

**City of Swartz Creek
AGENDA**

**Regular Council Meeting, Monday, January 9, 2017, 7:00 P.M.
Paul D. Bueche Municipal Building, 8083 Civic Drive Swartz Creek, Michigan 48473**

1. **CALL TO ORDER:**
2. **INVOCATION AND PLEDGE OF ALLEGIANCE:**
3. **ROLL CALL:**
4. **MOTION TO APPROVE MINUTES:**
4A. Council Meeting of December 12, 2016 MOTION Pg. 20
5. **APPROVE AGENDA:**
5A. Proposed / Amended Agenda MOTION Pg. 1
6. **REPORTS & COMMUNICATIONS:**
6A. City Manager's Report MOTION Pg. 2
6B. MML Dues (Business Item) Pg. 30
6C. Comcast Notices Pg. 33
6D. Police Authority Interlocal Agmt, OPEB Agmt, Budget, & Lease (Business Item) Pg. 35
6E. Water Loss Detection Service Proposal (Business Item) Pg. 100
6F. Free Press Editorial on Governmental Revenues Pg. 111
6G. HydroCorp Service Proposal Pg. 114
6H. Water Tower Bids Pg. 126
6I. KWA Update Pg. 128
6J. Consumers Energy Pg. 136
6K. Monthly Reports (Building, PD, Check Register, & DPW) Pg. 138
6L. Park Board Minutes Pg. 157
6M. Dixon Engineering Recommendation & Service Proposal (Business Item) Pg. 159
7. **MEETING OPENED TO THE PUBLIC:**
7A. General Public Comments
8. **COUNCIL BUSINESS:**
8A. MML Dues RESO Pg. 14
8B. Water Loss Detection Service Proposal RESO Pg. 15
8C. Police Authority RESO Pg. 15
8D. Street Update DISC
8E. Water Tower Maintenance Bids RESO Pg. 17
8F. Cross Connection Program Services RESO Pg. 18
8G. Appointments RESO Pg. 19
9. **MEETING OPENED TO THE PUBLIC:**
10. **REMARKS BY COUNCILMEMBERS:**
11. **ADJOURNMENT:** MOTION

Next Month Calendar

| | |
|---------------------------------|---|
| Downtown Development Authority: | Thursday, January 12, 2017, 6:00 p.m., PDBMB (Cancelled) |
| Fire Board: | Monday, January 16, 2017, 6:00 p.m., Public Safety Building |
| City Council: | Monday, January 23, 2017, 7:00 p.m., PDBMB |
| Police Authority: | Wednesday, January 25, 2017, 10:00 a.m., PDBMB |
| Park Board: | Wednesday, February 1, 2017, 6:00 p.m., PDBMB |
| Planning Commission: | Tuesday, February 7, 2017, 7:00 p.m., PDBMB |
| Park Board: | Wednesday, February 1, 2017, 6:00 p.m., PDBMB |
| City Council: | Monday, February 13, 2017, 7:00 p.m., PDBMB |

**City of Swartz Creek
CITY MANAGER'S REPORT**

Regular Council Meeting of Monday, January 9, 2017 - 7:00 P.M.

TO: *Honorable Mayor, Mayor Pro-Tem & Council Members*
FROM: Adam Zettel, City Manager
DATE: January 6, 2017

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

✓ **OUTSTANDING APPEALS** *(No Change of Status)*

Appeals that the city is preparing to do full appraisals on are the Topvalco (Kroger) property and O'Reilly Auto Parts. These are newer submissions that will take some time to resolve themselves.

I expect a future negotiation for the office building, for which we are awaiting some market data (Huizinga Properties). A complete listing of outstanding appeals is as follows (note that the S.C. Mini Storage is also settled).

| Year | Parcel # | docket | Owner | Petitioner's | Assessed | Taxable | Assessed | Taxable | Status |
|------|---------------|-----------|---------------------|---------------|-----------|-----------|-----------|-----------|------------------|
| 2015 | 58-02-200-029 | 15-002787 | S.C. Mini Storage | Steve Johnson | 765,300 | 765,300 | 550,000 | 550,000 | stip pending |
| 2016 | 58-02-200-029 | 15-002787 | S.C. Mini Storage | Steve Johnson | 861,000 | 859,495 | 550,000 | 550,000 | |
| 2016 | 58-31-626-002 | 16-001553 | Huizinga Properties | Mark Pendery | 131,800 | 131,800 | 85,000 | 85,000 | answered 6/21/16 |
| 2016 | 58-36-576-012 | 16-002714 | Topvalco/Kroger | H. Adam Cohen | 2,239,700 | 2,044,916 | 1,100,000 | 1,100,000 | answered 8/2/16 |
| 2016 | 58-31-551-006 | 16-003390 | O'Reilly Auto Parts | Thomas Randle | 523,900 | 453,942 | 150,000 | 150,000 | answered |

✓ **STREETS** *(See Individual Category)*

✓ **MORRISH AND BRISTOL SIGNAL** *(No Change of Status)*

Consumers Energy was spotted onsite on November 7th and again the following week. This is a good sign. Hopefully, the Genesee County Road Commission staff will be onsite soon after to finish signal installation.

✓ **2017-2020 TRAFFIC IMPROVEMENT PROGRAM (TIP)** *(No Change of Status)*

The three year plan for street funding has been drafted by the county, and the city has committed to a 20% match for those streets that were awarded funding. Based upon discussion in October, I submitted a letter to the Genesee County Metropolitan Planning Commission indicating that we could not make good use of the federal funds for Worchester and directing them to reallocate such funds. That project has been removed from the Traffic Improvement Program, leaving only Fairchild.

Listed below is the breakdown for Fairchild, including federal funding:

| Road | Point of Beginning | Point of End | Length (Miles) | Lanes | Lane Feet | Width (Feet) | ADT | Total Cost | Federal Match | Local Match |
|-----------|--------------------|--------------|----------------|-------|-----------|--------------|------|------------|---------------|-------------|
| Fairchild | Cappy | Miller | 0.28 | 2 | 2956.8 | 44 | 2456 | \$305,104 | \$247,234 | \$61,021 |

✓ **STREET PROJECT UPDATES** (*Business Item*)

This is a standing section of the report on the status of streets as it relates to our dedicated levy, 20 year plan, ongoing projects, state funding, and committee work.

Bids have been released, with the opening scheduled for the third week in January. No further action of the city council will be required until February or March, after the bids are received and a complete financial picture of the project costs, the city's total debts, savings, and operational cash flows is available.

Once that information is analyzed by the financial advisor, a recommendation on the final borrowing amount will be made and the bonds can be placed with city council approval. This would be expected to occur in March or April and be in line with our annual budget planning.

Concerning the decorative lighting, we met with another division of Consumers Energy that works with private lighting installations. This is different than the regulated public systems. For example, the street lights on Fortino Drive are part of the public, regulated street light system that are operated by Consumers and billed with our city-wide, monthly street lighting contract. The lights in the city parking lot off of Morrish Road are part of our private system and are billed with a separate meter just as any home or business would be. The public systems are very regulated in what can be used and how it is installed. Private systems are much more flexible, though metered.

So, while Consumers indicated that it would cost over \$150,000 to install decorative replacement lights throughout the street reconstruction area as part of the public system. It appears we can do so on a metered account for about \$110,000. The private system also allows for LED lights, which are cheaper to operate and give off better lighting. We are using this new contact at CE to attempt to get back in touch with the public division of CE to investigate a partial public system upgrade (e.g. decorative lights at intersections only). Our goal is to be able to present the city council with options for lighting with the street bids. Right now, we have the options for:

1. Do nothing
2. Upgrade all CE lights to decorative fixtures on the public system (~\$150k)
3. Upgrade all CE lights to decorative on a private system (~\$110k)
4. Upgrade some lights on CE's public system to decorative fixtures (?)
5. Upgrade CE lights to LED cobra head (non-decorative)?

✓ **WATER – SEWER ISSUES PENDING** (*See Individual Category*)

✓ **SEWER REHABILITATION PROGRAM** (*No Change of Status*)

Sewer work has already been completed for the east side of Seymour (Greenleaf) and parts of Chesterfield. There is some restoration work to do, but the entire project should be invoiced and closed this month without any further issues.

✓ **KWA** (*Update*)

The latest expectation is that we will be receiving KWA water by October of 2017, less than one year! Staff with the county indicated that a budget will be set up in the coming months, with early indications being a stable or slightly lower rate. This rate should float for a few years, while operations are standardized and analyzed.

In addition, there is a report from Jeffrey Wright included in the packet. He covers a number of issues that will help us stay informed. He is also requesting a letter of support from the city. I am not opposed to writing such. Please let me know if there is any objection.

✓ **WATER LOSS (*Business Item*)**

The county is going to be checking the registers on their meters to ensure they are the right type for our master reads. As discovered with some of our commercial customers, a register meant for a specific size meter can read other meter sizes, but the results can vary tremendously. Mr. Svrcek feels this could be an issue. We are also going to work with the county to decrease pressure once the Winston-Miller valves and flow are tested again.

We are also recommending that we pursue another avenue of approach to finding potential leaks in the system. Mr. Svrcek has been working with a company from Ohio on the assisted living project and finds them to be qualified to perform such work at a very reasonable cost. Their proposals are attached. Given the amount of unbilled water, their fees would be but a drop in the bucket when compared to the potential savings. I recommend we move forward. Doing so will either result in useful findings or rule out this level of leak.

✓ **SHARED SERVICES, POLICE DEPARTMENTS (*Business Item*)**

The authority met on December 28, 2016. At that meeting, they affirmed a budget and requested the city to consider the affirmation of the Interlocal Agreement in a manner that would enable a February 1, 2017 'effective date' (formal start date). Mundy Township has already voted to move forward. I have included the resolution necessary to effect that change. I have also included the Interlocal Agreement (including employee list and assets), the lease for the city public safety building, the Other Post Employment Benefit Agreement, and the authority budget. All council members should have all of the other authority policies, procedures, and operational descriptions in their possession already.

Note that, should the council chose to proceed, there does not appear to be any way to accomplish a full transition with a single legal instrument or resolution. Much of the transfer and onboarding will need to occur in separate steps moving forward based upon administrative action, council action, or the actions of third parties. For example, the final pension liability currently owed by the city cannot be known in real time. This actuarial will be made available at a future point, as will obligations to transfer pension assets. MERS will almost certainly require a future resolution of the city council to transfer assets.

The authority staff will be bring presentation materials and a number of professionals to the meeting to offer insight on the proposed authority and answer questions. I expect to see Mr. Atkinson and/or Mr. Bade, as well as attorneys from McGraw Morris and the authority's CPA. They will be able to elaborate on the operations, financing, and status of the authority above and beyond the bound materials that were previously submitted and my own experience with the proposal.

To the extent that I am able to comment, the authority staff and board do appear to have a budget that is in line with the current budget of the city (see below). This was an expectation of the Interlocal Agreement. Based upon changes to this budget and the scheduling/staffing of officers/investigators, it also appears that the authority should be able to meet or exceed the level of service as measured in combined patrol hours, investigator hours, office hours, and support. As noted previously by staff, there are expected benefits from economies of scale that include enhanced training, additional supervision of patrol officers by command patrol officers, and consolidation of administration.

After observing the evolution of this process, I find the concept of consolidation to be beneficial. After many revisions, drafts, and advancements in the study, it now appears that the objective measures expected of the agreement (budget, operating procedures, policies, etc.) have been reported, and that the ultimate success or failure shall now depend upon the ongoing management of the organization. Simply put, I believe authority staff and the board have produced enough evidence to demonstrate that the concept CAN work. However, the only way to know if it WILL work is to put it in motion and adapt to issues that may become apparent. There is no amount of planning that can guarantee success (especially with the understanding that 'success' can be judged by many measures and attributes).

From the city staff standpoint, I can attest that the budget figure reached for the proposed fiscal year is less than that proposed for our current fiscal year, by a small margin. A summary follows:

| | |
|--|--------------|
| City current police cost for FY 17 (less building): | \$1,050,471 |
| City cost less revenues from school/ordinances/reimbursements: | \$966,716 |
| City cost less expenses for current retiree healthcare: | \$944,216* |
| City cost for authority services per authority budget: | \$990,095 |
| City cost less OPEB expense: | \$960,095** |
| City cost less expected building rent & some one-time costs: | \$938,858*** |

*This is the approximate number that the city anticipated being able to commit to the authority, with the understanding that building costs, existing retiree healthcare costs, and some other expenses will remain with the city.

**This expense accounts for the future retiree healthcare costs. Currently, the city does not set funds aside for this and accrues that expense as a liability. The authority shall be expensing this liability and setting funds aside.

***This figure also includes a half year of rent payments/incomes, some known startup costs (software and a one-time OPEB valuation). It does not account for other one time purchases such as uniforms, equipment and some professional service consultation. It is expected that these costs will not be in future budgets to the extent they are in the initial budget, thereby resulting in a reduction for those specific items.

As one might expect from me, I wish we had more time to prepare every detail of the potential merger. However, at some point, we can enter the 'paralysis by analysis' zone in which nothing happens. We have delayed much to take a harder look at the level of service, operational plan, facility plan, and budget. The big items have been addressed. As previously stated, we cannot account for every attribute or variable prior to voting.

I stand by the concept of the consolidated authority and evidence has been presented to indicate in CAN work, though no one can guarantee its success. Hopefully the council members are comfortable making a decision after hearing the final presentation in light of the other materials delivered so far.

✓ **POLICE AUTHORITY FACILITY PLAN CONCEPT** (*Business Item*)

At their meeting on November 23, 2016, the authority conditionally approved leases with the city and township. The leases mirror each other in terms and value. This means that the authority is planning and budgeting to have one lease with the city, paying about \$21,240 a year to the city, and it would also have a lease with the township for the new facility, paying about \$74,000 a year to Mundy. The expectation is that the authority will place appropriate amounts in the budget to accommodate these building costs, with the intention to officially commence leases mid-year.

As far as it impacts operations, I think the arrangement is very sound. It keeps a police presence in the city and also arranges for coverage in the township that can double as a very modern headquarters that the authority can grow into. The costs will clearly add to the authority budget (and the city's contribution to said budget). However, the city is receiving payments for building maintenance to offset those costs.

The lease is attached and is included in the resolution to accept the authority budget.

✓ **SPRINGBROOK EAST & HERITAGE VACANT LOTS** (*No Change of Status*)

The lighting has finally been installed! The developer has also placed funds into escrow to fund the remaining items on the punch list, including curb backfill on Russell and sidewalk work.

All lots in Springbrook East have sold. The city is now clear of this project as a land owner interest.

The city still owns four lots in Heritage Village. We have no plan for these at this time. Perhaps an auction of these lots is in order. In this case, I am not sure if there was an intention to share additional revenues with the association or not. The city sold one lot in 2014 "at cost." Purchase agreements with other buyers fell through.

✓ **WINCHESTER WOODS LOTS** (*No Change of Status*)

We have been making the streets passable by adding more asphalt millings to the base and removing encroaching vegetation. We are also ordering some street signs and "No Dumping" signs.

The street committee considered this neighborhood at their meeting on August 30th. They believe the city should reach out to all property owners with vacant lots. However, it is thought that a cost estimate for the required improvements (sanitary and

storm water) should be prepared beforehand. City engineer, Lou Fleury, is looking into the work previously done to see if the storm water plan is detailed enough to price out. At this point, he feels another \$6,000 - \$8,000 is needed to revisit the plans for the current scope and needs.

Gaines Township tentatively agreed to work with us on finding solutions, as had the church on Hill Road that may be involved with the location of utilities. I await more formal commitments, post election, before discussing the specifics of engineering.

✓ **NEWSLETTER** *(No Change of Status)*

This has been sent to print. You should have a copy by now. Let me know what you think.

✓ **CAPPY LANE LIFT STATION** *(Update)*

Aside from restoration, which will await spring, the work is complete. The project had a few change orders for additional work, but it still came in under budget. Examples of additional work include the replacement of riser pipes that were to remain in place. These were felt to be a future maintenance risk given that the rest of the improvements are planned to have a 40+ year life. Overall, we are very pleased with this project.

✓ **SUNOCO** *(Update)*

The outstanding issues regarding liability and the location of monitoring wells have stalled the process. As previously reported, EM has dragged their feet on this and are requesting agreement features that our counsel finds unreasonable. While it may be possible to sort these differences out, I suspect it is not worth it. At this point, we have no liability that we are aware of as a property owner, nor are we aware of any risk to the general public or adjacent property owners.

With that said, I suspect the DDA will begin planning for the site's reuse. If EM can come to terms with our needs, we can certainly review any proposed site license agreement or other offers. In the meantime, we should move forward.

✓ **ELMS PARK RENOVATIONS** *(No Change of Status)*

The restrooms are complete, and the books are closed on this component of the project. The remainder of the grant funded improvements will be bid during the winter months when the contractor interest and pricing will be in our favor. While any delay is frowned upon, this will enable the improvements to coincide with the Dog Park and Tot Lot projects. There should not be any adverse impacts on our grant status.

The dog park has been approved. The scouts indicated that this should be installed early in 2017. The park board will be addressing operating rules/guidelines for this facility this summer. In the meantime, we await progress by the scouts.

✓ **CLOCK DONATION** *(Update)*

The clock has been dedicated and accepted by the city. With the proclamation to the family complete, this item will not appear in future reports.

✓ **WATER TOWER PAINTING** *(Business Item)*

Bids have been received. The low bid is for \$78,400 and has been affirmed as a qualified responsible bid by Dixon Engineering. The estimate was set at \$126,000, so we are getting a good price. The bid tabulation sheet, engineer's recommendation, and Notice of Award are included in the packet. I have included a resolution to award this project. We expect the tower to be painted beginning in April. The process is expected to take about three weeks and will restore the tower to its previous condition.

This project also requires a high degree of technical oversight. Dixon Engineering, the firm that provided the bid specifications and contractor pre-qualifications, has submitted a proposal to conduct inspections, testing, and oversight to ensure the project is completed to standards and specifications. Their scope of services is attached, and their fee is \$11,000. As you can see, this is quite involved. I have placed an additional recital in the resolution to approve this service.

Note that we will also be looking to replace most of the fencing surrounding the sight to better improve security and appearance.

✓ **TRAIL PLANNING CONCEPTS** *(No Change of Status)*
We await OHM to begin investigating trail options. I suspect they will look for park board, planning commission, and general input at some point. I will keep the council informed.

✓ **DISC GOLF CONCEPT** *(No Change of Status)*
Conceptual approval has been granted for a course in Winshall Park. With winter fast approaching, interest in fundraising has died down. I will keep the city council informed.

✓ **REDEVELOPMENT READY COMMUNITIES** *(Update)*
The State of Michigan oversees a new program in which cities become certified as "Redevelopment Ready Communities". The intent of the program is to encourage and help cities streamline development and review processes in order to better move forward with implementing plans for downtown and commercial improvements. An advantage of being certified is that the state will assist such communities with marketing specific sites and/or plans, such as the raceway or downtown properties.

I have taken one of two courses required to begin the process. The next course is in March. After that is complete, I will likely present the city council with a resolution to pursue certification. Doing so would start a process in which we review our ordinances, permits, applications, and processes related to building, planning, and zoning. The state will then encourage revisions as needed in order to achieve what they believe is the optimal set of policies and procedures (certification).

✓ **MEDICAL MARIHUANA** *(Update)*
The city has no zoning ordinances that enable any of the five state licensed facilities (growing, processing, testing, transport, and provisioning). This is within the city's rights to enable any, all, or none of those uses. The planning commission is expected to consider those uses throughout the spring and summer months and make recommendations accordingly. Since no licenses can be granted until December of 2017, this is expected to be timely. I will keep the city council informed.

✓ **DEBT** (*No Change of Status*)

At previous meetings, we have discussed existing city debt and how that relates to existing fund balances. Staff believes that we should consider paying off more debt, if not all of it. Why? Due to circumstances, local governments cannot invest savings in any meaningful way. This means our savings (fund balances) are worth less each year in terms of spending power. Meanwhile, we pay interest on some notes at over 4.35% from those same funds. For unfunded retirement, we lose a theoretical 7.75% each year, though this is likely 6% in practice.

In the spring, we analyzed our fund balances in terms of months-of-operating. This means that if we had \$100 in savings after all expenditures for a year and spent \$200 each year from that fund, we would have six months operating remaining. What we found is that sewer and general fund were in very good positions, with the ability to make expenditures on debt or deferred maintenance on facilities. This practice is known as spending down healthy savings. We believe we should seriously consider details in the near future.

The largest debt we have is in the shape of the unfunded, accrued liabilities for retirement. These liabilities hit all major funds, but are owed mostly from the general fund. If the authority forms, there is an expectation that we pay down all of the accrued debt for the police unit. Frankly, we should probably do this anyway since their returns are much higher than what we achieve.

Note that there is still some debt for the other units, but the Supervisors and AFSCME are closed and have no new covered employees. In fact, there are no current pension-eligible supervisors and only two active AFSCME employees in the pension fund. Everyone else is retired. We will have a better understanding of what is owed after our actuarial evaluation by MERS.

The city also has a note outstanding for city hall. According to the information we received, bonds can only be called on an interest payment date. The next interest payment date is March 1, 2017 at that time the payoff will be \$405,952.50. If we pay off the bond early we will save about \$57,000 in interest. The payoff would come from general fund 40%, Garbage Fund 10% and 25% from each water and sewer fund. Ms. Aguilar believes we should seriously consider the early payoff. The fund balance in each of these funds is healthy enough to pay these down.

| | |
|---------------|--------------|
| General Fund: | \$162,381 |
| Garbage Fund: | \$40,595.25 |
| Water Fund: | \$101,488.12 |
| Sewer Fund: | \$101,488.12 |

The sewer fund also has a separate debt, which incidentally is on the agenda this evening. The interest on this is approximately \$20,000 annually. We are making inquiries into the nature of any possible early payoff for this as well. This note is held by the county and is noted to amount to approximately \$500,000 in our audit. Details will follow. For now, there appears to be enough interest from Clayton and Gaines to make payoff of this note in the spring probable.

The one area of pause we must consider is the street projects. The bids going out this year could come in high, requiring a delay or additional funds from the general fund or borrowed from the sewer fund. As such, a clear picture of debt obligations will not be known until the final police authority pension liability is known and street bids are received. Related to the street bonding, we will likely require professional, certified financial advisor services in addition to our legal bond counsel. They can probably assist with all of the concerns related to our debt.

There is a lot to consider here, and much of it is financial jargon. If you have any questions or concerns, please don't hesitate to ask.

✓ **SPORTS CREEK RACEWAY TEMPORARY LAND USE** *(No Change of Status)*

General Motors and their transport affiliates have been using area parking lots for the temporary storage of new trucks that are produced locally and require pre-transport storage. They worked out a deal with the raceway to use their open parking area for the storage of such vehicles for a period of 30-90 days. Based upon our zoning ordinance, we are able to approve such temporary uses based upon performance criteria and affirmation by the police and fire professionals. We have conditionally granted approval of this temporary use based upon the lease terms, security, duration, estimated trip count, and type of product storage.

There has been no stated intention to continue with this use once the permit expires. There has also been no indication that there is a buyer or other use proposed. We will monitor the performance in terms of traffic, security, lighting glare, and other factors for the time being.

✓ **TAX REVERTED PROPERTIES** *(No Change of Status)*

Three properties that were not picked up by the city for back taxes this last summer have been passed up by the private sector at the auction. The city will be receiving these properties from the county. The three properties are:

3323 Heritage Boulevard (Vacant condo lot)
3329 Heritage Boulevard (Vacant condo lot)
5157 Morrish Road (Single Family Home) ***This is the home targeted for demolition.***

✓ **COMMUNITY DEVELOPMENT BLOCK GRANT** *(Update)*

We have \$12,000 set aside for demolition and another \$16,819 set aside from the Genesee County Home Program. Once the title to 5157 Morrish transfers to the city from the county, we can begin abatement inspections and release bid specifications for demolition.

✓ **FINANCE DIRECTOR DUTIES** *(Update)*

Mrs. Korth is expected to take on the duties of Finance Director and Office Manager. In addition, we are anticipating a potential need for some professional consulting services to peer review some of the budgeting changes and alterations to our internal controls, policies, and procedures. This costs should be less than \$10,000 for the fiscal year and be temporary in nature.

I will be working with staff to create a new job description for this position, along with the accompanying compensation. This should be presented to the council on January 23rd. Note that Ms. Aguilar's position is not expected to be replaced by a full time staff member. Instead, we have previously moved Ms. Aguilar's Clerk duties to Ms. Eskew in 2016 and are also looking to reduce staff duties by engaging the following changes:

1. Reduce accounts payable frequency from weekly to every two weeks
2. Contract for payroll services
3. Develop an online/electronic bill pay system
4. Email utility bills
5. Reduce budget line items and association entries
6. Secure a Lock Box system for bill pay at Chase Bank
7. Replace Ms. Key (part time receptionist that left in late 2016)

✓ **OTHER COMMUNICATIONS & HAPPENINGS (Update)**

✓ **COMCAST (Update)**

There is another notice from Comcast regarding their offerings and channel line up. They have also sent notice that they will be leasing a spot on Miller Road near Target to better serve area customers with equipment and support needs.

✓ **FREE PRESS EDITORIAL (Update)**

I included an editorial from the Detroit Free Press that provides another take on the property tax structure in Michigan. This problem goes hand in hand with the states crumbling infrastructure. Because communities rely on Michigan statues and state budgetary conditions for property tax revenues and revenue sharing, we are tied to these systems. I hope to see change.

✓ **CONSUMERS ENERGY (Update)**

There is a notice of hearing from CE.

✓ **MONTHLY REPORTS (Update)**

The monthly reports are all included except for the budget report, which will be in the January 23rd packet.

✓ **BOARDS & COMMISSIONS (See Individual Category)**

✓ **PLANNING COMMISSION (No Change of Status)**

The commission did not meet in January. Their next meeting is scheduled for February 7, 2017.

✓ **DOWNTOWN DEVELOPMENT AUTHORITY (No Change of Status)**

The DDA met on November 10th. They were given an update about the Sunoco station and conversation ensued regarding its use after any potential soil clean up by Exxon. As noted in the "Sunoco" section above, the DDA is interested in funding and planning such improvements. They request the ability to lead the planning process, conditioned upon input from the public and planning commission, as well as final approval by the city council.

The DDA's next regular meeting is scheduled for January 14.

✓ **ZONING BOARD OF APPEALS (Update)**

There are no pending variances, appeals, interpretations, or other business before the Zoning Board of Appeals. They meet on the third Wednesday of each month when business demands it.

✓ **PARKS AND RECREATION COMMISSION (Update)**

The park board met on January 4th to discuss fundraising, select officers, and review the park reservation form. The attached draft minutes explain the details. The group is planning to continue with the slip and slide fundraiser, pumpkin sale, and one or two other events.

✓ **BOARD OF REVIEW (Update)**

The BoR met on December 13, 2016. They heard a couple Principle Residency Exemption cases. They do not meet again until the March sessions on general appeals.

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

✓ **MICHIGAN MUNICIPAL LEAGUE DUES (Business Item)**

Included in the packet is an invoice and resolution for the City's continued participation in the Michigan Municipal League. This group provides routing services that are beneficial, such as training and statistics (including the revenue sharing statistics included in the current packet). They also come in handy when there are state-wide issues or concerns that are tough to address as an individual city. Examples include the recent lobby action in favor of increased road monies. Dues for the last year were \$3,073. This year's dues are \$3,082, an increase of 0.3%.

✓ **HYDRO DESIGNS THREE YEAR CONTRACT (Business Item)**

As the Council is aware, we have to maintain a Cross Connection Control Program in order to meet MI-Department of Environmental Quality requirements. Cross connections are connections to the water system that have the potential to draw unsafe sources of water into the system during a low pressure event. An example would be an irrigation system draining water from a lawn back into the public system during a water main break. To prevent this, there are requirements for back flow preventers, such as check valves, in the system. Common connections include restaurant soda fountain machines, irrigation systems, boilers, and industrial equipment.

We out-source inspection and enforcement of this to a company called HydroCorp (previously known as Hydro-Design). The work involves commercial and industrial compliancy with back flow prevention into the public water system. The program is on-going and requires testing and inspection. The company has done a fantastic job and is proposing services for the next cycle at \$293 per month, an increase of 2.8% (\$8/month) from 2014 prices. This translates to \$3,516 a year for a 36 month agreement. A resolution is included with the agenda.

✓ **APPOINTMENTS (Business Item)**

If the police authority effective date is approved, our representatives' terms to that authority board are due to expire. Per the agreement, the city is to appoint three representatives at the city's discretion. The Mayor recommends staggering terms so that the departure of any member does not result in a loss of all ongoing knowledge or familiarity with board functions. Given our allotment of three board members, he recommends Mr. Porath continue to serve with the board for three years, Mr. Krueger for two years, and Mr. Pinkston for one year. A resolution is attached.

Council Questions, Inquiries, Requests, Comments, and Notes

Marihuana and Rentals: The state legislature is considering the passage of bills that would enable landlords to prohibit the growing and smoking of medical marihuana in their buildings. This is something we have heard complaints about in the community and which, until this occurrence, our attorney felt there was little we could do.

911 Surcharge: The 911 consortium is looking to increase the monthly surcharge to \$1.86, an increase of 50%.

Sidewalk Liability: Gov. Rick Snyder this week signed a law that gives local governments some extra protection: the so-called open-and-obvious defense that's long been available to private businesses. This reduces our risk of being sued by a large margin. However, we have no plans to alter our standards for the treatment of our publicly owned sidewalks or the privately owned sidewalks in the right-of-way.

**City of Swartz Creek
RESOLUTIONS
Regular Council Meeting, Monday, January 9, 2017, 7:00 P.M.**

Resolution No. 170109-4A MINUTES – DECEMBER 12, 2016

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday, December 12, 2016, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-5A AGENDA APPROVAL

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Agenda as presented / printed / amended for the Regular Council Meeting of January 9, 2017, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-6A CITY MANAGER’S REPORT

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager’s Report of January 9, 2017, including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-8A MICHIGAN MUNICIPAL LEAGUE DUES

Motion by Councilmember: _____

BE IT RESOLVED THAT the City of Swartz Creek renew its annual membership in the Michigan Municipal League for the period from 02/01/2017 to 01/31/2018, and further, appropriate an amount not to exceed \$3,082 for payment thereof, funds to be apportioned across revenue bearing accounts as determined by the Treasurer.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-8B LEAK DETECTION PROFESSIONAL SERVICES

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek owns, operates, and maintains a water distribution system, and

WHEREAS, the city has been experiencing higher than normal rates of water loss, and

WHEREAS, audits of billing accounts, large customer meters, and staff leak detection have not found significant sources of water loss, and

WHEREAS, the city is now seeking expert consultation from the Genesee County Drain Commission – Water and Waste Division, as well as other sources, to determine significant sources of loss, and

WHEREAS, Mr. Svrcek, in working with Aqua-Line Leak Detection Services of Findlay, Ohio on components of a private distribution system within the city, has found them to be capable and qualified to perform such services for the city.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek City Council approves the proposal for such professional services, with total costs for the engagement not exceeding \$5,000 for leak detection services as outlined in the proposal dated December 8, 2016.

BE IT FURTHER RESOLVED, that the City Council directs the City Manager to execute said proposal on behalf of the city and for the city Treasurer to appropriate such costs to all impacted funds as appropriate.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-8C RESOLUTION APPROVING THE AMOUNT OF MONEY THAT IS TO BE CONTRIBUTED BY THE CITY OF SWARTZ CREEK (“CITY”) TO THE METRO POLICE AUTHORITY OF GENESEE COUNTY (“POLICE AUTHORITY”) AND AFFIRMING THE CITY’S PARTICIPATION IN THE POLICE AUTHORITY, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE ALL CONTRACTS NECESSARY TO EFFECTUATE THE IMPLEMENTATION OF THE POLICE

**AUTHORITY, AND OFFICIALLY DISBAND THE CITY
POLICE DEPARTMENT.**

Motion by Councilmember: _____

WHEREAS, the City operates a police department to provide public safety to the residents and visitors to the City; and

WHEREAS, the Charter Township of Mundy (“Township”) operates a police department to provide public safety to the residents and visitors to the Township; and

WHEREAS, the City entered into an agreement with the Township on October 12, 2015, pursuant to the Michigan Urban Cooperation Act of 1967 to conditionally form the Police Authority (the “Agreement”); and

WHEREAS, the Agreement defined an Agreement Date and an Effective Date, with the Effective Date being 210 days after the Agreement Date. Which was July 6, 2016; and

WHEREAS, the City Council and the Township Board agreed that it was in the best interest of the City and the Township to continue to pursue the establishment of the Police Authority and extended the Agreement through October 31, 2016; and

WHEREAS, the City Council and the Township Board agreed that it could not complete the requirements of the Agreement prior to October 31, 2016 and determined it was in the best interest of the Township and the City to continue to pursue the establishment of the Police Authority and further extended the Agreement through June 30, 2017; and

WHEREAS, the City Council finds that it is in the best interest of the City to establish the Police Authority and thereafter disband the City Police Department; and

WHEREAS, the current City Police Department employees will become employees of the Police Authority, pursuant to the seniority levels set forth in Attachment A; and

WHEREAS, the City will be required to pay any shortfalls if it is determined that the retirement accounts for those employees are not fully funded through the time of transfer of the employees to the Police Authority, and

WHEREAS, going forward, the City agrees to contribute to the Other Post Employment Benefits for those employees consistent with the terms of an agreement thereto; and

WHEREAS, the creation of the Authority will require the execution of multiple agreements to effectuate the transfer of employees and creation of the successor accounts, fringe benefits, and property lease;

NOW, THEREFORE, BE IT RESOLVED that the City Council affirms that the recitals stated above are true and correct and are incorporated herein by reference.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council has been provided an estimate of the amount of money the City is required to contribute to the Police Authority and the City hereby affirms and establishes the City's partnership in the Metro Police Authority, with the allocation of such funds and participation for services received, excluding prosecution, set at 30% of the budget not otherwise provided for by contracting agencies such as schools.

NOW, THEREFORE, BE IT FURTHER RESOLVED the Mayor and City Clerk are hereby granted the authority by the City Council to execute all contracts, including the building lease, necessary to effectuate the implementation of the Police Authority.

NOW, THEREFORE, BE IT FURTHER RESOLVED that, the City Council hereby officially disbands the City Police Department and transfers employees, assets, and police powers to the Police Authority effective February 1, 2017 at 12:00 a.m.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-8E WATER TOWER MAINTENANCE BIDS

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek owns, operates, and maintains a water distribution system, including a 300,000 gallon Toro Ellipse Elevated Water Tower, and

WHEREAS, the water tower, though structurally sound, is physically disconnected from the water distribution system, and

WHEREAS, the water tower houses a wireless network provider and there is additional demonstrated interest to house wireless cellular carriers, and

WHEREAS, the water tower may yet be reconnected to the city and/or county water system to assist with the maintenance of pressures and/or provision of emergency water supplies in the future, and

WHEREAS, alternate uses for the structure may also be advisable or desirable, and

WHEREAS, painting of the structure is highly advisable for protective and aesthetic purposes if the tower is not to be removed in the foreseeable future, and

WHEREAS, the city requested sealed bids, and received five submissions, with the lowest qualified bid being Fedewa Inc.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek City Council approves the proposal by Fedewa Inc. of Hastings, Michigan, in the amount of

\$78,400, plus a 15% contingency for painting and other maintenance services related to the water tower.

BE IT FURTHER RESOLVED that the City Council approves the professional service agreement for contract oversight and inspections by Dixon Engineering and Inspection Services of Lake Odessa, Michigan, in the amount of \$11,000.

BE IT FURTHER RESOLVED that the City Council directs the Mayor to execute said Notice of Award and the Agreement for Water Storage Tank on behalf of the city and for the city Treasurer to appropriate such costs to the Water Fund.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-8F CROSS CONNECTION PROGRAM AGREEMENT

Motion by Councilmember: _____

WHEREAS, to remain compliant to the Safe Drinking Water Act of 1976, PA 339, the City of Swartz Creek instituted a Cross Connection Control and Compliancy Program, and solicited and awarded sealed bids to HydroCorp of Troy, Michigan to implement the program, and;

WHEREAS, HydroCorp has brought the City into full compliancy with the Act and MI-DEQ Regulations, and;

WHEREAS, it is mandatory for the City to continue the program in order to remain compliant with the Act and MI-DEQ Regulations, and;

WHEREAS, the work performed by HydroCorp is a specialized professional service and cannot be done by regularly employed crews of the City, and;

WHEREAS, it is efficient and desirable for the City to remain with a single company to maintain compliancy and continued continuity of the established records currently maintained by HydroCorp, and further, HydroCorp has offered a three year agreement for \$293 per month, an increase of 2.8% over 2014 prices.

NOW THEREFORE, BE IT RESOLVED the City of Swartz Creek appropriate an amount not to exceed \$293 per month for 36 months, total accrued amount not to exceed \$10,548, payment for continuation of the City's Cross Connection Compliancy and Control Program, to HydroCorp, a Michigan corporation located in Troy, Michigan, agreement period to run from January 1, 2017 through December 31, 2019, funds to be appropriated from 590, Water Supply Fund.

BE IT FURTHER RESOLVED THAT, the City Council approves the cross connection professional services agreement included in the January 9, 2017 city council packet and direct the Mayor and City Clerk to execute said agreement on behalf of the city.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 170109-8G COMMISSION APPOINTMENTS

Motion by Councilmember: _____

WHEREAS, the laws of the State of Michigan, the Charter and Ordinances of the City of Swartz Creek, interlocal agreements in which the City of Swartz Creek is a member, and previous resolutions of the city council require and set terms of offices for various appointments to city boards and commissions, as well as appointments to non-city boards and commissions seeking representation by city officials; and

WHEREAS, there exist vacancies in a number of said positions; and

WHEREAS, said appointments are Mayoral appointments, subject to affirmation of the city council.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council concur with the Mayor and City Council appointments as follows:

- #17019-8G1 **MAYOR RE-APPOINTMENT:** **Curt Porath**
Metro Police Authority of Genesee County
Three year term, expiring January 31, 2020
- #17019-8G2 **MAYOR APPOINTMENT:** **David Krueger**
Metro Police Authority of Genesee County
Two year term, expiring January 31, 2019
- #17019-8G3 **MAYOR RE-APPOINTMENT:** **Dennis Pinkston**
Metro Police Authority of Genesee County
One year term, expiring January 31, 2018

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR COUNCIL MEETING
DATE 12/12/2016**

The meeting was called to order at 7:02 p.m. by Mayor Pro Tem Pinkston in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance.

Councilmembers Present: Cramer, Florence, Gilbert, Krueger, Pinkston, Porath.

Councilmembers Absent: Hicks.

Staff Present: City Manager Adam Zettel, City Clerk Connie Eskew, Treasure Deanna Korth, Director Public Service Tom Svrcek, Deputy Chief Rick Clolinger.

Others Present: Bob Plumb, Lania Rocha, Jim Barclay, Steve Shumaker, Tommy Butler, Mike Stratton.

EXCUSE COUNCILMEMBER HICKS

Resolution No. 161212-01

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Florence

I Move the Swartz Creek City council excuse councilmember Hicks.

Unanimous Voice Vote.
Motion Declared Carried.

APPROVAL OF MINUTES

Resolution No. 161212-02

(Carried)

Motion by Mayor Pro Tem Pinkston
Second by Councilmember Gilbert

I Move the Swartz Creek City Council hereby approve the Minutes of the Regular Council Meeting held Monday December 05, 2016 to be circulated and placed on file.

YES: Gilbert, Krueger, Pinkston, Porath, Cramer, Florence.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 161212-03

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Cramer

I Move the Swartz Creek City Council approve the Agenda as presented for the Regular Council Meeting of December 12, 2016, to be circulated and placed on file.

YES: Krueger, Pinkston, Porath, Cramer, Florence, Gilbert.

NO: None. Motion Declared Carried.

City Manager's Report

Resolution No. 161212-04

(Carried)

Motion by Councilmember Florence
Second by Councilmember Gilbert

I Move the Swartz Creek City Council accept the City Manager's Report of December 12, 2016, including reports and communications to be circulated and placed on file.

YES: Krueger, Pinkston, Porath, Cramer, Florence, Gilbert.

NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Bob Plumb resident at 37 Somerset, came as co chairman of the Swartz Creek Christmas parade and wanted to thank all councilmembers who participated as judges.

Paul Fortino Clock Commemoration

Proclamation

Mayor Krueger presented Mike Stratton, Paul's grandson with the proclamation. Mr. Svrcek commented that Mike did a fabulous job with the installation of the clock and appreciated all the extra work he did.

Juanita Aguilar Service Recognition

Proclamation

Mayor Krueger presented to Rick Clolinger, Deputy Chief, in Juanita's absence. Deanna Korth Treasurer, spoke briefly of Juanita's history at the city. Mrs. Korth also gave a brief statement from Juanita.

COMMISSION APPOINTMENTS

Resolution No. 161212-05

(Carried)

Motion by Councilmember Cramer
Second by Councilmember Florence

WHEREAS, the laws of the State of Michigan, the Charter and Ordinances of the City of Swartz Creek, interlocal agreements in which the City of Swartz Creek is a member, and previous resolutions of the city council require and set terms of offices for various appointments to city boards and commissions, as well as appointments to non-city boards and commissions seeking representation by city officials; and

WHEREAS, there exist vacancies in a number of said positions; and

WHEREAS, said appointments are Mayoral appointments, subject to affirmation of the city council.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council concur with the Mayor and City Council appointments as follows:

#161212-5A1 **MAYOR APPOINTMENT:** Trudy Plumb
Park Board, Citizen
Remainder of a three year term, expiring December 31, 2018

YES: Pinkston, Porath, Cramer, Florence, Gilbert, Krueger.

NO: None. Motion Declared Carried.

CDBG ALLOCATION

Public Hearing

Open: 7:25 p.m.

Adam Zettel, City Manager commented that we've done this before, every time we get these community block grant funds on a three year cycle, about \$30,000, we can spend them on certain things that federal guidelines allow. In the past we had low to moderate areas in the city and we could spend community development block funds on public improvements in those areas. We don't have qualifying areas anymore so it's tough to spend. We are allowed to spend 15% on senior services and other 85% can go towards the Genesee County Home program, which we discussed and approved allocation for in October. It can also go towards demolitions of blighted structures on city owned property, which in October we didn't own any so it wasn't an issue. With the latest tax sale there is property on Morrish Road that the city is looking to be getting at the turn of the calendar year. This structure we been trying to get demolished over a year and so here are we have another qualifying expense. For the record the public is encouraged to speak about past projects, including streetscapes on Fortino Drive, Miller Road, Elms Road as well as the parking lot enhancements that were done on Morrish Road in 2014. Be it known also if we should somehow get a qualifying geography again, we could again spend money on streetscapes, parking improvements, as well as ADA accessibility improvements for sidewalks and things like that. As it happens now I recommend we put enough money into the demolition allotment to make sure we can get the structure down and the remainder of it stays in the Home Program which allows city homeowners only to have access to these funds to make improvements where there is some sort of financial need for that household.

Once demolition is done, should it be done using these funds, the county will allow a transfer of surplus funds back to this home program. This is a follow-up amendment to what was agreed to be put forth or proposed in October.

Closed 7:28 p.m.

Resolution No. 161212-06

(Carried)

Motion by Councilmember Porath
Second by Councilmember Cramer

WHEREAS, the City of Swartz Creek City Council receives an allocation of Community Development Block Grant Funds from Genesee County on a three year cycle; and

WHEREAS, such funds must be used in eligible low to moderate areas of the city for approved and eligible purposes or be a qualifying service such as senior services or the county-administered HOME Program; and,

WHEREAS, the City has allocated the maximum of 15% to the Swartz Creek Area Senior Center and no longer has any qualifying geographies for qualifying physical improvements; and,

WHEREAS, the City is expected to receive title to a home in the community that requires demolition, which is another qualified expense of CDBG funds; and,

WHEREAS, the Swartz Creek City Council held a public hearing on October 10, 2016 & December 12, 2016 to hear public comment related to the use of such funds.

NOW, THEREFORE, BE IT RESOLVED THAT the Swartz Creek City Council hereby allocates \$12,000 of the city's allocation to home demolitions and the remaining \$16,819 to the HOME Program as administered by the staff of the Genesee County Metropolitan Planning Commission and further directs the City Manager to complete and submit the CDBG application in accordance with this allocation.

Discussion Ensued.

YES: Porath, Cramer, Florence, Gilbert, Krueger, Pinkston.
NO: None. Motion Declared Carried.

STREET BONDING RESOLUTION OF INTENT

Resolution No. 161212-07

(Carried)

Motion by Mayor Pro Tem Pinkston
Second by Councilmember Cramer

WHEREAS, the City of Swartz Creek, County of Genesee, State of Michigan (the "City") intends to issue general obligation limited tax bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), in an aggregate principal amount of not to exceed One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000) (the "Bonds") for the purpose of paying all or part of the costs of certain capital improvements in the City, consisting of (i) road preservation and replacement including street milling, crack and pavement repair, concrete curb and gutter, ADA upgrades, sidewalk replacement, storm sewer replacement, aggregate base, asphalt paving, permanent signing and pavement markings; and (ii) watermain replacement including replacement of main, individual service leads, valves, and hydrants; including all related equipment, site improvements, appurtenances and attachments (the "Project"); and

WHEREAS, a notice of intent to issue the Bonds must be published before the issuance of the Bonds in order to comply with the requirements of Section 517 of Act 34; and

WHEREAS, the City intends at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is authorized and directed to publish a notice of intent to issue bonds in the *Swartz Creek View*, a newspaper of general circulation in the City.
2. The notice of intent shall be published as a display advertisement not less than one-quarter (1/4) page in size in substantially the form attached to this resolution as Exhibit A.
3. The City Council does hereby determine that the foregoing form of Notice of Intent to Issue Bonds and the manner of publication directed is the method best calculated to give notice to the City's electors and taxpayers residing in the boundaries of the City of the City's intent to issue the Bonds, the maximum amount of the Bonds, the purpose of the Bonds, the source of payment for the Bonds and the right of referendum relating thereto, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.
4. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:
 - (a) The City reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from the general funds of the City subsequent to sixty (60) days prior to today.
 - (b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$1,950,000.

(c) A reimbursement allocation of the capital expenditures described above with the proceeds of the Bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the Bonds to reimburse the City for a capital expenditure made pursuant to this resolution.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Discussion Ensued.

YES: Cramer, Florence, Krueger, Pinkston, Porath.
NO: Gilbert. Motion Declared Carried.

PARK RULES ADOPTION

Resolution No. 161212-08

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Cramer

WHEREAS, the City of Swartz Creek owns, operates, and maintains public park and recreation facilities and desires to promote safe and equitable use of those facilities; and

WHEREAS, the city regulates use of city parks through the adoption of "Park Rules and Regulations" as enabled by City Ordinance Section 11-47, Park Rules and Regulations, which reads as follows: the City Council may by resolution adopt rules and regulations governing the use of parks, including prohibitions or restrictions on uses and acts within parks; and

WHEREAS, the city park and recreation commission recommends amending of the attached Park Rules and Regulations to enable advanced reservations for expanded area use; and

WHEREAS, a qualifying community organization has been approved to use certain features of Elms Park for the days of August 25-26, 2017, but the city council was not able to affirm a reservation.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council hereby approve the amended park rules as attached.

BE IT FURTHER RESOLVED, the council hereby affirms the reservation for the Swartz Creek Kiwanis Club to coincide with their expanded use approval for August 25-26, 2017.

BE IT FURTHER RESOLVED, the council hereby directs staff to publish these rules and regulations in a newspaper of general circulation prior to the 2017 seasonal opening of the parks.

Discussion Ensued.

YES: Florence, Gilbert, Krueger, Pinkston, Porath, Cramer.

NO: None. Motion Declared Carried.

AN ORDINANCE TO AMEND APPENDIX A ZONING OF THE CODE OF ORDINANCES OF THE CITY OF SWARTZ CREEK TO REPEAL PROVISIONS AND REFERENCES TO MEDICAL MARIJUANA (MARIHUANA).

Resolution No. 161212-09

(Carried)

Motion by Councilmember Cramer
Second by Mayor Pro Tem Pinkston

WHEREAS, the City of Swartz Creek exercises police power to maintain and protect the health, safety, and welfare of the community; and

WHEREAS, the City of Swartz Creek exercises said police power through zoning as it relates to the regulation of land uses; the establishment of standards for height, size, and bulk; and related performance standards; and

WHEREAS, the Planning Commission has found that changes to the state statutes regarding the regulation of land use as it pertains to medical marijuana (marihuana) necessitate the repeal of existing provisions related to the same.

THEREFORE, I MOVE the City of Swartz Creek ordain:

**CITY OF SWARTZ CREEK
ORDINANCE NO. 431**

AN ORDINANCE TO AMEND APPENDIX A ZONING OF THE CODE OF ORDINANCES OF THE CITY OF SWARTZ CREEK TO REPEAL PROVISIONS AND REFERENCES TO MEDICAL MARIJUANA (MARIHUANA).

THE CITY OF SWARTZ CREEK ORDAINS:

Section 1. Amendment of Appendix A, Section 2.07 of the Code of Ordinances of the City of Swartz Creek.

Appendix A, Section 2.07 of the Code of Ordinances of the City of Swartz Creek, Michigan, is hereby amended to rescind the following:

Medical marijuana (marihuana) dispensary. A medical marijuana dispensary shall mean a facility, jointly owned or operated by two or more "primary caregivers," where marijuana is stored, dispensed or offered for sale to "qualifying patients"

under the Michigan Medical Marijuana Act of 2008. A "primary caregiver," "qualifying patient" and "marijuana" shall have the meanings ascribed to them in the Michigan Medical Marijuana Act of 2008.

Medical marijuana (marihuana) growing facility. A medical marijuana growing facility shall mean a facility, jointly owned or operated by two or more "primary caregivers," where marijuana is grown, cultivated, processed and/or packaged for "qualifying patients" but is not offered for direct or retail sale at this location to "qualifying patients" under the Michigan Medical Marijuana Act of 2008. A "primary caregiver," "qualifying patient" and "marijuana" shall have the meanings ascribed to them in the Michigan Medical Marijuana Act of 2008.

Section 2. Amendment of Appendix A, Section 14.02 of the Code of Ordinances of the City of Swartz Creek.

Appendix A, Section 14.02 of the Code of Ordinances of the City of Swartz Creek, Michigan, is hereby amended to rescind the following:

R.1 Medical marijuana (marihuana) dispensary

Section 3. Amendment of Appendix A, Section 17.02 of the Code of Ordinances of the City of Swartz Creek.

Appendix A, Section 17.02 of the Code of Ordinances of the City of Swartz Creek, Michigan, is hereby amended to rescind the following:

L.1 Medical marijuana (marihuana) growing facility

Section 4. Amendment of Appendix A, Section 30.09 of the Code of Ordinances of the City of Swartz Creek.

Appendix A, Section 30.09 of the Code of Ordinances of the City of Swartz Creek, Michigan, is hereby amended to rescind the following uses and their applicable regulations:

- 23.1 Medical marijuana (marihuana) dispensary
- 23.2 Medical marijuana (marihuana) growing facility

Section 5. Repeal of Inconsistent ordinances.

Any other ordinances of the City of Swartz Creek which are in conflict with the provisions of this ordinance are hereby repealed.

Section 6. Effective Date.

This ordinance shall be effective thirty days after publication.

At a regular meeting of the City Council of the City of Swartz Creek held on December 12, 2016, adoption of the foregoing ordinance was moved by Councilmember Cramer and supported by Mayor Pro Tem Pinkston.

Voting for: Gilbert, Krueger, Pinkston, Porath, Cramer, Florence.
Voting against: None.

The Mayor declared the ordinance adopted.

David A. Krueger
Mayor

YES: Gilbert, Krueger, Pinkston, Porath, Cramer, Florence.
NO: None. Motion Declared Carried.

POLICE DEPARTMENT ANNUAL BICYCLE GIVE AWAY PROGRAM

Resolution No. 161212-10

Carried)

Motion by Councilmember Porath
Second by Councilmember Cramer

WHEREAS, the Swartz Creek Police Department conducts an annual Bike Give-Away event & Shop with Hero event wherein school district administrators recommend local youngsters in need to participate in those programs; and

WHEREAS, bicycles held by the police department this year have come from a variety of sources, including generous donations from the public, Meijer, and Assenmacher's Cycling Center; and

WHEREAS, eighteen such bicycles are used and Assenmacher's Cycling Center has donated its services to repair and refurbish those bikes into like new condition; and

WHEREAS, Meijer agreed to donate \$1,000 (fourteen bikes) worth of store credit toward the purchase of new bikes to supplement the used bikes; and

WHEREAS, Wal-Mart agreed to donate helmets for the program; and

WHEREAS, Meijer is also willing to provide \$3,000 worth of store credit for the Shop with a Hero program.

NOW, THEREFORE, I Move that the City of Swartz Creek approve the 2016 Annual Police Department Bike Give Away Program, including the donation of 32 bikes to area children, and further authorizes the acceptance of donations and subsequent distribution of approximately 32 new and used bicycles, with a comprehensive list to be established and reported back to the city council.

BE IT FURTHER RESOLVED, that the City of Swartz Creek approve the 2016 Annual Shop with a Hero Program, and authorize the acceptance of donations, cash or credit, and subsequent distribution of said credit to area youth as recommended by local school and police department administrators.

BE IT FURTHER RESOLVED, that the city extend its greatest appreciation to all those who participated in this year's Bike Give-Away Program and Shop With A Hero Program, including, but not limited to Assenmacher's Cycling Center, Meijer, Wal-Mart, Little Caesar's, the United Methodist Church, and Hungry Howie's.

Discussion Ensued.

YES: Krueger, Pinkston, Porath, Cramer, Florence, Gilbert.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC

None.

REMARKS BY COUNCILMEMBERS:

Mayor Pro Tem Pinkston noted the bike giveaway is pretty remarkable.

Councilmember Gilbert wanted to wish everyone Merry Christmas.

Councilmember Florence commented the debris at the assisted living is no longer in sight, and Merry Christmas and Happy New Year to everyone.

Councilmember Cramer had a fantastic time at the Christmas parade and thanked Mr. Plumb and all for organizing the parade and Merry Christmas to everyone.

Councilmember Porath wished everyone Merry Christmas and Happy New Year. He also wanted to apologize to Bob Plumb for not being able to judge at the Christmas Parade.

Mayor Krueger commented about the Christmas parade and wished everyone a Merry Christmas and Happy New Year.

Adjournment

Resolution No. 161212-11

(Carried)

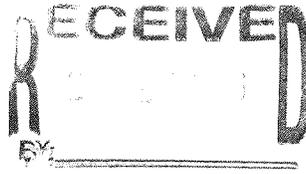
Motion by Councilmember Gilbert
Second by Councilmember Florence

I Move the Swartz Creek City Council adjourn the regular meeting at 8:11 pm.

Unanimous Voice Vote.

Dennis Pinkston, Mayor Pro Tem

Connie Eskew, City Clerk



December 01, 2016

Ms. Juanita Aguilar
City Clerk/Finance Director
Swartz Creek
8083 Civic Dr.
Swartz Creek, MI 48473-1377

Dear Ms. Aguilar,

Thank you for your continued participation and support of the Michigan Municipal League. The League is leveraging our access to key leadership to fight issues vital to our members, including a significant municipal finance/SaveMiCity.org initiative that we recently launched. This past year the League was intimately involved publicly and behind the scenes on numerous topics facing our communities. Most notably, we successfully led the charge-first in Lansing and then in federal court-against SB 571/PA 269 also known as the gag order law regarding what communities can and can't say on local ballot issues. We were also able to change the debate on the now-stalled proposed changes to the historic district laws, eliminating key provisions that would have endangered local historic district laws, and we are currently working with legislators to correct the Dark Stores tax loophole issue that is negatively impacting property assessments around the state.

Here at the League, we're passionate about cultivating vibrant, unique, and people-focused places across the state. We know local communities are Michigan's greatest centers for change and our new Civic Innovation Labs will bring interactive and inspirational programming to educate, connect, and empower local leaders to get things done. Our unique programming offers people who love where they live the opportunity to learn, share, and test ideas that can transform their community.

The League's Board of Trustees recognizes the strained financial conditions present in many Michigan communities. We have worked very hard over the last several years to keep dues low, resulting in savings of over 20 percent. This year we are passing along a modest .3 percent inflationary adjustment to League dues.

The true power of the League comes from the combined voices of communities across Michigan. Together we can make a real difference. Your Michigan Municipal League membership is one of the best investments your community can make. Be sure to maximize your membership by contacting us with your questions, and by actively participating at League events. Thank you for your support. We look forward to our continued partnership with your community.

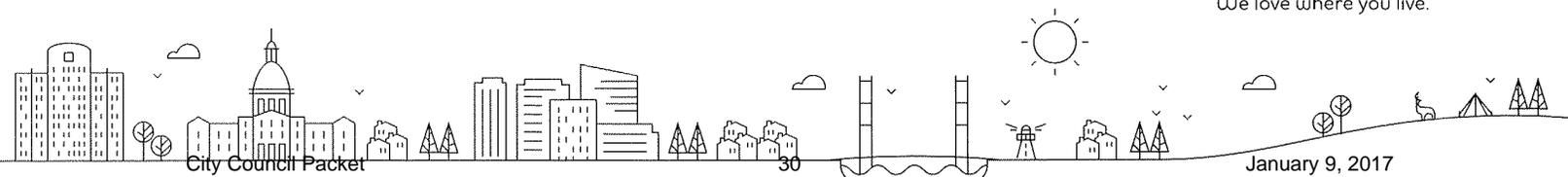
Sincerely,

Daniel P. Gilmartin
Executive Director & CEO

Rosalynn Bliss
President, 2016-2017

Enc.

We love where you live.





michigan municipal league

MICHIGAN MUNICIPAL LEAGUE
MEMBERSHIP RENEWAL INVOICE

2016 - 2017

Swartz Creek

ID: 481

Date: 12/01/2016

Membership Period: 02/01/2017 - 01/31/2018

| | <u>Current Balance</u> |
|-----------------------|------------------------|
| * MML Dues | 2,802.00 |
| ** Legal Defense Fund | 280.00 |
| | <hr/> \$3,082.00 |

| |
|---|
| <p>Total Due by February 01, 2017: \$3,082.00</p> |
|---|

Please sign, date and return one invoice copy with your payment.

Make checks payable to the Michigan Municipal League and mail to the address below. Thank you.

(Signature)

(Date)

* MML dues include annual subscriptions to *The Review* for your officials at \$12.00 per subscription, which is 50% of the regular subscription rate.

** The Legal Defense Fund is an optional charge. The purpose of the Fund is to provide specialized legal assistance to member municipalities in cases that have significant statewide impact.

| |
|--|
| <p>See what the League can do for you by visiting www.mml.org</p> |
|--|

Michigan Municipal League
P.O. Box 7409
Ann Arbor, MI 48107-7409
800-653-2483



Member Benefits at a Glance

Advocacy of Municipal Issues

- Legislative Advocacy – expert advocacy and dedicated representation at the state and federal levels on municipal issues
- Legislative Committees – member advisory committees help shape League-wide positions on important matters
- Legislative Link E-Newsletter – a weekly rundown of legislative activity
- Inside 208 Blog – timely conversations on legislative and advocacy issues

Information

- Inquiry Service – information and custom research on your municipal questions
- Center for 21st Century Communities (21c3) – tools to better position your community for the 21st century
- Directory of Michigan Municipal Officials* – annual listing of elected and key appointed city and village officials
- The Review* – bimonthly magazine geared specifically to the municipal audience
- Wage and Salary Database – searchable database of 143 titles, available to respondents of the annual online survey

Educational Opportunities (*member rates apply*)

- Convention and Capital Conference – gain tools to improve your community and receive the latest Lansing updates
- Seminars and workshops – on-site and online training opportunities
- Elected Officials Academy – certification program designed to help elected officials lead in the 21st century

Documents on the League's Website

- CrowdfundingMi.com – information and training on this important economic development tool
- E-Books, including: *Handbook for Municipal Officials* and *Handbook for General Law Village Officials*
- One-Pager *Plus* Fact Sheets – easy to read summaries of common municipal topics
- Sample contracts, ordinances, policies, resolutions, and Request for Proposals (RFPs)

Insurance Programs (*premiums apply*)

- League Workers' Compensation Fund
- League Liability and Property Pool
- League Sponsored BCBSM Program
- Unemployment Compensation Fund

Savings and Vendor Services

- Natural Gas Purchasing Program – a program designed to reduce your gas utility costs
- Telecommunications – cut your telecom costs by partnering with Abilita, a telecommunications consulting leader
- U.S. Communities Government Purchasing Alliance – favorable pricing to various products and services
- Business Alliance Program – vendors who provide services to the municipal market

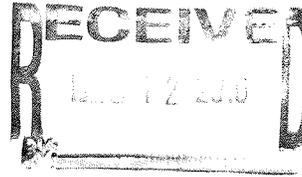
Additional League Services (*member rates apply*)

- CDL Drug and Alcohol Testing Consortium – random testing program in accordance with DOT regulations
- Classified Ads – municipal job openings, as well as items for sale, on the League's website
- Consulting Services – draw on the League's expertise for your management consulting needs
- Executive Search Service – recruit the League to facilitate your executive search process
- Legal Defense Fund (LDF) – legal assistance to LDF member municipalities in cases that have statewide impact

Questions? Contact (800) M-LEAGUE;
Access the League's website by visiting www.mml.org.



December 9, 2016



Mr. Adam Zettel, City Manager
City of Swartz Creek
8083 Civic Dr.
Swartz Creek, MI 48473

Dear Mr. Zettel:

As part of Comcast's commitment to keep you informed about important developments that affect our customers in your community. I am writing to notify you a change to the channel lineup.

Previously, you were notified that Viceland and FYI Network would move to the Digital Preferred tier on or about November 17, 2016. This change will now take place on or about December 22, 2016. Customers are being notified of this change via bill message.

As always, feel free to contact me directly at 517-334-5686 with any questions you may have

Sincerely,

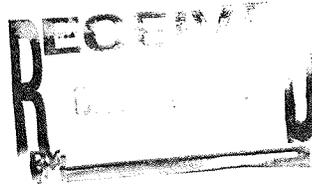
A handwritten signature in cursive script that reads "John P. Gardner".

John P. Gardner
Director, External Affairs
Comcast, Heartland Region
1401 E. Miller Rd.
Lansing, MI 48911



December 20, 2016

Mr. Adam Zettel, City Manager
City of Swartz Creek
8083 Civic Dr.
Swartz Creek, MI 48473



Dear Mr. Zettel:

As part of Comcast's commitment to keep you informed about important developments that affect our customers in your community. I am writing to notify you a change to the channel lineup.

Previously, you were notified that Viceland and FYI Network would move to the Digital Preferred tier on or about December 22, 2016. This change will now take place on or about January 24, 2017. Customers are being notified of this change via bill message.

Additionally, pursuant to P.A. 480 of 2006, Section 9 (4), Comcast Cable's local operating entity hereby reports that Comcast does not deny access to services to any group of potential residential subscribers because of the race or income of the residents in the local area. A similar report will be filed with the Michigan Public Service Commission.

As always, feel free to contact me directly at 517-334-5686 with any questions you may have

Sincerely,

A handwritten signature in cursive script, appearing to read "John P. Gardner".

John P. Gardner
Director, External Affairs
Comcast, Heartland Region
1401 E. Miller Rd.
Lansing, MI 48911

**INTERLOCAL AGREEMENT ESTABLISHING THE REGIONAL POLICE
AUTHORITY OF GENESEE COUNTY**

This Agreement (“Agreement”) dated October 12, 2015 (“Agreement Date”) and effective on the Effective Date as defined herein is being entered into pursuant to the Michigan Constitution of 1963, Article 7, § 28, and the Urban Cooperation Act of 1967, Act No. 7 of the Michigan Public Acts of 1967, Ex. Sess., being MCL § 124.501, *et seq.*, is made by and between the Charter Township of Mundy, a Michigan Charter Township, whose address is 3478 Mundy Avenue, Swartz Creek, Michigan 48473, and the City of Swartz Creek, a Michigan Home Rule City, whose address is 8083 Civic Drive, Swartz Creek, Michigan 48743.

RECITALS

WHEREAS, the Township operates a police department to provide public safety to the residents and visitors to the Township; and

WHEREAS, the City operates a police department to provide public safety to the residents and visitors to the City; and

WHEREAS, in September 2014, the Township and City executed an **AGREEMENT TO OVERSEE POLICE DEPARTMENT**, whereas the Township’s Police Chief would oversee the City’s Police Department; and

WHEREAS, the **AGREEMENT TO OVERSEE POLICE DEPARTMENT** included the officers of the City and Township being sworn in as officers of both the City and Township police departments; and

WHEREAS, as the Township and City are exploring whether it would be in the best interest of the Township and City to jointly establish a Police Authority; and

WHEREAS, the Michigan Constitution of 1963, Article 7, § 28, and the Urban Cooperation Act of 1967, Act No. 7 of the Michigan Public Acts of 1967, Ex. Sess., being MCL § 124.501, *et seq.*, permit governmental units to exercise jointly with other governmental units any power, privilege or authority which such governmental units share in common which each might exercise separately; and

WHEREAS, the Township and City are both a “public agency” as that term is defined under Act 7 of the Michigan Public Acts of 1967, Ex. Sess., being MCL § 124.501, *et seq.* The Township and City both possess the power, privilege, and authority under State law to provide police protection to the residents and visitors to their respective municipalities; and

WHEREAS, the Township and City have agreed to execute this Agreement whereby establishing the Police Authority, pursuant to the Michigan Constitution of 1963, Article 7, § 28, and the Urban Cooperation Act of 1967, Act No. 7 of the Michigan Public Acts of 1967, Ex. Sess., being MCL § 124.501, *et seq.*; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Township and City agree as follows:

ARTICLE I
INTRODUCTORY PROVISIONS; DEFINITIONS; CAPTIONS AND HEADINGS;
PLURAL TERMS

Section 1.01. Adoption of Recitals. All of the matters stated in the Recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement as though fully set forth in their entirety herein. However, in cases of conflict, provisions of this Agreement shall prevail over the matters stated in the Recitals.

Section 1.02. Definitions. The following terms and expressions as used in this Agreement, unless the context clearly shows otherwise, shall have the following meaning:

- (1) “Act 7” means Act 7 of the Michigan Public Acts of 1967, Ex. Sess., as amended being codified at MCL § 124.501, *et seq.*
- (2) “Agreement” means this interlocal agreement between the Charter Township of Mundy and the City of Swartz Creek.
- (3) “Agreement Date” means October 12, 2015, or the date on which all of the following are satisfied:
 - (i) The Agreement is approved and executed by the Township Board of Trustees of the Charter Township of Mundy.
 - (ii) The Agreement is approved and executed by the City Council of the City of Swartz Creek.
 - (iii) The Agreement is filed with the county clerk of Genesee County, Michigan.
 - (iv) The Agreement is filed with the Secretary of State of the State of Michigan.

Additionally, all costs incurred by the Police Authority after the Agreement Date and prior to the Effective Date shall be paid fifty percent (50%) by the Township and fifty percent (50%) by the City.

- (4) "Chairperson" means the Chair of the Police Authority Board who shall preside at all meetings. The Chairperson shall be responsible for timely, fair and reasonable conduct of the Police Authority's meetings. The Chairperson shall sign on the behalf of the Police Authority all documents and instruments that are required to be signed by the Chairperson of the Police Authority. The Chairperson shall assign duties to committees and subcommittees of the Police Authority to the extent such duties are not inconsistent with the direction of the Police Authority Board.
- (5) "Chief Contract" means the current contract for employment between the Township and the Township's Chief of Police.
- (6) "Effective Date" means the one hundred and eighty-first (181st) day after the Agreement Date and the date on which all of the following are satisfied:
 - (i) The Township Board has been provided an estimate of the amount of allocation to the Police Authority by the Township as determined by the Police Authority Board for the first Fiscal Year of the Police Authority and affirms its participation in the Police Authority by resolution.

If the Township Board is not satisfied with the estimate of the amount of allocation to the Police Authority by the Township, as determined by the Police Authority Board for the first Fiscal Year of the Police Authority, the Township Board shall provide the Police Authority Board with written notification of its intent not to approve the resolution to affirm participation in the Police Authority and the specific reason(s) why the amount is unacceptable. Thereafter, the Police Authority shall use its best efforts to address the concerns of the Township and resubmit to the Township Board a new estimate of the amount of allocation to the Police Authority by the Township. This process shall continue until the Township Board approves the resolution affirming its participation in the Police Authority or if the Township Board fails to adopt the resolution prior to the two hundred and tenth (210) day after the Agreement Date, the Township Board and City Council shall meet and determine if it is in the best interest of the Township and City to continue to pursue establishing a Police Authority.

- (ii) The City Council has been provided an estimate of the amount of allocation to the Police Authority by the City as determined by the Police Authority Board for the first Fiscal Year of the Police Authority and affirms its participation in the Police Authority by resolution.

If the City Council is not satisfied with the estimate of the amount of allocation to the Police Authority by the City as determined by the Police Authority Board for the first Fiscal Year of the Police Authority, the City Council shall provide the Police Authority Board with written notification of its intent not to approve the resolution to affirm participation in the Police Authority and the specific reason(s) why the amount is unacceptable. Thereafter, the Police Authority shall use its best efforts to address the concerns of the City and resubmit to the City Council a new estimate of the amount of allocation to the Police Authority by the City. This process shall continue until the City Council approves the resolution affirming its participation in the Police Authority or if the City Council fails to adopt the resolution prior to two hundred and tenth (210) day after the Agreement Date, the Township Board and City Council shall meet and determine if it is in the best interest of the Township and City to continue to pursue establishing a Police Authority.

- (iii) The Police Authority has been provided with copies of the resolutions, certified by the Township and City Clerk as set forth in Section 1.02(6)(i) and (ii) of this Agreement.
- (7) “Fiscal Year” means the fiscal year of the Police Authority, which shall begin on January 1 of each calendar year and end on December 31 of the following calendar year.
 - (8) “OMA” means the Michigan Open Meetings Act, Act 267 of the Michigan Public Acts of 1967, being MCL § 15.261 to 15.275.
 - (9) “Party” means a party to this Agreement.
 - (10) “Parties” means the Township and the City collectively.
 - (11) “Person” means an individual, authority, corporation, limited liability company, partnership, limited partnership, firm, organization, association, joint venture, trust, governmental entity, Public Agency, or other legal entity.

- (12) "Police Authority" means the separate legal entity and public body corporate created by the Township and City.
- (13) "Police Authority Board" means the board of the Police Authority created pursuant to the terms of this Agreement.
- (14) "Police Services" means those police services commonly exercised by police departments as may be necessary for the preservation of quiet and order, the protection of persons and property, and any other related service deemed necessary in the sole discretion of the Police Authority.
- (15) "Protected Person" means a board, official, officer, board member, employee, contractor, or agent of the Police Authority.
- (16) "Public Agency" means that term as defined under Section 2(e) of Act 7.
- (17) "State" means the State of Michigan.
- (18) "Vice Chairperson" means the Vice Chairperson of the Police Authority who shall act in the place of the Chairperson in the event of an absence, inability to act or refusal to act, and shall exercise and discharge such other duties as may be required by the Chairperson or the Police Authority Board.

Section 1.03. Captions and Headings. The captions, headings, and titles in this Agreement are a convenience and not intended to have any substantive meaning or be interpreted as part of this Agreement.

Section 1.04. Plural Terms. A term or phrase in this Agreement importing the singular number only may extend to and embrace the plural number and every term or phrase importing the plural number may be applied and limited to the singular number.

ARTICLE II

PURPOSE

The purpose of this Agreement is to create and empower the Police Authority to implement the powers, privileges, and authority of each of the Parties consistent with this Agreement to provide Police Services within the Township and City. This Agreement is not intended to restrict the Police Authority from providing Police Services outside of the Township and City as allowed by law. Additionally, this Agreement shall not prevent the Police Authority from providing Police Services outside of the Township and City pursuant to a legally executed agreement.

ARTICLE III
CREATION OF POLICE AUTHORITY

Section 3.01. Creation and Legal Status of Police Authority. The Police Authority is established as a separate legal entity for the purpose of providing Police Services as more fully set forth in this Agreement. The Police Authority shall be a public body corporate and the Police Authority shall have the powers granted under this Agreement, Act 7, and other applicable law.

Section 3.02. Principal Office. The principal office of the Police Authority shall initially be located at 4029 West Grand Blanc Road, Swartz Creek, Michigan 48473. The Police Authority Board may change the location of the principal office upon a majority vote of the Police Authority Board. The location change of the principal office shall not be effective until thirty (30) days after all of the following has occurred:

- (1) Notice has been posted at the current principal office;
- (2) Notice has been published in a newspaper of general circulation or other method allowed by law; and
- (3) If the Police Authority maintains a webpage, notice shall be posted on the front page of the webpage.

Section 3.03. Title to Police Authority Assets. All property owned by the Police Authority is owned by the Police Authority as a separate legal entity and public body corporate, and no Party has any ownership interest in Police Authority property.

Section 3.04. Police Authority Buildings. The Township and City agree that the Police Authority shall use the Township's current police department, located at 4029 West Grand Blanc Road, Swartz Creek, Michigan 48473, until the Police Authority decides to move to a different location or construct a new building. The Township shall be entitled to rent, utilities, and other related items as more fully set forth in a rental agreement between the Township and the Police Authority. If a Party determines that it would be in its best interest for a police department or satellite office ("Facility") to be located in its municipality, the Party desiring the Facility shall be responsible for the purchase, lease, or construction of the Facility and equipping the Facility to the sole satisfaction of the Police Authority. The Police Authority shall approve the Facility prior to the purchase, lease, or construction of the Facility by the Party. This is to ensure that the Police Authority has the financial capabilities of operating the proposed Facility. After the Facility is completed, the Police Authority shall be responsible for the operational and maintenance costs of the Facility, but at no time shall the Police Authority be responsible for the rent, lease, or payments due and owing for the construction of the Facility.

Section 3.05. Prosecutions and Payments from Court. With the exception of parking citations, the Township and City agree that the Police Authority shall be solely responsible for all prosecutions of citations written pursuant to any Township or City Ordinance by the Police Authority. If the Township or City has an ordinance regarding parking, the Township or City and the Police Authority shall execute an agreement as to which organization shall prosecute parking violations. Understanding that citations issued pursuant to the Township or City's ordinances may result in a portion of the money collected by the court being returned to the Township or City, the Township and City agree that the entity determined to be responsible for the prosecution costs shall be entitled to all moneys received from the court. The Parties agree that any revenue received from any court for the violation of a Township or City ordinance that was prosecuted by the Police Authority shall be forwarded to the Police Authority within fifteen (15) days. If, in the future, the Police Authority adopts its own ordinances, the Police Authority shall be responsible for all prosecutions of those ordinances and all payments received by any court regarding those ordinances shall be deposited into the appropriate revenue fund of the Police Authority.

Section 3.06. Tax-Exempt Status. The Parties intend the activities of the Police Authority to be tax-exempt as governmental functions carried out by an instrumentality or political subdivision of government under Section 115 of the Internal Revenue Code of 1986, 26 USC 115, or any corresponding provisions of any future federal tax code. The Parties also intend the activities of the Police Authority to be governmental functions carried out by a political subdivision of the State, exempt to the extent provided under State law from taxation by this State, including, but not limited to, business tax under the Michigan Business Tax Act, Act 36 of the Michigan Public Acts of 2007, as amended, being MCL §208.1101 to 208.1601, income tax under the Income Tax Act of 1967, Act 281 of the Michigan Public Acts of 1967, being MCL § 206.1 to 206.713, and property tax under The General Property Tax Act, Act 206 of the Michigan Public Acts of 1893, being MCL § 211.1 to 211.157, and any successor State tax laws.

Section 3.07. Compliance with Law. The Police Authority shall comply with all federal and State laws, rules, and regulations applicable to the Police Authority.

Section 3.08. Relationship of the Parties. The Parties agree that no Party shall be responsible for the acts of the Police Authority or of the employees, agents, and servants of any other Party, whether acting separately or in conjunction with the implementation of this Agreement. The Parties shall only be bound and obligated under this Agreement as expressly agreed to by each Party and no Party may otherwise obligate any other Party.

Section 3.09. No Third-Party Beneficiaries. Except as expressly provided in this Agreement, the Agreement does not create in any Person, and is not intended to create by implication or otherwise, any direct or indirect obligation, duty, promise, benefit, right to be indemnified (such as contractually, legally, equitably, or by implication), right to be subrogated to any Party's rights in this Agreement, or any other right.

Section 3.10. Litigation Costs. In the event of a legal proceeding challenging the validity of this Agreement or any action or activity engaged in pursuant to this Agreement where the Township, City, or a Protected Person of the Township or City is named as a defendant, to the extent permitted by law, including, but not limited to, Section 28 of Article VII of the State Constitution of 1963 and Section 5 of Act 7, and from funds lawfully available to the Police Authority, the cost of legal representation of the Township, City, or the Protected Person shall be the responsibility of the Police Authority or its insurance carrier, not the Parties. To the extent permitted by law, and from funds lawfully available to the Police Authority, the Police Authority or its insurance carrier shall defend, hold harmless, and reimburse the Township, City, or a Protected Person of the Township or City from and against any and all costs, losses, claims, liabilities, actions, suits, proceedings, fines, expenses, payments, penalties, damages, and injuries, of whatever kind or nature, including attorneys' fees and settlement costs, arising out of, resulting from, caused by, or associated with, or alleged to have arisen out of, resulted from, been caused by, or associated with, in whole or in part, directly or indirectly, the execution or performance of this Agreement, or any acts or omissions of any Party or any Person taken in connection with this Agreement or its performance. The Parties intend that the Township, City, and Protected Persons of the Township and City shall have no individual liabilities or costs of any nature in connection with this Agreement other than those specifically agreed to or assumed in writing by the Township or City. To the extent permitted by law and from funds lawfully available to the Police Authority, if any suit, action or proceeding is brought against the Township, City, or any Protected Person of the Township or City, that suit, action or proceeding shall be defended by a mutually agreed to counsel of the Parties, as evidenced by a vote of the Police Authority Board, unless it is covered by the insurance carrier of the Police Authority, the Township or the City. If the defense is not covered by an insurance carrier and is therefore provided by counsel mutually acceptable to the Township and the Police Authority or to the City, and the Police Authority, the Police Authority shall pay all reasonable and necessary costs of the defense, including reasonable attorney fees, to the extent permitted by law and from funds lawfully available to the Police Authority. If the Township and City mutually determine by a vote of the Police Authority Board that the Police Authority shall defend the Township, City, or Protected Person of the Township or City, the Police Authority shall immediately assume the defense at its own reasonable and necessary costs, to the extent permitted by law and from funds lawfully available to the Police Authority. Notwithstanding another provision of this section, if the Police Authority refuses to defend a Party or a Protected Person under this section, or a conflict under applicable law or rules prohibits the Police Authority from defending a Party or a

Protected Person, the Party or Protected Person may retain counsel and the Police Authority shall be responsible for the reasonable and necessary litigation costs and expenses of the Party or Protected Person, to the extent permitted by law and from funds lawfully available to the Police Authority.

Section 3.11. Legal Settlements. The Police Authority shall not be liable for any settlement of any proceeding made without its consent, and the Police Authority shall not unreasonably withhold consent.

Section 3.12. Nonprofit Status. As a governmental instrumentality within this State, the Police Authority may not be operated for profit. No part of any earnings of the Police Authority may inure to the benefit of a Person other than the Parties or other contracted entities as allowed by Act 7. It is the intent of the Parties that the Police Authority maintain its nonprofit status.

ARTICLE IV

POLICE AUTHORITY BOARD; COMMITTEES; CHIEF OF POLICE

Section 4.01. Police Authority Board Composition. The Township Board shall appoint a total of three (3) individuals who shall be residents of the Township to the Police Authority Board. A minimum of one (1) of the individuals appointed by the Township Board shall be a Township Board member. The City Council shall appoint a total of three (3) individuals who shall be residents of the City to the Police Authority Board. A minimum of one (1) of the individuals appointed by the City Council shall be a member of the City Council. The Township and City shall not appoint any alternates to the Police Authority Board. The six (6) appointed Police Authority Board members shall, prior to the Effective Date, select by a majority vote one (1) additional Police Board member who shall serve a one (1) year term, which may be renewed an indefinite number of times by a majority vote of the Police Board. The selected seventh board member shall not vote except in the case of a tie vote. The selected seventh board member shall break all tie votes, if present. The additional Police Board member shall possess the following:

- (1) A background in law enforcement; and
- (2) Knowledge of the geographic area where Police Services are being provided.

In the event that the one (1) additional Police Board member vacates his or her seat by resignation, incapacity, death, extended unexcused absences, or similar event prior to the end of his or her appointment, the same process shall be followed by the six (6) Police Board members appointed by the Township and City to fill said vacancy. With respect to litigation against the Police Authority, neither the Township nor the City shall be considered an agent, employee or supervisor of any Police Authority employee.

Section 4.02. Police Authority Board Power. The Police Authority Board shall authorize and approve the annual budget, audit, hear and render decisions in administrative appeals as set forth in the Police Authority Personnel Manual, and oversee performance of the Police Chief.

Section 4.03. Meetings of the Police Authority Board.

- (1) **Presiding Officer, Chairperson, and Vice Chairperson.** At the first meeting of the Police Authority Board after the Agreement Date, the Chief of Police shall preside over the meeting until the Police Authority Board elects one of its members as Chairperson. Thereafter, the Chairperson shall preside over all meetings. The Police Authority Board may also elect from its members a Vice Chairperson to act in the absence of the Chairperson.
- (2) **First Meeting of Police Authority Board.** At the first meeting of the Police Authority Board after the Agreement Date, the Police Authority shall approve the assignment of Chief Contract to be effective on the Effective Date, adopt a FOIA policy, and appoint a FOIA coordinator.
- (3) **Prior to the Effective Date of Agreement.** Prior to the Effective Date of this Agreement, the Police Authority Board shall appoint its seventh member pursuant to Section 4.01 of this Agreement, adopt a purchasing policy, establish a date for a public hearing on the budget for the Police Authority, approve its annual meeting calendar, adopt standard operating procedures, adopt an investment policy, adopt a LIEN policy, adopt any documents required by 911, adopt mutual aid agreements, approve the lease agreement for the Police Authority's principal office location, adopt a Personnel Manual, adopt rules of procedure governing its meetings, adopt an ethics policy pursuant to Section 4.08 of this Agreement, adopt a model contract for any agencies desiring to contract with the Police Authority for Police Services, and ratify or approve a collective bargaining agreement(s), and other necessary documents, agreements or contracts as needed.
- (4) **Meetings of the Police Authority Board and Police Authority Board Participation in Meetings.** The Police Authority Board shall hold at least three (3) meetings per year (public hearing on budget, adoption of budget, and acceptance of audit) and other special meetings at a time, date, and place determined by the Police Authority Board. Meetings of the Police Authority Board shall comply with the OMA. Public notice of the time, date, and place of the Public Authority Board meetings shall be given in the manner required by the OMA. Members of the Police

Authority Board may participate in meetings by electronic means of communication to the fullest extent permitted by law.

Section 4.04. Police Authority Board Quorum and Voting. With the exception of adopting the budget and hiring the Chief of Police, a majority of the members serving on the Police Authority Board shall constitute a quorum for the transaction of business. A super majority vote of the members serving on the Police Authority Board shall be required for the adoption of the budget and hiring, firing, or disciplining the Chief of Police. The Police Authority Board shall act by a majority vote of the members serving at the time of the vote. Members of the Police Authority Board shall not engage in proxy voting; however, a Police Authority Board member is allowed to participate in a Police Authority Board meeting via Skype, Windows Meeting Space, or similar program. Participation by electronic means is permissible, however, only if the participating Police Authority Board member and the remainder of the Police Authority Board can see and hear each other, and only if any members of the public attending the meeting can hear the participating member. The Police Authority Board member participating via electronic means shall be considered present in determining a quorum. The Police Authority Board member participating in debate via electronic means with the Police Authority Board and thereafter voting shall have its votes included in the total votes cast on any question before the Police Authority Board. Voting by telephone or other means where the Police Authority Board and the Police Authority Board member cannot see each other is expressly forbidden.

Section 4.05. Finance Committee. There shall be only one (1) standing committee of the Police Authority Board, which shall be the Finance Committee. The Finance Committee shall consist of one (1) individual appointed by the City to the Police Authority Board, one (1) individual appointed by the Township to the Police Authority Board, and the seventh member mutually appointed pursuant to Section 4.01 of this Agreement. The powers vested in the Finance Committee is to review the accounts receivable and accounts payable of the Police Authority and ensure that only budgeted items have been purchased and to review requests for purchases not set forth in the budget and make a recommendation of those purchases to the Police Authority Board. The Finance Committee shall be provided with all relevant information needed to review the accounts. The secretary appointed by the Chief of Police shall keep a journal of all Finance Committee meetings that complies with the OMA. The meetings of the Finance Committee shall comply with the OMA. Public notice of the time, date, and place of the Finance Committee meetings shall be given in the manner required by the OMA.

Section 4.06. Ad-Hoc Committees. The Police Authority Board shall have the power to establish ad-hoc committees for a limited purpose and a limited duration. At the time the ad-hoc committee is established, the Police Authority Board shall determine the membership, purpose, and duration of the ad-hoc committee. All ad-hoc committees shall report directly to

the Police Authority Board. The secretary appointed by the Chief of Police shall keep a journal of all ad-hoc committee meetings that complies with the OMA. The meetings of the ad-hoc committees shall comply with the OMA. Public notice of the time, date, and place of the ad-hoc committee meetings shall be given in the manner required by the OMA.

Section 4.07. Finance Committee and Ad-Hoc Committee Quorum and Voting. A majority of the members of the Finance Committee and any ad-hoc committee shall constitute a quorum for the transaction of business. The Finance Committee and any ad-hoc committee shall act by a majority vote of its members serving at the time of the vote. Members of the Finance Committee or any ad-hoc committee may not engage in proxy voting; however, may participate via Skype, Windows Meeting Space, or similar program as more fully set forth in Section 4.04 of this Agreement.

Section 4.08. Ethics and Conflicts of Interest. The Police Authority Board shall adopt ethics policies governing the conduct of the Police Authority Board members, the Finance Committee, any ad-hoc committee, and the officers and employees of the Police Authority. The policies shall be no less stringent than those provided for public officers and employees under Act 196 of the Michigan Public Acts of 1973, as amended, being MCL § 15.341 to 15.348. Members of the Police Authority Board, Finance Committee, ad-hoc committee, and the officers and employees of the Police Authority shall be deemed to be public servants under Act 317 of the Michigan Public Acts of 1968, as amended, being MCL § 15.321 to 15.330, and are subject to any other applicable laws with respect to conflicts of interest. The Police Authority Board shall establish policies and procedures requiring disclosure of relationships that may give rise to conflicts of interest.

Section 4.09. Chief of Police Appointment. The Parties agree that the first Chief of Police shall be the current Chief of Police for the Mundy Township Police Department. As a condition of this Agreement, the Township shall assign the Chief Contract to the Police Authority and the Police Authority shall accept the assignment of the Chief Contract as presented by the Township. At the expiration of the Chief Contract, the Police Authority may renew the Chief Contract or let it lapse on its terms. In the event that the Chief Contract lapses on its terms or if the current Chief of Police decides to vacate the office or is unable to perform the duties of Chief of Police, then the Chief of Police shall be appointed by the Police Authority Board in a manner consistent with Section 4.04 of this Agreement.

Section 4.10. Chief of Police Duties, Contract, and Discipline. The Chief of Police shall be vested with the ability to hire and terminate all personnel of the Police Authority with the exception of the members of the Police Authority Board. The appointments by the Chief of Police shall include, but not be limited to, a secretary, a treasurer, an attorney, and all personnel other than the Police Authority Board members. The secretary, treasurer, and attorney shall

serve at the pleasure of the Chief of Police. The Chief of Police shall, administer all programs, funds, facilities, contracts, and all other administrative and Police Service functions of the Police Authority and negotiate with all collective bargaining units (subject to approval by the Police Authority Board),. The Chief of Police shall serve as an advisor to the Police Authority Board, the Finance Committee, and any ad-hoc committees established by the Police Authority Board. The Chief of Police shall report and be subject to the oversight of the Police Authority Board and in compliance with Section 4.11 of this Agreement. The Chief of Police shall receive compensation as determined by the Police Authority Board. All terms and conditions of the Chief of Police employment, including length of service, shall be specified in a written contract between the Chief of Police and the Police Authority, provided that the Chief of Police shall serve at the pleasure of the Police Authority Board, and the Police Authority Board may suspend, remove or discharge the Chief of Police in a manner consistent with Section 4.04 of this Agreement.

Section 4.11. Fiduciary Duty. The members of the Police Authority Board, the Chief of Police, and the treasurer appointed by the Police Chief are under a fiduciary duty to conduct business in the best interests of the Police Authority, including the safekeeping and use of all Police Authority monies and assets for the benefit of the Police Authority. The members of the Police Authority Board, the Chief of Police, and the treasurer appointed by the Chief of Police shall discharge their duties in good faith, with the care an ordinarily prudent individual in a like position would exercise under similar circumstances.

Section 4.12. Compensation. The members of the Police Authority Board, the Finance Committee, and any ad-hoc committee members shall receive no compensation for the performance of their duties. A member of the Police Authority Board, Finance Committee, or any ad-hoc committee members may engage in private or public employment, or in any profession or business, but may not serve as an employee of the Police Authority. Members of the Police Authority Board, Finance Committee, or any ad-hoc committee members may be reimbursed by the Police Authority for actual and necessary expenses incurred in the discharge of their official duties.

Section 4.13. Oath of Office. Members of the Police Authority Board and the Chief of Police, prior to entering upon the duties of office, shall take and subscribe to the constitutional oath of office as set forth in Section 1 of Article XI of the State Constitution of 1963. The oath of office shall be filed with the Secretary of the Police Authority.

ARTICLE V
POWERS OF THE AUTHORITY

Section 5.01. Common and Shared Powers. The enumeration of a power, privilege, or authority in this Agreement shall not be construed as limiting the powers, privileges, or authorities of the Police Authority. In carrying out its purposes, the Police Authority may perform, or perform with any Person, as applicable, any power, privilege, or authority that the Parties share in common and that each might exercise separately to the fullest extent permitted by the Act, including, but not limited to the provision of innovation, flexible, transparent, safe, efficient, and effective Police Services or other common service.

Section 5.02. Powers Under Act 7. In addition to other powers of the Police Authority, the Police Authority shall, consistent with Section 7 of Act 7, have the power to do all of the following:

- (1) Make and enter into contracts;
- (2) Employ agencies or employees;
- (3) Acquire, construct, manage, maintain, or operate buildings, works, or improvements;
- (4) Acquire, hold, or dispose of property;
- (5) Incur debts, liabilities, or obligations that, except as expressly authorized by the Parties, do not constitute the debts, liabilities, or obligations of any of the Parties.
- (6) Cooperate with a public agency, an agency or instrumentality of that public agency, or another legal entity created by that public agency under Act 7;
- (7) Make loans from the proceeds of gifts, grants, assistance funds, or bequests in order to further the purposes of the Police Authority;
- (8) Form other entities necessary to further the purpose of this Agreement; and
- (9) Sue and be sued in the name of the Police Authority.

Section 5.03. Additional Powers Under Act 7. The Police Authority also shall have the power, consistent with Section 5 of Act 7, to do all of the following:

- (1) Fix and collect charges, rates, rents, fees, loan repayments, loan interest rates, or other charges on loans.
- (2) Promulgate necessary rules and provide for their enforcement by or with the assistance of the Parties to accomplish the purposes of this Agreement.
- (3) Determine the manner in which purchases shall be made and contracts entered into by the Police Authority.
- (4) Acquire, own, hold, operate, maintain, lease, or sell real or personal property.
- (5) Accept gifts, grants, assistance funds, or bequests and use the same for the purposes of this Agreement. The Police Authority may apply for and accept grants, assistance

funds, loans, or contributions from any source. Gifts, grants, assistance funds, or bequests accepted by the Police Authority shall become the property of the Police Authority upon acceptance, except as otherwise agreed by the Police Authority and the grantor. The Police Authority may do anything within its power to secure the grants, loans, or other contributions, including, but not limited to, maintaining separate segregated funds for gifts, grants, assistance funds, or bequests.

- (6) Make claims for federal or state aid payable to a Party on account of the execution of this Agreement, with the written consent of the Party.
- (7) Determine the manner of responding for any liabilities that might be incurred through performance of the Agreement and insure against any such liability.
- (8) Adjudicate disputes or disagreements, the effects of failure of the Parties to pay their shares of the costs and expenses agreed to by the Parties, and the rights of the other Party in such cases.
- (9) Engage auditors to perform independent audits of the financial statements of the Police Authority.
- (10) Invest surplus funds or proceeds of grants, gifts, assistance funds, or bequests, consistent with an investment policy adopted by the Police Authority Board.

Section 5.04. Bonds or Notes; Limitation. The Police Authority may borrow money and issue bonds or notes in its name for purposes authorized by law. The Police Authority may not issue any type of bond in its own name, except as provided in this section, or in any way indebted a Party except as expressly authorized by the Party in writing. The Police Authority may not borrow money or issue bonds or notes for a sum that, together with the total outstanding bonded indebtedness of the Police Authority, exceeds 2 mills of the taxable value of the taxable property within the Parties as determined under section 27a of The General Property Tax Act, Act 206 of the Michigan Public Acts of 1893, as amended, being MCL § 211.27a, unless otherwise authorized by Act 7. Bonds or notes issued by the Police Authority are the debt of the Police Authority and not of the Parties. Bonds or notes issued by the Police Authority are for an essential public and governmental purpose. Pursuant to Section 7(7) of Act 7, bonds or notes, together with the interest on the bonds or notes and income from the bonds or notes, are exempt from all taxes. Bonds or notes issued by the Police Authority are subject to the Revised Municipal Finance Act, Act 34 of the Michigan Public Acts of 2001, as amended, being MCL §141.2101 to 141.2821 as required by Section 7(8) of Act 7.

Section 5.05. Transfer Contracts. The Police Authority shall be a special authority and a political subdivision for purposes of Act 8 of the Michigan Public Acts of 1967, Ex. Sess., being MCL § 124.531 to 124.536.

Section 5.06. Tax Limitation. The Police Authority shall not levy any type of tax within the boundaries of any Party. Nothing contained in this Agreement prevents the Township or City from levying taxes, creating a special assessment district, or implementing any other legal method of raising revenue as allowed by law and assigning the revenue to the Police Authority, as agreed in writing by the Parties and to the extent provided by law.

Section 5.07. Limitation on Binding Parties. The Police Authority shall not have the power to bind a Party or to create debts, liabilities, or obligations of a Party, unless otherwise specifically agreed to by the Party in writing.

Section 5.08. No Waiver of Governmental Immunity. The Parties agree that no provision of this Agreement is intended, nor shall it be construed, as a waiver by any Party of any governmental immunity provided under Act 7 or other statutory or common law.

ARTICLE VI

MANNER AND METHOD FOR EXERCISE OF COMMON POWER

Section 6.01. Township and City. The Township and City have agreed to monetarily fund the Police Authority for the first three (3) years at the rate set forth in Attachment A to this Agreement. The Township and City have agreed to provide as a one (1) time contribution to the Police Authority the assets set forth in Attachment B to this Agreement, which may be supplemented by motion of the Township or City. Personnel currently employed by the Township and City being transferred to the Police Authority are set forth in Attachment C to this Agreement. The Township and the City shall have one hundred eighty (180) days from the Agreement Date to complete Attachments A, B, and C to this Agreement. All existing collective bargaining agreements between the Township or City and the current police officers, supervisors, and support staff of the Township and City are subject to the provisions of Section 5 of Act 7, being MCL § 124.505.

Section 6.02. Funding of Police Authority in Year 4 and Subsequent Years Thereafter. Prior to the expiration of three (3) years from the Effective Date of this Agreement, the Township, City, and the Police Authority shall enter into one (1) or more agreements for the Police Authority to provide Police Services to the Township and City pursuant to the terms of those agreements, which shall set forth the manner in which the Police Authority shall be funded in year four (4) of its existence and for all subsequent years thereafter.

Section 6.03. Cooperation. When exercising a power, privilege, or authority under this Agreement, the Police Authority shall endeavor to actively consult and cooperate with all of the following:

- (1) Other public agency as defined by Section 2(e) of Act 7, being MCL § MCL 124.502(e).
- (2) Parental groups and organizations.
- (3) Community groups and organizations.

Section 6.04. Assumption of Liabilities. Except as provided in Section 3.10, the Police Authority does not assume any liabilities or commitments of the Township or the City.

Section 6.05. Acts and Omissions. Except as provided in Sections 3.10 and 4.09, it is the intent of the Parties that liability for acts or omissions of a Party prior to the Effective Date shall remain with the Party and not be transferred, assigned, or assumed by the Police Authority. The Police Authority shall only be liable for its own acts or omissions and those of its officials, employees and agents that occur after the Effective Date and the Parties shall not be liable for any acts or omissions of the Police Authority, its officials, employees and agents.

ARTICLE VII

BOOKS, RECORDS, AND FINANCES

Section 7.01. Police Authority Records. The Police Authority shall keep and maintain at the principal office of the Police Authority all documents and records of the Police Authority. The records of the Police Authority, which shall be available to the Parties, shall include a copy of this Agreement, any amendments to the Agreement, and any agreements under Article VI. The records and documents shall be maintained until termination of this Agreement and shall be returned to any successor entity.

Section 7.02. Township and City Records. The Township and City shall make the records of their police departments available to the Police Authority either in electronic format, hard copy, or other format as mutually agreed upon by the Township, City, and Police Authority.

Section 7.03. Financial Statements and Reports. The Police Authority shall prepare, or cause to be prepared, at its own expense, audited financial statements (balance sheet, statement of revenue and expense, statement of cash flows, and changes in fund balance) on an annual basis. The financial statements shall be prepared in accordance with generally accepted accounting principles and shall be accompanied by a written opinion of an independent certified public accounting firm. A copy of the annual financial statement and report shall be filed with the State Department of Treasury, made available to each of the Parties, and posted on a public accessible internet website.

Section 7.04. Auditor. The Police Authority shall use Plante Moran as its auditing firm for the first three (3) years that the Police Authority is operational. After the first three (3) years,

the Police Authority may renew its agreement with Plante Moran or hire a new auditor in a manner consistent with the Police Authority's Purchasing Policy.

Section 7.05. Freedom of Information Act. The Police Authority shall be subject to and comply with the Freedom of Information Act, Act 442 of the Michigan Public Acts of 1976, as amended, being MCL § 15.231 to 15.246.

Section 7.06. Uniform Budgeting and Accounting Act. The Police Authority shall be subject to comply with the Uniform Budgeting and Accounting Act, Act 2 of the Michigan Public Acts of 1968, as amended, being MCL § 141.421 to 141.440a. Unless otherwise designated by the Police Authority the Chief of Police shall serve as the Chief Administrative Officer of the Police Authority. The Chief of Police shall prepare all budgets and budget amendments and the Police Authority Board shall approve all budgets and budget amendments for the Police Authority for each Fiscal Year.

Section 7.07. Deposits and Investments. The Police Authority shall deposit and invest money of the Police Authority, not otherwise employed in carrying out the purposes of the Police Authority, in accordance with an investment policy established by the Police Authority Board consistent with laws and regulations regarding investment of public funds.

Section 7.08. Disbursements. Disbursements of money by the Police Authority shall be signed by the treasurer appointed by the Chief of Police and a member of the Finance Committee or Chairperson or Vice Chairperson. Disbursements made in the ordinary course of business that are included in the budget shall be paid pursuant to the disbursement schedule established by the treasurer appointed by the Chief of Police to ensure that no late fee is incurred. Those disbursements shall be available for review to the Finance Committee and ratified by the Police Authority Board at its next regular Police Authority Board meeting after receiving the recommendation of the Finance Committee. For disbursements not included in the budget, those disbursements shall be acted upon by the Police Authority Board after a recommendation by the Finance Committee prior to any moneys being spent.

ARTICLE VIII

TERM AND TERMINATION

Section 8.01. Term. This Agreement shall continue until either the Township or City withdraw from the Police Authority pursuant to Section 8.02 of this Agreement. The name of the Police Authority may continue beyond the term of this Agreement if there remains at least two (2) Public Agencies in the Police Authority with contracts for the Police Authority to provide Police Services to the Public Agencies.

Section 8.02. Township or City Withdrawal. Except as provided in Section 8.04 of this Agreement or as otherwise may be agreed to by the parties hereto in a written addendum hereto, the Township or City may withdraw from the Agreement at any time upon providing a minimum of one (1) Fiscal Year notice. By way of example only, if the Fiscal Year of the Police Authority is January 1 to December 31 and the Township desires to withdraw from the Police Authority, the Township may do so prior to January 1; however, the withdrawal would not be effective until December 31. Therefore, if the Township provided notice of withdrawal from the Police Authority on February 12, 2016; the effective date of the withdrawal would be December 31, 2017.

Section 8.03. Effect of Withdrawal. Except as provided in Section 8.04 of this Agreement, the Party withdrawing from the Police Authority shall not be entitled to any assets of the Police Authority, any of the employees of the Police Authority, or any revenue of the Police Authority. The withdrawing party shall only be entitled to the assets that it contributed to the Police Authority and at no time shall the withdrawing party be entitled to any cash that it has contributed to the Police Authority. Upon withdrawal, the withdrawing party shall be entitled to the current market value of the assets that it has contributed to the Police Authority taking into account depreciation. Additionally, the Party withdrawing from the Police Authority shall be provided with a list of all open and pending cases that are within the jurisdictional limits of the Party. The Party and the Police Authority shall execute a written document setting forth which matters the Police Authority shall continue to see through to conclusion after the date of withdrawal and all expenses which shall be paid by the withdrawing Party to the Police Authority and which matters the withdrawing Party shall be responsible for after the date of withdrawal.

Section 8.04. Mutual Dissolution of Police Authority. At any time, the Township and City may mutually decide to terminate this Agreement. In the event that this Agreement is terminated and the Township and City are the only members of the Police Authority, the Police Authority shall also terminate. The assets contributed by the Township and the City to the Police Authority shall be returned to the Township or City upon dissolution of the Police Authority. The cash shall be distributed to the Township and City after all of the final liabilities of the Authority have been paid in full. Cash shall be distributed using a prorata formula. For instance, if the Township contributes a total of sixty percent (60%) of the revenue of the Police Authority and the City contributes forty percent (40%) of the revenue of the Police Authority, the Township would be entitled to sixty percent (60%) of the remaining cash after all liabilities have been paid in full and the City would receive forty percent (40%) of the cash under the example provided. Any assets of the Police Authority, other than cash, which have been acquired by the Police Authority and not from the Township or the City, shall be distributed in the sole determination of the Police Authority Board to the Township and City. The Township and City

are not required, as a condition of termination, to accept for employment any of the personnel employed by the Police Authority.

ARTICLE IX **MISCELLANEOUS**

Section 9.01. Due Execution of this Agreement. Each Party shall duly execute not less than four (4) copies of this Agreement, each of which, taken together, is an original but all of which constitute one (1) instrument.

Section 9.02. Emergency Manager. Notwithstanding any provision of this Agreement, if an emergency manager has been appointed under the local financial stability and choice act, Act 436 of the Michigan Public Acts of 2012, as amended, being MCL § 141.1541 to 141.1575, with respect to the Police Authority, then the emergency manager may exercise the authority and responsibilities provided in this Agreement to the extent authorized by Act 436 of the Michigan Public Acts of 2012.

Section 9.03. Non-Discrimination. The Police Authority shall employ and contract with individuals and companies without discrimination as to religion, creed, race, color, sex, or national origin as mandated by Section 2 of Article I of the State Constitution of 1963. The Police Authority also shall comply with the Elliott-Larson Civil Rights Act, Act 453 of the Michigan Public Acts of 1976, as amended, being MCL § 37.2101 to 37.284, the Persons with Disabilities Civil Rights Act, Act 220 of the Michigan Public Acts of 1976, as amended, being MCL § 37.1101 to 37.1607, and other applicable civil rights laws.

Section 9.04. Public Purpose and Governmental Function. As both the Township and the City are bodies corporate and governmental agencies, the powers, duties, rights, obligations, functions, and responsibilities of the Police Authority constitute essential public purposes and governmental functions.

Section 9.05. Non-impairment. Nothing in this Agreement authorizes the impairment of a bond, note, security, or uncontested legal obligation of the Township or the City.

Section 9.06. Addresses and Notice. Unless otherwise provided herein and with the exception of invoices for payment and payments submitted, any notice, communication, request, reply or advice (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made or accepted by any Party to any other Party must be in writing and may be given or be served by depositing the same in the United States mail postage paid and registered or certified and addressed to the party to be notified, with return receipt

requested, or by delivering the same to an officer of such Party, or by prepaid telegram when appropriate, addressed to the party to be notified. Notice deposited in the mail in the manner described above shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three (3) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to Township, to:

Charter Township of Mundy
Attn: Township Clerk
3478 Mundy Avenue
Swartz Creek, Michigan 48473

If to City, to:

City of Swartz Creek
Attn: City Clerk
8083 Civic Drive
Swartz Creek, Michigan 48473

If to Police Authority, to:

Police Authority
Attn: Chief of Police
4029 West Grand Blanc Road
Swartz Creek, Michigan 48473

The Parties hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other Party hereto.

Section 9.07. Entire Agreement. This Agreement sets forth the entire agreement between the Parties and supersedes any and all prior agreements or understandings between them in any way related to the subject matter of this Agreement. It is further understood and agreed that the terms and conditions of this Agreement are contractual and are not mere recital and that there are no other agreements, understandings, contracts, or representations between the Parties in any way related to the subject matter of this Agreement, except as expressly stated in this Agreement.

Section 9.08. Severability. The Parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality or contravention shall not affect any other sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words to any other situation or circumstance, and it is intended that this Agreement shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause or word had not been included herein, and the rights and obligations of the Parties hereto shall be construed and remain in force accordingly.

Section 9.09. Governing Law. This Agreement is made and entered into in this State and shall in all respects be interpreted, enforced, and governed under the laws of the State without regard to the doctrine of conflict of laws. The language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not construed strictly for or against any Party.

Section 9.10. Jurisdiction and Venue. In the event of any disputes between the Parties over the meaning, interpretation, or implementation of the terms, covenants, or conditions of this Agreement, the matter under dispute, unless resolved between the Parties, shall be submitted to the courts of the State.

Section 9.11. Amendment. This Agreement may be amended or an alternative form of this Agreement adopted only upon written agreement of all Parties. Any agreement or contract among the Parties that is inconsistent with this Agreement shall be adopted as an amendment to the Agreement and be approved as provided in Act 7 by the governing bodies of the Parties prior to becoming effective. Any amendment to allow the participation in the Police Authority by another Public Agency as a Party will be completed in a manner consistent with Act 7.

Section 9.12. Construction. This Agreement has been prepared and negotiations have occurred in connection with said preparation pursuant to the joint efforts of the Parties hereto. This Agreement therefore shall not be construed against any Party to this Agreement.

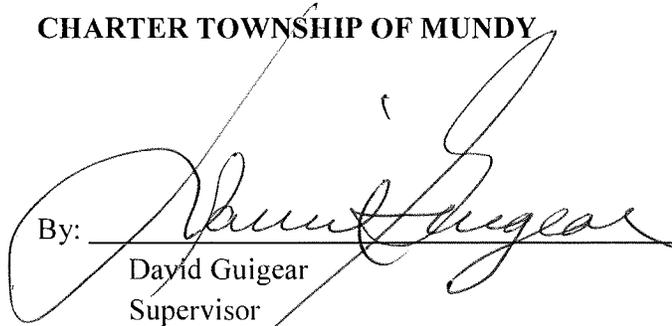
Section 9.13. Assignability and Successor Interest. This Agreement may be assigned or the rights herein may otherwise be transferred from the Township or City to a duly formed successor agency or entity, or to the State, provided that no obligations of the Police Authority set forth in this Agreement shall be affected by any such assignment or transfer. If either Party desires to make such transfer or assignment, they shall first provide thirty (30) days written notice to the other Party to provide the opportunity for comments.

Section 9.14. Prior Agreements between the Township and City. After this Agreement becomes effective, all prior agreements between the Township and City that relate to Police Services, including, but not limited to, the AGREEMENT TO OVERSEE POLICE DEPARTMENT, are hereby repealed and are declared null and void.

Section 9.15. Effective Date. This Agreement is effective on the Effective Date.

CHARTER TOWNSHIP OF MUNDY

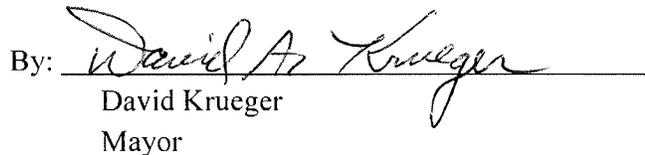
Dated: 11-2-2015

By: 
David Guigear
Supervisor

Address: 3478 Mundy Avenue
Swartz Creek, MI 48473

CITY OF SWARTZ CREEK

Dated: 10/27/2015

By: 
David Krueger
Mayor

Address: 8083 Civic Drive
Swartz Creek, MI 48473

This Agreement was prepared by
Kevin Kilby (P68599)
McGraw Morris P.C.
2075 W. Big Beaver Road
Suite 750
Troy, Michigan 48084
(810) 569-0352
kkilby@mcgrawmorris.com

**AMENDMENT NO. 1 TO THE
INTERLOCAL AGREEMENT ESTABLISHING THE REGIONAL POLICE
AUTHORITY OF GENESEE COUNTY dated October 12, 2015 (hereinafter
referred to as the “Interlocal Agreement”)**

THIS AMENDMENT NO. 1 (“Amendment”) to the Interlocal Agreement is entered into effective September 1, 2016, by and between the Charter Township of Mundy, a Michigan Charter Township, whose address is 3478 Mundy Avenue, Swartz Creek, Michigan 48473 (“Township”), and the City of Swartz Creek, a Michigan Home Rule City, whose address is 8083 Civic Drive, Swartz Creek, Michigan 48473 (“City”). The Township and City are sometimes hereafter each referred to as a “Party” and collectively as the “Parties.”

WITNESSETH:

WHEREAS, the Parties entered into the Interlocal Agreement, dated the 12th day of October, 2015; and

WHEREAS, the Parties have agreed to enter into this Amendment for the purpose of modifying the title of the Interlocal Agreement and establishing a name of the police authority referred to in Section 1.02(12) of the Interlocal Agreement; and

NOW THEREFORE, it is hereby agreed by the Parties as follows:

1. Amendment to the title of the Interlocal Agreement. The title of the Interlocal Agreement is hereby deleted in its entirety and replaced with the following:

**INTERLOCAL AGREEMENT ESTABLISHING THE METRO
POLICE AUTHORITY OF GENESEE COUNTY**

2. The separate legal entity and public body corporate created by the Township and the City and referred to as the “Police Authority” pursuant to Section 1.02(12) of the Interlocal Agreement shall be “The Metro Police Authority of Genesee County”

3. Headings. The headings of the sections set forth in this Amendment are inserted for the convenience of reference only and shall be disregarded when construing or interpreting any of the provisions of this Amendment.

4. Complete Agreement. This Amendment No. 1, the Interlocal Agreement and any additional or supplementary documents incorporated by specific reference contain all of the terms and conditions agreed upon by the Parties and no other agreements, oral or otherwise, regarding the subject matter of this Amendment or any part thereof shall have any validity or bind either of the Parties.

5. **Severability.** If any provision of this Amendment is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Amendment.

6. **Waiver.** No waiver of any of the obligations contained herein shall be effective for any purpose unless the same shall be in writing signed by the Supervisor and Clerk of the Township and the Mayor and Clerk of the City.

7. **Construction.** This Amendment has been prepared and negotiations have occurred in connection with said preparation pursuant to the joint efforts of the Parties. This Amendment therefore shall not be construed against either Party.

8. **Amendment.** This Amendment may not be amended or modified except for by written agreement signed by both Parties.

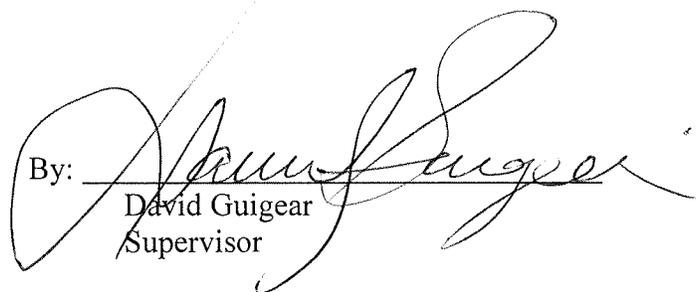
9. **Certification of Authority to Sign Amendment.** The persons signing on behalf of each of the Parties certify by their signatures that they are authorized to sign the Amendment on behalf of such Party and that this Amendment has been authorized by such Party.

10. **Remainder of Agreement.** Except as modified by this Amendment, the terms of the Interlocal Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed and delivered by their respective duly authorized representatives as of the day and year first above written.

CHARTER TOWNSHIP OF MUNDY

Dated: 9-19-2016

By: 
David Guigear
Supervisor

Address: 3478 Mundy Avenue
Swartz Creek, MI 48473

CITY OF SWARTZ CREEK

Dated: September 28, 2016

By: David A. Krueger
David Krueger
Mayor

Address: 8083 Civic Drive
Swartz Creek, MI 48473

This Amendment was prepared by
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N:\Mundy Charter Township\Interlocal Agreement\Amendment No 1 to the Interlocal Agreement changing the name of the police authority - Execution Copy.doc

City of Swartz Creek

Department of Police

Chief RICK CLOLINGER

8100-A Civic Drive

Swartz Creek, Michigan 48473

Phone: (810)-635-4401

Fax: (810)-635-3728

January 3, 2017

FULL TIME

BADE, MATTHEW

ADKINS, ROBERT

MCFADDEN, STEPHEN

PAUL, NICK (Roscoe)

RACOSTA, GREG

STORMS, JEFF

SZMANSKY, KEN

PART TIME

FARLIN, BRIAN

MCKENZIE, SANDRA

PIROCHTA, LARRY

DUNKLEE, TYLER

COMBS, SARAH

SCPD

- 10 – Computers
- 8 – Monitors
- 9 – Key Boards & Mouse
- 6 – Printers
- 5 – Phones

Chief's Office

- 2 – 2 Pull Out Drawer Cabinets
- 1 – Desk
- 1 – Computer Desk
- 5 – Chairs
- 1 – Book Shelf
- 1 – Computer Table
- 1 – Overhead Projector
- 1 – 3 Drawer File Cabinet

Secretary's Office

- 2 - Chairs
- 2 – L Shaped Desk
- 1 – Wooden Table
- 1 – 4 Drawer File Cabinet
- 1 – Brother Typewriter
- 1 – HP Fax Machine
- 1 – Paper Shredder

Lt's Office

- 3 – Chairs
- 1 – Computer Desk
- 1 – Desk
- 1 – 3 Drawer File Cabinet
- 1 – 4 Drawer File Cabinet
- 1 – Book Shelf

Interview Room

- 1 – Desk
- 4 – Chairs
- 1 – Overhead File Cabinet

Hallway

- 1 – Black Small Refrigerator

Equipment Room

- 2 – 2 Door Storage Lockers
- 1 – CPR Dummy
- 11 – Uniform Coats
- 1 – Pant Uniform
- 30 – Uniform Shirts
- Misc. Leather Equip. for Sam Brown Belts

Uniforms – Officer Issued Equipment

- 60 – Long Sleeve Shirts
- 60 – Short Sleeve Shirts
- 15 – Winter Coats
- 15 – Light Uniform Jackets
- 20 – Rain Coats
- 60 – Pairs of Pants
- 15 – Duty Belts with Holsters
- OC Cases, Cuff Cases, Ammo Pouches, Belt Keepers, Collar Brass, Badges, Whistle Chains.

Back Hall Way (Back Door)

- 1 – L&R Gun Cleaning Tank
- 1 – Gun Cleaning Supplies
- 1 – Photo Smart HD Printer
- 1 – GBC Heat Sealer

Property Room

- 1 – Chair
- 1 – Desk
- 1 – Plastic Shelving
- 1 – File Box on Wheels
- 1 – 5 Drawer File Cabinet
- 1 – Metal Shelf
- 1 – 4 Door Metal Storage Locker
- 1 – 2 Door Metal Gun Cabinet

Record's Room

- Boxes of Police Records
- 4 – 4 Drawer File Cabinets

Detective's Office

- 1 – Kyocera Copy Machine
- 1 – Desk
- 1 – Chair
- 2 – 4 Drawer File Cabinets
- 2 – 2 Drawer Pullout File Cabinets

Hallway

- 1 – 30 Box Mailbox Cabinet

Men's Locker Room

- 2 – Metal Chairs
- 10 – Metal Lockers

Women's Locker Room

- 1 – 4 Drawer Metal File Cabinet
- 1 – 5 Drawer Metal File Cabinet
- 1 – Lockdown Table
- 1 – Computer Stand – Black
- 1 – Eddie Eagle Costume
- 1 – Chair

Front Entrance Lobby

- 1 – 7 Drawer Storage Cabinet
- 1 – Desk
- 6 – PBT's

Patrol Office

- 2 – L Shape Wall Desks
- 4 – Chairs
- 1 – Overhead Storage Cabinet
- 1 – Paper Shredder
- 1 – Data Master Breathalyzer Machine
- 1 – Wooden Cabinet

Front Lobby

- 4 – Chairs
- 1 – Traffic Light

Garage

- 2 – Police Bicycles
- 1 – Golf Cart
- 1 – Radar Trailer
- 1 – Lockdown Bench
- 1 – Ladder 12ft
- 1 – 2 Drawer Metal Cabinet
- 2 – 4 Door Metal Evidence Lockers
- 1 – Closet full of Camp 911 & Cops in the Park Supplies
- 5 – Patrol Vehicle Rear Seats
- 1 – Vacuum
- 1 – 2 Wheel Cart
- 6 – Road Cones

18 – Sig Sauer Hand Guns 40 Cal.

3 – Tasers Class III x2

13 –Taser Holsters

1 – Remington 870 12ga. Shot Gun

3 – 223 Duty Rifles

Tactical Equip – List

4 – 12 ga. Shot Guns

10 – Body Armor (Bullet Proof Vests)

5 – Used Body Armor

8 – Mobile 800 MHZ Radio's

13 – Portable 800 MHZ Radio's

1 – Base Radio 800 MHZ Radio

TACTICAL EQUIPMENT (11/24/2015)

- (1) Tactical ballistic shield
- (1) Black Hawk Thunderbolt battering ram
- (1) Black Hawk entry tool set:
 - sledge hammer
 - bolt cutters
 - pry tool
- (4) Pairs of Gall's tactical shin guards
- (4) Pairs of Black Hawk tactical elbow pads

Motorola 800 MHZ Radio Serial Numbers (10/2015)

Portable

Mobile

| | |
|------------|------------|
| 721CEY9369 | 500CEY4460 |
| 721CEY9820 | 500CEY4458 |
| 721CEY9822 | 500CEY4457 |
| 721CEY9825 | 500CEY4293 |
| 721CEY9823 | 500CEY4462 |
| 721CEY9826 | 500CEY4461 |
| 721CEY9818 | 500CEY4459 |
| 721CEY9819 | 500CEY4294 |
| 721CEY9829 | |
| 721CEY9370 | |
| 721CEY9821 | |
| 721CEY9828 | |
| 721CEY9824 | |
| | |
| | |

User: DKorth
DB: Swartz Creek

| FA # | DESCRIPTION | IN SERVICE DATE | LOCATION | COST | ACCUMULATED DEPRECIATION |
|---|------------------------------|-----------------|----------|-----------|--------------------------|
| DEPT 301.000-POLICE DEPT | | | | | |
| TYPE: M&E - MACHINERY & EQUIPMENT | | | | | |
| SUBTYPE: POL M&E - POLICE MACHINERY & EQUIPMENT | | | | | |
| LOCATION: MP-POL | | | | | |
| 0000329 | Defribillator | 04/11/2002 | MP-POL | 2,882.81 | 2,882.81 |
| 0000330 | Defribillator | 04/11/2002 | MP-POL | 2,882.82 | 2,882.82 |
| 0000332 | 900 mhz radios - 911 | 04/08/2005 | MP-POL | 19,877.00 | 19,877.00 |
| 0000333 | Radar Unit for police car | 10/26/2006 | MP-POL | 1,429.00 | 1,429.00 |
| 0000334 | Build Up on new Dodge 06-112 | 06/14/2007 | MP-POL | 1,505.00 | 1,505.00 |
| 0000335 | Build Up on Dodge 08- | 04/01/2009 | MP-POL | 5,240.17 | 5,240.17 |
| 0000336 | Build Up on Dodge 09- | 04/29/2010 | MP-POL | 812.74 | 812.74 |
| TOTAL LOCATION MP-POL | | | | 34,629.54 | 34,629.54 |

TOTAL SUBTYPE POL M&E - POLICE MACHINERY & EQUIP

SUBTYPE: PUBSFTY - PUBLIC SAFETY MACH & EQUIP

| LOCATION: PS | | | | | |
|-------------------|---|------------|----|-----------|-----------|
| 0000074 | RADIO TOWER, 60' W/MULTIPLE ANTENNAS | 07/01/1988 | PS | 6,783.00 | 6,783.00 |
| 0000075 | MODULAR PARTITION WORKSTATION 11.5 LIN.FT | 07/01/1992 | PS | 1,221.00 | 1,221.00 |
| 0000076 | MODULAR PARTITION WORKSTATION 11.5 LIN.FT | 07/01/1992 | PS | 0.00 | 0.00 |
| 0000077 | MODULAR PARTITION WORKSTATION 10 LIN.FT | 07/01/1994 | PS | 1,323.00 | 1,323.00 |
| 0000078 | RADIO, BASE W/MIC & POWER SUPPLY | 07/01/1995 | PS | 3,130.00 | 3,130.00 |
| 0000079 | COMPUTER/LIEN SYSTEM W/MEMOTEC PROCESO | 07/01/1996 | PS | 0.00 | 0.00 |
| 0000080 | COMPUTER W/MON, KB & MOUSE | 07/01/1998 | PS | 1,200.00 | 1,200.00 |
| 0000081 | COMPUTER W/MON, KB & MOUSE | 07/01/1998 | PS | 1,200.00 | 1,200.00 |
| 0000082 | COPY MACHINE W/FLOOR STAND | 07/01/1998 | PS | 7,133.00 | 7,133.00 |
| 0000083 | FILE SERVER W/MON, KB & MOUSE | 07/01/1999 | PS | 1,552.00 | 1,552.00 |
| 0000084 | ETHERNET SWITCHING HUB | 07/01/2000 | PS | 1,500.00 | 1,500.00 |
| 0000085 | VIDEO SECURITY SYSTEM W/2 CAMERAS, MONIT | 07/01/2001 | PS | 4,897.00 | 4,897.00 |
| 0000086 | COMPUTER W/MON, KB, & MOUSE | 07/01/2003 | PS | 1,200.00 | 1,200.00 |
| 0000087 | COMPUTER W/MON, KB, & MOUSE | 10/01/2003 | PS | 1,200.00 | 1,200.00 |
| 0000088 | VEHICLE GPS TRACKING SYSTEM | 07/01/2003 | PS | 1,000.00 | 1,000.00 |
| 0000089 | VEHICLE GPS TRACKING SYSTEM | 07/01/2003 | PS | 1,000.00 | 1,000.00 |
| 0000090 | VEHICLE GPS TRACKING SYSTEM | 07/01/2003 | PS | 1,000.00 | 1,000.00 |
| 0000091 | 900 MHZ Radios - 911 Equipment | 07/01/2005 | PS | 14,134.00 | 14,134.00 |
| 0000092 | Breathalyzer | 07/01/2006 | PS | 4,250.00 | 4,250.00 |
| 0000093 | COUNTY-WIDE RADIO PAGING UPGRADE (WEATHE | 07/01/2006 | PS | 3,400.00 | 3,400.00 |
| 0000094 | DDP Software maintenance and licences | 07/01/2009 | PS | 1,740.00 | 1,740.00 |
| 0000095 | Camera & Monitor Interview Room | 12/01/2013 | PS | 2,072.00 | 1,036.00 |
| TOTAL LOCATION PS | | | | 60,935.00 | 59,899.00 |

TOTAL SUBTYPE PUBSFTY - PUBLIC SAFETY MACH & EQUIP

| | |
|-----------|-----------|
| 60,935.00 | 59,899.00 |
|-----------|-----------|

INTERLOCAL AGREEMENT ESTABLISHING THE PAYMENT OF POST-RETIREMENT BENEFITS BY THE CHARTER TOWNSHIP OF MUNDY, THE CITY OF SWARTZ CREEK, AND THE METRO POLICE AUTHORITY OF GENESEE COUNTY FOR EMPLOYEES OF THE CHARTER TOWNSHIP OF MUNDY AND THE CITY OF SWARTZ CREEK THAT WERE TRANSFERRED TO THE METRO POLICE AUTHORITY OF GENESEE COUNTY

This Agreement (“Agreement”) dated January 1, 2017 (“Agreement Date”) and effective on the Effective Date as defined herein is being entered into pursuant to the Michigan Constitution of 1963, Article 7, § 28, and the Urban Cooperation Act of 1967, Act No. 7 of the Michigan Public Acts of 1967, Ex. Sess., being MCL § 124.501, *et seq.*, and is made by and between the Charter Township of Mundy, a Michigan Charter Township, whose address is 3478 Mundy Avenue, Swartz Creek, Michigan 48473, the City of Swartz Creek, a Michigan Home Rule City, whose address is 8083 Civic Drive, Swartz Creek, Michigan 48473, and the Metro Police Authority of Genesee County, whose address is 4029 West Grand Blanc Road, Swartz Creek, Michigan 48473. The Charter Township of Mundy, the City of Swartz Creek, and the Metro Police Authority of Genesee County may sometimes herein be referred to as the Party if used in the singular or the Parties if referred to collectively.

RECITALS

WHEREAS, the Charter Township of Mundy (“Township”) operated a police department to provide public safety to the residents and visitors to the Township; and

WHEREAS, the City of Swartz Creek (“City”) operated a police department to provide public safety to the residents and visitors to the City; and

WHEREAS, the Township and City have established the Metro Police Authority of Genesee County (“Authority”), pursuant to the Michigan Constitution of 1963, Article 7, § 28, and the Urban Cooperation Act of 1967, Act No. 7 of the Michigan Public Acts of 1967, Ex. Sess., being MCL § 124.501, *et seq.*; and

WHEREAS, all of the requirements for the Authority to become a legal entity have been satisfied; and

WHEREAS, during the establishment of the Authority, the City and Township each transferred employees and equipment to the Authority; and

WHEREAS, in an effort to ensure fairness to the Township, City, and Authority, the parties hereto are executing this Agreement to establish the manner in which post-retirement medical benefits will be paid to the former City and Township employees which were transferred into the Authority; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Township, City, and Authority agree as follows:

ARTICLE I
ADOPTION OF RECITALS

All of the matters stated in the Recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement as though fully set forth in their entirety herein. However, in cases of conflict, provisions of this Agreement shall prevail over the matters stated in the Recitals.

ARTICLE II
TERM AND TERMINATION

This Agreement shall continue until the employees transferred to the Authority by the City or the Township no longer qualify for post-retirement medical benefits or until the laws of the State of Michigan restrict or forbid the payment of post-retirement medical benefits.

ARTICLE III
POST-RETIREMENT BENEFIT PAYMENT

The parties hereto have developed Exhibit A, Municipal Share of Post Employment Retirement Expenses Based Upon Years of Service chart, attached hereto and incorporated herein. Exhibit A sets forth the percentage that the Township and/or City (therein the "Municipality"), and/or the Authority shall pay, of the total annual cost of post-retirement health care benefits of the employees of the Authority based on the employees' years of service with the Township, the City, and/or the Authority, subject to the following:

1. Only Years of Service accrued at the Township and/or City prior to the date of this Agreement shall be included in this calculation.

2. For the circumstance in which a retiree works partial years of service at both the Township and/or City, and the Authority, for which a full year of service credit toward retirement is accrued, the entity at which 6 months or greater of that year of service credit is accrued shall be responsible for that year of cost sharing as set forth on Exhibit A.

3. The City percentage share as set forth by Exhibit A is further subject to the following conditions:

a. The total annual Post Employment Retirement Expenses shall not exceed 100% of the premium calculated at the time of retirement for Medical and Hospitalization benefits due retirees pursuant to Section 6 of Article 22 of the agreement between the City and the Police Officers Labor Council dated April 30, 2012, (And Appendix A thereof), both attached hereto as Exhibit B. Further, the City shall not be responsible for any expenses incurred for provision of any post employment retirement benefits for any retiree(s) 65 years of age or older, nor any post employment retirement benefits provided to retiree spouses who are eligible for Medicare benefits. Any cost increase of said benefits shall be borne exclusively by the retiree(s) or subsequent

agreement between retiree(s) and Authority. Any cost increase due to an increase in benefit level or benefits granted to retirees due to subsequent agreement shall be borne exclusively by Authority.

b. In the event that retiree benefit levels and/or costs thereof are reduced to an amount equivalent to less than 100% of the premium costs calculated at the time of retirement of any retiree, for any reason, the City's payment thereof shall be the actual cost of the benefit subject to the cost sharing set forth in Exhibit A.

c. In the event that the retiree Medical and Hospitalization benefits plan as set forth in Appendix A of Exhibit B is no longer offered, the City shall propose a reasonably equivalent plan offered by the same provider to the Authority for purposes of the cost calculations set forth in this provision 3(a)-(c), for which the Authority shall not unreasonably withhold approval.

4. The Township percentage share as set forth by Exhibit A is further subject to the following conditions:

a. The total annual Post Employment Retirement Expenses for each retiree under the age of 65 shall not exceed the cost of health care benefits provided by the Township to each active employee in any given calendar year, consistent with the benefits conferred by the parallel provisions both set forth at Article 20, Section 20.2 of the agreements between the Township and Mundy Township Police Officers / Mundy Township Command Officers, both dated April 2013 and collectively attached hereto as Exhibit C. Any benefit cost above this level shall be borne exclusively by the retiree(s) or subsequent agreement between retiree(s) and Authority. Any cost increase due to an increase in benefit level or benefits granted to retirees due to subsequent agreement shall be borne exclusively by the Authority.

b. The total annual Post Employment Retirement Expenses for each retiree over the age of 65 shall not exceed the cost of health care benefits established by Exhibit C for purposes of determining the Township's maximum cost sharing liability pursuant to the cost sharing set forth in Exhibit A. Any benefit cost above this level shall be borne exclusively by the retiree or subsequent agreement between retiree(s) and Authority. Any cost increase due to an increase in benefit level or benefits granted to retirees due to subsequent agreement shall be borne exclusively by the Authority.

c. The calculation of the total annual Post Employment Retirement Expenses for each retiree for which the Township is responsible shall be subject to the limitations set forth in Exhibit C, including but not limited to ineligibility for benefits due to eligibility for benefits under another health care plan.

d. In the event that retiree benefit levels and/or costs thereof are reduced to an amount less than the amount the Township would otherwise be responsible pursuant to Exhibit C for any retiree, for any reason, the Township's payment thereof shall be the actual cost of the benefit subject to the cost sharing set forth in Exhibit A.

ARTICLE IV
MISCELLANEOUS

Section 4.01. Captions and Headings. The captions, headings, and titles in this Agreement are for convenience and not intended to have any substantive meaning or be interpreted as part of this Agreement.

Section 4.02. Plural Terms. A term or phrase in this Agreement importing the singular number only may extend to and embrace the plural number and every term or phrase importing the plural number may be applied and limited to the singular number.

Section 4.03. Due Execution of this Agreement. Each Party shall duly execute not less than four (4) copies of this Agreement, each of which, taken together, is an original but all of which constitute one (1) instrument.

Section 4.04. Emergency Manager. Notwithstanding any provision of this Agreement, if an emergency manager has been appointed under the local financial stability and choice act, Act 436 of the Michigan Public Acts of 2012, as amended, being MCL § 141.1541 to 141.1575, with respect to the Authority, then the emergency manager may exercise the authority and responsibilities provided in this Agreement to the extent authorized by Act 436 of the Michigan Public Acts of 2012.

Section 4.05. Addresses and Notice. Unless otherwise provided herein and with the exception of invoices for payment and payments submitted, any notice, communication, request, reply or advice (herein severally and collectively, for convenience, called “Notice”) herein provided or permitted to be given, made or accepted by any Party to any other Party must be in writing and may be given or be served by depositing the same in the United States mail postage paid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such Party, or by prepaid telegram when appropriate, addressed to the Party to be notified. Notice deposited in the mail in the manner described above shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three (3) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the Party to be notified. For the purposes of notice, the addresses of the Parties shall, until changed as hereinafter provided, be as follows:

If to Township, to:

Charter Township of Mundy
Attn: Township Clerk
3478 Mundy Avenue
Swartz Creek, Michigan 48473

If to City, to:

City of Swartz Creek
Attn: City Clerk
8083 Civic Drive
Swartz Creek, Michigan 48473

If to Authority, to:

Metro Police Authority of Genesee County
Attn: Chief of Police
4029 West Grand Blanc Road
Swartz Creek, Michigan 48473

The Parties hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other Parties hereto.

Section 4.06. Entire Agreement. This Agreement sets forth the entire agreement between the Parties and supersedes any and all prior agreements or understandings between them in any way related to the subject matter of this Agreement. It is further understood and agreed that the terms and conditions of this Agreement are contractual and are not mere recital and that there are no other agreements, understandings, contracts, or representations between the Parties in any way related to the subject matter of this Agreement, except as expressly stated in this Agreement.

Section 4.07. Severability. The Parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words, to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State of Michigan or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality or contravention shall not affect any other sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words to any other situation or circumstance, and it is intended that this Agreement shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause or word had not been included herein, and the rights and obligations of the Parties hereto shall be construed and remain in force accordingly.

Section 4.08. Governing Law. This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced, and governed under the laws of the State of Michigan without regard to the doctrine of conflict of laws. The language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning and not construed strictly for or against any party.

Section 4.09. Jurisdiction and Venue. In the event of any disputes between the Parties over the meaning, interpretation, or implementation of the terms, covenants, or conditions of this

Agreement, the matter under dispute, unless resolved between the Parties, shall be submitted to the courts of the State of Michigan.

Section 4.10. Amendment. This Agreement may be amended, or an alternative form of this Agreement adopted, only upon written agreement of all Parties. Any agreement or contract among the Parties that is inconsistent with this Agreement shall be adopted as an amendment to the Agreement and be approved as provided in Act No. 7 of the Michigan Public Acts of 1967 by the governing bodies of the Parties prior to becoming effective.

Section 4.11. Construction. This Agreement has been prepared and negotiations have occurred in connection with said preparation pursuant to the joint efforts of the Parties hereto. This Agreement therefore shall not be construed against any Party to this Agreement.

Section 4.12. Assignability and Successor Interest. This Agreement may be assigned or the rights herein may otherwise be transferred from the Township or City to a duly formed successor agency or entity, or to the State of Michigan, provided that no obligations of the Authority set forth in this Agreement shall be affected by any such assignment or transfer. If either Party desires to make such transfer or assignment, they shall first provide thirty (30) days written notice to the other Parties to provide the opportunity for comments.

Section 4.13. Effective Date. This Agreement is effective on January 1, 2017.

CHARTER TOWNSHIP OF MUNDY

Dated: _____

By: _____

David Guigear
Supervisor

Address: 3478 Mundy Avenue
Swartz Creek, MI 48473

CITY OF SWARTZ CREEK

Dated: _____

By: _____

David Krueger
Mayor

Address: 8083 Civic Drive
Swartz Creek, MI 48473

METRO POLICE AUTHORITY OF GENESEE COUNTY

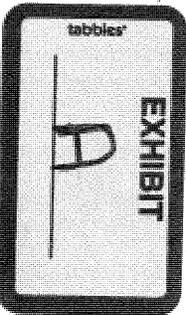
Dated: _____

By: _____

Chairperson

Address: 4029 West Grand Blanc Road
Swartz Creek, Michigan 48473

This Agreement was prepared by
Kevin Kilby (P68599)
McGraw Morris P.C.
2075 W. Big Beaver Road
Suite 750
Troy, Michigan 48084
(810) 569-0352
kkilby@mcgrawmorris.com



Municipal Share of Post Employment Retirement Expenses Based Upon Years of Service

| Authority Years of Service | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | |
|----------------------------|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|
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(72) hours. In the event of resignation, the provisions of Article 34 apply.

ARTICLE NO. 21 EDUCATIONAL LEAVE

Section No. 1. Employees who have acquired at least four (4) years of seniority and who desire to further their education in line with their employment may be granted a leave of absence not to exceed two (2) years.

Section No. 2. Seniority will not accumulate during educational leaves.

Section No. 3. Such leave will be without pay and employees on such leave shall not derive any benefits from this agreement.

Section No. 4. Employees may at their own expense continue hospitalization and life insurance coverage offered by the Employer during educational leave, provided the insurance carrier approves.

Section No. 5. If the employee elects to continue the coverage listed in Section No.4 as a condition of continued coverage, the employee must pay six- (6) month's premium in advance to the Employer. Insurance coverage will be canceled upon any arrears of payment by the employee.

Section No. 6. Each application for educational leave must be submitted in writing at least six (6) months prior to the commencement of such leave, and shall include the amount of leave requested; the pursuit of study, and the institution whereat the employee intends to enroll.

Section No. 7. Written response from the Employer shall be given to all educational leave applications within ninety (90) days of receipt of such application.

ARTICLE NO. 22 HOSPITALIZATION, DENTAL, VISION, LIFE INSURANCE & FALSE ARREST INSURANCE

Section No. 1. For the duration of this agreement, and within the terms as set forth within the policy and riders of the provider, or within the terms of this agreement, and except as limited or restricted by 2011 PA 152, the Employer agrees to provide for and pay the premiums for all eligible full time employees and the employee's immediate family, or retirees under the provisions set forth within, the current health care and maintenance benefits.

The Employer may search for and change to a replacement Health Care Benefit Plan and provider if deemed necessary for cost savings to both the employer and/or employees. The change in Benefit Plans/Providers must remain substantially equivalent to the current existing plan(s). Prior to any change in benefits the Employer shall inform the Union and provide all proposed changes for the Union's review. Current plan summaries shall be attached as Appendix (A) Medical, Hospitalization; Appendix (B) Dental; Appendix (C) Vision; Appendix (D) Prescription (if applicable).

Section No. 2. The Employer will reimburse the employee for the co-pay amount for medical, prescription coverage (\$10.00 for office calls, \$10/\$20 for prescriptions) to the extent such co-pays are incurred by the employee and/or his/her immediate family so covered by the City plan, up to a maximum of Two-Hundred and Fifty (\$250) Dollars per contract year, per employee. Reimbursement is only for those costs incurred within the contract year.

Reimbursement shall be subject to employee submission of [a] paid receipt[s] indicating the name of the provider, the name of the patient, a date and description of the service provided, and the amount paid by the employee. Payments will be made once annually, receipts to be held by the employee and submitted the last two weeks of June, but no later than June 30th of the contract year in which they were incurred.

Section No. 3. Medical, dental and vision insurance benefits shall be available to all new hire, full-time employees; however, costs for these benefits shall be the responsibility of the employee for the first 90 days of employment. Should an employee elect to forego coverage for the first 90 days of employment, he/she may enter the program as provided for in this section commencing on the 91st day of employment, pursuant to provider rules.

Section No. 4. Each full time seniority employee may, at such employee's option, elect to purchase at the employee's cost a sponsored dependent rider on such terms and conditions and at such coverage levels as are established from time to time by Blue Care Network, the provider of such coverage. The receipt of such benefits by a seniority employee is subject to the following conditions:

1. That such sponsored dependent coverage is available.
2. The days on which such sign up is permitted are those established by the provider or providers of such benefits.
3. On or before the day in which the employee signs up for such benefit, such employee shall pay to the City of Swartz Creek a sum equal to two (2) months premiums for said coverage.
4. After signing up for such benefits, the employee shall thereafter pay to the city a monthly premium for such coverage as established by the provider or providers of such benefits. Said monthly premium shall be paid on or before the first day of the month following the sign up day and shall be paid on or before the first day of each month thereafter.
5. The employee shall, in addition, be liable for and pay any other costs or expenses charged to the city by any provider in connection with the provision of such sponsored dependent rider and, upon presentation of a bill therefore, shall pay same within ten (10) days of the date thereof.
6. If the city has not received from the employee any sum due as provided in subsections 1 through 5 above, the City Manager shall forthwith terminate such benefit for such employee and shall advise the employee of such termination. Any sum due to the city as of such date shall be paid by the employee forthwith.

Section No. 5. Cash Opt-Out Option. An eligible full time employee, upon written request to the City Manager, may elect not to participate in the health, prescription, dental and vision insurance package currently offered to employees in the bargaining unit. In such event, those employees who elect not to participate in such package shall be paid the sum of Two Hundred Dollars (\$200) for each calendar month the employee does not participate. In the event an eligible employee wishes to opt back into the health, prescription dental and vision insurance package, he/she may do so within the terms as may be determined by the insurance provider. Any partial month shall be prorated.

Section No. 6. The Employer will pay a capped one hundred (100%) percent of the premium determined at the time of retirement for hospitalization medical coverage for members

of the bargaining unit who are retiring and the person who is such retiree's spouse at the time of the retiree's retirement, but only during such time as said person remains the retiree's spouse. To be eligible for retiree coverage, employee must meet all eligibility requirements as set forth in the plan document, carrier underwriting guidelines, and have been covered previously in the active segment immediately prior to being eligible for retiree coverage. Retired employees must be transferred from the active coverage to the retiree coverage at the time they become eligible for retiree benefits. Only those eligible retirees who waive benefits because they are enrolled in group coverage through another source may enroll at a later date when they lose their other group coverage. All future increases in premiums shall be paid by the retiree.

Such coverage will be provided for the retiree commencing on the date of the retiree's retirement, provided the retiree has twenty-five (25) years of credited full time service with the City and in the MERS retirement plan and has attained the age of fifty-five (55) years. Such coverage will continue until the earlier of: (1) the month said retiree attains the age of sixty-five (65) years; or (2) the death of such retiree. No coverage will be provided, however, for a spouse who is eligible for Medicare benefits.

A retiree shall deposit with the City a sum equal to two months of the calculated amount of said retiree's costs for maintaining either elected coverage or premium increases after retirement. The retiree will be obligated to pay, on a monthly basis, the calculated amount due to maintain the coverage. In the event the retiree fails to remit payment, such coverage may be terminated, upon depletion of the retirees' accrued deposit and, after notification at the last address on record with the City.

In the event the retired employee becomes employed by another employer, and is eligible for medical coverage, the retired employee must accept such coverage in lieu of retirement coverage provided by the City of Swartz Creek. If, or when, the retired employee elects to terminate this employment, he/she would again become eligible for coverage relative to this agreement and according to rules set forth pursuant to this Section, or by the City provider. If the retired employee should retire again, and medical coverage is offered, the retired employee must accept this coverage in lieu of coverage offered by the City of Swartz Creek. The City of Swartz Creek retains the right to verify employment and the availability of medical insurance.

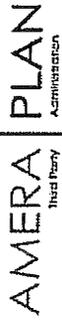
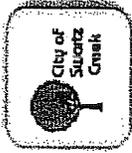
Section No. 7. The Employer agrees to pay the full premium of term life insurance plan for each employee, face value maximum of \$40,000.00 double indemnity. Any post retirement continuation of life insurance shall be solely upon arrangement and cost made direct by the retiree and the provider, at the provider discretion, and the retiree shall hold the City harmless from any and all claims that may arise from either failure of the provider to allow such continuation, or the cancellation of such benefit.

Section No. 8. The Employer shall provide, as a part of general City coverage, false arrest insurance and shall continue to do so as long as such insurance is available and is economically feasible.

Section No. 9. The City agrees to pay, pursuant to the provisions of each Section of this Article, the medical, dental, and life insurance benefits for each month the seniority employee is actively at work. In the event the employee is unable to work due to job-related sickness or injury, the City agrees to pay the medical, dental and life insurance only, for an employee who is unable to work due to a job-related sickness or injury for a period of twenty-four (24) months.

Group Number: 80200
 Effective Date: February 1, 2012

EXHIBIT A TO THE SUMMARY PLAN DESCRIPTION



| | | |
|---|-------------------------------------|--------------------------------|
| Blue Care Network BCN Package DED 1000 | City of Swartz Creek BCN Package | Employer Subsidized Amounts |
|---|-------------------------------------|--------------------------------|

"Blue Care Network Portion"

"Employee's Portion"

"Employer Pays"

| Deductible, Copays and Dollar Maximums | None | \$1000 per member, \$ 2000 per family per calendar year | None | \$1000 per member, \$ 2000 per family per calendar year |
|--|---|--|---|---|
| Deductible | | | | |
| Copays | | | | |
| Fixed Dollar Copays | \$10 for office visits and \$35 copay urgent care visits, \$50 for emergency room visits, \$ 5 allergy injections | \$10 for office visits and \$10 copay urgent care visits, \$ 50 for emergency room visits, \$ 5 allergy injections | \$25 copay for urgent care visits | |
| Percent Copays | 80% and 50% for selected services as noted below | 50% for selected services as noted above | 20% and 0% for services as noted | |
| Copays Dollar Maximums | | | | |
| Percent Dollar Copay- Medical Services; excludes services with a 50% copay | \$ 1,500 per member, \$ 3,000 per family per calendar year for | None | \$1500 per member, \$ 3000 per family per calendar year | |
| Percent Dollar Copay- Inpatient Mental Health Care | \$ 1,000 per member, \$ 2,000 per family per calendar year for | None | \$1000 per member, \$ 2000 per family per calendar year | |

Preventive Services

| | | | |
|---|---|---|------|
| Health Maintenance Exam | Covered- 100%, one per calendar year | Covered- 100%, one per calendar year | None |
| Annual Gynecological Exam | Covered- 100%, one per calendar year | Covered- 100%, one per calendar year | None |
| Pap Smear Screening- Laboratory services only | Covered- 100%, one per calendar year | Covered- 100%, one per calendar year | None |
| Well-Baby and Child Care | Covered- 100% * see benefits at a glance for age breakdowns | Covered- 100% * see benefits at a glance for age breakdowns | None |
| Immunizations (as recommended by USPSTF, ACIP, HRSA and in compliance with the Patient Protection and Affordable Care Act, including adult immunizations covered as of 1/1/2011 to comply with PPACA) | Covered- 100% - adult immunizations covered as of 1/1/2011 to comply with PPACA | Covered- 100% - adult immunizations covered as of 1/1/2011 to comply with PPACA | None |
| Fecal Occult Blood Screening | Covered- 100%, one per calendar year | Covered- 100%, one per calendar year | None |
| Flexible Sigmoidoscopy Exam | Covered- 100%, one per calendar year | Covered- 100%, one per calendar year | None |
| Prostate Specific Antigen (PSA) Screening | Covered- 100%, one per calendar year | Covered- 100%, one per calendar year | None |
| Colonoscopy-routine or medically necessary | Covered- 100% for routine colonoscopy, one per calendar year (age restrictions may apply) | Covered- 100% for routine colonoscopy, one per calendar year (age restrictions may apply) | None |
| Routine Mammogram and related reading | Covered- 100% for routine mammogram, one per calendar year (age restrictions may apply) | Covered- 100% (no deductible or copay) | None |

Note: Subsequent medically necessary mammograms and colonoscopies performed during the same calendar year are subject to deductible and percent copay.

Mammography

| | | | |
|-----------------------|----------------|----------------|------|
| Mammography Screening | Covered - 100% | Covered - 100% | None |
|-----------------------|----------------|----------------|------|

Physician Office Services

| | | | |
|--|--------------------------------------|---------------------|----------------------|
| Office Visits | Covered- \$10 copay | Covered- \$10 copay | None |
| Consulting Specialist Care- when referred for other than preventive services | Covered- \$10 copay after deductible | Covered- \$10 copay | Reference Deductible |

This benefit outline is intended for use only as a source of reference. Official benefits are outlined in the BCBSM documents.

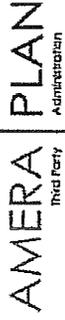
Blue Care Network BCN Package DED 1000 "Blue Care Network Portion" **City of Swartz Creek BCN Package "Employee's Portion"** **Employer Subsidized Amounts "Employer Pays"**

| Emergency Medical Care | Covered - \$ 50 copay after deductible | Covered- \$50 copay | Reference Deductible |
|--|--|---|---|
| Hospital Emergency Room- approved diagnosis copay waived if admitted | | | |
| Urgent Care Center | Covered- \$35 copay | Covered- \$10 copay | \$25 copay |
| Ambulance Services- medically necessary | Covered- 80% after deductible, ground and air service, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- 100% ground and air | 20% after deductible, ground and air service, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Diagnostic Services | | | |
| Laboratory and Pathology Tests | Covered- Office visit copay may apply per member, per visit | Covered- Office visit copay may apply per member, per visit | None |
| Diagnostic Tests and X-rays | Covered- 80% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- Office visit copay may apply per member, per visit | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Radiation Therapy | Covered- 80% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- Office visit copay may apply per member, per visit | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |

| Maternity Services Provided by Physician | Covered- \$10 copay | Covered- \$10 copay | Reference Deductible |
|--|---|---------------------|----------------------|
| Pre-Natal and Post-Natal Care | Covered - 100% for professional services after deductible; see Hospital Care for Facility Charges | Covered- 100% | None |
| Delivery and Nursing Care | | | Reference Deductible |

| Hospital Care | Covered- 80% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- 100%, unlimited days | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
|--|--|--|---|
| Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies | | | |
| Outpatient Surgery | Covered- 80% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- 100% | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Alternatives to Hospital Care | | | |
| Skilled Nursing | Covered- 80% after deductible, up to 45 days per calendar year with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- 100%, up to 45 days per calendar year | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Hospice Care | Covered - 100% after deductible | Covered- 100% | Reference Deductible |
| Home Health Care | Covered- \$10 copay after deductible | Covered- \$10 copay | Reference Deductible |

This benefit outline is intended for use only as a source of reference. Official benefits are outlined in the BCBSM documents.



**Blue Care Network
BCN Package DED 4000** **City of Suvaz Creek
BCN Package** **Employer
Subsidized Amounts**

"Blue Care Network Portion"

"Employee's Portion"

"Employer Pays"

| Surgical Services | Covered- 100% | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per fam per cal year |
|--|--|---|
| Surgery- includes all related surgical services and anesthesia | Covered- 80% after deductible, with a 80% copay up to \$1,500 per member, \$3,000 per family per calendar year | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per fam per cal year |
| Voluntary Sterilization | Covered- 50% after deductible on all associated costs | Reference Deductible |
| Human Organ Transplants | Covered- 80% after deductible, with a 80% copay up to \$1,500 per member, \$3,000 per family per calendar year | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per fam per cal year |

Mental Health Care and Substance Abuse

| Inpatient Mental Health Care and Substance Abuse Care | Covered- 100% | 25% copay up to \$1000 per member, \$2000 per family |
|---|---|--|
| Outpatient Mental Health Care | Covered- 75%, with a 25% copay, up to \$1,000 per member, \$2,000 per family per calendar year, up to 30 days per cal. Year | 25% copay up to \$1000 per member, \$2000 per family |
| Outpatient Substance Abuse Care | Substance Abuse Care: Covered- 50%, one program of treatment per year, up to state mandated dollar limitation that is adjusted annually by the state | None |
| | Covered- 50%, up to 20 visits per calendar year | None |
| | Covered- 50%, one program of treatment per year, up to state mandated dollar limitation that is adjusted annually by the state | None |

Other Services

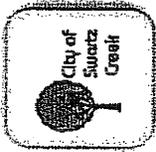
| Allergy Testing and Therapy | Covered- 50% | Reference Deductible |
|--|---|----------------------|
| Allergy Injections | Covered- 50% after deductible | None |
| Chiropractic Spinal Manipulation- when referred | Covered- \$5 copay | Reference Deductible |
| Outpatient Physical, Speech, and Occupational Therapy | Covered- \$10 copay after deductible | Reference Deductible |
| In fertility Counseling and Treatment (excluding in-vitro fertilization) | Covered- \$10 copay after deductible, limited to 60 consecutive days/episode for a combination of therapies | Reference Deductible |
| Durable Medical Equipment | Covered- 50% after deductible on all associated costs | Reference Deductible |
| Prosthetic and Orthotic Appliances | Covered- 50% after deductible on all associated costs | None |
| | Covered- 80% | None |
| | Covered- 50% | None |

This benefit outline is intended for use only as a source of reference. Official benefits are outlined in the BCBSM documents.

A. RETIREE

Group Number: 80201
 FOP Early Retirees
 Effective Date: February 1, 2012

EXHIBIT A TO THE SUMMARY PLAN DESCRIPTION



AMERA PLAN
 Administration

| | | |
|--|--|---|
| Blue Care Network BCN Package DED 1000 BCN Class 0002 (Retirees) "Blue Care Network Portion" | City of Swartz Creek (Early FOP Retiree) BCN Package E | Employer Subsidized Amounts |
|--|--|---|

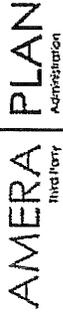
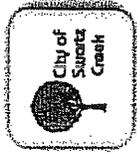
| | "Employee's Portion" | "Employer Pays" |
|---|--|---|
| Deductible | None | \$1000 per member, \$ 2000 per family per calendar year |
| Copays | None | \$1000 per member, \$ 2000 per family per calendar year |
| Fixed Dollar Copays | \$30 for office visits and \$50 copay urgent care visits, \$100 for emergency room visits, \$ 5 allergy injections | \$20 copay for office visits; \$40 copay for urgent care |
| Percent Copays | 80% and 50% for selected services as noted below | \$50 copay for emergency room 20% and 0% for services as noted |
| Copays Dollar Maximums | | |
| Percent Dollar Copay- Medical Services, excludes services with a 50% copay | \$ 1,500 per member, \$ 3,000 per family per calendar year for | \$1500 per member, \$ 3000 per family per calendar year |
| Percent Dollar Copay- Inpatient Mental Health Care | \$ 1,000 per member, \$ 2,000 per family per calendar year for | \$1000 per member, \$ 2000 per family per calendar year |

| | "Employee's Portion" | "Employer Pays" |
|---|---|-----------------|
| Preventive Services | | |
| Health Maintenance Exam | Covered- 100%, one per calendar year | None |
| Annual Gynecological Exam | Covered- 100%, one per calendar year | None |
| Pap Smear Screening- Laboratory services only | Covered- 100%, one per calendar year | None |
| Well-Baby and Child Care | Covered- 100% * see benefits at a glance for age breakdowns | None |
| Immunizations (as recommended by USPSTF, ACIP, HRSA and in compliance with the Patient Protection and Affordable Care Act) | Covered- 100%, - adult immunizations covered as of 1/1/2011 to comply with PPACA | None |
| Fecal Occult Blood Screening | Covered- 100%, one per calendar year | None |
| Flexible Sigmoidoscopy Exam | Covered- 100%, one per calendar year | None |
| Prostate Specific Antigen (PSA) Screening | Covered- 100%, one per calendar year | None |
| Colonoscopy-routine or medically necessary | Covered- 100% for routine colonoscopy, one per calendar year (age restrictions may apply) | None |
| Routine Mammogram and related reading | Covered- 100% for routine mammogram, one per calendar year (age restrictions may apply) | None |

Note: Subsequent medically necessary mammograms and colonoscopies performed during the same calendar year are subject to deductible and percent copay.

| | "Employee's Portion" | "Employer Pays" |
|---|----------------------|----------------------------------|
| Physician Office Services | | |
| Office Visits | Covered- \$10 copay | \$20 copay |
| Consulting Specialist Care- when referred for other than preventive services | Covered- \$10 copay | Reference Deductible +\$20 copay |

This benefit outline is intended for use only as a source of reference. Official benefits are outlined in the BCBSM documents.



Blue Care Network
BCN Package DED 1000
"Blue Care Network Portion"

City of Suraia-Craek
BCN Package
"Employee's Portion"

Employer
Subsidized Amounts
"Employer Pays"

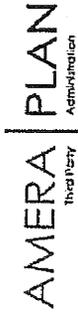
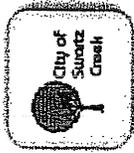
| Emergency Medical Care | Covered- \$ 100 copay after deductible | Covered- \$50 copay | Reference Deductible +\$50 copay |
|--|--|---|---|
| Hospital Emergency Room- approved diagnosis copay waived if admitted | | | |
| Urgent Care Center | Covered- \$50 copay | Covered- \$10 copay | \$40 copay |
| Ambulance Services- medically necessary | Covered- 80% after deductible, ground and air service, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- 100% ground and air | 20% after deductible, ground and air service, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Diagnostic Services | Covered- Office visit copay may apply per member, per visit | Covered- Office visit copay may apply per member, per visit | \$20 copay if applicable |
| Laboratory and Pathology Tests | Covered- 80% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- Office visit copay may apply per member, per visit | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Diagnostic Tests and X-rays | Covered- 80% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- Office visit copay may apply per member, per visit | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Radiation Therapy | Covered- 80% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | | |

| Maternity Services Provided by Physician | Covered- \$30 copay | Covered- \$10 copay | \$20 copay |
|--|---|---------------------|----------------------|
| Pre-Natal and Post-Natal Care | Covered - 100% for professional services after deductible; see Hospital Care for Facility Charges | Covered- 100% | Reference Deductible |
| Delivery and Nursing Care | | | |

| Hospital Care | Covered- 100%, unlimited days | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
|--|-------------------------------|---|
| Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies | Covered- 100% | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
| Outpatient Surgery | Covered- 100% | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |

| Alternatives to Hospital Care | Covered- 100%, up to 45 days per calendar year | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year |
|-------------------------------|--|---|
| Skilled Nursing | Covered - 100% after deductible, up to 45 days per calendar year with a 20% copay up to \$1,500 per member, \$3,000 per family per calendar year | Reference Deductible |
| Hospice Care | Covered - 100% after deductible | Reference Deductible + \$20 copay |
| Home Health Care | Covered- \$30 copay after deductible | |

This benefit outline is intended for use only as a source of reference. Official benefits are outlined in the BCBSM documents.



**Blue Care Network
BCN Package DED 1000**

**City of Sault Ste. Marie
BGN Package**

**Employer
Subsidized Amounts
"Employer Pays"**

"Blue Care Network Portion"

| | | | |
|--|--|---|---|
| Surgical Services | | | |
| Surgery- includes all related surgical services and anesthesia | Covered- 80% after deductible, with a 25% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- 100% | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per fam per cal year |
| Voluntary Sterilization | Covered- 50% after deductible on all associated costs | Covered- 50% on all associated costs | Reference Deductible |
| Human Organ Transplants | Covered- 80% after deductible, with a 80% copay up to \$1,500 per member, \$3,000 per family per calendar year | Covered- 100% subject to medical criteria | 20% after deductible, with a 20% copay up to \$1,500 per member, \$3,000 per fam per cal year |

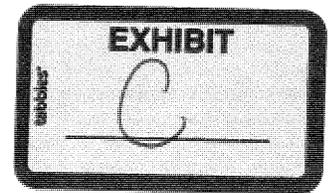
Mental Health Care and Substance Abuse

| | | | |
|---|--|--|--|
| Inpatient Mental Health Care and Substance Abuse Care | | | |
| Mental Health Care: Covered- 75%, with a 25% copay, up to \$1,000 per member, \$2,000 per family per calendar year, up to 30 days per cal. Year | Mental Health Care: Covered- 100% up to 30 days per cal. Year | | 25% copay up to \$1000 per member, \$2000 per family |
| Substance Abuse Care: Covered- 50%, one program of treatment per year, up to state mandated dollar limitation that is adjusted annually by the state | Substance Abuse Care: Covered- 50%, one program per 12-month period | | None |
| Covered- 50% up to 20 visits per calendar year | Covered- 50%, up to 20 visits per calendar year | | None |
| Covered- 50%, one program of treatment per year, up to state mandated dollar limitation that is adjusted annually by the state | Covered- 50%, up to 20 visits per calendar year | | None |

Other Services

| | | | |
|---|---|--|--|
| Allergy Testing and Therapy | Covered- 50% after deductible | Covered- 50% | Reference Deductible |
| Allergy Injections | Covered- \$5 copay | Covered- \$5 copay | None |
| Chiropractic Spinal Manipulation- when referred | Covered- \$30 copay after deductible | Covered- \$10 copay | Reference Deductible + \$20 copay |
| Outpatient Physical, Speech, and Occupational Therapy | Covered- \$30 copay after deductible, limited to 60 consecutive days/episode for a combination of therapies | Covered- \$10 copay, limited to 60 consecutive days/episode for a combination of therapies | Reference Deductible + \$20 copay |
| Infertility Counseling and Treatment (excluding in-vitro fertilization) | Covered- 50% after deductible on all associated costs | Covered- 50% on all associated costs | Reference Deductible |
| Durable Medical Equipment | Covered- 50% | Covered- 80% | 30% coinsurance of the BCN approved amount |
| Prosthetic and Orthotic Appliances | Covered- 50% | Covered- 50% | None |

This benefit outline is intended for use only as a source of reference. Official benefits are outlined in the BCBSM documents.



ARTICLE 20
RETIREMENT

20.1 The MERS retirement benefit program was implemented in 1998, and provides the following benefits:

B-4, FAC-3, 55/25; 7% employee contribution rate.

20.2 Retiree Health Coverage. A bargaining unit employee who retires under the provisions of a MERS retirement benefit plan provided pursuant to this Article shall be eligible for health coverage (currently HealthPlus Plan **HDHP-2 CPPO**) at Township expense, if the employee has twenty-five (25) years of Township service and is not eligible for health coverage under any other insurance plan. Eligible retirees shall receive the same health benefit plan as active employees until reaching age sixty-five (65). A retiree aged sixty-five (65) or over will be covered by a Medicare Supplemental Plan (currently HealthPlus Medicare Supplemental Plan) at Township expense if and only if the retiree enrolls and pays for Medicare Supplemental Part B.

A retiree's then-current spouse shall also be eligible for the same Employer-paid health coverage as the retiree, if the spouse is not eligible for health coverage under any other insurance plan.

If a retiree receives health coverage for the retiree or spouse under this section of the Agreement, the Employer shall fund a Health Reimbursement Account with an amount sufficient to cover the retiree's and spouse's annual coverage deductible amount for HealthPlus Plan **HDHP-2 CPPO**.

20.3 Duty Disability. Employees who qualify for a MERS duty disability retirement benefit shall be eligible for the same hospital/medical insurance coverage provided retirees and their then current spouses under the same terms and conditions as provided in 20.2 above regardless of their years of service.

ARTICLE 21
UNIFORMS

21.1 The Employer shall provide for the repair, cleaning and supplying of uniforms for all full-time employees.

However, employees shall be responsible for the full repair or replacement costs of uniforms, leather and other related clothing and Township equipment lost, damaged or destroyed due to the carelessness or negligence of the employee. The employee and/or the Union reserve the right to arbitrate whether the loss was the result of employee carelessness or negligence.

COMMAND OFFICERS

ARTICLE 20 **RETIREMENT**

20.1 The MERS retirement benefit program was implemented in 1998, and provides the following benefits:

B-4, FAC-3, 55/25; 7% employee contribution rate.

20.2 Retiree Health Coverage. A bargaining unit employee who retires under the provisions of a MERS retirement benefit plan provided pursuant to this Article shall be eligible for health coverage (currently HealthPlus Plan **HDHP-2 CPPO**) at Township expense, if the employee has twenty-five (25) years of Township service and is not eligible for health coverage under any other insurance plan. Eligible retirees shall receive the same health benefit plan as active employees until reaching age sixty-five (65). A retiree aged sixty-five (65) or over will be covered by a Medicare Supplemental Plan (currently HealthPlus Medicare Supplemental Plan) at Township expense if and only if the retiree enrolls and pays for Medicare Supplemental Part B.

A retiree's then-current spouse shall also be eligible for the same Employer-paid health coverage as the retiree, if the spouse is not eligible for health coverage under any other insurance plan.

If a retiree receives health coverage for the retiree or spouse under this section of the Agreement, the Employer shall fund a Health Reimbursement Account with an amount sufficient to cover the retiree's and spouse's annual coverage deductible amount for HealthPlus Plan **HDHP-2 CPPO**.

20.3 Duty Disability.

Employees who qualify for a MERS duty disability retirement benefit shall be eligible for the same hospital/medical insurance coverage provided retirees and their then current spouses under the same terms and conditions as provided in 20.2 above regardless of their years of service.

ARTICLE 21 **UNIFORMS**

21.1 The Employer shall provide for the repair, cleaning and supplying of uniforms for all full-time employees.

However, employees shall be responsible for the full repair or replacement costs of uniforms, leather and other related clothing and Township equipment lost, damaged or destroyed due to the carelessness or negligence of the employee. The employee and/or the Union reserve the right to arbitrate whether the loss was the result of employee carelessness or negligence.

| | Mundy Township Police Department 2017 | City of Swartz Creek Police Department 2017 | Combined Total |
|--|---|---|-----------------------|
| Liason-CA | \$ 75,000 | \$ - | \$ 75,000 |
| Charges for Services | - | 75,000 | 75,000 |
| Parking Fees | - | 4,600 | 4,600 |
| Ordinance Fines | 34,000 | 6,500 | 40,500 |
| PA 302 Training-LEORTC | 3,000 | 1,800 | 4,800 |
| Total Revenue | <u>\$ 112,000</u> | <u>\$ 87,900</u> | <u>\$ 199,900</u> |
| | | | |
| Wages | \$ 1,156,915 | \$ 519,730 | \$ 1,676,644 |
| Overtime | 70,000 | 35,000 | 105,000 |
| Payroll Taxes | 93,859 | 42,437 | 136,296 |
| Health Insurance | 176,787 | 82,136 | 258,922 |
| Retiree Health Insurance | 70,000 | 30,000 | 100,000 |
| Vision Insurance | 3,506 | 687 | 4,193 |
| Life Insurance | 1,644 | 1,900 | 3,544 |
| Sick/Accident Insurance | 10,223 | 7,241 | 17,464 |
| Dental Insurance | 20,888 | 9,571 | 30,459 |
| Retirement Expense | 214,185 | 90,581 | 304,765 |
| Workers' Compensation | 35,442 | 15,190 | 50,632 |
| LEORTC Training | 3,000 | 1,800 | 4,800 |
| Supplies | 7,000 | 6,150 | 13,150 |
| Postage | 1,000 | - | 1,000 |
| Fuel | 35,000 | 21,000 | 56,000 |
| Uniforms | 17,500 | 7,500 | 25,000 |
| Professional Fees/Contractual | 95,500 | 54,500 | 150,000 |
| P.D. Community Policing | 1,000 | - | 1,000 |
| Training | 5,000 | 4,170 | 9,170 |
| Travel | 500 | - | 500 |
| Printing | 5,000 | 100 | 5,100 |
| Utilities | 22,766 | 19,500 | 42,266 |
| Telephone | 8,400 | 7,450 | 15,850 |
| Repairs and Maintenance | 16,280 | 11,000 | 27,280 |
| Equipment Repair and Maintenance | 3,500 | - | 3,500 |
| Grounds | 5,000 | - | 5,000 |
| Vehicle Expense | 20,000 | 16,000 | 36,000 |
| Building Lease | 36,600 | 10,500 | 47,100 |
| Misc Expense | 1,000 | 400 | 1,400 |
| Tech/Email | 50,910 | 22,513 | 73,423 |
| Dues and Subscriptions | 23,164 | 8,351 | 31,515 |
| Insurance | 74,509 | 29,790 | 104,299 |
| Equipment | 53,200 | 22,800 | 76,000 |
| Total Expenditures | <u>\$ 2,339,277</u> | <u>\$ 1,077,995</u> | <u>\$ 3,417,272</u> |
| | | | |
| Net Budgeted Expenditures Over Revenues | <u>\$ (2,227,277)</u> | <u>\$ (990,095)</u> | <u>\$ (3,217,372)</u> |

COMMERCIAL PROPERTY LEASE

This lease (the Lease) is entered into on _____, between The City of Swartz Creek, a Michigan municipality, whose principle office is located at 8083 Civic Drive, Swartz Creek, Michigan 48473 (Lessor), and the Genesee Metro Police Authority, whose address is 5420 Hill 23 Drive, Flint, Michigan 48507 (Lessee), on the following terms and conditions.

1. **Premises.** Lessor leases to Lessee 4,250 square feet of the building and Premises at 8100 Civic Drive, Swartz Creek, Michigan 48473 (the Building), as outlined in Exhibit A.
2. **Term.** The term of this Lease shall be ten (10) years, and shall continue each ten (10) year period thereafter, unless terminated in writing.
3. **Rent.**
 - a. **Base rent.** Lessee shall pay Lessor, as maintenance expense for the Premises, Twenty-One Thousand Two Hundred Forty Dollars (\$21,240.00) per year, or One Thousand Seven Hundred Seventy Dollars (\$1,770.00) per month, commencing on the Commencement Date. Rent payments shall be made to Lessor at its address shown above or any other place designated in writing by Lessor.
 - b. **Additional rent.** Lessee shall pay all taxes and insurance premiums for the building, insuring the interest of the Lessor. Lessee agrees to be responsible for the payment of all of the utility services for the Premises, including the prorated share of water and sewer, gas, electricity, snow removal, lawn maintenance, and other services delivered to the Premises. Services contracted for by Lessee shall be paid for by Lessee immediately on presentation of the invoice so that no past due accounts arise.
4. **Security deposit.** Lessee shall pay no security deposit.
5. **Signs.** Lessee shall not construct, place, or paint any sign or awning or other improvement or apparatus on the exterior of the Building without the prior consent of Lessor, which will not be unreasonably withheld. Any signs placed in the windows of the Premises shall be in keeping with the character and decor of the Building as a whole. That in no event shall any sign be placed in violation of any law, ordinance or regulation.
6. **Acceptance of occupancy.** Lessee shall commence occupancy of the Premises on the Commencement Date and begin payment of rent as called for by this Lease. Lessee has inspected the Premises and common areas, finds them in good order and repair, acceptable for Lessee's intended use of the Premises, and accepts the Premises and common areas as is.

7. **Option to renew.** Lessee shall have an option to renew this Lease on the expiration of the initial term of the Lease for two (2) additional terms of ten (10) years each, which shall be automatic unless terminated in writing, 90 days before the Lease term expires. The renewal shall be on the same terms and conditions as stated in this Lease.

8. **Vacation of Premises.** Lessee shall not vacate or abandon the Premises at any time during the term of this Lease, and if Lessee abandons or vacates the Premises or is dispossessed by process of law or otherwise, any personal property belonging to Lessee left on the Premises shall be deemed abandoned, at the option of Lessor. Lessor may also take possession of any personal property left by Lessee on the Premises and charge Lessee a monthly fee for the storage of that personal property. Any fee charged by Lessor for this purpose shall be deemed to be additional rent under this Lease and payable immediately.

9. **Use.** The Premises are to be used and occupied by Lessee for the operation of all legal purposes, specifically including the operation of a police authority and related activities. No activity shall be permitted on the Premises that does not comply with local, state, and federal laws, ordinances, or regulations.

10. **Expenses.** Lessee shall pay all costs and expenses incurred in operating and managing the Building.

11. **Landlord's lien.** Lessee grants a lien to Lessor on all Lessee's property on the Premises to secure the performance of Lessee's obligations under this Lease. Lessee also agrees to sign any financing statements Lessor requests to perfect this lien.

12. **Repairs and maintenance.** Lessor shall be responsible for the exterior of the Building in which the Premises are situated, including walls, roof, subsurface walls, and floor, structural maintenance, repair, and replacement, and for the replacement of the furnace and hot water heater. Lessee shall be obligated to clean and maintain the Premises at Lessee's expense, including interior painting. The Lessee shall ensure the Premises shall be kept in good and safe condition, including the windows, the electrical fixtures, the plumbing fixtures, and any other system or equipment within the Premises. Lessor shall maintain in good condition the sidewalk, driveway, and parking areas adjacent to the Premises, shall regularly sweep those areas and pick up any trash or debris in the area, and during the winter months shall keep the sidewalk adjacent to the Premises clear of snow and ice.

13. **Surrender of Premises.** Lessee shall surrender the Premises to Lessor at the expiration of this Lease broom clean and in the same condition as at the Commencement Date, excepting normal wear and tear.

14. **Entry and inspection.** Lessee shall permit Lessor or Lessor's agents to enter on the Premises at reasonable times and on reasonable notice for the purpose of inspection and repair of the Premises, shall permit Lessor at any time within 90 days before the expiration of the Lease to place on the Premises standard "for lease" signs, and permit persons desiring to lease the Premises to inspect the Premises during that period.

15. **Taxes and assessments.** Lessee shall pay all real and personal property taxes and assessments levied and made against the Premises. All taxes levied on the personal property owned or leased by Lessee shall be the sole responsibility of Lessee. Lessor takes no responsibility for taxes being levied and the obligation to pay taxes. Any such obligation shall be solely that of the Lessee.

16. **Alterations.** Lessee may remodel and make improvements to the premises. The work shall be done without injury to any structural portion of the Building and without disturbing other tenants in their use of the Building. Any improvements constructed pursuant to this paragraph shall become the property of Lessor on the termination of this Lease.

17. **Assignment and subletting.** Lessee may not assign, sublet, or otherwise transfer or convey its interest, or any portion of its interest, in the Premises to any entity not affiliated with Lessee without the prior written consent of Lessor. Lessor shall have total discretion regarding its approval of proposed assignments or subleases.

18. **Trade fixtures.** All trade fixtures and moveable equipment installed by Lessee in connection with the business conducted by it on the Premises shall remain the property of Lessee and shall be removed by it at the expiration of this Lease. Lessee shall repair any damage caused by such removal and restore the Premises to their original condition.

19. **Insurance.** Lessee shall, at its expense, insure the Building against loss or damage under a policy or policies of fire and extended coverage insurance, including additional perils. Lessee shall obtain and maintain in full force general liability and property damage insurance, with both Lessee and Lessor as named insured parties, covering any and all claims for injuries to persons occurring in, on, or about the Premises, in an amount of not less than One Million Dollars (\$1,000,000.00) and issued by a company approved by Lessor. The insurance shall also contain a waiver of subrogation clause exempting Lessor from any liability for any insured loss. Lessee shall deliver to Lessor customary insurance certifications evidencing that the insurance is in effect at all times during the term of the Lease. The policy must further provide for notice by the insurance company to Lessor of any termination or cancellation of the policy at least 30 days in advance of that event.

20. Lessee's liability. All Lessee's personal property, including trade fixtures, on the Premises shall be kept at Lessee's sole risk. Lessor shall not be responsible or liable to Lessee for any loss of business or other loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connected with the leased Premises or any part of the Building of which the leased Premises are a part or for any loss or damage resulting to Lessee or its business or property from water, gas, sewer, or steam pipes that burst, overflow, stop, or leak; from heating, cooling, or plumbing fixtures; or from electric wires or gas odors within the leased Premises from any cause, except as may result from and be directly caused by the gross negligence or recklessness of Lessor. The provisions of this section shall not be interpreted to prevent Lessee from recovering any losses under the coverage provided by Lessor's fire and extended coverage insurance policy, if any losses of Lessee are covered by that policy.

21. Destruction of Premises. If the Premises are partially damaged or destroyed through no fault of Lessee, Lessor shall, at its own expense, promptly repair and restore the Premises, upon the receipt of the insurance funds referenced above. Rent shall abate in whole or in part during the period of restoration according to the amount of destruction if the destruction was not caused by Lessee. If the Premises are totally destroyed through no fault of Lessee or if the Premises cannot be repaired and restored within 90 days after the event of destruction, either party shall have the right to terminate this Lease, effective as of the date of the event, by giving the other party written notice of termination within 10 calendar days after the occurrence of the event. If the notice is given within that time period, this Lease shall terminate, and rent shall be adjusted between the parties to the date of the occurrence of the event. If the notice is not given within the required period, this Lease shall continue and Lessor shall repair the Premises.

22. Mutual releases. Lessor and Lessee, and all parties claiming under them, mutually release and discharge each other from all claims and liabilities arising from or caused by any hazards covered by insurance on the leased Premises or covered by insurance in connection with property on or activities conducted on the Premises regardless of the cause of the damage or loss. Lessor and Lessee shall each cause appropriate clauses to be included in their respective insurance policies covering the Premises waiving subrogation against the other party consistent with the mutual release in this paragraph.

23. Condemnation. If the Premises or any part of them are taken for any public or quasipublic purpose pursuant to any power of eminent domain, or by private sale in lieu of eminent domain, this Lease shall terminate at the option of either Lessor or Lessee, effective as of the date the public authority takes possession. All damages for the condemnation of the Premises or Building that is awarded for the taking shall be payable to and be the sole property of Lessor.

24. Indemnity. Lessee agrees to indemnify and defend Lessor against and hold Lessor harmless from any liability, loss, damage, cost, or expense (including attorney fees) based on any claim, demand, suit, or action by any person or entity with respect to any personal injury (including death) or property damages, from any cause regarding Lessee's use of the Premises, except for liability resulting from the intentional acts or gross negligence of Lessor or its employees, agents, invitees, or business visitors and except for liability resulting from the acts or negligence of persons occupying adjoining property.

25. Default and reentry. If Lessee neglects or fails to perform its obligation to pay rent when due; if Lessee neglects or fails to perform any other covenants in this Lease to be observed and performed on its part for 10 days after written notice by Lessor of the default; if Lessee makes any assignment for the benefit of creditors or a receiver is appointed for Lessee or its property; or if any proceedings are instituted by or against Lessee in bankruptcy (including reorganization) or under any insolvency laws, Lessor may reenter the Premises and seek to relet the Premises on any terms that Lessor, in its sole discretion, deems advisable. In the alternative, Lessor may terminate the Lease and seek to relet the Premises on any terms that Lessor, in its sole discretion, deems advisable. Notwithstanding any termination of the Lease by Lessor or reentry by Lessor without a termination, Lessee shall continue to be liable to Lessor for rent owed under this Lease, any rent deficiency that results from a reletting of the Premises during the term of this Lease, and the cost of reletting the Premises.

Notwithstanding any reletting without termination, Lessor may at any time elect to terminate this Lease for any default by Lessee by giving written notice of the termination to Lessee.

In addition to Lessor's other rights and remedies as set forth in this Lease and without waiving any of those rights, if Lessor deems any repairs necessary that Lessee is required to make or if Lessee is in default in the performance of any of its obligations under this Lease, Lessor may, on failure of Lessee to meet the obligation, make or cause repairs to be made and defaults to be cured and shall not be responsible to Lessee for any loss or damage that occurs by reason of that action, and Lessee agrees that it will immediately on demand pay Lessor's reasonable costs for curing as additional rent under this Lease.

26. Subordination. This Lease and Lessee's rights shall at all times be subordinate to the lien of any mortgage now or later placed on the land and Building of which the Premises are a part, and Lessee agrees to provide any mortgagee with a customary tenant's estoppel letter at the request of any mortgagee with respect to the status of this Lease or any collateral assignment of this Lease or the rents under it that Lessor may make to any mortgagee as additional security for the indebtedness secured by the mortgage. If Lessee is requested to sign any subordination agreement on behalf of Lessor's mortgagee, Lessee agrees to sign a reasonable and customary subordination agreement that includes language providing that Lessee's interest and rights under this Lease will not be disturbed as long as Lessee is not in default under the Lease. Lessee agrees not to look to any mortgagee, as mortgagee in possession or successor in title to the Premises, for accountability for any security deposit

required by Lessor or any successor lessor unless the sum has actually been received by the mortgagee as security for Lessee's performance of this Lease. Nothing in this paragraph shall be deemed to indicate that Lessee is under any obligation regarding a security deposit or that Lessor holds any security deposit, and this section shall apply only if a security deposit is actually given to Lessor. If a mortgagee required that proceeds of casualty insurance or condemnation be applied to reduce the mortgage debt rather than to restore damaged or taken property, this Lease shall terminate, and neither party shall have any further obligation to the other.

27. **Notices.** Any notice required under this Lease shall be in writing and sent by registered or certified mail, return receipt requested, to the addresses of the parties set forth in this Lease or to another address that a party substitutes by written notice; and notice shall be effective as of the date of first attempted delivery.

28. **Lessee's possession and enjoyment.** Lessee, on the payment of the rent at the time and in the manner stated above and on performance of all the foregoing covenants, shall and may peacefully and quietly have, hold, and enjoy the Premises for the term of this Lease.

29. **Holding over.** If Lessee does not vacate the Premises at the end of the term specified in this Lease, such holding over shall constitute a month-to-month tenancy at 150 percent of the then existing rental rate.

30. **Entire agreement.** This Agreement contains the entire agreement of the parties regarding its subject matter, and this Agreement may not be amended or modified except by a written instrument executed by the parties to this Lease.

31. **Waiver.** The failure of Lessor to enforce any covenant or condition of this Lease shall not be deemed a waiver of its right to enforce each and every covenant and condition of this Lease. No provision of this Lease shall be deemed to have been waived unless the waiver is in writing.

32. **Lessor's fees and expenses.** Any fees, costs, or expenses incurred by a prevailing party enforcing the other party's obligations under this Lease, including reasonable attorney fees, shall be due and payable immediately under the Lease.

33. **Binding effect.** This Agreement shall be binding on and inure to the benefit of the parties to this Lease and their respective successors and permitted assigns.

34. **Time of the essence.** Time shall be deemed to be of the essence in the performance of this Lease.

35. **Effective date.** This Lease shall be effective as of the date first stated above.

LESSEE
GENESEE METRO POLICE AUTHORITY

LESSOR
THE CITY OF SWARTZ CREEK

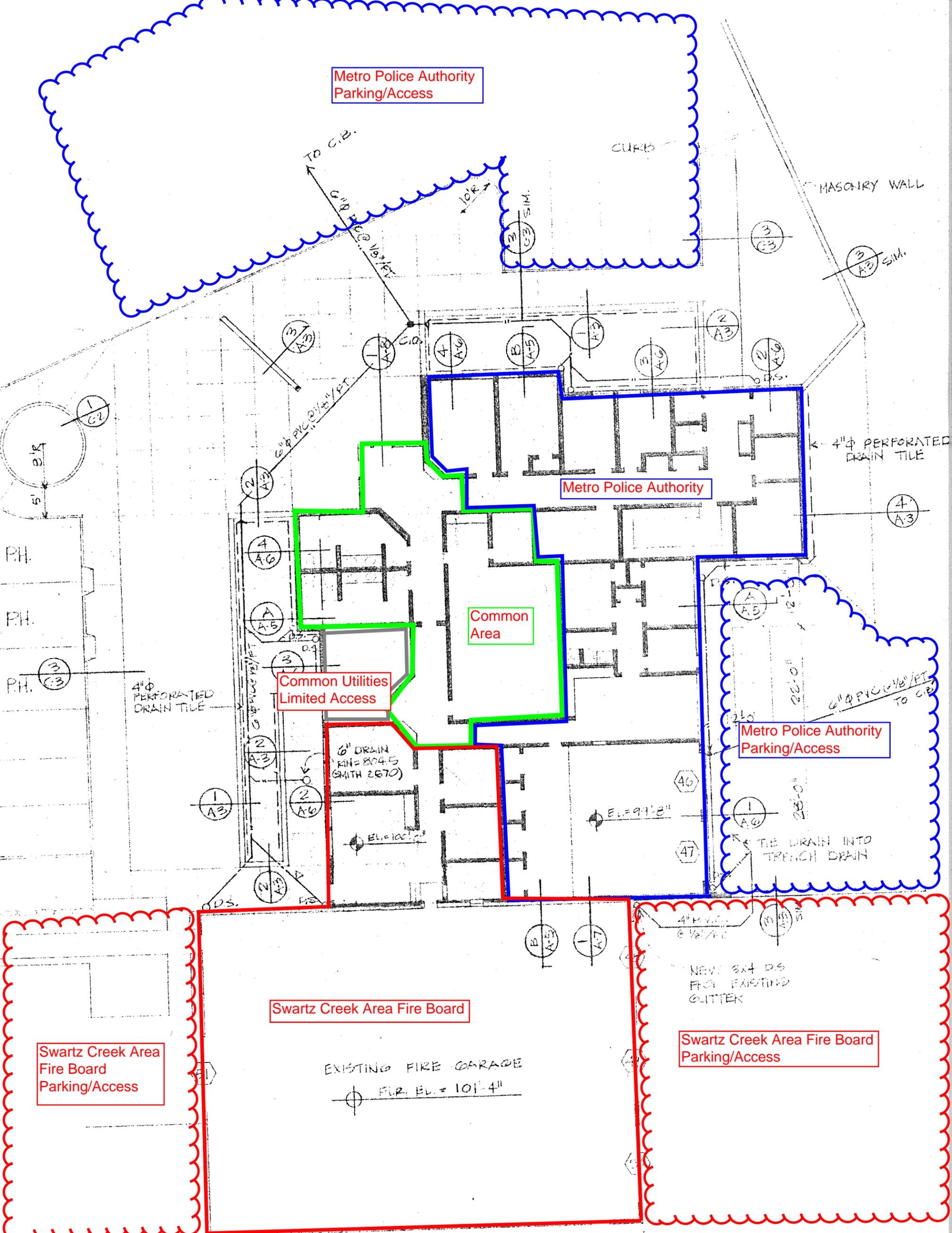
By: /s/ _____

By: /s/ _____

Adam Zettel, City Manager

Its: _____

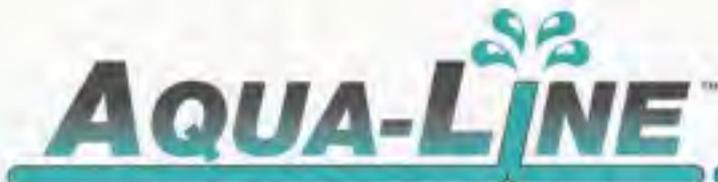
EXHIBIT A



KEY PLAN

1/8" = 1'-0"

NOTE: SEE SHEET SP-2, DIVISION 8 FOR OVERHEAD DOOR SPECIFICATIONS.



– Leak Detection Services –

P.O. Box 1612 • Findlay, OH 45839

Toll Free: 1-888-GET LEAK • Fax: 419-424-0510
(1-888-438-5325)

8 December 2016

Mr. Tom Svrcek
Director of Public Services
8083 Civic Drive
Swartz Creek, MI 48473

Dear Mr. Svrcek:

Thank you for requesting a water leak detection survey bid proposal from Aqua-Line, Inc. **This proposal is good through 2018.** We will go the extra mile to provide you with superior leak detection services 24 hours a day, seven days a week.

We understand other leak detection companies are in the area trying to provide leak detection surveys. Aqua-Line has a proven track record of **comprehensive surveys**, and provides the best possible survey and emergency leak detection services in the area. Here's how we do it:

(1) **Proven comprehensive survey methods:** Our comprehensive survey includes listening to all valves, fire hydrants and selected service connections to ensure the most **complete coverage** of your water distribution system. Others only survey fire hydrants, and/or use "loggers" and don't get complete coverage. Their surveys sometimes cost less and you get less!!

(2) **Superior Equipment:** We use the best surveying and pinpointing equipment available today. **Fluid Conservation Systems equipment is regarded as the best industry wide.**

(3) **Fully Trained/Experienced Technicians:** All our personnel are **Factory Trained and Field Certified.** This process can take up to two years, and provides you with the best possible survey experience.

(4) **24/7 Emergency Response Capability:** We have **four fully equipped vans** to respond to your emergency leak detection needs.

(5) **Customer Satisfaction:** Our customer satisfaction on comprehensive surveys and emergency leak detection is unsurpassed.

As discussed, a **fire hydrant survey** of your distribution system would take **two days to complete and cost \$2,542.00.** This would entail listening to all fire hydrants, then pinpointing any leak noises heard. We will provide a daily report, and a hand written final report. This type of survey will find most major leaks, but is not as thorough as a full survey.

I would like to thank you for considering Aqua-Line for your leak detection survey. I would be glad to further discuss our services at your convenience.

Sincerely,

Stephen C. Smith

PROPOSAL FOR WATER DISTRIBUTION SYSTEM
LEAK DETECTION SURVEY
FOR
THE CITY OF SWARTZ CREEK, MICHIGAN

8 DECEMBER 2016

PREPARED FOR:
TOM SVRCEK, DIRECTOR OF PUBLIC SERVICES

PREPARED BY:
AQUA-LINE LEAK DETECTION SERVICES
P.O. BOX 1612
FINDLAY, OHIO 45839

This information is "PROPRIETARY AND CONFIDENTIAL", is the exclusive property of Aqua-Line Leak Detection Services and shall not be copied or disseminated without its prior written consent. Aqua-Line assumes no responsibility or liability for the reliance hereon or use hereof by anyone other than the party to whom it is addressed. **This proposal is valid until 1 December 2018.**

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1.0 INTRODUCTION

Thank you for the opportunity to present a proposal for leak detection services for your municipality. Aqua-Line uses state-of-the-art technology for un-intrusively detecting and pinpointing water leaks in pressurized water distribution systems. Successfully locating leaks using our system can result in significant monetary savings through reduced operating costs, increased labor productivity, while improving overall water distribution system operations.

Aqua-Line uses the Fluid Conservation Systems (FCS) AC Digital, and TriCorr Touch Leak Correlation Systems, the most advanced portable microprocessor systems on the market for pinpointing water leaks. Moreover, we use the new FCS S30 surveyor which provides superior leak detection performance on all types of pipe during the initial phase of the leak detection survey.

Aqua-Line has a **strong track record of customer satisfaction.** Our proven surveying methods, superior equipment, experienced and fully qualified technicians and competitive rates provide you with the best possible leak detection survey available today.

3.0 SCOPE OF SERVICES PROVIDED BY AQUA-LINE

Aqua-Line will perform a leak detection survey of the water distribution system for Swartz Creek, Michigan. The following tasks are included:

- Prior to mobilization, we will review existing water distribution system maps, street maps, any applicable water system reports, storage and pumping records.
- We will conduct a leak detection and location survey using sonic detection and computer correlation equipment on **approximately 32 miles of the water distribution system**. We will make contact with the system at all exposed valves, fire hydrants and selected service connections as required. Contact with service connections is critical on sections of your plastic pipe. Following an initial sonic leak survey of the system, any evidence of leaks will be confirmed with a second survey. At this stage, **all leaks will be pinpointed with a computer correlation system**. Valves and hydrants do not typically require operation during surveying and leak pinpointing, but may be required on a limited basis. We request your authorized representative conduct these valve or hydrant operations if required.
- The survey will be conducted during normal working hours, Monday through Friday, with the exception of leak detection performed during evening/early morning hours in high traffic areas. **We expect to complete the survey in 3-4 days.**
- We will **provide a daily report** on the progress of the survey including water distribution system discrepancies noted. We will also provide diagrams to show the location of all leaks correlated.
- Aqua-Line will **provide a final report** (2 copies) describing the results of the survey. The report will include a summary of the project and will list all leakage correlated according to location, type, and estimated loss rate. Based upon the results of our survey, the report will also provided recommendations for controlling future water loss.

3.0 CLIENT'S RESPONSIBILITIES

Prior to mobilization by Aqua-Line, we request Swartz Creek provide the following information/assistance upon which Aqua-Line may rely without further independent verification:

- All available street maps, water storage and flow records, water distribution system maps, available plans for existing facilities, and any other pertinent information as needed.
- **An experienced person possessing knowledge of the water distribution system, to assist full-time with field activities such as location of system components.**
- **Access to valves, curb stops, and meter boxes by uncovering and cleaning valves and curb boxes where required prior to starting field operations.**

We respectfully request Swartz Creek agree to hold harmless and indemnify Aqua-Line against any liability arising out of the items in Section 3.0 above, for which Swartz Creek is responsible.

Additionally, Aqua-Line requests Swartz Creek designate an authorized representative to transmit instructions, receive information, interpret and define the cities policies and make decisions with respect to the services provided.

4.0 PROJECT PRICE, BILLING AND PAYMENT TERMS

Aqua-Line's **lump sum rate** for providing the services described in Section 2.0 is **\$4,528.00**.

The above pricing is subject to renegotiation if authorization to proceed is not received by 1 December 2018.

Aqua-Line will bill this project monthly, with net payment due in 30 days. Past due invoices will be subject to a service charge at a rate of 1.5 percent per month. Unless provided with a written statement of any objections to a bill within 15 days of receipt, Aqua-Line will deem the bill to be acceptable to Client as submitted.

5.0 AQUA-LINE REFERENCES

| <u>CITY</u> | <u>SURVEY MILES</u> | <u>CONTACT</u> | <u>PHONE</u> |
|------------------------|-------------------------|-----------------|--------------|
| 1. MONROE, MI | 300+ | KEVIN ARMSTRONG | 734-384-9151 |
| 2. DUNDEE, MI | 56 | BOB HURLEY | 734-777-3292 |
| 3. PORT AUSTIN, MI | 10 | NEIL HARDER | 989-738-8366 |
| 4. GROSSE ILE, MI | 65 | JON KEIM | 734-676-5959 |
| 5. MACKINAC ISLAND, MI | 12 | ALLEN BURT | 906-847-6060 |
| 6. ROCKWOOD, MI | 15 | ADAM GRABETZ | 734-379-6869 |
| 7. GRAYLING, MI | 19 | CHAD BECKETT | 989-348-2131 |
| 8. HILLSDALE, MI | 54 | NATE RUSK | 517-437-6418 |
| 9. FRANKENMUTH, MI | 75 | KEN O'BRIEN | 989-652-8987 |
| 10. NORTHVILLE, MI | 35 | STEVE HEIDT | 248-755-0307 |

6.0 PERSONNEL AND COMPANY EXPERIENCE

The following Aqua-Line personnel may be involved with the survey of Swartz Creek:

- Stephen C. Smith: President, Aqua-Line, Inc
Twenty-one years experience in all aspects of the leak detection business; factory trained/certified by Fluid Conservation Systems; Twenty-one years field experience conducting surveys, emergency leak detection and line location services.
Previous: 23 years United States Navy; Surface Warfare Officer; engineering speciality.
- Roger H. Darnall: Vice President, Aqua-Line, Inc
Twenty-one years experience in all aspects of the leak detection business; factory trained/certified by Fluid Conservation Systems; Twenty-one years field experience conducting surveys, emergency leak detection and line location services.
Previous: 20 years Small Business Owner, Blacktop Maintenance; Project Manager for Environmental Clean-up firm (2 years).
- Les Chilcote: Leak Detection Technician
Sixteen years experience conducting leak detection surveys; Certified surveyor; factory trained/certified by Fluid Conservation Systems; sixteen years experience pinpointing.
- Tim Barker: Leak Detection Technician
Five years experience conducting leak detection surveys; Certified surveyor; factory trained/certified by Fluid Conservation Systems; five years experience pinpointing.

Aqua-Line has conducted over 650 leak detection surveys during the past twenty-one years. Survey size had ranged from 5 miles to 200 miles of water main.

7.0 BUSINESS ORGANIZATION

COMPANY NAME: AQUA-LINE, INC
ADDRESS: P.O. BOX 1612
FINDLAY, OHIO 45839

TYPE OF COMPANY: S-CORPORATION, OHIO

TAX ID: 341844942

TELEPHONE #: 1-888-GET LEAK
(438-5325)

FAX #: 1-419-424-0510

WEB PAGE: www.aqua-line-inc.com

AUTHORIZED NEGOTIATORS: STEPHEN C. SMITH; PHONE (419)-408-5153
ROGER H. DARNALL; PHONE (419)-408-5152

Property tax laws: Why cities' services haven't recovered from housing bust

John Wisely, Detroit Free Press

12:24 a.m. EST December 11, 2016



(Photo: Kathleen Galligan, Detroit Free Press)

The cost of the housing bust isn't just measured in lost homes and property value.

Michigan communities cut nearly 3,000 police officers as falling property tax revenues stretched budgets. Fire protection and library service took a hit. As did municipal ice rinks, swimming pools and recreation centers. Spending on local roadwork was curtailed, too, leaving potholes and damaged vehicles as proof.

It might take a generation or more to build up property values in a community that pays for first-rate police and fire protection and other special extras, like a community pools and leaf collection. But a year or so of a hard-core housing crash and recession can wipe it all away. And the devastation can last years after property values build back up again because of how the state tax rules work.

As home values in Michigan rebound — even exceeding pre-recession levels in some areas — tax revenues are starting to come back some. But under the Michigan Constitution, they can't rise faster than the inflation rate, except when new development is added to the tax rolls. That means most local governments are years away from getting back to 2007 revenue levels.

That might be music to the ears of tax-averse property owners, but it feels like a long slog for local governments trying to restore police protection or fill potholes.

"Everybody talks about how it will be 20 years before we get back to where we were," said Bill Anderson, an analyst for the [Southeast Michigan Council of Governments \(http://semcog.org/\)](http://semcog.org/). "But in that meantime, there is 20 years of inflation. We never get back."

Every local government, municipal and county, saw its tax collections fall because of the housing crash and Great Recession. In Wayne County, annual property tax collections fell by \$186 million between 2006 and last year. In Oakland County, they fell \$38.5 million and in Macomb \$13 million, according to audit reports submitted to the state.

► **Nancy Kaffer:** [Why would Snyder seek \\$430M cut in Michigan school aid? \(/story/opinion/columnists/nancy-kaffer/2016/12/08/michigan-school-funding/95144852/\)](http://www.freep.com/story/opinion/columnists/nancy-kaffer/2016/12/08/michigan-school-funding/95144852/)

Fewer police

The number of sworn police officers in Michigan has fallen from more than 21,000 in 2006 to about 18,400 now, according to the [Michigan Commission on Law Enforcement Standards \(http://www.michigan.gov/documents/mcoles/LEOPop_10-31-16_540430_7.pdf\)](http://www.michigan.gov/documents/mcoles/LEOPop_10-31-16_540430_7.pdf), the state agency that licenses police officers. Communities feel those cuts in different ways.

Most sheriff's deputies in Wayne County work in its three jails, dealing with some of the state's most violent offenders. Their ranks have fallen from more than 1,000 before the recession to fewer than 800 now, said Brian Earle, president of the Wayne County Deputy Sheriff's Association.

"My guys are being mandated to work excessive amounts of overtime," Earle said. "If you're scheduled to work 40 hours a week, you're working at least 56."

Fred Timpner, executive director of the Michigan Association of Police, said cities have cut wages and benefits so much that it's difficult to attract and retain good officers.

"They are going to make this a job, not a career," Timpner said. "The state is being heavily recruited by departments out of the state. They are taking our talent."

► **Flint water crisis:** [Woes could sink Flint's property values even more \(/story/news/local/michigan/flint-water-crisis/2016/02/07/flint-property-values/79823532/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/02/07/flint-property-values/79823532/)

Doing more with less

For local governments looking to cut costs, the downturn meant a lot of soul searching.

"When things started getting very tight, it came down to, what do we have to provide?" said Beth Bialy of [Plante Moran \(http://www.plantemoran.com/pages/default.aspx\)](http://www.plantemoran.com/pages/default.aspx), which audits more than 400 local governments. "Public safety was at the top and public works was right up there, too. But everything else was on the table."

Bialy said the things cut most often in recent years were "nice-to-have" things such as ice rinks, golf courses and fireworks displays on the Fourth of July. But necessary services also have been hit. Bialy said a typical municipal budget is 75% to 80% personnel cost, so meaningful cuts mean small headcounts.

"We're down almost 2,000 employees," said Wayne County Executive Warren Evans. "We haven't stopped providing service, but in certain areas, services are being curtailed. We're certainly going to have far fewer deputies, far fewer prosecutors."

This year, Wayne County collected about \$120 million less in property taxes than it did in 2006. For the employees who remain, things have been tough as well.

The county adopted a high-deductible health care plan and eliminated health coverage for retirees, who now receive a small stipend to buy insurance themselves. The county reduced the way employees accrue pension credits and required employees to pay more into the pension system.

Even when the county is in a position to hire, it's difficult to find qualified people to take the jobs, officials say.

Deputies start at \$29,000 a year. Snowplow drivers are paid \$15 an hour.

"We're trying to gear up for snow removal and we're having trouble getting people with a commercial driver's license because of the rate we pay," Evans said.

► **Related:** [Downtown Detroit sales prices rise to 'insane' levels \(/story/money/real-estate/home-sales/2016/04/23/detroit-downtown-midtown-condominiums-m1-rail-arena/83191622/\)](/story/money/real-estate/home-sales/2016/04/23/detroit-downtown-midtown-condominiums-m1-rail-arena/83191622/)

Outsourcing to save

Pontiac has struggled for years since General Motors closed factories and other facilities there, but its decline was hastened by the housing crunch. The city budget has fallen from about \$58 million in 2006 to about \$30 million this year. Over that period, property tax collections, the main source of revenue for the general fund, fell by almost half, from \$19.1 million to about \$9.9 million last year.

"We used to have about 800 employees," said Mayor Deirdre Waterman. "Now we have 32 in City Hall and another 36 supporting the court."

Pontiac's emergency manager relinquished most control to the mayor and City Council in March, after seven years in charge. A state-appointed transition board still monitors the city as elected officials operate it. Pontiac eliminated its police and fire departments, outsourcing those services to the Oakland County Sheriff's Office and the Waterford Fire Department, respectively.

"All of our recreation centers were sold off by the emergency manager," Waterman said. "The Silverdome was sold off. Even our water treatment plant was sold. We had to find a way to provide services with half the revenue."

Waterman said the budget is stable now and the city's downtown is enjoying a revival with people and businesses moving in. Last month, voters approved a new tax to open some recreation centers for young people. The city is still trying identify where it will house the new programs, but it's a sign of progress, she said.



Tech pioneer Pete Karmanos Jr. recently announced that he'd be moving three startup companies that are part of his MadDog Technology to the historic Riker Building in Pontiac. (Photo: Eric

"I'm proud that after an eight-year hiatus, we're able to do this," she said.

► **Related:** [SE Michigan home prices keep rising, back to '07 levels \(/story/money/business/michigan/2016/01/09/michigan-home-prices-keep-rising/78019058/\)](/story/money/business/michigan/2016/01/09/michigan-home-prices-keep-rising/78019058/)

Leaves, libraries and pools

For years, Westland residents raked their leaves into the street, where a city vacuum truck came by to suck them up, but budget cuts forced the city to eliminate that service, said Mayor Bill Wild.

"That was a process that was over half-million dollars a year." Wild said.

The city closed its recreation center, which was costing more than \$1 million a year, and partnered with neighboring Wayne to use that city's facility. Wayne closed its ice rink and Westland's arena picked up the hockey and figure-skating programs. The two cities now share a fire chief and a public works director.

Seals, Detroit Free Press)

"We've had to be creative," Wild said. "We've had to cross-train all our employees."

Libraries across the state have had to tighten their belts, too, often reducing hours or closing some days of the week, said Gail Madzier, executive director of the Michigan Library Association. Libraries receive about 98% of their revenue from local sources, typically property taxes, she said.

"Libraries are struggling like every other business trying to keep adequate staffing," Madzier said.

Many libraries have replaced full-time degreed librarians with part-timers, Madzier said.

When Dearborn's budget grew tight in 2010, Mayor Jack O'Reilly proposed closing six small, city-owned pools located in neighborhoods across the city.

Many residents were outraged at the idea. Danielle Misovich, a high school junior who worked as a lifeguard at one of the pools, formed a Facebook group, [Save Dearborn's Small Pools \(https://www.facebook.com/groups/saveourpools/\)](https://www.facebook.com/groups/saveourpools/), to protest the move. The group was able to forestall the closures, but the city eventually closed three of the pools. The city replaced two of them with splash pads and plans to do the same with the third.

"From the city administration, it's been 'let it die a slow death,'" said Ryan Woods, who has been active in the group. "Talking to people in the neighborhoods, they want to keep it. It's an asset."

Successes

Eastpointe and Roseville saved their parks and recreation services by forming an authority in 2011 and passing a 1-mill property tax in both cities to pay for it. The [Recreation Authority of Eastpointe and Roseville \(http://recreationalauthority.com/\)](http://recreationalauthority.com/) launched Jan 1, 2012, and now provides youth sports, crafts, fitness and other activities for residents of both groups.

"Residents, elected officials and municipal leaders understand now more than ever the value of parks and recreation," said Ann Conklin of the Michigan Recreation and Parks Association. "People want to live in places with a high quality of life, protect the natural resources, are walkable and provide affordable and accessible public spaces."

In Oakland County, property tax collections last year were about \$186 million, down from the \$225 million the county received in 2007. The county was able to manage through the downturn by starting early, said Deputy Oakland County Executive Robert Daddow. Because the county handles assessing duties for most of its communities, officials were able to monitor, almost in real-time, the sales prices of property.

Daddow said that when the downward trend was spotted in 2005, the county began hiring freezes, retirement incentives and other cost-cutting measures to get ahead of the problem. It eliminated about 300 positions through attrition and retirements.

"There are little things that we've done at the edges," Daddow said.

Nurses who were county employees were replaced with those provided by a private company on a contract basis. The county also privatized the bump shop that repaired county vehicles. It also bid out its prescription drug benefit and added higher co-pays and deductibles.

"There wasn't any wholesale cuts in service," Daddow said. "There were no layoffs. You didn't see picketing."

Contact John Wisely: 313-222-6825 or jwisely@freepress.com. On Twitter @jwisely.

Read or Share this story: <http://on.freep.com/2hbDZP6>



The advertisement features the Sprint logo on the left, followed by the text "Unlimited Freedom" in large, bold letters. To the right of this is "\$40/line" in a very large font, with a smaller note below it: "When you activate 4 lines for \$150". On the far right is a yellow button with the text "Switch Now". At the bottom right, there is a small disclaimer: "Data optimized for video, games and music. Plus taxes and fees. Restrictions apply."

HYDR CORP.

THE SAFE WATER AUTHORITY™

November 23, 2016

Mr. Tom Svrcek
Director of Public Works
City of Swartz Creek
8083 Civic Center Drive
Swartz Creek, MI 48473

Dear Tom,

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

- ◆ Scope of Work
- ◆ Professional Services Agreement
- ◆ Qualifications/Experience

This proposal is based upon completing a total of **34** initial inspections, compliance inspections/re-inspections of your commercial, industrial & institutional facilities on an annual basis. These inspection numbers are based upon a total number of commercial/industrial connections estimated at **132**.

This proposal is based on a period of 36 months. High hazard facilities will be re-inspected on an annual basis with all remaining low hazard facilities being inspected on a five-year re-inspection frequency. HydroCorp Inspectors will assess the degree of hazard of each facility and determined the re-inspection frequency during initial inspections.

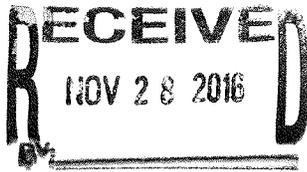
If you have any questions, please feel free to contact me directly at 248.250.5022 or via email at **ppatterson@hydrocorpinc.com**. We look forward to working with you and the City of Swartz Creek again on this project.

Sincerely,



Paul M. Patterson
Vice President

CORPORATE OFFICE



PROPOSAL

DEVELOPED FOR

Tom Svrcek
Director of Public Works
City of Swartz Creek, MI

8083 Civic Center Drive
Swartz Creek, MI 48473

November 23, 2016

KEEPING DRINKING WATER SAFE FOR INDUSTRIES AND MUNICIPALITIES

For over 30 years, HydroCorp™ has been dedicated to safe drinking water for companies and communities across North America. Fortune 500 firms, metropolitan centers, utilities, small towns and businesses – all rely on HydroCorp to protect their water systems, averting backflow contamination and the acute health risks and financial liabilities it incurs.



CROSS-CONNECTION CONTROL / BACKFLOW PREVENTION

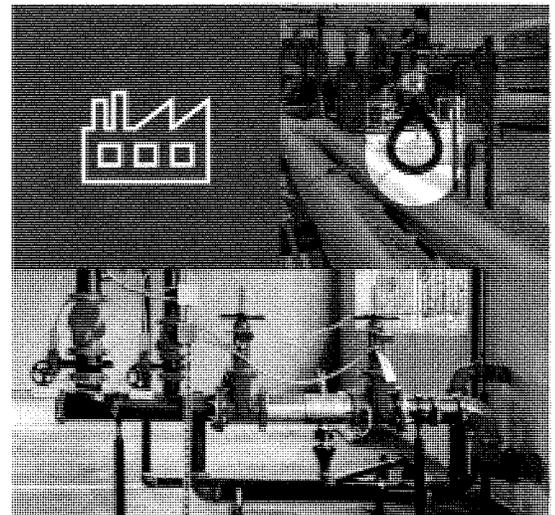
WATER SYSTEM SURVEYS / AUDITS

PIPE SYSTEM MAPPING AND LABELING

WATER SAMPLING AND ANALYSIS / RISK ASSESSMENTS

PROGRAM AND PROJECT MANAGEMENT

COMPLIANCE ASSISTANCE / DOCUMENTATION



MICHIGAN CORPORATE OFFICE
5700 Crooks Road, Suite 100
Troy, MI 48098
800.690.6651 TOLL FREE
248.250.5000 PHONE
248.786.1788 FAX GENERAL
info@hydrocorpinc.com EMAIL



SCOPE OF WORK 3

PROFESSIONAL SERVICE AGREEMENT 4-10

QUALIFICATIONS 11



SCOPE OF WORK

Based on your current program, HydroCorp™ will provide the following services to the City of Swartz Creek. This project is a continued effort for an ongoing Cross-Connection Control Program and will provide the City of Swartz Creek with the necessary data and information to maintain compliance with the Michigan Department of Environmental Quality (DEQ) Water Bureau Cross Connection Control Regulations. Once this project has been approved and accepted by the City and HydroCorp, you may expect completion of the following elements within a three (3) year period. The components of the project include:

1. Annually, perform a minimum of 34 initial inspections, compliance inspections, and re-inspections at individual industrial, commercial, institutional facilities and miscellaneous water users within the City served by the public water supply for cross-connections. Inspections will be conducted in accordance with the DEQ Water Bureau Cross Connection Control regulations.
2. Generate all backflow prevention assembly test notices, non-compliance notices and coordinate/monitor backflow prevention assembly testing compliance for all backflow prevention assemblies.
3. Perform administrative functions including: answering water user telephone calls, scheduling of inspections, mailing of all notices, verification of backflow prevention assembly tester credentials & proper testing results and general customer service and program education inquiries.
4. Generate and document the required program data for the facilities using the HydroCorp Software Data Management Program.
5. Submit comprehensive management reports on a quarterly basis.
6. Conduct an annual review meeting to discuss overall program status and recommendations.
7. Provide up to six- (6) ASSE approved hose bibb vacuum breakers or anti-frost hose bibb vacuum breakers, (i.e. combination) per facility as required, in order to place a facility into immediate compliance at the time of inspection.
8. Prepare the annual State of Michigan, DEQ Water Bureau Cross Connection Report.
9. Assist the City with a community wide public relations program including general awareness brochures and customized web site cross connection control program overview content and resources.
10. Provide ongoing support via phone, fax, internet, text or email.

The above services will be provided for:

| | | |
|----------------------------------|-----------------------------------|-------------------------------------|
| Monthly Amount: \$ 293.00 | Annual Amount: \$ 3,516.00 | Contract Total: \$ 10,548.00 |
|----------------------------------|-----------------------------------|-------------------------------------|

Contract Amount is based upon a 36-month period. HydroCorp will invoice in 36 equal amounts of \$ 293.00



PROFESSIONAL SERVICE AGREEMENT

This agreement, made and entered into this (Date) _____ by and between the City of Swartz Creek organized and existing under the laws of the State of Michigan referred to as "Utility", and HydroCorp™ a Michigan Corporation, referred to as "HydroCorp".

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

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

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

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

ARTICLE I. Purpose

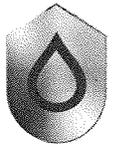
During the term of this Agreement, the Utility agrees to engage HydroCorp as an independent contractor to inspect and document its findings on its potable water distribution system in public, commercial and industrial facilities within the community. Each party to this Agreement agrees that it will cooperate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

ARTICLE II. Scope of Services

The scope of services to be provided by HydroCorp under this Agreement will include the inspections/surveys, program administration, answering telephone call inquires, scheduling of inspections, program compliance review, public education materials, preparation of quarterly management reports, and annual cross connection reports with respect to the facilities to the extent specifically set forth in this Article II (hereinafter the "Scope of Services"). Should other reports/services be included within the Scope of Services, the same shall be appended to this Agreement as Exhibit 1.

2.1 PROGRAM REVIEW/PROGRAM START UP MEETING. HydroCorp will conduct a Program Startup Meeting for the Cross-Connection Control/Backflow Prevention Program. Items for discussion/review will include the following:

- Review state & local regulations
- Review and/or provide assistance in establishing local Cross-Connection Control Ordinance
- Review/establish wording and timeliness for program notifications including:
 - Inspection Notice
 - Compliance Notice
 - Non-Compliance Notices 1-2, Penalty Notices
- Special Program Notices
- Electronic use of notices/program information
- Obtain updated facility listing, address information and existing program data from Utility
- Prioritize Inspections (City buildings, schools, high hazard facilities, special circumstances.)



- Review/establish procedure for vacant facilities
- Establish facility inspection schedule
- Review/establish procedures and protocol for addressing specific hazards
- Review/establish high hazard, complex facilities and large industrial facility inspection/containment procedures including supplemental information/notification that may be requested from these types of facilities in order to achieve program compliance.
- Review/establish program reporting procedures including electronic reporting tools
- Review/establish educational and public awareness brochures

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

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

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

2.4 PROGRAM DATA. HydroCorp will generate and document the required program data for the Facility Types listed in the Scope of Services using the HydroCorp Software Data Management Program. Program Data shall remain property of the Utility; however, the HydroCorp Software Data Management program shall remain the property of HydroCorp and can be purchased for an additional fee. Data services will include:

- Prioritize and schedule inspections
- Notify users of inspections, backflow device installation and testing requirements if applicable
- Monitor inspection compliance using the HydroCorp online software management program.
- Maintain program to comply with all MDEQ regulations

2.5 MANAGEMENT REPORTS. HydroCorp will submit comprehensive management reports in electronic, downloadable format on a quarterly & annual basis to the Utility. Reports to include the following information:

- Name, location and date of inspections
- Number of facilities inspected/surveyed
- Number of facilities compliant/non-compliant

2.6 REVIEW OF CROSS-CONNECTION CONTROL ORDINANCE. HydroCorp will review or assist in the development of a cross-connection control ordinance. Items for review include: Code adoption references, standard operational procedures, program notice documentation, reporting procedures and preference standards and penalties for non-compliance.



- 2.7 VACUUM BREAKERS.** HydroCorp will provide up to six (6) ASSE approved hose bibb vacuum breakers or anti-frost hose bibb vacuum breakers per facility as required, in order to place a facility into immediate compliance at the time of inspection if no other cross-connections are identified.
- 2.8 PUBLIC RELATIONS PROGRAM.** HydroCorp will assist the Utility with a community-wide public relations program including general awareness brochures and website cross connection control program content.
- 2.9 SUPPORT.** HydroCorp will provide ongoing support via phone, fax, text, website or email for the contract period.
- 2.10 FACILITY TYPES.** The facility types included in the program are as follows:
- Industrial
 - Institutional
 - Commercial
 - Miscellaneous Water users
 - Multifamily
- Complex Facilities. Large industrial and high hazard complexes or facilities may require inspection/survey services outside the scope of this Agreement. An independent cross connection control survey (at the business owner's expense) may be required at these facilities and the results submitted to the Utility to help verify program compliance.
- 2.11 INSPECTION TERMS.** HydroCorp will perform a minimum of 102 total inspections over a three (3) year contract period. The total inspections include all initial inspections, compliance and re-inspections.
- 2.12 COMPLIANCE WITH DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ).** HydroCorp will assist in compliance with DEQ and Michigan Plumbing Code cross connection control program requirements for all commercial, industrial, institutional, residential, multifamily and public authority facilities.
- 2.13 POLICY MANUAL.** HydroCorp will review and/or develop a comprehensive cross connection control policy manual/plan and submit to the appropriate regulatory agency for approval on behalf of the Utility.
- 2.14 INVENTORY.** HydroCorp shall inventory all accessible (ground level) backflow prevention assemblies and devices. Documentation will include: location, size, make, model and serial number if applicable.
- 2.15 DATA MANAGEMENT.** HydroCorp shall provide data management and program notices for all inspection services throughout the contract period.
- 2.16 ANNUAL YEAR END REVIEW.** HydroCorp will conduct an on-site annual year-end review meeting to discuss overall program status and specific program recommendations.
- 2.17 CROSS CONNECTION CONTROL BROCHURES.** HydroCorp will provide approximately **180** cross-connection control educational brochures for the duration of the Agreement.
- 2.18 INSURANCE.** HydroCorp will provide all required copies of general liability, workers compensation and errors and omissions insurance naming the Utility as an additional insured if required.



ARTICLE III. Responsibilities of the Utility

- 3.1 UTILITY'S REPRESENTATIVE.** On or before the date services are to commence under this Agreement, the Utility shall designate an authorized representative ("Authorized Representative") to administer this Agreement.
- 3.2 COMPLIANCE WITH LAWS.** The Utility, with the technical and professional assistance of HydroCorp, shall comply with all applicable local, state, and federal laws, codes, ordinances, and regulations as they pertain to the water inspection and testing, and shall pay for any capital improvements needed to bring the water treatment and delivery system into compliance with the aforementioned laws.
- 3.3 NOTICE OF LITIGATION.** In the event that the Utility or HydroCorp has or receives notice of or undertakes the prosecution of any actions, claims, suits, administrative or undertakes the prosecution of any actions, claims, suits, administrative or arbitration proceedings, or investigations in connection with this Agreement, the party receiving such notice or undertaking of such prosecution shall give the other party timely notice of such proceedings and will inform the other party in advance of all hearings regarding such proceedings.
- 3.4 FACILITY LISTING.** The Utility must provide HydroCorp a complete list of facilities to be inspected, including facility name, type of service connection, address, contact person, and phone number, (if available). *Electronic file format such as Microsoft Excel, etc. is required. An additional one-time fee to manually enter facility listing will be charged at the rate of \$80.00 per hour. Incorrect facility addresses will be returned to the Utility contact and corrected address will be requested.*
- 3.5 LETTERHEAD/LOGO.** The Utility will provide HydroCorp with an electronic file copy of the utility logo or utility letterhead and all envelopes for the mailing of all official program correspondence only. (300 dpi in either .eps, or other high quality image format for printing.)

ARTICLE IV. Term, Compensation and Changes in Scope of Services

- 4.1 TERM AND TERMINATION TERM.** Services by HydroCorp under this Agreement shall commence on 01/01/2017 and end three (3) years from such date, unless this Agreement is renewed or terminated as provided herein. The terms of this Agreement shall be valid only upon the execution of this Agreement within ninety (90) days of its receipt. Failure to execute this Agreement within the ninety (90) day period shall deem the proposed terms void.
- 4.2 RENEWAL.** Upon the expiration of this Agreement the utility will have the option to renew this agreement for two (2) consecutive one (1) year period. Increases in fees for each additional term will be based on the consumer price index, but no more than 3% annually.
- 4.3 TERMINATION.** The Utility or HydroCorp may terminate this Agreement at any time and on any date in the initial and renewal terms of this Agreement, with or without any cause, by giving written notice of such intent to terminate to the other party at least thirty (30) days prior to the effective date of termination. Notice of the intent to terminate shall be given in writing by personal service, by an authorized agent, or by certified mail, return receipt requested. The Utility shall pay the balance of any outstanding accounts for work performed by HydroCorp.
- 4.4 BASE COMPENSATION.** From the Beginning thirty (30) days after execution of this Agreement, the Utility shall pay HydroCorp as compensation ("Base Compensation") for labor, equipment, material, supplies, and utilities provided and the services performed pursuant to this Agreement, the sum of \$293.00 per month, \$3,516.00 annually for a three (3) year contract period totaling \$10,548.00.



- 4.5 PAYMENT OF INVOICES.** Upon presentation of invoices by HydroCorp, all payments including base and other compensation shall be due and payable on the first day of each month (due date) after the month for which services have been rendered. All such payments shall be made no later than thirty (30) days after the due date. Failure to pay shall be deemed a default under this Agreement. For any payment to HydroCorp which is not made within thirty (30) calendar days after the due date, HydroCorp, shall receive interest at one and one-half (1½) percent per month on the unpaid balance.
- 4.6 CHANGES IN SCOPE OF SERVICES.** In the event that the Utility requests and HydroCorp consents to perform additional work or services involving the consulting, management, operation, maintenance, and repair of the Utility's water delivery system where such services or work exceeds or changes the Scope of Services contemplated under this Agreement, HydroCorp shall be provided additional compensation. Within thirty (30) calendar days from the date of notice of such additional work or services, the parties shall mutually agree upon an equitable sum for additional compensation. This amount shall be added to the monthly sum effective at the time of change in scope. Changes in the Scope of Service include, but are not limited to, requests for additional service by the Utility or additional costs incurred in meeting new or changed government regulations or reporting requirements.
- 4.7 CLIENT CONFIDENTIALITY.** Disclosure of all communications between HydroCorp and the Utility regarding business practices and other methods and forms of doing business is subject to the provisions of Michigan Public Records Law. HydroCorp agrees to make available for inspection and copying all records in its possession created, produced, collected or otherwise related to this Agreement to the same extent as if the records were maintained by the Utility. HydroCorp expressly acknowledges and agrees that its obligations concerning Public Records Law and compliance under this Agreement should not be limited by copyright, license, privacy and/or confidentiality except as authorized under the Public Records Law.
- 4.8 ACCESSIBILITY.** Backflow prevention device information will be completed in full only when the identifying information (i.e. data plate, brass tag, etc.) is accessible and visible from ground level or from a fixed platform/mezzanine.
- 4.9 CONFINED SPACES.** – HydroCorp personnel will not enter confined spaces.

ARTICLE V. Risk Management and General Provisions

- 5.1 INFORMATION.** Both Parties to this Agreement recognize and acknowledge that the information presented to them is complete to the best of their knowledge, yet due to the inaccessible nature of water piping or lack of access provided by property owner/water user, complete accurate data is not always available. Cross-connection control inspection and results are documented as of a specific date. The property owner and/or water user may make modifications to the potable water system after the inspection date that may impact compliance with the program.
- 5.2 INDEMNIFICATION.** HydroCorp agrees to and shall hold the Utility, its elected and appointed officers, and employees harmless from any liability for claims or damages for personal injury or property damage which is caused by or arises from the sole negligence of HydroCorp in the performance of its services under this Agreement. The Utility agrees to and shall hold HydroCorp, its officers, and employees harmless from any liability for claims or damages for personal injury or property damage which is caused by, or arises from, the sole negligence of the Utility. In the event that both HydroCorp and the Utility are found by a fact finder to be negligent and the negligence of both is a proximate cause of such claim for damage, then in such event each party shall be responsible for the portion of the liability equal to its comparative share of the total negligence. HydroCorp's liability to the Utility for any loss, damage, claim,



or expense of any kind or nature caused directly or indirectly by the performance or non-performance of obligations pursuant to this Agreement shall be limited to general money damages in an amount not exceed or within the limits of the insurance coverage provided hereunder. HydroCorp shall in no event be liable for indirect or consequential damages, including but not limited to, loss of profits, loss of revenue, or loss of facilities, based upon contract, negligence, or any other cause of action.

5.3 HYDROCOP INSURANCE. HydroCorp currently maintains the following insurance coverage's and limits:

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

Within thirty (30) calendar days of the start of the project, HydroCorp shall furnish the Utility with satisfactory proof of such insurance, and each policy will require a 30-day notice of cancellation to be given to the Utility while this Agreement is in effect. The Utility shall be named as an additional insured according to its interest under the general liability policy during the term of this Agreement.

5.4 UTILITY INSURANCE. The Utility will maintain liability insurance on an all risk basis and including extended coverage for matters set forth in this Agreement. The Utility and HydroCorp agree that with respect to insurance coverage carried by either party in connection with the Facilities, such insurance will provide for the waiver by the insurance carrier of any subrogation rights against the Utility or against HydroCorp as the case may be.

5.5 RELATIONSHIP. The relationship of HydroCorp to the Utility is that of independent contractor and not one of employment. None of the employees or agents of HydroCorp shall be considered employees of the Utility. For the purposes of all state, local, and federal laws and regulations, the Utility shall exercise primary management, and operational and financial decision-making authority.

5.6 ENTIRE AGREEMENT AMENDMENTS. This Agreement contains the entire Agreement between the Utility and HydroCorp, and supersedes all prior or contemporaneous communications, representations, understandings, or agreements. This Agreement may be modified only by a written amendment signed by both parties.

5.7 HEADINGS, ATTACHMENTS, AND EXHIBITS. The heading contained in this Agreement is for reference only and shall not in any way affect the meaning or interpretation of this Agreement. The Attachments and Exhibits to this Agreement shall be construed as integral parts of this Agreement.

5.8 WAIVER. The failure on the part of either party to enforce its rights as to any provision of this Agreement shall not be construed as a waiver of its rights to enforce such provisions in the future.

5.9 ASSIGNMENT. This Agreement shall not be assigned by either party without the prior written consent of the other unless such assignment shall be to the affiliate or successor of either party.

5.10 FORCE MAJEURE. A party's performance under this Agreement shall be excused if, and to the extent that, the party is unable to perform because of actions due to causes beyond its reasonable control such as, but not limited to, Acts of God, the acts of civil or military authority, loss of potable water sources, water system contamination, floods, quarantine restrictions, riot, strikes, commercial impossibility, fires, explosions, bombing, and all such interruptions of business, casualties, events, or circumstances reasonably beyond the control of the party obligated to perform, whether such other causes are related



or unrelated, similar or dissimilar, to any of the foregoing. In the event of any such force majeure, the party unable to perform shall promptly notify the other party of the existence of such force majeure and shall be required to resume performance of its obligations under this Agreement upon the termination of the aforementioned force majeure.

- 5.11 AUTHORITY TO CONTRACT.** Each party warrants and represents that it has authority to enter into this Agreement and to perform the obligations, including any payment obligations, under this Agreement.
- 5.12 GOVERNING LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, regardless of the fact that any of the parties hereto may be or may become a resident of a different state or jurisdiction. Any suit or action arising shall be filed in a court of competent jurisdiction within the State of Michigan, venue by the presiding County. The parties hereby consent to the personal jurisdiction of said court within the State of Michigan.
- 5.13 COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.
- 5.14 NOTICES.** All notices, requests, demands, payments and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally or sent by nationally recognized overnight carrier, or mailed by certified mail, postage prepaid, return receipt requested, as follows:

If to HydroCorp:

HydroCorp
c/o John Hudak
5700 Crooks Road, Ste. 100
Troy, MI 48337
(248) 250-5005

If to Utility:

Tom Svrcek
Director of Public Works
City of Swartz Creek
8083 Civic Center Drive
Swartz Creek, MI 48473

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

SIGNATURES

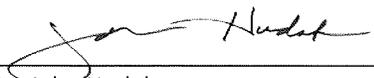
IN WITNESS WHEREOF, the parties have duly executed this Agreement effective as of the date first above written.

City of Swartz Creek

By:
Title:

By:
Title:

HydroCorp



By: John Hudak
Its: President



Qualifications/Experience

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

- HydroCorp conducts over 30,000 Cross Connection Control Inspections **annually**.
- HydroCorp tracks and manages over 35,000+ backflow prevention assemblies for our Municipal client base.
- Our highly trained staff works in an efficient manner in order to achieve maximum productivity and keep program costs affordable. We have a detailed **system** and **process** that each of our field inspectors follow in order to meet productivity and quality assurance goals.
- Our municipal inspection team is committed to providing outstanding customer service to the water users in each of the communities we serve. We teach and train customer service skills in addition to the technical skills since our team members act as representatives of the community that we service.
- Our municipal inspection team has attended training classes and received certification from the following recognized Cross Connection Control Programs: UF TREEO, UW-Madison, and USC – Foundation for Cross Connection Control and Hydraulic Research, American Backflow Prevention Association (ABPA), American Society for Sanitary Engineering (ASSE). HydroCorp recognizes the importance of Professional Development and Learning. We invest heavily in internal and external training with our team members to ensure that each Field Service and Administrative team member has the skills and abilities to meet the needs of our clients.
- We have a trained administrative staff to handle client needs, water user questions and answer telephone calls in a professional, timely and courtesy manner. Our administrative staff can answer most technical calls related to the cross connection control program and have attended basic cross connection control training classes.
- HydroCorp currently serves over 200 communities in Michigan, Wisconsin, Maryland, Delaware, Virginia & Florida. We still have our first customer!
- HydroCorp and its' staff are active members in many water industry associations including: National Rural Water Association, State Rural Water Associations, National AWWA, State AWWA Groups, HydroCorp is committed to assisting these organizations by providing training classes, seminars and assistance in the area of Cross Connection Control.
- Several Fortune 500 companies have relied on HydroCorp to provide Cross Connection Control Surveys, Program Management & Reporting to assist in meeting state/local regulations as well as internal company guidelines.

Swartz Creek, Michigan - 300,000 Gallon Toroellipse
2017 Water Tower Painting Project - December 15, 2016 - 2:00 P.M.

| Seven Brothers Shelby Twp., MI | LC United Sterling Heights, MI | Fedewa Hastings, MI | Horizon Brothers Howell, MI |
|--|--------------------------------------|---------------------------|-----------------------------------|
| Section 03 01 00.01 | | | |
| Ball Repair (1) | | | |
| Grout Repair (2) | | | |
| Total Section 03 (1-2) | | | |
| Section 05 00 00 | | | |
| Fall Prevention Device (1) | | | |
| Vandal Guard (2) | | | |
| Total Section 05 (1-2) | | | |
| Section 09 97 13 | | | |
| Exterior Overcoat and Roof Repaint (1) | | | |
| Project Total | 161,700 | 78,400 | 197,700 |
| Bid Bond | | | |

Swartz Creek, Michigan - 300,000 Gallon Toroellipse
2017 Water Tower Painting Project - December 15, 2016 - 2:00 P.M.

| Utility Services | Industrial Painting | L+T Painting |
|--|---------------------|--------------|
| Perry, GA | Taylor, MI | |
| Section 03 01 00.01 | | |
| Ball Repair (1) | | |
| Grout Repair (2) | | |
| Total Section 03 (1-2) | | |
| Section 05 00 00 | | |
| Fall Prevention Device (1) | | |
| Vandal Guard (2) | | |
| Total Section 05 (1-2) | | |
| Section 09 97 13 | | |
| Exterior Overcoat and Roof Repaint (1) | | |
| Project Total | 84,200 | 155,500 |
| 27 | | |
| Bid Bond | | |



GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

JEFFREY WRIGHT

COMMISSIONER

G-4608 BEECHER ROAD, FLINT, MI 48532

PHONE: (810) 732-1590 FAX (810) 732-1474



December 28, 2016

Re: KWA Update

Dear Community and Elected Leaders,

As we close 2016, the Karegnondi Water Authority has had several accomplishments and milestones this past year. First and foremost, KWA construction was completed this summer, with the last segment of pipeline going into the ground in early July. Testing of the pipeline is continuing, and is exceeding expectations. Additionally, our pilot plant for water treatment, based in our Lake Huron Pump Station, has been operational for the past 6 months. This allows for KWA and GCDC to be at maximum efficiency once the GCDC Water Treatment Plant construction is completed.

In total the KWA project came in well under the estimated \$300 million, was completed on-time, and the GCDC Water Treatment Plant remains on schedule to be completed next year. Both projects will culminate with the planned delivery of treated KWA water, beginning in October of 2017.

That being said, I have been contacted by many of you over the past several days, regarding press coverage of the Michigan Attorney General's charges against several State and City of Flint officials last week, specifically the reference to KWA and an Administrative Consent Order (ACO) entered into by Flint and State officials. Many of you have asked that I make a public press statement. Since we were not a direct party to any of the AG's charges, we will not be doing a press mobilization. I do believe it is important however to clarify several points, so that you have clear and accurate information.

Let me state clearly, the Karegnondi Water Authority, Genesee County Drain Commissioner's office, and our employees have not been accused of any wrongdoing in this matter. Furthermore, everything done by KWA and GCDC have been in accordance with all Local, State, and Federal statutes, and of equal importance, with the best interests of the residents of Flint and Genesee County in mind.

Myself, and my office have cooperated fully with the AG investigation, and will continue to assist them as they attempt to determine what happened to cause the Flint water crisis. It is important to reiterate that the Genesee County Drain Commissioner's office had no control over Flint going to the Flint River, which was done so despite the objections of myself and my staff to those in power at the time. Even accounting for those objections, nobody foresaw the mistakes which caused the Flint Water Crisis, including the decision by state and city officials to not use corrosion control in treatment of Flint's drinking water.

While KWA was not a target of the latest round of charges by the AG's office, it was mentioned thoroughly, both in the AG's press conference and warrant request against EM's Early and Ambrose. The foundation of those charges relates to the ACO entered into between City and State officials, primarily dealing with lime sludge which Flint was required to properly dispose, by DEQ order. The AG asserts that those charged signed the ACO under 'false pretenses' in an attempt to aid the City in paying for their portion of KWA bonds. Since I was not a party or a signatory to this agreement, I will not speak to the validity of these charges. I have attached a Detroit Free Press and Detroit News article, each of which contain multiple comments from legal experts relating to that point.

I will however state a number of facts I think are important, and are indeed factual errors in the AG's warrant request. I will mention, our attorneys will be in contact with AG officials, to clarify these same items, in an effort to make sure all relevant facts are known to all parties involved.

1. The Attorney General's document references a report from an engineering firm Tucker Young, who was hired by State Treasurer Andy Dillon in late 2012 to analyze KWA's financials. The report questioned, among other things, cost predictions for the construction of the KWA project. Tucker Young claimed KWA's construction would cost \$100 million more than our office, along with multiple other independent studies, predicted. The Tucker Young report was rejected by all parties in 2013 as erroneous, and potentially biased towards Detroit and DWSD. During the past 3 years, the figures in the Tucker Young report have been proven wrong. As mentioned before, KWA construction is now complete, and came in under our own estimates, proving Tucker Young's assertion of \$100 million project overruns was fanciful and devoid of merit. The Tucker Young report was wrong in 2013, it is wrong now, and does not belong as evidence in a court of law, in any form or manner.

Beyond this point, DWSD had already admitted publicly a second pipeline had to be built, due to the lack of reliability of their existing system. DWSD wanted to build and own the pipeline, while Flint and Genesee County continued to pay even higher rates to cover the cost. KWA could build the pipeline to a higher quality, more efficiently, and allow Flint and Genesee County to have lower costs and a seat at the table, while receiving the highest quality drinking water in the state.

2. The AG's warrant request speaks to a need for the ACO, in order for the KWA project to move forward. While I will not delve into the debate of whether or not the ACO was needed for Flint to join KWA, I will state unequivocally that the Karegnondi Water pipeline was going to be built regardless of Flint's participation, and therefore, regardless of any issuance of an ACO to Flint. I stated this fact on the record, in front of the Flint City Council, prior to the council voting in favor of KWA in March of 2013. This is only one of many times myself and others stated this fact, and video documentation of this meeting exists and is available to those interested.

Even stronger proof of the fact our office was moving forward, with or without Flint, is the fact that \$35 million in bonds to build the intake portion of the project were in the process of being sold prior to the City Council vote, and subsequent EM approval. In fact, design and engineering had already been completed for the intake, and construction scheduled, all prior to the March 2013 vote and decision by Flint. The sizing of the pipeline might have changed without Flint

onboard, but it clearly would have been built. The necessity of Flint's participation for KWA to move forward is key in the Attorney General's document, and is an inaccurate assumption.

3. The last item I will speak to in the AG document, is a referenced statement by former Flint Mayor Dayne Walling, stating that Flint would lose ownership of the Flint Water Treatment Plant if the City defaulted on its KWA obligations. It is difficult to discern what source the former mayor is referencing. No document or agreement between Flint, KWA, GCDC, etc.. contains any sort of provision to that effect. KWA cannot capture the Flint Water Treatment Plant or any other physical property from Flint, nor would we want to.

While other issues exist in the AG press conference and warrant materials submitted to the court, these are 3 very foundational discrepancies which I wanted to make you aware of. As a community leader, I know many residents will turn to you for guidance and questions, and it is important for you have as much information as possible. As the process continues, I will keep you updated.

The formation and fruition of the Karegnondi Water Authority took many years, and resulted from untenable rate increases for our drinking water by DWSD, and DWSD unreliability. It is remarkably irresponsible, and sets a dangerous precedent, for anyone to now criticize local governments for working together to create a more transparent, democratic, and efficient water supply option. KWA originated as a natural human response to being price gouged for something as basic as drinking water. It represents what government can do when it is at its best. The decisions and actions by the State of Michigan and City of Flint to go to the Flint River, to not utilize basic corrosion control measures, and to not listen to public concerns, represent government at its worst.

The fact is KWA has already been one of the most highly scrutinized projects in the history of our state, originally being approved under the Granholm administration and the Great Lakes Compact. KWA is a public authority, has been vetted by countless public agencies, its formation discussed at numerous public hearings, and approved by local elected officials in each and every part of our service area. Literally everything relating to KWA is a matter of public record.

Many of you who have reached out to me have asked what they can do, now that some have intimated KWA was not a worthwhile cause. I ask each of you to write a letter of support addressed to all interested parties, to let them know you stand behind KWA, its goals, and the reasons for its creation. Please send these letters to me, and we will display them on our website, to show that our elected leaders, community organizations and leaders, businesses, and residents alike continue to support this project. The associated email with this letter will have details on the submittal of these letters, or you can contact my office at 810-701-6514.

Thank you again for your continued support. If you have any questions, please never hesitate to contact me directly at any time.

Regards,



Jeff Wright – Genesee County Drain Commissioner

'False pretense' charges may be hard to pursue in Flint

Jim Lynch and Jennifer Chambers, The Detroit News 9:15 a.m. EST December 22, 2016



(Photo: Daniel Mears / Detroit News)

The most serious criminal charges filed against a pair of former Flint emergency managers and two city officials rely on the legal concept of “false pretense” — a charge most often involving untrue statements made to defraud a victim.

Proving parts of that equation may be as simple as producing emails and documentation culled during the Michigan Attorney General Office’s yearlong investigation into the Flint water crisis. But the false pretense premise may be difficult to prove in the Flint case, according to legal experts. Hurdles may lie ahead in how those accused benefited from their alleged illegal actions, and who was harmed.

Prosecutors allege that former emergency managers Darnell Earley and Gerald Ambrose, as well as Flint public works officials Howard Croft and Daugherty Johnson, misled state officials about the severity of a long-standing environmental problem in order to secure borrowing capacity for the financially troubled city. Millions of dollars purportedly meant to address a lime sludge dump site off Flint’s Bray Road instead helped the city pay for a pipeline to connect with the new Karegnondi Water Authority.

On Tuesday, Special Prosecutor Todd Flood put it bluntly: “The sludge lagoon was not an emergency.”

While under the control of a string of emergency managers, Flint left its traditional water supplier, the Detroit Water and Sewerage Department, in April 2014 as a cost-saving move. Hoping to eventually connect with Karegnondi, the city began drawing water from the Flint River.

Without proper treatment of that river water, the next year and a half resulted in lead contamination and an outbreak of Legionnaires’ disease that killed 12 people.

In order to pay for its share of the Karegnondi project, Flint needed to borrow money — something it could not easily do since the city was in receivership at the time. City officials needed Michigan’s Department of Environmental Quality to issue an administrative consent order due to the sludge site, and they finally got it in March 2014.

According to court documents, Flint and DEQ officials had already agreed on how to dispose of the lime sludge at the site in 2013.

Peter Henning, a Wayne State law professor and former prosecutor with the U.S Department of Justice Criminal Division’s Fraud Section, said proving the first aspect of the false pretense charges — that untrue statements were made — might be simple enough, he said.

“But the problem is that false pretense is a theft offense, at least under the traditional understanding of the crime,” he said Wednesday. “You obtain money or property by false representation ...

“Normally, the perpetrator gains something and the victim suffers an identifiable loss.”

What Earley, Ambrose, Croft and Johnson gained from such deception is unclear. Charging documents in the case do not insinuate that money eventually borrowed by Flint went directly into their pockets.

During a Tuesday press conference announcing the latest charges, Attorney General Bill Schuette was asked what the motive or benefit was for Earley and Ambrose.

“I’m not sure you can always fully capture the motive ...,” he said.

However, the charging documents include a reference to one statement made by Johnson, then a public works employee, regarding the switch to Karegnondi: “(Croft) stated that prior to the switch, defendant Johnson states that they would forever be ‘heroes’ if they switched to the Flint River and saved the city money.”

Each of the four men charged this week face 20-year sentences for false pretense and conspiracy to commit false pretense. State investigators believe Earley, Flint’s emergency manager from 2013 to 2015, and Ambrose, who held the position in 2015, allowed the switch to the Flint River before the city’s treatment plant was ready. In the face of rising public health concerns, they are alleged to have resisted a return to the Detroit Water and Sewerage Department.

Croft and Johnson are charged with putting "pressure on individuals at the (Flint) water treatment plant to get the plant to work, despite having been told it wasn't ready."

Another potential problem is the lack of a clearly defined victim in the case, legal experts say.

Ann Arbor criminal defense attorney John R. Minock said after reading details on the case, including the warrant request, he was left with more questions than answers.

"It seems to be an unusual use of the false pretenses statute. The details of the investigation in the warrant request are not detailed enough to fully understand the prosecution's theory," Minock said on Wednesday. "My question is who was defrauded here?"

One of the elements of the charge is that the defendant intended to cheat someone and that person lost something of value, Minock said.

"In my 42 years of work, I have seen this (charge) in a white collar setting, such as real estate and investment schemes. But to see this in a political mismanagement case seems odd."

Henning similarly questioned who the state sees as the victim in this case. Flint, as an entity, might be a possibility. But since those charged in the case were emergency managers and city officials acting on behalf of Flint: "Flint wasn't lied to. Earley and Ambrose were Flint," Henning said. "They became Flint when they became the city's emergency managers."

A bond-buyer would be another possibility but that, too, is problematic. Since the city of Flint has not defaulted on its bond payments, there is no victim. And while MDEQ officials may have been lied to about the "calamity" posed by the sludge site, Henning said it is difficult to see how the state was harmed.

On Wednesday, a spokeswoman for Schuette's office provided an email response to questions regarding who the victim in the Flint case would be.

"The charges of false pretenses and conspiracy to commit false pretenses will be tried in court," wrote Andrea Bitely.

"The attorney general won't allow the families of Flint to be swept under the rug; he will continue to seek justice for the nearly 100,000 residents of Flint that are still paying the price for the disastrous decisions made by the defendants who placed their health on the line to save a few dollars. The residents of Flint deserve better, they deserve accountability and they are who Attorney General Schuette is fighting for."

jlynch@detroitnews.com

(313) 222-2034

Read or Share this story: <http://detne.ws/2ihV8nv>

Expert: AG's latest Flint charges could be 'a stretch'

Paul Egan, Detroit Free Press 11:54 p.m. EST December 23, 2016

water
crisis

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Conventio

Two law professors, veterans of Michigan's criminal justice system, agree Schuette is making novel use of a state law



Buy Photo

(Photo: Ryan Garza/Detroit Free Press)

LANSING — [Felony charges Attorney General Bill Schuette brought this week](#)

[\(/story/news/local/michigan/flint-water-crisis/2016/12/20/schuette-flint-water-charges/95644964/\)](#) against two former Flint emergency managers and two city public works officials involve a novel use of Michigan's "false pretenses" law and could be a stretch, a legal expert said Friday.

On Tuesday, Schuette charged former Flint emergency managers Darnell Earley and Gerald Ambrose and former Flint officials Howard Croft and Daugherty Johnson in connection with the lead contamination of Flint's drinking water supply. Tuesday's charges brought to 13 the total number of defendants Schuette has charged in connection with the public health catastrophe.

The most serious charges by far — 20-year felonies — were allegations of false pretenses and conspiracy to commit false pretenses, brought against all four defendants.

Related:

[Mediator to assist in federal lawsuit over Flint water](#)

[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/12/23/mediator-assist-federal-lawsuit-over-flint-water/95789072/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/12/23/mediator-assist-federal-lawsuit-over-flint-water/95789072/)

[Michigan Court of Claims dismisses Flint water claims](#)

[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/12/22/michigan-court-claims-dismisses-flint-water-claims/95761458/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/12/22/michigan-court-claims-dismisses-flint-water-claims/95761458/)

Snyder: I'm not concerned about being charged over Flint water crisis

[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/12/21/rick-snyder-flint-water-crisis/95716756/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/12/21/rick-snyder-flint-water-crisis/95716756/)

Schuette alleged the defendants claimed a false environmental emergency at a sludge lagoon used by the Flint Water Treatment Plant, in order to fraudulently obtain a state administrative consent order that allowed Flint to take on more than \$70 million in debt for the \$285-million Karegnondi Water Authority pipeline to Lake Huron. The city — which was broke and couldn't borrow money — otherwise would not have been able to take on the debt.

Schuette alleges that same order had the effect of tying the City of Flint to the Flint River for its drinking water until the new pipeline was completed, with disastrous consequences.

Ronald Bretz, professor emeritus at Western Michigan University's Cooley Law School and a former assistant defender at the State Appellate Defender Office, said the charge of false pretenses is essentially a theft charge, except instead of involving taking something that doesn't belong to you, it involves having something given to you as a result of a false statement.

A



- **Judge: Flint water allegations 'shock the conscience'**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/27/judge-flint-water-allegations-shock-conscience/92825108/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/27/judge-flint-water-allegations-shock-conscience/92825108/)
- **Flint may be buying its water from Genesee County**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/26/flinter-water-crisis-genesee-county/92782902/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/26/flinter-water-crisis-genesee-county/92782902/)
- **Feds asked: Check if Flint can sue Michigan in Flint lead water crisis**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/26/flinter-water-crisis-genesee-county/92782902/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/26/flinter-water-crisis-genesee-county/92782902/)
- **Flint seeks millions more in financial help from state**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/22/flint-water-crisis-financial-help/92512286/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/22/flint-water-crisis-financial-help/92512286/)
- **Inspector General: EPA too slow to act on Flint lead**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/20/epa-inspector-agency-should-have-acted-sooner-flint/92467100/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/20/epa-inspector-agency-should-have-acted-sooner-flint/92467100/)
- **Flint report: Fix law on emergency managers**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/19/flint-water-committee-sweeping-changes/92405150/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/19/flint-water-committee-sweeping-changes/92405150/)
- **ACLU sues education officials on behalf of Flint school children**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/18/aclu-sues-behalf-flint-school-children/92350272/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/18/aclu-sues-behalf-flint-school-children/92350272/)
- **Flint receives grant to help residents after water crisis**
[\(http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/15/flint-water-crisis-grant/92162406/\)](http://www.freep.com/story/news/local/michigan/flint-water-crisis/2016/10/15/flint-water-crisis-grant/92162406/)

- [Time line: How Flint's water crisis unfolded](http://www.freep.com/pages/interactives/flint-water-crisis-timeline/)
(<http://www.freep.com/pages/interactives/flint-water-crisis-timeline/>)
- [Full coverage: Flint water crisis](http://www.freep.com/news/flint-water-crisis/) (<http://www.freep.com/news/flint-water-crisis/>)

classical example would be telling someone you own a car and selling it to them for thousands of dollars, when in fact the car isn't yours.

In Michigan jury instructions, prosecutors have to show the defendant used a pretense they knew was false, that they had an intent to defraud or cheat someone, and that by relying on the false pretense, someone lost something of value. For a 20-year felony, the value of the loss must exceed \$100,000.

Bretz said Schuette may be able to show false statements were made, but proving intent to defraud could be more challenging.

With respect to the financial transaction, "I don't see a victim here," Bretz said Friday. "They got a loan; the loan is being repaid."

"I'm not saying that Schuette's theory is completely without basis in law," Bretz said. "It's a unique and interesting theory," but it could be "a stretch."

Schuette's office has declined to debate the merits of the charges, saying they will be proven in the courtroom.

Richard Krisciunas, a former chief of the trial division in the Wayne County Prosecutor's Office and an adjunct professor at University of Detroit Mercy School of Law, agreed the recent charges involve a novel use of Michigan's false pretenses law.

On the other hand, "how often does something like this happen?" he asked.

"Time will tell," Krisciunas said. "Usually, prosecutors don't charge anyone with a crime unless they think they can prove the case to a jury, beyond a reasonable doubt,"

But he noted that "some prosecutors intentionally overcharge hoping to force defendants to plead guilty to some lesser charge."

The preliminary examination will be an early test, where the prosecutor will have to present some evidence on each element of the offense, he said. However, the burden is relatively low at a preliminary exam and the evidence is looked at in a light most favorable to the prosecution, he said.

Earley and Ambrose are also charged with misconduct in office — a five-year felony. Croft and Johnson are also charged with willful neglect of duty — a one-year misdemeanor.

Contact Paul Egan: 517-372-8660 or pegan@freepress.com. Follow him on Twitter @paulegan4.

Read or Share this story: <http://on.freep.com/2ipvsFs>

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

NOTICE OF HEARING
FOR THE ELECTRIC CUSTOMERS OF
CONSUMERS ENERGY COMPANY AND
DTE ELECTRIC COMPANY
CASE NO. U-18195



- Consumers Energy Company and DTE Electric Company requests that the Michigan Public Service Commission grant accounting approval of depreciation practices for the Ludington Pumped Storage Plant.
- The information below describes how a person may participate in this case.
- You may call or write Consumers Energy Company, One Energy Plaza, Jackson, Michigan 49201, (800) 477-5050; or DTE Electric Company, One Energy Plaza, Detroit, Michigan 48226-1279, (800) 477-4747 for a free copy of its application. Any person may review the documents at the offices of Consumers Energy Company, or the DTE Electric Company.
- A public hearing will be held:

DATE/TIME: **Thursday, January 12, 2017, at 9:00 a.m.**
This hearing will be a prehearing conference to set future hearing dates and decide other procedural matters.

BEFORE: Administrative Law Judge **Mark D. Eyster**

LOCATION: Michigan Public Service Commission
7109 West Saginaw Highway
Lansing, Michigan

PARTICIPATION: Any interested person may attend and participate. The hearing site is accessible, including handicapped parking. Persons needing any accommodation to participate should contact the Commission's Executive Secretary at (517) 284-8090 in advance to request mobility, visual, hearing or other assistance.

The Michigan Public Service Commission (Commission) will hold a public hearing to consider the November 10, 2016 joint application of Consumers Energy Company (Consumers Energy) and the DTE Electric Company (DTE Electric), which seeks approval of their proposed depreciation accrual rates, depreciation expense, and depreciation rate change implementation timing requested by the Companies for accounting and ratemaking purposes for the Ludington Plant; and grant Consumers Energy and DTE Electric such other and further relief as may be just and reasonable. DTE Electric and Consumers Energy are requesting an increase in annual depreciation expenses of \$13.8 million and \$14.5 million, respectively.

All documents filed in this case shall be submitted electronically through the Commission's E-Dockets website at: michigan.gov/mpscedockets. Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an email sent to: mpscedockets@michigan.gov. If you require assistance prior to e-filing, contact Commission staff at (517) 284-8090 or by email at: mpscedockets@michigan.gov.

Any person wishing to intervene and become a party to the case shall electronically file a petition to intervene with this Commission by Thursday, January 5, 2017. (Interested persons may elect to file using the traditional paper format.) The proof of service shall indicate service upon Consumers Energy's attorney, Mr. Gary A. Gensch, Jr., One Energy Plaza, Jackson, Michigan 49201, and DTE Electric's attorney, Mr. Jon P. Christinidis, One Energy Plaza, Detroit, Michigan 48226-1279.

Any person wishing to appear at the hearing to make a statement of position without becoming a party to the case may participate by filing an appearance. To file an appearance, the individual must attend the hearing and advise the presiding administrative law judge of his or her wish to make a statement of position. All information submitted to the Commission in this matter becomes public information, thus available on the Michigan Public Service Commission's website, and subject to disclosure. Please do not include information you wish to remain private.

Requests for adjournment must be made pursuant to the Michigan Administrative Hearing System's Administrative Hearing Rules R 792.10422 and R 792.10432. Requests for further information on adjournment should be directed to (517) 284-8130.

A copy of Consumers Energy's application may be reviewed on the Commission's website at: michigan.gov/mpscedockets, and at the offices of Consumers Energy Company and DTE Electric Company. For more information on how to participate in a case, you may contact the Commission at the above address or by telephone at (517) 284-8090.

Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1909 PA 300, as amended, MCL 462.2 et seq.; 1919 PA 419, as amended, MCL 460.54 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; and the Michigan Administrative Hearing System's Administrative Hearing Rules, 2015 AC, R 792.10401 et seq.

[THE MICHIGAN PUBLIC SERVICE COMMISSION MAY APPROVE, REJECT, OR AMEND PROPOSALS MADE BY CONSUMERS ENERGY COMPANY AND DTE ELECTRIC COMPANY.]

1068-E

Inspection List

01/03/17

| Address | Parcel Number | Inspection Type | Scheduled | Completed | Result | Inspector |
|---------------------|---------------|----------------------|------------|------------|--------------------|----------------|
| 4169 JENNIE LN | 58-36-526-024 | Status | 12/01/2016 | 12/01/2016 | No Change | Matt Hart |
| 7556 MILLER RD | 58-36-552-009 | Status | 12/01/2016 | 12/01/2016 | No Change | Matt Hart |
| 4276 KROGER DR | 58-36-400-010 | Progress | 12/01/2016 | 12/01/2016 | Disapproved | Matt Hart |
| 7233 LINDSEY DR | 58-36-676-042 | Final | 12/06/2016 | 12/06/2016 | Approved | Bob Davis |
| 7233 LINDSEY DR | 58-36-676-042 | Final | 12/06/2016 | 12/06/2016 | Approved | Bob Davis |
| 4276 KROGER DR | 58-36-400-010 | Progress | 12/06/2016 | 12/06/2016 | Partially Approved | Matt Hart |
| 4276 KROGER DR | 58-36-400-010 | Rough-Partial Progre | 12/06/2016 | 12/06/2016 | Approved | Bob Davis |
| 4169 JENNIE LN | 58-36-526-024 | Letter | 12/07/2016 | 12/07/2016 | No Change | Tara Ford |
| 3266 DYE RD | 58-29-300-002 | Status | 12/12/2016 | 11/29/2016 | Complied | Matt Hart |
| 7084 MILLER RD | 58-36-576-012 | Final Zoning-Admin | 12/12/2016 | 12/12/2016 | Approved | Matt Hart |
| 6337 BRISTOL RD | 58-31-100-038 | Final | 12/12/2016 | 12/12/2016 | Approved | Matt Hart |
| 8339 CAPPY LN | 58-02-100-008 | Final | 12/13/2016 | 12/13/2016 | Approved | Leon Buning |
| 4276 KROGER DR | 58-36-400-010 | Progress | 12/13/2016 | 12/13/2016 | Approved | Matt Hart |
| 4276 KROGER DR | 58-36-400-010 | Rough | 12/13/2016 | 12/13/2016 | Approved | Matt Hart |
| 7233 LINDSEY DR | 58-36-676-042 | Final | 12/14/2016 | 12/14/2016 | Approved | Leon Buning |
| 7169 RUSSELL DR | 58-36-676-064 | Final | 12/14/2016 | 12/14/2016 | Approved | Leon Buning |
| 4276 KROGER DR | 58-36-400-010 | Insulation | 12/14/2016 | 12/14/2016 | Approved | Matt Hart |
| 7233 LINDSEY DR | 58-36-676-042 | Masonary | 12/14/2016 | 12/19/2016 | Approved | Matt Hart |
| 8341 CAPPY LN | 58-02-503-040 | Initial | 12/14/2016 | 12/14/2016 | Partially Complied | Matt Hart |
| 7240 MILLER RD | 58-36-578-007 | Final | 12/15/2016 | 12/15/2016 | Approved | Leon Buning |
| 7240 MILLER RD | 58-36-578-007 | Final | 12/15/2016 | 12/15/2016 | Approved | Bob Davis |
| 7096 YARMY DR | 58-36-526-041 | Final | 12/15/2016 | 12/15/2016 | Approved | Leon Buning |
| 7096 YARMY DR | 58-36-526-041 | Final | 12/15/2016 | 12/15/2016 | Approved | Bob Davis |
| 7233 LINDSEY DR | 58-36-676-042 | Final | 12/15/2016 | 12/15/2016 | Disapproved | Matt Hart |
| 7169 RUSSELL DR | 58-36-676-064 | Masonary | 12/15/2016 | 12/19/2016 | Approved | Matt Hart |
| 5388 DURWOOD DR | 58-03-533-114 | Status | 12/19/2016 | 12/19/2016 | No Change | Jeremy Pizzala |
| 5256 DON SIMPSON DR | 58-02-503-004 | Status | 12/19/2016 | 12/19/2016 | No Change | Jeremy Pizzala |

Inspection List

01/03/17

| Address | Parcel Number | Inspection Type | Scheduled | Completed | Result | Inspector |
|--------------------|---------------|--------------------|------------|------------|-----------|----------------|
| 5014 FORD ST | 58-02-528-012 | Status | 12/19/2016 | 12/19/2016 | No Change | Jeremy Pizzala |
| 4169 JENNIE LN | 58-36-526-024 | Status | 12/19/2016 | 12/19/2016 | No Change | Matt Hart |
| 4276 KROGER DR | 58-36-400-010 | Rough | 12/19/2016 | 12/19/2016 | Approved | Bob Davis |
| 7233 LINDSEY DR | 58-36-676-042 | Final-Reinspection | 12/19/2016 | 12/19/2016 | Approved | Matt Hart |
| 4276 KROGER DR | 58-36-400-010 | Rough | 12/19/2016 | 12/19/2016 | Approved | Bob Davis |
| 9148 CHELMSFORD DR | 58-03-528-030 | Service | 12/20/2016 | 12/20/2016 | Approved | Leon Buning |
| 7169 RUSSELL DR | 58-36-676-064 | Final | 12/20/2016 | 12/20/2016 | Approved | Bob Davis |
| 7169 RUSSELL DR | 58-36-676-064 | Final | 12/20/2016 | 12/21/2016 | Approved | Bob Davis |
| 5915 CROSSCREEK DR | 58-36-651-205 | Final | 12/20/2016 | 12/20/2016 | Approved | Bob Davis |
| 4276 KROGER DR | 58-36-400-010 | Rough | 12/21/2016 | 12/21/2016 | Approved | Leon Buning |
| 9187 NORBURY DR | 58-03-533-197 | Open Roof | 12/21/2016 | 12/21/2016 | Approved | Matt Hart |
| 7556 MILLER RD | 58-36-552-009 | Status | 12/28/2016 | | | Matt Hart |
| 4276 KROGER DR | 58-36-400-010 | Rough | 12/29/2016 | 12/29/2016 | Approved | Bob Davis |

Inspections: 40

Population: All Records

Inspection.DateTimeScheduled Between 12/1/2016 12:00:00 AM AND 12/31/2016 11:59:59 PM

City of Swartz Creek

Building Permit List

2016

| Permit No. | Date | Applicant | Phone | Tax ID No. | Value of Const/Permit Fee | Location | Type of Construction |
|-----------------|----------|------------------------------|------------------------|---------------|----------------------------|----------------------------|----------------------------------|
| Building | | | | | | | |
| PB1600058 | 12/02/16 | Hanson's Window & Constructi | (248) 581 3030 | 58-03-580-009 | \$19,046 | \$195.00 5372 WINSHALL DR | 48473-Roofing |
| PB1600059 | 12/06/16 | Lockhart Roofing Co. | (810) 235 9866 | 58-03-533-197 | \$7,070 | \$125.00 9187 NORBURY DR | 48473-Roofing |
| PB1600060 | 12/07/16 | Goods Roofing, Inc | (810) 653 7663 | 58-03-533-086 | \$8,640 | \$140.00 5233 GREENLEAF DR | 48473-Roofing |
| Total: | | 3 Permits | Value: \$34,756 | | Fee Total: \$460.00 | | Total Number of Dwelling Units 0 |

| | | | | | | | |
|-------------------|----------|---------------------------|-------------------|---------------|----------------------------|-----------------------------|----------------------------------|
| Electrical | | | | | | | |
| PE1600054 | 12/06/16 | Cornerstone Electric Inc | (810) 223 1043 | 58-03-528-030 | \$0 | \$120.00 9148 CHELMSFORD DR | 48473-Electrical |
| PE1600055 | 12/08/16 | Ecker Mechanical Cont Inc | (810) 742 8652 | 58-35-576-059 | \$0 | \$135.00 8083 CIVIC DR | 48473 Electrical |
| Total: | | 2 Permits | Value: \$0 | | Fee Total: \$255.00 | | Total Number of Dwelling Units 0 |

| | | | | | | | |
|-------------------|----------|-------------------------------|-------------------|---------------|----------------------------|------------------------------|----------------------------------|
| Mechanical | | | | | | | |
| PM160062 | 12/05/16 | Adkisson & Sons Htg & Clg Inc | (810) 695 9300 | 58-36-651-205 | \$0 | \$130.00 5915 CROSSCREEK DR | 48473-Mechanical |
| PM160063 | 12/05/16 | Goyette Mechanical | (810) 742 8530 | 58-36-651-104 | \$0 | \$135.00 4393 SPRINGBROOK DR | 48473-Mechanical |
| PM160064 | 12/14/16 | P & H Plumbing & Heating, Inc | (810) 736 3830 | 58-02-526-013 | \$0 | \$175.00 5091 SCHOOL ST | 48473-Mechanical |
| PM160065 | 12/28/16 | William Lalonde | | 58-31-526-004 | \$0 | \$160.00 6166 MILLER RD | 48473-Mechanical |
| PM160066 | 12/28/16 | Terry Allen Heating & Plumbin | (810) 232 8270 | 58-29-300-013 | \$0 | \$160.00 5285 MILLER RD | 48473-Mechanical |
| Total: | | 5 Permits | Value: \$0 | | Fee Total: \$760.00 | | Total Number of Dwelling Units 0 |

City of Swartz Creek Building Permit List 2016

| Permit No. | Date | Applicant | Phone | Tax ID No. | Value of Const/Permit Fee | Location | Type of Construction |
|------------|----------|-----------|----------------|---------------|---------------------------|-----------------|----------------------|
| PROW-0037 | 12/07/16 | 123NET | (248) 228 8263 | 58-29-300-007 | \$0 \$500.00 | 6060 BRISTOL RD | 48554-Right of way |

Total: 1 Permits Value: \$0 Fee Total: \$500.00 Total Number of Dwelling Units 0

Zoning

| | | | | | | | |
|-----------|----------|-------------|----------------|---------------|--------------|-----------------|------------|
| PZ16-0026 | 12/09/16 | Sign A Rama | (810) 230 6445 | 58-03-400-014 | \$0 \$170.00 | 5372 SEYMOUR RD | 48473 Sign |
|-----------|----------|-------------|----------------|---------------|--------------|-----------------|------------|

Total: 1 Permits Value: \$0 Fee Total: \$170.00 Total Number of Dwelling Units 0

Permit Total: 12 Value: \$34,756 Fee Total: \$2,145.00

Permit.DateIssued Between 12/1/2016
12:00:00 AM AND 12/31/2016 11:59:59 PM

**SWARTZ CREEK POLICE DEPARTMENT
MOTOR POOL RENTAL HOURS
DECEMBER 2016**

| | <u>101-301-941</u> | <u>101-302-941</u> | <u>101-303-941</u> | <u>101-304-941</u> |
|--------------|--------------------|--------------------|--------------------|--------------------|
| #05-168 | 19 | 0 | 0 | 0 |
| #05-649 | 52 | 0 | 6.8 | 0 |
| #12-144 | 94 | 0 | 0 | 0 |
| #13-384 | 211 | 0 | 0 | 0 |
| #09-226 | 99 | 0 | 0 | 4 |
| #10-161 | 4 | 0 | 97 | 0 |
| #14-514 | 438 | 0 | 0 | 0 |
| TOTAL | 917 | 0 | 103.8 | 4 |

SCPD200 Ticket Ledger Report

12/1/2016 12:00:00 AM - 12/31/2016 12:00:00

AM

| Citation No | Citation Date Time | Location | Offense |
|-------------|--------------------|--|---|
| 10538 | 12/29/2016 | 8024 Miller Rd | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11066 | 12/7/2016 | 5014 Hayes | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11126 | 12/22/2016 | Worcester | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11127 | 12/28/2016 | Don Shenk | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11220 | 12/9/2016 | Wade St | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11221 | 12/9/2016 | Parkridge | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11222 | 12/17/2016 | Durwood | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11223 | 12/17/2016 | Winshall | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11224 | 12/18/2016 | Greenleaf | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 11225 | 12/18/2016 | Greenleaf | |
| | | | 9913 - 93004 - Traffic, Non-Criminal - Parking Violations |
| 1345361 | 12/7/2016 | 1 Dragon Drive At Swartz Crk High School | |
| | | | 3562 - 35001 - Marijuana - Possess |
| 1345382 | 12/27/2016 | Schafer Dr Near 8210 Miller Rd | |
| | | | 8013 - 54001 - Motor Vehicle Accident - Failed to Report Accident |
| 1345500 | 12/30/2016 | Elms, Miller | |
| | | | 8277 - 54003 - Traffic - Registration Law Violations |
| 1482901 | 12/18/2016 | Miller Near School | |
| | | | 8121 - 54003 - Traffic - Disregarded Stop Sign |
| 1482931 | 12/5/2016 | Sage Link Credit Union, 9189 Miller Rd | |
| | | | 8041 - 54002 - Operating Under the Influence of Intoxicating Liquor |

| | | | |
|---------|------------|----------------------------------|--|
| 1482995 | 12/16/2016 | Miller Rd E/b Near School | |
| | | | 8054 - 54003 - Traffic - Violation of Basic Speed (Too Fast) |
| 1483110 | 12/10/2016 | W/b I-69 Near Miller Rd | |
| | | | 8271 - 54003 - Traffic - No Operators License |
| | | | 9937 - 97006 - Other Non-Criminal Accidents - All Other |
| 1483128 | 12/8/2016 | Elms Rd At Mcdonald's Restaurant | |
| | | | 8271 - 54003 - Traffic - No Operators License |
| 1483129 | 12/8/2016 | Elms Rd At Mcdonald's Restaurant | |
| | | | 8274 - 54003 - Traffic - Permitted Unlicensed Minor to Operate |

Total Tickets : 19

Total Offenses : 20

210 OFFENSE SUMMARY

12/1/2016 12:00:00 AM – 12/31/2016 12:00:00

AM

| Offense | Total |
|---|-----------|
| 1399 - 13002 - Assault (Other) | 2 |
| 2202 - 22001 - Burglary - Forced Entry - Residence (Including Home Invasion) | 1 |
| 2305 - 23005 - Larceny - Personal Property from Vehicle | 2 |
| 2475 - 24002 - Motor Vehicle as Stolen Property - Unauthorized Use (Includes Joyriding) | 1 |
| 2610 - 26003 - Fraud - Pers Ident Info Obt/Poss/Trans W/I | 1 |
| 2902 - 29000 - Damage to Property - Private Property | 2 |
| 3562 - 35001 - Marijuana - Possess | 1 |
| 3806 - 38001 - Neglect Child | 1 |
| 3898 - 38001 - Cruelty/Neglect (Other) | 1 |
| 5015 - 50000 - Failure to Appear | 1 |
| 7070 - 70000 - Runaway | 1 |
| 8013 - 54001 - Motor Vehicle Accident - Failed to Report Accident | 2 |
| 8041 - 54002 - Operating Under the Influence of Intoxicating Liquor | 1 |
| 8271 - 54003 - Traffic - No Operators License | 2 |
| 8274 - 54003 - Traffic - Permitted Unlicensed Minor to Operate | 1 |
| 9910 - 93001 - Traffic, Non-Criminal - Accident | 5 |
| 9911 - 93002 - Traffic, Non-Criminal - Non-Traffic Accident | 4 |
| 9943 - 98007 - Inspections/Investigations - Suspicious Situations | 1 |
| 9948 - 99003 - Miscellaneous - Missing Persons | 2 |
| 9953 - 99008 - Miscellaneous - General Assistance | 1 |
| 9954 - 99009 - Miscellaneous - Non-Criminal | 1 |
| Total: | 34 |

01/04/2017

CHECK REGISTER FOR CITY OF SWARTZ CREEK
CHECK DATE FROM 12/01/2016 - 12/31/2016

Highlighted amount is total for that vendor

| Check Date | Check | Vendor Name | Description | Amount |
|-------------------------------|-------|--------------------------------|--|---------------|
| Bank GEN CONSOLIDATED ACCOUNT | | | | |
| 12/01/2016 | 42954 | A+ SUPPLY CO INC | LIGHTS (8) | 94.34 |
| | | | LIGHTS (13)/RETURN LIGHTS (4) | 70.19 |
| | | | | <u>164.53</u> |
| 12/01/2016 | 42955 | ACE-SAGINAW PAVING COMPANY | COLD PATCH | 814.20 |
| 12/01/2016 | 42956 | ARROW UNIFORM RENTAL | UNIFORMS, MATS, SUPPLIES, ENV. | 104.00 |
| | | | MATS, SUPPLIES | 32.72 |
| | | | UNIFORMS, MATS, SUPPLIES, ENV. | 104.00 |
| | | | UNIFORMS, MATS, SUPPLIES, ENV. | 118.70 |
| | | | MATS, SUPPLIES | 32.72 |
| | | | | <u>392.14</u> |
| 12/01/2016 | 42957 | CHARTER TOWNSHIP OF MUNDY | COST SHARING AGRMNT/POLICE/MCGRAW MORRIS | 830.25 |
| 12/01/2016 | 42958 | CHARTER TOWNSHIP OF MUNDY | EML/COST SHARING/POLICE/R KNOTT | 1,846.87 |
| 12/01/2016 | 42959 | CHARTER TOWNSHIP OF MUNDY | JOINT INSP & PERMIT FEES SEPT 2016 | 3,525.92 |
| 12/01/2016 | 42960 | COMCAST BUSINESS | 11/26-12/25/16 CITY HALL | 329.60 |
| 12/01/2016 | 42961 | COMCAST BUSINESS | 12/1-12/31/16 PUBLIC SAFETY BLDG | 149.80 |
| 12/01/2016 | 42962 | COOKS DIESEL RV & TRUCK REPAIR | BATTERY FOR STREET SWEEPER | 141.95 |
| | | | BATTERY FOR BUCKET TRUCK | 128.95 |
| | | | | <u>270.90</u> |
| 12/01/2016 | 42963 | DENNIS W CRAMER | MILEAGE FOR MML SEMINAR/LANSING | 48.60 |
| 12/01/2016 | 42964 | DONALD KORTH | UPDATED WORKSTATIONS/SERVER/MAIL | 300.00 |
| | | | RE-IMAGE LAPTOP FOR CRAMER | 150.00 |
| | | | TROUBLESHOOT & UPDATE LAPTOP PORATH | 100.00 |
| | | | | <u>550.00</u> |
| 12/01/2016 | 42965 | GAULT DAVISON PC | OCT 2016 ENVIRONMENTAL ISSUE | 1,215.00 |
| 12/01/2016 | 42966 | GENESEE CTY DRAIN COMMISSIONER | WATER 9/28-10/28/16 2,206,570 CF | 127,523.95 |
| 12/01/2016 | 42967 | GREGORY R CRUTHERS | ANNUAL MAINT 11/3/16-11/3/17 | 300.00 |
| 12/01/2016 | 42968 | JAMES NOLEN | CE CAPPY LANE LIFT STATION APPLICATION # | 170,244.00 |
| 12/01/2016 | 42969 | JOSE A MIRELES | MOW & TRIM CITY PROP/RESIDENT (4) | 1,055.00 |
| 12/01/2016 | 42970 | MICH ASSOC MUNICIPAL CLERKS | CLERK ANNUAL MEMB DUES | 60.00 |
| 12/01/2016 | 42971 | MICHIGAN ASSESSORS ASSOCIATION | MAA MEMBERSHIP DUES 2017 ZETTEL | 75.00 |
| 12/01/2016 | 42972 | MICHIGAN MUNICIPAL LEAGUE | ELECTED OFFICIALS TRAINING CRAMER 2/17-2 | 160.00 |
| 12/01/2016 | 42973 | MICHIGAN MUNICIPAL LEAGUE | CDL DRIVERS FEE (5) 1/1-12/31/17 | 350.00 |
| 12/01/2016 | 42974 | MISS DIG SYSTEM INC | ANNUAL MEMB & FEES 2017 | 695.46 |
| 12/01/2016 | 42975 | PLANTE & MORAN PLLC | FY16 AUDIT FINAL BILL | 7,500.00 |
| 12/01/2016 | 42976 | PPSMG URGENT MEDICAL CARE PLLC | HEP B SHOT/R. STEVENS | 30.00 |
| 12/01/2016 | 42977 | SALLY M ADAMS | JULY-DEC 2016 RETIREE MEDICAL | 1,506.00 |
| 12/01/2016 | 42978 | SOUNDCOM MICHIGAN CORP | REPAIR AUDIO SYSTEM | 316.40 |
| 12/01/2016 | 42979 | SUBURBAN AUTO SUPPLY | OIL FILTER (2)/ANTIFREEZE (6)/5W30 OIL | 103.80 |
| | | | LIGHT BULBS FOR TRUCK/HYD HOSE | 105.72 |
| | | | | <u>209.52</u> |
| 12/01/2016 | 42980 | THOMAS SVRCEK | X-MAS DECORATIONS REIMB | 27.95 |
| | | | X-MAS DECORATONS REIMB | 71.91 |
| | | | X-MAS DECORATIONS REIMB | 127.84 |
| | | | X-MAS DECORATIONS REIMB | 116.86 |
| | | | | <u>344.56</u> |
| 12/08/2016 | 42981 | ADS PLUS PRINTING LLC | NAMEPLATE/ D. CRAMER | 16.00 |
| 12/08/2016 | 42982 | ARROW UNIFORM RENTAL | MATS, SUPPLIES | 32.72 |
| City Council Packet | | | UNIFORMS, MATS, SUPPLIES, ENV. | 102.59 |

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|------------|-------|---------------------------------|--|-----------|
| | | | | 135.31 |
| 12/08/2016 | 42983 | CITY OF SWARTZ CREEK | REIMB PETTY CASH | 120.14 |
| 12/08/2016 | 42984 | CONSUMERS ENERGY | 11/1-11/30/16 STREET LIGHTS | 8,277.06 |
| 12/08/2016 | 42985 | CONSUMERS ENERGY | 11/1-11/30/16 4524 MORRISH RD | 40.19 |
| 12/08/2016 | 42986 | CONSUMERS ENERGY | 11/1-11/30/16 SIRENS | 25.59 |
| 12/08/2016 | 42987 | CONSUMERS ENERGY | 11/1-11/30/16 TRAFFIC LIGHTS | 384.76 |
| 12/08/2016 | 42988 | CONSUMERS ENERGY | 11/1-11/30/16 ELMS PARKING LOT | 26.81 |
| 12/08/2016 | 42989 | DOT FIRST AID AND SAFETY | REPLENISH FIRST AID DPS | 62.93 |
| 12/08/2016 | 42990 | FAMILY FARM AND HOME INC | NUTS/BOLTS/WASHERS | 7.89 |
| | | | UNIV CLEVIS PINS (2) | 3.10 |
| | | | HEX DRILL PNT (7) | 3.00 |
| | | | RED PAINT 2 GAL | 43.98 |
| | | | RAGS/FAST ORANGE PUMICE | 23.98 |
| | | | SCREW EYE (3) | 5.37 |
| | | | RTN NUTS BOLTS WASHERS/NUTS BOLTS WASHER | (0.39) |
| | | | RETURN RED PAINT | (43.98) |
| | | | | 42.95 |
| 12/08/2016 | 42991 | FLINT WELDING SUPPLY | FAX/CYLINDER COMPRESSED OXYGEN | 5.00 |
| 12/08/2016 | 42992 | GEN CTY METROPOLITAN ALLIANCE | DUES 1/1-12/31/17 | 150.00 |
| 12/08/2016 | 42993 | GILL ROYS HARDWARE | AV BATTERY/CHRM AERATOR/SOAP (3) | 14.85 |
| | | | 15 PK YARD WASTE BAG (2 PK) | 15.98 |
| | | | PVC COUPLING (2) | 11.18 |
| | | | FOAM EARPLUGS | 19.99 |
| | | | GALV NIPPLE | 3.59 |
| | | | PAINT (12)/BRUSH SET (6)/ROLLER (2)/FRAM | 472.57 |
| | | | RED PAINT 1 GAL/LINE MARKING COVERS (2) | 33.97 |
| | | | SOAP (4) | 6.16 |
| | | | NUTS, BOLTS, SCREWS/SOCKET | 7.01 |
| | | | BULBS (3) | 21.97 |
| | | | 100 PC CABLE TIE (2) | 17.98 |
| | | | 100 PC CABLE TIE (12) | 17.98 |
| | | | CLEAR LIGHT SET | 14.99 |
| | | | GALV DESK SCREW 1 BOX | 12.99 |
| | | | 32 OZ FANTASTIK | 7.58 |
| | | | SOAP (6)/GREEN CUBE TAP (2) | 14.52 |
| | | | GALV COUPLING/GALV NIPPLE | 13.98 |
| | | | NOVEMBER 2016 DISCOUNT/RETURN | 6.59 |
| | | | RETURN BRUSH SET/ROLLER/PAINT (2) | (68.96) |
| | | | NOV 2016 DISCOUNT | (67.61) |
| | | | | 577.31 |
| 12/08/2016 | 42994 | INTEGRITY BUSINESS SOLUTIONS | EML/KITCHEN TOWELS (2) | 73.98 |
| 12/08/2016 | 42995 | JAMS MEDIA LLC | BACKHOE BIDS/PLAN COMM PUB HEARING 12/6/ | 84.60 |
| 12/08/2016 | 42996 | JOHNS TRUCK SERVICE | REPLACE SHOCKS & GROUND WIRE/JUMPER CABL | 475.32 |
| | | | STEEL/FABRICATE RACKS | 347.00 |
| | | | REPAIR TAILGATE SHIELD | 52.00 |
| | | | | 874.32 |
| 12/08/2016 | 42997 | KCI | WINTER 2016 TAX BILLS | 448.44 |
| 12/08/2016 | 42998 | LANDMARK APPRAISAL CO | DEC 2016/FY17 ASSESSING SERVICES OCTOBER | 2,466.25 |
| 12/08/2016 | 42999 | MATTHEW R WADDILL | TIRE REPAIR | 10.00 |
| 12/08/2016 | 43000 | NATIONALLINK LP | REFUND TAX OVRPMT 58-31-200-014 | 24.94 |
| 12/08/2016 | 43001 | PRINTING SYSTEMS | 2016 W2/1099-MISC/W3/1096 | 98.08 |
| 12/08/2016 | 43002 | RWS OF MID MICHIGAN | NOV 2016/FY17 GARBAGE/RECYCLING/YARD WAS | 21,472.00 |
| 12/08/2016 | 43003 | Sign A Rama | BD Payment Refund | 250.00 |
| 12/08/2016 | 43004 | SIMEN FIGURA & PARKER PLC | NOV 2016 GEN'L/TRAFFIC/ORDIN | 2,341.50 |
| 12/08/2016 | 43005 | SUBURBAN AUTO SUPPLY | BATT PROTECTOR | 7.99 |
| 12/08/2016 | 43006 | SUPER FLITE OIL CO INC | 11/1-11/30/16 FUEL USAGE - DPW | 770.27 |
| 12/08/2016 | 43007 | SUPER FLITE OIL CO INC | 11/1-11/30/16 FUEL USAGE - POLICE | 1,236.95 |
| 12/08/2016 | 43008 | SWARTZ CREEK AREA FIRE DEPT. | 1/1-6/30/17 2017 FIRE BUDGET & MONTHLY R | 53,329.75 |
| 12/08/2016 | 43009 | VERIZON WIRELESS | NOV 2016 MONTHLY INVOICES | 424.51 |
| 12/08/2016 | 43010 | AMERICAN MESSAGING | DEC 2016 8108332563/8108331159 | 26.04 |

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|------------|-------|-------------------------------------|--|---|
| 12/15/2016 | 43011 | ARROW UNIFORM RENTAL | MATS, SUPPLIES UNIFORMS, MATS, SUPPLIES, ENV. | 32.72 102.59 135.31 |
| 12/15/2016 | 43012 | BLACKMORE ROWE INS | PUBLIC OFFICIAL BOND/KORTH | 100.00 |
| 12/15/2016 | 43013 | BLUE CARE NETWORK-EAST MI | JAN 2017 RETIREE MED INS KELLY JAN 2017 RETIREE MED INS O'BRIEN JAN 2017 RETIREE MED INS CLOINGER JAN 2017 COBRA INS BUECHE JAN 2017 RETIREE MED INS TYLER | 744.58 1,319.16 1,348.51 575.74 724.66 4,712.65 |
| 12/15/2016 | 43014 | CONSUMERS ENERGY | 11/1-12/5/16 A 8301 CAPPY LN | 244.59 |
| 12/15/2016 | 43015 | CONSUMERS ENERGY | 10/31-12/5/16 A 5121 MORRISH RD | 810.85 |
| 12/15/2016 | 43016 | CONSUMERS ENERGY | 11/1-12/5/16 A 4510 MORRISH RD | 36.82 |
| 12/15/2016 | 43017 | CONSUMERS ENERGY | 11/1-12/5/16 A 8011 MILLER RD | 28.43 |
| 12/15/2016 | 43018 | CONSUMERS ENERGY | 10/31-12/5/16 A 8100 CIVIC DR | 1,307.80 |
| 12/15/2016 | 43019 | CONSUMERS ENERGY | 11/1-12/5/16 A 9099 MILLER RD | 34.26 |
| 12/15/2016 | 43020 | CONSUMERS ENERGY | 11/1-12/5/16 A 5361 WINSHALL DR | 25.04 |
| 12/15/2016 | 43021 | CONSUMERS ENERGY | 11/1-12/5/16 A 5257 WINSHALL DR | 22.57 |
| 12/15/2016 | 43022 | CONSUMERS ENERGY | 11/1-12/5/16 A WINSHALL RESTROOMS | 28.43 |
| 12/15/2016 | 43023 | CONSUMERS ENERGY | 11/3-12/7/16 A 6425 MILLER PARK&RIDE | 88.75 |
| 12/15/2016 | 43024 | CONSUMERS ENERGY | 11/3-12/7/16 A 4125 ELMS RD | 33.76 |
| 12/15/2016 | 43025 | CONSUMERS ENERGY | 11/3-12/7/16 A 4125 ELMS RD PAVILION | 26.98 |
| 12/15/2016 | 43026 | CONSUMERS ENERGY | 10/26-12/2/16 A 8499 MILLER RD | 23.22 |
| 12/15/2016 | 43027 | CONSUMERS ENERGY | 10/31-12/5/16 A 8059 FORTINO DR | 74.58 |
| 12/15/2016 | 43028 | DANIEL L RHANOR | REPLACE BALLAST IN MUNICIPAL BLDG | 110.00 |
| 12/15/2016 | 43029 | DELTA DENTAL PLAN | JAN 2017 DENTAL RETIREES(5)/COBRA(1) | 351.65 |
| 12/15/2016 | 43030 | DONALD KORTH | UPDATE COUNCIL LAPTOPS | 300.00 |
| 12/15/2016 | 43031 | DORNBOS SIGN & SAFETY INC | SIGNS & POSTS | 3,124.25 |
| 12/15/2016 | 43032 | FERGUSON WATERWORKS #3386 | WATER METER PARTS SLD PLUG/BLUE BLT & GSKT PK | 889.68 135.65 1,025.33 |
| 12/15/2016 | 43033 | FIDELITY SECURITY LIFE INSUR/EYEMED | DEC 2016 VISION (5)/RETIREEES (1) | 30.06 |
| 12/15/2016 | 43034 | GAULT DAVISON PC | NOV 2016 ENVIRONMENTAL ISSUE | 2,242.96 |
| 12/15/2016 | 43035 | GENESEE CTY DRAIN COMMISSIONER | NPDES PHASE II IMPL FEES | 1,234.92 |
| 12/15/2016 | 43036 | INTEGRITY BUSINESS SOLUTIONS | OFFICE SUPPLIES MONTHLY PLANNER GARBAGE BAGS (2)/KITCHEN ROLL TOWELS (2) | 86.60 17.99 284.86 389.45 |
| 12/15/2016 | 43037 | JERRY'S TIRE | EML/TIRES (4)/MT & BAL | 691.00 |
| 12/15/2016 | 43038 | KENNEDY EXCAVATING INC | PAVEMENT MARKINGS FAIRCHILD TO SCHOOL | 1,200.00 |
| 12/15/2016 | 43039 | LERETA LLC | REFUND PRE DBOR 58-01-502-090 | 450.39 |
| 12/15/2016 | 43040 | MICHIGAN MUNICIPAL LEAGUE | ELECT OFFCL CORE TRAIN 2/17-2/18/17 FLOR | 320.00 |
| 12/15/2016 | 43041 | MID MICHIGAN MANUFACTURING | JETTED AND CLEANED/MILLER RD | 1,190.00 |
| 12/15/2016 | 43042 | MONICA MASON | REFUND SU OVERPAYMENT DBOR 58-02-526-013 | 843.32 |
| 12/15/2016 | 43043 | MY-CAN LLC | PORTAJON RENTAL 11/14-12/12/16 ELMS PARK | 95.00 |
| 12/15/2016 | 43044 | ROWE PROFESSIONAL SERVICES CO | CE CAPPY LANE LIFT STATION | 2,615.00 |
| 12/15/2016 | 43045 | ROWE PROFESSIONAL SERVICES CO | DE WINSTON/FAIRCHILD 10/16-11/19/16 | 130.00 |
| 12/15/2016 | 43046 | RWS OF MID MICHIGAN | STREET SWEEPINGS 11/4 & 11/29/16 | 1,050.00 |
| 12/15/2016 | 43047 | SUBURBAN AUTO SUPPLY | OIL FILTER/OIL (12)/BLASTER/OIL STABILIZ WIPER BLADES (8) STARTING FLUID | 70.84 93.92 3.49 168.25 |
| 12/15/2016 | 43048 | SWARTZ CREEK AREA FIRE DEPT. | NOV 2016 MONTHLY RUNS | 2,120.82 |
| 12/15/2016 | 43049 | UNUM LIFE INSURANCE | JAN 2017 RETIREE LIFE INS (3) | 29.25 |
| 12/22/2016 | 43050 | AIS CONSTRUCTION EQUIPMENT CORP | SAFETY JACKET | 49.00 |
| 12/22/2016 | 43051 | ALDERMANS INC | SHEAR PIN/HITCH PIN | 5.52 |

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|------------|-------|-----------------------------------|---|---|
| 12/22/2016 | 43052 | ARROW UNIFORM RENTAL | MATS, SUPPLIES UNIFORMS, MATS, SUPPLIES, ENV. | 32.72 107.34 140.06 |
| 12/22/2016 | 43053 | C & H CONSTRUCTION CO INC | CPY/WATERMAIN TIE MILLER/WINSTON | 14,632.50 |
| 12/22/2016 | 43054 | CAPITAL TIRE | (4) P225/60R18 EAGLE SNOW TIRES (2) P225/60R18 EAGLE SNOW TIRES | 511.56 255.78 767.34 |
| 12/22/2016 | 43055 | CHARTER TOWNSHIP OF MUNDY | JOINT INSP & PERMIT FEES OCT 2016 | 4,928.59 |
| 12/22/2016 | 43056 | CITY OF SWARTZ CREEK | REIMB PETTY CASH | 162.58 |
| 12/22/2016 | 43057 | COOKS DIESEL RV & TRUCK REPAIR | BATTERY | 266.90 |
| 12/22/2016 | 43058 | CREEK AUTO SERVICES LLC | REPLACE HEADLIGHT 12-144 MONTHLY MAINT, MOUNT SNOW TIRES 13-384 MONTHLY MAINT, MOUNT SNOW TIRES 12-144 MONTHLY MAINT, BRAKES, SNOW TIRES 10-161 MONTHLY MAINT, SNOW TIRES POWER STEERING, BY PASS 05-168 OIL PRESSURE SENSOR, BUSHINGS 12-144 | 37.87 115.95 115.95 301.85 115.95 82.00 535.02 1,304.59 |
| 12/22/2016 | 43059 | DAVID R PUMMILL | UB BILLS (5000) | 294.44 |
| 12/22/2016 | 43060 | DETROIT SALT COMPANY | ROAD SALT AT \$59.33 PER TON ROAD SALT AT \$59.33 PER TON ROAD SALT AT \$59.33 PER TON | 3,175.34 2,917.26 3,197.29 9,289.89 |
| 12/22/2016 | 43061 | DOUGLAS F SHERMAN | PREVENTATIVE MAINTENANCE | 960.00 |
| 12/22/2016 | 43062 | FLINT AREA NARCOTICS GROUP | FANG MEMBERSHIP DUES 2016/2017 | 7,850.60 |
| 12/22/2016 | 43063 | GCGC | MEMBERSHIP DUES/ESKEW | 20.00 |
| 12/22/2016 | 43064 | GENESEE CTY DRAIN COMMISSIONER | WATER 10/28-11/30/16 2,358,268 CF | 135,973.53 |
| 12/22/2016 | 43065 | GENESEE CTY DRAIN COMMISSIONER | ADDITIONAL PLAN REVIEW FEE | 25.00 |
| 12/22/2016 | 43066 | INTEGRITY BUSINESS SOLUTIONS | SUPPLIES | 160.18 |
| 12/22/2016 | 43067 | JERRY'S TIRE | PUT TUBES BACK IN TIRE | 390.00 |
| 12/22/2016 | 43068 | KENDALL PRINTING | 150 BUSINESS CARDS | 25.00 |
| 12/22/2016 | 43069 | MI MUNICIPAL WORKERS COMP FUND | PAYROLL AUDIT 7/1/15-6/30/16 | 648.00 |
| 12/22/2016 | 43070 | NYE UNIFORM | (2) UNIFORM PANTS DUNKLER | 185.17 |
| 12/22/2016 | 43071 | PPSMG URGENT MEDICAL CARE PLLC | DRUG SCREEN/NEW HIRE SARAH COMBS PHYSICAL/NEW HIRE SARAH COMBS | 30.00 50.00 80.00 |
| 12/22/2016 | 43072 | SUBURBAN AUTO SUPPLY | WARREN AW32 RELAY | 39.99 12.09 52.08 |
| 12/22/2016 | 43073 | SW CREEK AREA CHAMBER OF COMMERCE | MEMB DUES 2017-2018 | 159.00 |
| 12/22/2016 | 43074 | TRANSUNION RISK AND ALTERNATIVE | INVESTIGATIVE | 25.00 |
| 12/22/2016 | 43075 | VILLAGE CLEANERS | NOV 2016 UNIFORM CLEANING | 84.75 |
| 12/28/2016 | 43076 | COMCAST BUSINESS | 1/1/17-1/31/17 PUBLIC SAFETY BLDG | 149.80 |
| 12/28/2016 | 43077 | COMCAST BUSINESS | 12/26/16-1/26/17 CITY HALL | 329.60 |
| 12/28/2016 | 43078 | GENESEE COUNTY TREASURER | PRE DENIAL 2016 INT 58-02-553-007 | 4.01 |
| 12/28/2016 | 43079 | STATE OF MICHIGAN-DEPART. TREA | PRE DENIAL INT 2016 58-02-553-007 | 28.05 |
| 12/28/2016 | 43080 | U. S. POST OFFICE | JAN 2017 UB BILLS- POSTAGE | 675.24 |

GEN TOTALS:

| | |
|-----------------------------|-------------------|
| Total of 127 Checks: | 621,423.48 |
| Less 0 Void Checks: | 0.00 |
| Total of 127 Disbursements: | 621,423.48 |

DPS ACTIVITY DECEMBER 2016

| | REGULAR | HOLIDAY | VACATION | ABSENT | OT | DT |
|------------------------------|----------------|---------------|---------------|--------------|--------------|-------------|
| 101 GENERAL FUND | | | | | | |
| 262.0 ELECTIONS | | | | | | |
| 345.0 P S BLDG | 48.70 | 3.12 | 0.72 | 0.61 | | |
| 781.0 AMPHI-PARK | | | | | | |
| 782.0 WINSHALL PARK | 9.76 | 1.21 | 0.58 | 0.15 | | |
| 783.0 ELMS PARK | 25.96 | 3.93 | 2.55 | 0.33 | | |
| 784.0 BICENT. PARK | | | | | | |
| 790.0 SENIOR CENTER/LIBRARY | 36.70 | 1.56 | 0.76 | 0.23 | | |
| 793.0 CITY HALL | 22.96 | 1.92 | 0.56 | 0.37 | | |
| 794.0 COMM PROMO | 148.00 | 22.24 | 2.11 | 1.21 | 2.00 | |
| 796.0 CEMETERY | 1.00 | | | | | |
| 202 MAJOR STREET FUND | | | | | | |
| 429.0 SAFETY | | | | | | |
| 441.0 PARK & RIDE | 9.00 | 1.05 | 0.13 | 0.39 | | |
| 463.0 STREET MAIN | 13.00 | 1.01 | 1.25 | 0.03 | | |
| 474.0 TRAFFIC | 15.00 | | 0.56 | 0.06 | | |
| 478.0 SNOW & ICE | 55.00 | 6.59 | 8.75 | 0.82 | 29.50 | 9.50 |
| 482.0 ADMIN | 22.00 | 2.83 | 2.19 | 0.77 | | |
| 203 LOCAL STREET FUND | | | | | | |
| 429.0 SAFETY | | | | | | |
| 463.0 STREET MAIN | 69.00 | 9.48 | 26.16 | 0.82 | | |
| 474.0 TRAFFIC | 12.00 | 0.47 | 0.13 | 0.43 | | |
| 478.0 SNOW & ICE | 89.00 | 10.53 | 10.31 | 1.91 | 8.50 | |
| 482.0 ADMIN | 27.00 | 3.53 | 3.60 | 1.84 | | |
| 226 GARBAGE FUND | | | | | | |
| 528.0 COLLECT | 20.20 | 1.15 | 1.03 | 0.42 | | |
| 530.0 WOODCHIPPING | 45.20 | 4.94 | 1.26 | 0.83 | | |
| 782.0 WINSHALL PARK GARBAGE | 2.00 | | | 0.01 | | |
| 783.0 ELMS PARK GARBAGE | 5.00 | 0.40 | 0.06 | 0.19 | | |
| 793.0 CITY HALL | 4.30 | 0.32 | 0.02 | 0.05 | | |
| 590 WATER | | | | | | |
| 540.0 WATER SYSTEM | 136.20 | 18.44 | 23.64 | 3.69 | 5.50 | |
| 540.0 WATER-ON CALL | 1.00 | 0.11 | | 0.01 | | |
| 542.0 READ & BILL | 58.25 | 4.64 | 3.66 | 0.45 | | |
| 793.0 CITY HALL | 10.76 | 0.75 | 0.06 | 0.15 | | |
| 591 SEWER | | | | | | |
| 536.0 SEWER SYSTEM | 66.20 | 6.56 | 4.62 | 1.53 | | |
| 536.0 SEWER-ON CALL | 1.00 | 0.11 | | 0.01 | | |
| 537.0 LIFT STATION | 15.00 | 1.20 | 0.50 | 0.30 | | |
| 542.0 READ & BILL | 57.25 | 4.65 | 3.67 | 0.47 | | |
| 793.0 CITY HALL | 10.74 | 0.75 | 0.06 | 0.15 | | |
| 661 MOTOR POOL FUND | | | | | | |
| 795.0 CITY GARAGE | 63.32 | 6.51 | 6.56 | 1.77 | | |
| | | | | | | |
| | | | | | | |
| DAILY HOURS TOTAL | 1100.50 | 120.00 | 105.50 | 20.00 | 45.50 | 9.50 |

Public Works
Monthly Work Orders

01/04/17

| Work Order # Work Order Status | Location ID | Customer Name Service Address | Date Recd Date Comp | Type |
|-----------------------------------|---------------------|---|------------------------|------------------|
| WTON16-0994 COMPLETED | BI10-005295-0000-03 | LIESEN, MICHAEL 5295 BIRCHCREST DR | 12/01/16 12/01/16 | WATER TURN ON |
| WTON16-0996 COMPLETED | CH20-009104-0000-03 | MCDONALD, ANTHONY 9104 CHESTERFIELD DR | 12/01/16 12/01/16 | WATER TURN ON |
| WTON16-0997 COMPLETED | SE20-005195-0000-05 | GRANGER, HEATHER 5195 SEYMOUR RD | 12/01/16 12/01/16 | WATER TURN ON |
| WTON16-0998 COMPLETED | FO10-005020-0000-05 | WEFEL, DUSTIN 5020 FORD ST | 12/01/16 12/01/16 | WATER TURN ON |
| WTON16-0999 COMPLETED | WI10-005414-0000-03 | ORVIS, JACQUELINE 5414 WINSHALL DR | 12/01/16 12/01/16 | WATER TURN ON |
| WTON16-1000 COMPLETED | WA10-007465-0000-02 | PLUMB, ANGELA L 7465 WADE ST | 12/01/16 12/01/16 | WATER TURN ON |
| WTON16-1001 COMPLETED | PA10-007112-0000-06 | MCFARLANE, KEELY 7112 PARK RIDGE PKY | 12/01/16 12/01/16 | WATER TURN ON |
| SETM16-0043 COMPLETED | RU10-007169-0000-01 | WOODSIDE 7169 RUSSELL | 12/02/16 12/02/16 | SET METER |
| SETM16-0044 | LI10-007219-0000-01 | WOODSIDE 7219 LINDSEY DR | 12/02/16 | SET METER |
| FLAG16-0153 COMPLETED | CI10-008083-0000-01 | CITY OF SWARTZ CREEK 8083 CIVIC DR | 12/02/16 12/03/16 | LOWER/RAISE FLAG |
| WTON16-1002 COMPLETED | HA10-005019-0000-03 | COY, TERRY 5019 HAYES ST | 12/02/16 12/02/16 | WATER TURN ON |
| WTON16-1003 COMPLETED | MO10-005126-0000-01 | JEWETT, MARK 5126 MORRISH RD | 12/02/16 12/02/16 | WATER TURN ON |
| WTON16-1004 COMPLETED | DO10-005410-0000-02 | HOUGH, JUDY 5410 DON SHENK DR | 12/02/16 12/02/16 | WATER TURN ON |
| FNRD16-1116 COMPLETED | CH40-004284-0000-01 | BOYER, WARD 4284 CHAPEL LN | 12/05/16 12/05/16 | FINAL READ |
| WOFF16-1623 COMPLETED | CH20-009222-0000-02 | ANDERSON, JESSICA 9222 CHESTERFIELD DR | 12/05/16 12/05/16 | WATER TURN OFF |
| READ16-0515 COMPLETED | OA10-005153-0000-02 | BECKLEY, MICHELLE 5153 OAKVIEW DR | 12/05/16 12/05/16 | READ METER |
| WTON16-1005 COMPLETED | MI10-008400-0000-02 | WRIGHT, MELISSA 8400 MILLER RD | 12/05/16 12/05/16 | WATER TURN ON |
| FNRD16-1117 COMPLETED | CR10-008083-0000-04 | SHAY, KORY 8083 CRAPO ST | 12/05/16 12/05/16 | FINAL READ |
| WTON16-1006 COMPLETED | CH20-009222-0000-02 | ANDERSON, JESSICA 9222 CHESTERFIELD DR | 12/05/16 12/05/16 | WATER TURN ON |
| WPRESS16-000010 | MI10-008391-0000-01 | POINTER, LELAN 8391 MILLER RD | 12/05/16 | WATER PRESSURE |

| Work Order # | Location ID | Customer Name | Date Recd | Type |
|------------------------------------|---------------------|---|----------------------|----------------------------------|
| Work Order Status | | Service Address | Date Comp | |
| STRT16-0074 COMPLETED | HI10-009251-0000-01 | MATTSON, RICHARD 9251 HILL RD | 12/07/16 12/07/16 | STREET REPAIR |
| FNRD16-1119 COMPLETED | DU10-005159-0000-01 | MARSHAN, CHRIS 5159 DURWOOD DR | 12/07/16 12/07/16 | FINAL READ |
| READ16-0516 COMPLETED | WO10-005285-0000-03 | BANACKI, PHILLIP 5285 WORCHESTER DR | 12/07/16 12/07/16 | READ METER |
| READ16-0517 COMPLETED | MI10-008247-0000-09 | YOUNGBLOOD, PATRICIA 8247 MILLER RD | 12/07/16 12/07/16 | READ METER |
| READ16-0519 COMPLETED | MA20-008051-0000-04 | SHAVER, BETHANY 8051 MAPLE ST | 12/07/16 12/07/16 | READ METER |
| WTON16-1007 COMPLETED | SE20-005291-0000-04 | CESARO, MICHAEL 5291 SEYMOUR RD | 12/07/16 12/07/16 | WATER TURN ON |
| BXRP16-0119 COMPLETED | LI10-007244-0000-02 | TODD, ROBERT & DONNA 7244 LINDSEY DR | 12/07/16 12/08/16 | CURB BOX REPAIR |
| MNT16-0233 COMPLETED | CI10-008083-0000-01 | CITY OF SWARTZ CREEK 8083 CIVIC DR | 12/07/16 12/08/16 | BUILDING MAINTENA |
| FNRD16-1120 COMPLETED | SP10-004390-0000-02 | STRAIN, ROBERT 4390 SPRINGBROOK DR | 12/08/16 12/08/16 | FINAL READ |
| FNRD16-1121 COMPLETED | AS10-000099-0000-02 | VALUE HOMES 99 ASHLEY CIR | 12/08/16 12/08/16 | FINAL READ |
| WTON16-1008 COMPLETED | MA20-008051-0000-04 | SHAVER, BETHANY 8051 MAPLE ST | 12/08/16 12/08/16 | WATER TURN ON |
| MNT16-0234 COMPLETED | CI10-008100-0000-01 | PUBLIC SAFETY BUILDING 8100 CIVIC DR | 12/08/16 12/08/16 | BUILDING MAINTENA |
| FNRD16-1118 COMPLETED | CO10-004465-0000-04 | MONTINI, PIETRO 4465 COLONY CT | 12/09/16 12/09/16 | FINAL READ |
| BXRP16-0120 COMPLETED | ST10-006327-0000-00 | PAPE, WALTER 6327 ST CHARLES PASS | 12/09/16 12/09/16 | CURB BOX REPAIR |
| FNRD16-1122 COMPLETED | RE10-004177-0000-01 | SMITH, PATRICIA 4177 RED OAK LN | 12/13/16 12/13/16 | FINAL READ |
| FNRD16-1123 COMPLETED | PA10-007045-0000-01 | KENTISH, KEVIN 7045 PARK RIDGE PARKWAY | 12/16/16 12/16/16 | FINAL READ |
| WOFF16-1624 COMPLETED | PA10-007045-0000-01 | KENTISH, KEVIN 7045 PARK RIDGE PARKWAY | 12/19/16 12/19/16 | WATER TURN OFF |
| WOFF16-1625 CANCELLED | SE10-005044-0000-04 | HAHN, LISA 5044 SECOND ST | 12/20/16 | WATER TURN OFF |
| WOFF16-1626 CANCELLED | EL10-003493-0000-07 | SPALDING, MICHELLE 3493 ELMS RD | 12/20/16 | WATER TURN OFF |
| WOFF16-1627 CANCELLED | MI10-008169-0000-03 | JAGGER, MICHAEL 8169 MILLER RD | 12/20/16 | WATER TURN OFF |
| READ16-0520 COMPLETED | AS10-000084-0000-02 | JOHNSON, LISHA 84 ASHLEY CIR | 12/20/16 12/21/16 | READ METER |
| WTON16-1009 City Council Packet | WO10-005285-0000-03 | BANACKI, PHILLIP 152 | 12/20/16 | WATER TURN ON January 9, 2017 |

| Work Order # Work Order Status | Location ID | Customer Name Service Address | Date Read Date Comp | Type |
|-----------------------------------|---------------------|--|------------------------|----------------|
| COMPLETED | | 5285 WORCHESTER DR | 12/20/16 | |
| WTON16-1010 COMPLETED | MI10-008247-0000-10 | GABRAEL MGT 8247 MILLER RD | 12/20/16 12/20/16 | WATER TURN ON |
| READ16-0521 | EL10-004125-0000-01 | ELMS PARK 4125 ELMS RD | 12/21/16 | READ METER |
| READ16-0522 COMPLETED | EL10-004311-0000-01 | TACO BELL OF AMERICA 4311 ELMS RD | 12/21/16 12/21/16 | READ METER |
| READ16-0523 COMPLETED | CA10-008331-0000-01 | GARAGE-SWARTZ CREEK SCHOOLS 8331 CAPPY LN | 12/21/16 12/21/16 | READ METER |
| READ16-0524 COMPLETED | OA10-005269-0000-02 | THORNHILL, NANCY 5269 OAKVIEW DR | 12/22/16 12/22/16 | READ METER |
| READ16-0525 COMPLETED | TH10-005032-0000-03 | JONES, DARYL 5032 THIRD ST | 12/22/16 12/22/16 | READ METER |
| CKME16-0318 COMPLETED | MO10-004141-0000-01 | MEIJER 4141 MORRISH RD | 12/22/16 12/21/16 | CHECK METER |
| READ16-0526 CANCELLED | HT10-003263-0000-02 | WELLS, FRED 3263 HERITAGE BLVD | 12/27/16 | READ METER |
| STRT16-0075 COMPLETED | MI10-009237-0000-02 | GOJCAJ, LUIGJ 9237 MILLER RD | 12/27/16 12/27/16 | STREET REPAIR |
| FNRD16-1124 COMPLETED | MC10-005095-0000-03 | MONTINI, PIETRO 5095 MC LAIN ST | 12/27/16 12/27/16 | FINAL READ |
| WOFF16-1628 COMPLETED | HO10-005017-0000-03 | MAY, CURTIS 5017 HOLLAND DR | 12/27/16 12/27/16 | WATER TURN OFF |

Total Records: 53

Report Generated: 1/4/2017 8:59 AM
Report Options: Scheduled From: 12/1/2016 To: 12/31/2016

| December 2016 | MILES DRIVEN | | GALLONS GAS PURCHASED | | GALLONS DIESEL PURCHASED |
|----------------------------|---------------|--|-----------------------|--|--------------------------|
| #5-16 2WD gas | 628.0 | | 59.0 | | |
| #7-15 4WD gas | 564.0 | | 66.0 | | |
| #3-08 P/U 4WD gas | 553.0 | | 93.5 | | |
| 09-03 P/U 4WD diesel | 225.0 | | | | 30.5 |
| #2-08 P/U 4WD gas | 243.0 | | 35.5 | | |
| #6-00 BACKHOE diesel | | | | | |
| #11 DUMP gas | 112.0 | | 27.0 | | |
| #12-02 DUMP diesel | 409.0 | | | | 92.5 |
| #12-04 DUMP diesel | 485.0 | | | | |
| #12-99 GENERATOR gas | | | | | |
| #17 CASE BACKHOE diesel | | | | | 29.0 |
| #19 JD TRACTOR diesel | | | | | |
| #06-99 BUCKET TRUCK gas | | | | | |
| #21 WOOD CHIPPER diesel | | | | | 15.5 |
| #807 STREET SWEEPER diesel | | | | | |
| #42 ASPHALT HEATER diesel | | | | | 10.1 |
| #37 TRAIL ARROW | | | | | |
| #10-15 GEN gas | | | | | |
| TOTAL | 3219.0 | | 281.0 | | 177.6 |

DPS Equipment Rental
December 2016
Page 1

| Nature Of Work | 4WD 7-15,3-08 2-08, 09-03 | 4WD 7-15,3-08 2-08, 09-03a | 2WD 5-16 | JCB Backhoe 06'00 | Backhoe w/breaker 06'00a | Bucket Truck 6-99 | Brush Hog 09'02 | Dump 11 | Dump w/plow 11a | Dump 12'02 | Dump w/plow 12'02a | Dump 12-04 | Dump w/plow 12-04a |
|-------------------------|---------------------------------|----------------------------------|-------------|-------------------------|--------------------------------|-------------------------|-----------------------|------------|-----------------------|---------------|--------------------------|---------------|--------------------------|
| 101.262 Elections | | | | | | | | | | | | | |
| 101.450 Forestry | | | | | | | | | | | | | |
| 101.781 Paltas Amphi | | | | | | | | | | | | | |
| 101.782 Winshall Pk | 2 | | 8.07 | | | | | | | | | | |
| 101.783 Elms Pk | 7 | 1 | 18.12 | | | | | | | | | | |
| 101.784 Bicentennial Pk | | | | | | | | | | | | | |
| 101.790 Sen Ctr./Lib | 19 | | 10.08 | | | 2 | | | | | | | |
| 101.345 PS Bldg | 25 | 1 | 10.08 | | | | | | | | | | |
| 101.793 City Hall | 29 | | 8.07 | | | | | | | | | | |
| 101.794 Comm Promo | 12 | | | | | | | | | | | | |
| 661.795 City Garage | 7 | | 6.03 | | | | | | | | | | |
| 101.796 City Cem | 1 | | | | | | | | | | | | |
| 202.463 Maint Major | 5 | | | | | | | | | | | | |
| 202.474 Traffic-Major | 8 | | | | | | | | | | | | |
| 202.478 Snow/Ice-Maj | 24.5 | 10 | | | | | | | | 23 | | 21.5 | |
| 202.482 Major-Admin | | | 25.71 | | | | | | | | | | |
| 203.463 Maint-Local | 25 | | | | | | | | | | | | |
| 203.474 Traffic-Local | 6.5 | | | | | | | | | | | | |
| 203.478 Snow/Ice-Local | 19.5 | 13.5 | | | | | | | | 22.5 | | 28 | |
| 203.482 Local-Admin | | | 12.87 | | | | | | | | | | |
| 226.528 Waste Collect | 7 | | 10.08 | | | | | | | | | | |
| 226.530 Woodchipping | 7 | | 10.08 | | | | | 6 | | | | | |
| 590.540 Water System | 44.5 | | 60.42 | | | | | | | | | | |
| 590.542 Water-Read/Bill | 42.75 | | | | | | | | | | | | |
| 591.536 Sewer System | 12 | | 60.39 | | | | | | | | | | |
| 591.537 Sewer Lift Stat | 3 | | | | | | | | | | | | |
| 226.782 Winshall Pk Gbg | 2 | | | | | | | | | | | | |
| 226.783 Elms Pk Gbg | 4 | | | | | | | | | | | | |
| 591.542 Sewer Read/Bill | 42.75 | | | | | | | | | | | | |
| Total | 355.5 | 25.5 | 240 | 0 | 0 | 2 | 0 | 6 | 0 | 45.5 | 0 | 49.5 | 0 |

DPS Equipment Rental
 December 2016
 Page 2

| Nature Of Work | Portable Generator | Case Backhoe 17 | Sweeper | JD Tractor 19 | Chipper | #42 Arrow | Arrow Board | Trailer | Roller | Pressure Washer | Post Hole Digger | 01'98 | open |
|-------------------------|--------------------|-----------------|---------|---------------|---------|-----------|-------------|---------|--------|-----------------|------------------|-------|------|
| 101.262 Elections | | | | | | | | | | | | | |
| 101.450 Forestry | | | | | | | | | | | | | |
| 101.781 Paltas Amphi | | | | | | | | | | | | | |
| 101.782 Winshall Pk | | | | | | | | | | | | | |
| 101.783 Elms Pk | | | | | | | | | | | | | |
| 101.784 Bicentennial Pk | | | | | | | | | | | | | |
| 101.790 Sen Cr./Lib | | 1 | | | | | | | | | | | |
| 101.345 PS Bldg | | 1 | | | | | | | | | | | |
| 101.793 City Hall | | 2 | | | | | | | | | | | |
| 101.794 Comm Promo | | | | | | | | | | | | | |
| 661.795 City Garage | | | | | | | | | | | | | |
| 101.796 City Cem | | | | | | | | | | | | | |
| 202.463 Maint. Major | | | | | | | | | | | | | |
| 202.474 Traffic-Major | | 6 | | | | | | | | | | | |
| 202.478 Snow/Ice-Maj | | 8 | | | | | | | | | | | |
| 202.482 Major-Admin | | | | | | | | | | | | | |
| 203.463 Maint-Local | | | 8 | | | 20 | | | | | | | |
| 203.474 Traffic-Local | | 2 | | | | | | | | | | | |
| 203.478 Snow/Ice-Local | | 10 | | | | | | | | | | | |
| 203.482 Local-Admin | | | | | | | | | | | | | |
| 226.528 Wast Collect | | | | | | | | | | | | | |
| 226.530 Woodchipping | | | | | 6 | | | | | | | | |
| 590.540 Water System | | | | | | | | | | | | | |
| 590.542 Water-Read/Bill | | | | | | | | | | | | | |
| 591.536 Sewer System | | | | | | | | | | | | | |
| 591.537 Sewer Lift Stat | | | | | | | | | | | | | |
| Total | 0 | 30 | 8 | 0 | 6 | 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
PARK AND RECREATION ADVISORY BOARD
MINUTES OF REGULAR MEETING
January 4, 2017

Meeting called to order at 6:00 p.m. by Rae Lynn Hicks at the Paul D. Bueche Municipal Building.

Members Present: James Barclay, Ryan Bueche, Larry Cummings, Connie Eskew, Rae Lynn Hicks, Joe Perreault, & Trudy Plumb

Members Absent: Rick Henry, Dennis Reno

Staff Present: Adam Zettel

Others Present: Lania Roche

APPROVAL OF AGENDA: There were no changes to the agenda.

APPROVAL OF MINUTES: Motion by Cummings, to approve minutes of December 7, 2016, supported by Perreault. Motion carried.

MEETING OPEN TO THE PUBLIC: Lania commented on the suddenly cold weather.

COMMUNICATIONS TO THE BOARD:

- A. December 7, 2016 Minutes
- B. Staff Letter

REPORTS:

- A. DPW REPORT: Mr. Svrcek was not present. There are not updates on the winter park activities, except for the painting of the tables by the cub scouts and the planned painting of Winshall swings by the Art Guild in March.

OLD BUSINESS:

- A. Fundraising: Donation letters have gone out again. The slip and slide event is set for August 5th and the pavilions are reserved. Joe is working on ideas for the a trivia event. Mr. Barclay is working on a 0.5K "Creek Crawl" that could occur before or during Hometown Days. Ryan is going to help look at options. The event is planned to seek a \$5 donation to participate, with free ice cream (\$0.75 cost to the park board) from Feather n Fin. There was not an update on the pumpkins. Mr. Barclay also mention a tug of war event that could occur at the same time as the slip and slide, using the pond area at Elms.
- B. 2017 Projects and Maintenance: Mr. Zettel said bids are due in January for the Elms Park improvements. The dog park status in unknown. No other large projects are planned. Mr. Barclay indicated that that the steel roofs at Winshall could use another coat of paint.
- C. Holiday Decorating: The event went smoothly, with better pictures this year. It was agreed that the event would also take place in 2017.

NEW BUSINESS:

- A. Election of Officers: Rae Lynn was selected as Chair after nominations by Mr. Barclay and Mr. Perreault, and an unanimous vote. Mr. Barclay was seated as the Vice-Chair as the sole volunteer. Ms. Eskew remains Secretary following the December 7, 2016 selection process.
- B. Reservation Form: The park reservation form was reviewed and altered to reflect the 2017 construction notes.

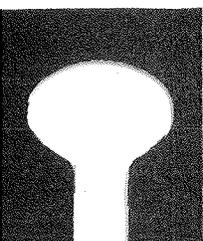
MEETING OPEN TO THE PUBLIC: No comments.

BOARD MEMBER COMMENTS: It was noted that there were soccer goals in Elms Park that look to be junk. The city will take a look. It was also noted that the entry sign at Elms Park needs a new coat of paint.

ADJOURNMENT: Meeting adjourned at 6:44 p.m.

NEXT MEETING: February 1, 2017, 6:00 p.m. at the Paul D. Bueche Municipal Building.

Connie Eskew, Secretary



DIXON

ENGINEERING AND
INSPECTION SERVICES
FOR THE COATING INDUSTRY

1104 Third Avenue
Lake Odessa, MI 48849
Telephone 1-616-374/3221
Fax 1-616-374/7116

December 16, 2016



Mr. Tom Svrcek, DPW Superintendent
City of Swartz Creek
8083 Civic Drive
Swartz Creek, MI 48473

Subject: 300,000 Gallon Elevated Storage Tank Repainting Project – Recommendation For Award

Dear Amy:

Dixon Engineering has reviewed the bids submitted for exterior repainting and repairs of the City's 300,000 gallon elevated tank, and recommends award to the low bidder Fedewa Inc. of Hastings, MI, for the bid amount of \$78,400. Bidding was competitive with 5 bids received and the low bid well below our estimate of \$126,000 from our 2014 inspection report. Fedewa is a prequalified contractor with Dixon for projects of this scope and has successfully completed many similar projects. Their recent projects include tanks in Auburn Hills, Adrian, Allegan, Kentwood, Holland, Kalamazoo, Portage, Rockford, and Plymouth Township.

Enclosed for your review and action are three copies of the Notice of Award. After City approval, please sign and forward all three copies of the Notice of Award to the contractor for signature. Instruct the contractor to return one copy to the City, forward a copy to our office, and retain a copy for his files. Also, please notify the contractor to forward to our office the required bonds and certificate(s) of insurance for inclusion in the contract documents.

Also enclosed is our proposal to provide project administration and field inspection services for the project.

If you have any questions regarding our recommendation, please contact me at (616) 374-3221, ext. 310.

FOR DIXON ENGINEERING, INC.,

Thomas Rounds
Project Manager

NOTICE of AWARD

To: **Fedewa, Inc.**
4315 E. M79 Hwy.
Hastings, MI 49058

Contract: **City of Swartz Creek, Michigan**
300,000 Gallon Torellipse
Exterior Overcoat
and Miscellaneous Repairs

Project Scope (selected line items):
Spall Repair (\$100)
Grout Repair (\$400)
Fall Prevention Device Repair (\$500)
Vandal Guard (\$1,500)
Exterior Overcoat and Roof Repaint (\$75,900)

The Owner has considered the Bid submitted by you for the above described work in response to its Advertisement for Bids and Information for Bidders dated December 15, 2016.

You are hereby notified that your Bid has been accepted for the line items listed in the Project Scope in the amount of \$78,400.

You are required by the Information for Bidders to execute the Agreement and furnish the required Contractor's Performance Bond, Payment Bond, and Certificate(s) of Insurance within ten (10) calendar days from the date of this Notice to you. If you fail to execute said Agreement and to furnish said Bonds within ten days from the date of this Notice, said Owner will be entitled to consider all your rights arising out of the Owner's acceptance of your Bid as abandoned and as a forfeiture of your Bid Bond. The Owner will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE of AWARD to the Owner.

Dated this the _____ day of _____, 2016.

CITY OF SWARTZ CREEK, MICHIGAN

By _____

Title _____

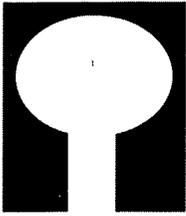
ACCEPTANCE of NOTICE

Receipt of the above NOTICE of AWARD is hereby acknowledged by Fedewa, Inc., this the _____ day of _____, 2016.

FEDEWA, INC.

By _____

Title _____



DIXON

**ENGINEERING & INSPECTION SERVICES
FOR THE COATING INDUSTRY**

1104 Third Avenue
Lake Odessa, MI 48849
Telephone: (616) 374-3221
Fax: (616) 374-7116

**Proposal/Contract Agreement
for Water Storage Tank
300,000 Gallon Toroellipse, #22-25-10-01**

The Agreement is between Dixon Engineering, Inc. (DIXON) and the City of Swartz Creek, Michigan (Owner) to contract with DIXON for technical services for the 300,000 Gallon Toroellipse Elevated Tank (Project). This Agreement inclusive together with any expressly incorporated appendix or Schedule constitutes the entire Agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

1.01 BASIC AGREEMENT

DIXON shall provide, or cause to be provided, services detailed in Scope of Services and Owner agrees to pay DIXON as compensation for their services the fee/lump sum of Eleven Thousand dollars (\$11,000.00). Terms of charges and payments per details in Schedule B. (Prices quoted are subject to change ninety (90) days after proposal date, if not contracted.)

2.01 SCOPE OF SERVICES

Project Administration, Pre-Construction Meeting, and Paint Inspection Services per Schedule A

3.01 SIGNATURES

Thomas Rounds, Project Manager
PROPOSED by DIXON (Not a contract until approved by an officer) December 16, 2016
PROPOSAL DATE

CONTRACT APPROVED by OWNER POSITION DATE

CO SIGNATURE (if required) POSITION DATE

CONTRACT APPROVED by DIXON OFFICER POSITION EFFECTIVE CONTRACT DATE

SCHEDULE A
300,000 Gallon Toroellipse, #22-25-10-01
Swartz Creek, Michigan

I. Project Administration:

1. Project administration for the purpose of coordinating the inspection program, local inspector assistance, secretarial services, shop drawing review, and project finalization.
2. Review Contractor's Schedule of Values and work schedule.
3. Review shop drawings for compliance with technical specifications.
4. Review all requests for change orders and make recommendations to the Owner.
5. Perform services expected of Engineer and detailed in the EJCDC General Conditions.

II. Pre-construction Meeting:

1. Attend a pre-construction meeting, and distribute minutes to major participants. Topics of discussion will include Contractor's:
 - a. emergency response plan,
 - b. responsibilities to the Owner,
 - c. responsibilities to her/his workers,
 - d. responsibilities to the public
 - e. inspection start time
 - f. inspection schedule
 - g. liquidated damages
2. Contractor will have submittals which are to be submitted ten (10) days prior to the pre-construction meeting. Some of these include: Contractor's schedule, ventilation, fall prevention, confined space, waste hauler certifications, welder certifications, etc. These will be reviewed prior to meeting and only deficiencies discussed.

III. Critical Phase Inspections:

A. Exterior – Painting:

1. One (1) visit to set the standard for abrasive blast cleaning and, examine surface profile created for compliance with specifications.
2. One (1) visit to set the standard for high pressure water cleaning for thoroughness and compliance with specifications, and set a standard for spot tool cleaning.
3. Two (2) visits to inspect exterior abrasive blast cleaning for thoroughness, surface profile, and compliance with specifications. The exterior prime coat will be inspected for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.
4. One (1) visit to inspect exterior spot power tool cleaning for thoroughness, surface profile, feathering, and compliance with specifications.
5. Three (3) visits to inspect the exterior prime coating for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.

6. One (1) visit to inspect the exterior intermediate epoxy coating for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.
7. Two (2) visits to inspect the exterior intermediate urethane coating for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.
8. Two (2) visits to inspect the exterior topcoat for uniformity, coverage, performance, and dry film thickness for compliance with specifications. Examine the overall project for possible damage caused by equipment removal. Inspect the application of top coats/installation of screens, light bulbs, etc.
9. One (1) visit to inspect the application of the lettering/logo to the exterior for thoroughness, location and aesthetic appearance in accordance with specification requirements.

B. Project Finalization

1. One (1) visit to formulate a punch list of items to complete.
2. One (1) visit to finalize the project to assure all items in the contract specifications have been completed, and the quality of workmanship meets contract requirements.

Collection of samples will be taken during regularly scheduled visits.

SCHEDULE B
300,000 Gallon Toroellipse, #22-25-10-01
Swartz Creek, Michigan

1. Compensation for Schedule A – Project Administration, shall be the time and material fee of **\$900.00**. Payment due as project progresses.
2. Compensation for participation at the pre-construction meeting shall be the lump sum fee of **\$500.00**, and will include preparation and travel time.
3. Compensation for paint inspections, Schedule A – Critical Phase Inspections is **\$9,600.00** based on a **\$600.00** per visit fee with sixteen **(16)** visits recommended.
4. Invoices will be compiled after the 20th of the month and shall include from the 20th of the preceding month to the 20th of the invoiced month.
5. All DIXON service invoices which are paid within ten (10) days of date of issue shall be discounted (Owner's favor) one percent (1%).
6. Failure by the Contractor to notify DIXON of the necessity to change inspection dates more than twenty-four (24) hours in advance and which results in unnecessary travel and/or expense to DIXON shall cause this travel and expense to be considered an additional service, and DIXON shall be compensated for travel and/or expense under the provisions of Schedule C of the Agreement.
7. Requests for attending council meetings shall be forthcoming from the Owner in writing unless other arrangements are made between the Owner and DIXON. Attendance of council meetings shall be considered an additional service and DIXON shall be compensated under the provisions of Schedule C of the Agreement.

SCHEDULE C

Engineering Services Fees

| <u>Labor Class</u> | <u>Per Hour</u> | <u>*Overtime Rate</u> |
|--|--|-----------------------|
| Principal..... | \$175.00 | |
| Principal Expert Witness (Office, Travel & Court)..... | \$285.00 | |
| Expert Witness (Office, Travel & Court)..... | \$200.00 | |
| Project Manager..... | \$125.00 | |
| Registered Professional Engineer..... | \$125.00 | |
| Certified NACE Inspector..... | \$100.00 | |
| Assistant Project Manager..... | \$100.00 | |
| Staff Engineer..... | \$85.00 to \$100.00 | |
| CAD Supervisor..... | \$75.00 to \$90.00 | |
| CAWI or CWI Welding Inspector..... | \$90.00 to \$125.00 | |
| Inspector – Level III..... | \$65.00 to \$80.00 | |
| Inspector – Level II..... | \$65.00 to \$75.00 | |
| Inspector – Level I..... | | |
| CAD Technician..... | \$70.00 to \$80.00 | |
| Secretarial Services..... | \$50.00 & expenses | |
| Bookkeeping Services..... | \$44.00 | |
| Project Status Meetings w/Project Engineers and Council or Board Meetings..... | Time and Expenses, Including Preparation Time | |

*All Saturday, Sunday, and holiday inspections are overtime rate. Overtime rate is 1 ½ time the hourly rate. Overtime rate does not apply to Principal.

Expenses:

| | <u>Metropolitan</u> | <u>Non–Metropolitan</u> |
|---|--|-------------------------|
| Mileage..... | \$0.70/mile (including tolls) | \$0.60/mile |
| Meals & Lodging, | \$145 per diem <i>(may be increased based on location)</i> | \$135 per diem |
| Without Lodging..... | \$35/day | \$30/day |
| Air Travel..... | Business fare from Grand Rapids, Chicago O’Hare, or Milwaukee, plus full size car rental | |
| Material (gaskets, cathodic protection caps, etc.)..... | Negotiated | |

FEES EFFECTIVE THROUGH DECEMBER 31, 2016

Revised 01/22/2016

4.01 ADDITIONAL SERVICES

- A. If additional services are **Requested and Authorized** by the Owner which are not within the proposed Scope of Services (Schedule A) or because of changes in the Project, these additional services will be on a time and material basis per fee schedule of attached Schedule C.
- B. **Delay by the Owner** in completing the work, which is their responsibility per Schedule A (Owner) and which extends the amount of time required for DIXON to complete their work, will be charged as an Additional Service.
- C. **Failure by the Owner to notify DIXON** of the necessity to change inspection dates more than twenty-four (24) hours in advance and which results in unnecessary travel and/or expense to DIXON shall cause this travel and expense to be charged as Additional Service.

5.01 Termination

- A. The obligation to provide further services under this Agreement may be terminated:
 - 1. For cause,
 - a. By either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Agreement will not terminate as a result of substantial failure under paragraph 5.01.A.1.a if the party receiving such notice begins, within seven (7) days of receipt of such notice, to correct its failure and proceeds diligently to cure such failure within no more than thirty (30) days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such thirty (30) day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, sixty (60) days after the date of receipt of the notice.
 - b. By DIXON upon seven (7) days written notice:
 - 1) If Owner fails to pay invoices within sixty (60) days.
 - 2) Upon seven (7) days written notice if the DIXON's services for the Project are delayed or suspended for more than ninety (90) days for reasons beyond DIXON's control.
 - 3) If DIXON believes that Engineer is being requested by Owner to furnish or perform services contrary to Engineer's responsibilities as a licensed professional.
 - 4) DIXON shall have no liability to Owner on account of such termination.
 - 2. For Convenience,
 - a. By Owner effective upon the receipt of notice by DIXON.
- B. The terminating party may set the effective date of termination at a time up to thirty (30) days later to allow Engineer to demobilize personnel and equipment from the Project site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

6.01 Controlling Law

- A. This Agreement is to be governed by the law of the state in which the Project is located.

7.01 Successors, Assigns, and Beneficiaries

- A. OWNER and DIXON and their successors are hereby bound to successors and legal representatives of the other to the extent permitted by law in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither OWNER nor DIXON may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement.

8.01 General Considerations

- A. The **Standard of Care** for all professional engineering and related services performed or furnished by DIXON under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. DIXON makes no warranties, expressed or implied, under this Agreement or otherwise, in connection with Contractor's services. DIXON and its consultants may use or rely upon the design services of others, including, but not limited to, contractors, manufacturers, and suppliers.
- B. DIXON shall **Not** at any time **Supervise**, direct, or have control over any of the **Owner's** work, nor shall DIXON have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by Owner, for safety precautions and programs incident to Owner's performance of Schedule A (Owner's).
- C. All **Design Documents** prepared or furnished by DIXON are instruments of service, and DIXON retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed.
- D. DIXON agrees to defend, **Indemnify**, and hold harmless the Owner, its officers, agents, and employees, from and against legal liability for all claims, losses, damages, or expenses to the extent such claims, losses, damages, or expenses are caused by Engineer's negligent or intentional acts, errors, or omissions. Limits of liability for negligence are based on the comparative negligence principle.
- E. The parties acknowledge that DIXON's Scope of Services does not include any services related to a **Hazardous Environmental Condition** (the presence of asbestos, PCBs, petroleum, hazardous substances or waste, and radioactive materials). DIXON acknowledges that some hazardous metals may be encountered in coatings.

8.02 Severability

- A. If any clause or paragraph or sentence is found to be in opposition to any law in the state of the Project, that clause or paragraph or sentence may be severed from the Agreement with no effect on remaining clauses.

8.03 Headings

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions. Words in the first sentence are in bold to act as secondary headings and should not be interpreted any different than a numbered heading.