Marshall City Council is obligated by the city's charter Section 2.18 to provide for the public peace and health; and

WHEREAS, the removal of trash, leaves and brush is a lawful municipal purpose; and

WHEREAS, cities may impose and levy ad valorem property taxes to finance lawful public services, as authorized by the Michigan Constitution of 1963 and other laws; and

WHEREAS, the Marshall City Council wishes to levy one-half of one mill for trash, leaf and brush removal;

Now, THEREFORE, BE IT RESOLVED that the City Council of the City of Marshall, Calhoun County, approves the following millage ballot question language and directs the Clerk to submit it to the County Clerk to be placed on the November 8, 2016, election ballot:

ANNUAL TRASH, LEAF AND BRUSH MILLAGE

Shall the City of Marshall levy 0.5 mills (50¢ per \$1,000 of taxable value), and levied for four years, 2017 through 2020 inclusive, for the purpose of providing revenue for the once annual removal of trash, leaves and brush, which will raise an estimated \$89,862 in the first year the millage is levied? If approved this would be a renewal of a previously authorized millage.

Yes

No

I, Trisha Nelson, Clerk for the City of Marshall, Calhoun County, Michigan do hereby certify that the foregoing Resolution No. 2016- ____ was offered by Councilperson _____ and supported by Councilperson _____, and the same was duly passed at a regular meeting of the City Council in Town Hall held on the Monday, the 2nd day of May, 2016 and that the vote was as follows:

Yeas:

Nays:

Absent:

Trisha Nelson, Clerk