

**City of Swartz Creek
AGENDA**

**Regular Council Meeting, Monday, December 23, 2019, 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 9, 2019 MOTION Pg. 16
5. **APPROVE AGENDA:**
5A. Proposed / Amended Agenda MOTION Pg. 1
6. **REPORTS & COMMUNICATIONS:**
6A. City Manager's Report MOTION Pg. 3
6B. Staff Reports & Meeting Minutes Pg. 21
6C. Genesee County Water Rates Pg. 31
6D. RRC Factsheet Pg. 34
6E. State Road Warranties Pg. 46
6F. Metro Police Memos Pg. 50
6F. QBS Submissions DIGITAL ONLY
7. **MEETING OPENED TO THE PUBLIC:**
7A. General Public Comments
8. **COUNCIL BUSINESS:**
8A. Redevelopment Ready Communities PRESENTATION
8B. Qualified Bidding Selection Process RESO Pg. 13
8C. Appointments RESO Pg. 14
9. **MEETING OPENED TO THE PUBLIC:**
10. **REMARKS BY COUNCILMEMBERS:**
11. **ADJOURNMENT:** MOTION

Next Month Calendar

Planning Commission:	Tuesday, January 7, 2020, 7:00 p.m., PDBMB
Park Board:	Wednesday, January 8, 2020, 5:30 p.m., PDBMB
Downtown Development Authority:	Thursday, January 9, 2020, 6:00 p.m., PDBMB
City Council:	Monday, January 13, 2020, 7:00 p.m., PDBMB
Zoning Board of Appeals:	Wednesday, January 15, 2020, 6:00 p.m., PDBMB
Fire Board:	Monday, January 20, 2020, 6:00 p.m., Public Safety Bldg
Metro Police Board:	Wednesday, January 22, 2020, 10:00 a.m., Metro Headquarters
City Council:	Monday, January 27, 2020, 7:00 p.m., PDBMB

City of Swartz Creek Mission Statement

The City shall provide a full range of public services in a professional and competent manner, assuring that the needs of our constituents are met in an effective and fiscally responsible manner, thus promoting a high standard of community life.

City of Swartz Creek Values

The City of Swartz Creek's Mission Statement is guided by a set of values which serve as a common operating basis for all City employees. These values provide a common understanding of responsibilities and expectations that enable the City to achieve its overall mission. The City's values are as follows:

Honesty, Integrity and Fairness

The City expects and values trust, openness, honesty and integrity in the words and actions of its employees. All employees, officials, and elected officials are expected to interact with each other openly and honestly and display ethical behavior while performing his/her job responsibilities. Administrators and department heads shall develop and cultivate a work environment in which employees feel valued and recognize that each individual is an integral component in accomplishing the mission of the City.

Fiscal Responsibility

Budget awareness is to be exercised on a continual basis. All employees are expected to be conscientious of and adhere to mandated budgets and spending plans.

Public Service

The goal of the City is to serve the public. This responsibility includes providing a wide range of services to the community in a timely and cost-effective manner.

Embrace Employee Diversity and Employee Contribution, Development and Safety

The City is an equal opportunity employer and encourages diversity in its work force, recognizing that each employee has unlimited potential to become a productive member of the City's team. Each employee will be treated with the level of respect that will allow that individual to achieve his/her full potential as a contributing member of the City staff. The City also strives to provide a safe and secure work environment that enables employees to function at his/her peak performance level. Professional growth opportunities, as well as teamwork, are promoted through the sharing of ideas and resources. Employees are recognized for his/her dedication and commitment to excellence.

Expect Excellence

The City values and expects excellence from all employees. Just "doing the job" is not enough; rather, it is expected that employees will consistently search for more effective ways of meeting the City's goals.

Respect the Dignity of Others

Employees shall be professional and show respect to each other and to the public.

Promote Protective Thinking and Innovative Suggestions

Employees shall take the responsibility to look for and advocate new ways of continuously improving the services offered by the City. It is expected that employees will perform to the best of his/her abilities and shall be responsible for his/her behavior and for fulfilling the professional commitments they make. Administrators and department heads shall encourage proactive thinking and embrace innovative suggestions from employees.

City of Swartz Creek
CITY MANAGER'S REPORT

Regular Council Meeting of Monday, December 23, 2019 - 7:00 P.M.

TO: *Honorable Mayor, Mayor Pro-Tem & Council Members*

FROM: Adam Zettel, City Manager

DATE: December 19, 2019

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

✓ **MICHIGAN TAX TRIBUNAL APPEALS** *(No Change in Status)*

We are proceeding with answering the Kroger appeal.

The claim for the medical office building on the east end, commonly known as the VPH Building (5376 Miller), has been dropped. This claim was originally a small claim, but since the court found the value to be higher than what our records show it now qualifies for a large claim (how ironic).

We have successfully defended a small claim for the apartments on Brady Street.

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

✓ **2020-2023 TRAFFIC IMPROVEMENT PROGRAM (TIP)** *(No Change in Status)*

Morrish Road is slated for 2022 federal funding. Note that the total scope of the project is around \$1,050,000, with 20% being the city's contribution.

The city has committed the match portion to this project, which is 80-20. It is unclear what year this project will be undertaken, but we want it done subsequent to the USDA water main work. This MAY span two construction seasons. We have put the engineers on notice regarding our desire to widen Paul Fortino to the north so that a left turn lane may be added. This will occur whether or not the townhome project proceeds.

✓ **QUALIFIED BIDDING SELECTION PROCESS** *(Business Item)*

We opened bids for engineering services, receiving a total of four. These have been thoroughly reviewed and we offer a recommendation for the city council to accept all four firms as qualified to perform federal work. We find all four to have capacity, local presence, comparable experience, and diverse specialties.

Keep in mind that federal road projects currently require three firms to maintain a separation in duties for a single project (submission of the application, preliminary engineering, and construction engineering). As such, maintaining four qualified firms is reasonable. We currently rely heavily on two of these (OHM and ROWE). We believe the other two will have a role to play.

This process is to ensure the city has a Michigan Department of Transportation pre-qualified engineer to work on projects with federal aid. It is obviously a good practice to apply for non-federal aid projects as well. The selection is valid for up to five years.

✓ **STREET PROJECT UPDATES** *(No Change in Status)*

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. Information from previous reports can be found in prior city council packets.

We expect to be able to release bids for 2020 projects soon. The scope includes a section of Oakview, Chelmsford, and Oxford (including the last small stretch of Winston). Note that it is unlikely we will have a budget to do all of those sections in 2020 since state revenues have not been forthcoming as expected. However, it is work that needs to be completed for the USDA watermain on those streets in the next three years.

Notable issues currently include the proposed layout and ownership (school or city) of the bus lane on Oakview by Syring. We will liaise with the school regarding this and how they wish to proceed with the bond improvements.

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

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

The city is moving forward with lining the sewer collectors on the west end of downtown (Fairchild, Mclain, Ingalls, Brady, Hayes, and Holland). We will also be inspecting Don Shenk, which was one of the first lining projects from 2007. I will notify the council when work is expected to commence.

The capacity study is complete. I am including it for review. Please read the summary findings and recommendations. As expected, we have capacity issues in one of our districts. We will need to increase the pipe diameter for part of the system and/or add a secondary discharge. We will be meeting with ROWE to find solutions. I expect this to be a large ticket item, but it needs to be done even without additional changes or additions to the system. Despite the investment needs, I do not believe the community shall need to bond or alter rates, since we have been anticipating such an occurrence. I will look to separate this section in future reports as an action plan develops.

We are still working to geo-locate sewer lines, manholes, and some services so we can map them and track maintenance data on GIS. The Genesee County Drain Commission has verbally committed to reimbursing the city for some of the work related to water and sewer, since they plan to use it from time to time. I do not have a figure at this time, but I expect it to be half of what is related to sanitary sewer and water line mapping.

✓ **WATER MAIN REPLACEMENT - USDA** *(Update)*

We are out to bid! We should have results before the city council by the first February meeting, perhaps the last January meeting.

Bond counsel and other team members have been tentatively assembled and await progress. The audit letter has been approved. We finally have terms with the matter of pipe diameter. The USDA will only fund pipe that is thinner than the Genesee County Drain Commission Standards. Previously, The USDA would not

budge on funding thicker pipe, and the GCDC would not allow thinner pipe. We finally have approval from the GCDC, provided that the leads include a 'saddle' to compensate for the lack of threads that can be provided for using thinner pipe.

Prior system report findings follow:

The Genesee County Drain Commission - Water and Waste Services Division Water Master Plan, indicates they are considering a northern loop to provide redundancy and stability to the system. This is good news since Gaines and Clayton Township rely on the overstressed Miller line. There is currently not any cost or participation information available. I will keep the council informed.

The city has been working with the county to abandon the Dye Road water main in the vicinity of the rail line. Note that we are holding this action pending the master plan review. This line is prone to breaks, which can be very costly and dangerous near the rail spur. The intention would be to connect our customers to the other side of the street, onto the county line. It appears the transition cost would be about \$25,000. We will work with the county on this matter and report back on our findings.

Lastly, the city should probably complete full demolition on the "Brown Road" site (the old well head) and sell this property. This is not a high priority, but it is now on our radar.

✓ **HERITAGE VACANT LOTS** (*No Change of Status*)

The last of the lots acquired prior to the special assessment have been approved for sale. The city also has two more lots that were acquired through the tax reversion process. At this point the buyer, JW Morgan, has not executed the transaction. The market for Heritage Village is soft. I will allow these instruments to expire, and we can revisit this matter when circumstances change.

✓ **NEWSLETTER** (*Update*) The newsletter is out. Let me know what you think.

✓ **CONSTRUCTION & DEVELOPMENT UPDATE** (*See Individual Category*)

This will be a standing section of the report that provides a consolidated list for a brief status on public and private construction/developmental projects in the city.

1. (*Update*) The **recreational path was not approved for DNR Trust funds for 2020**. The MDOT grant is conditionally awarded. We are looking at a 2020 project without additional grant support, as well as a 2021 project with potential grant support.
2. (*Update*) The **raceway has been granted tentative 2020 race days**. They intend to use the site for thoroughbred horse racing. There is also pending additional legislation related to mobile application betting. They are open to finding additional users for the site to supplement the racing. They are also communicating well in regards to partnering with community groups such as Hometown Days. I find the new owners to be very astute and capable.
3. A Flint based group has a purchase option for **Mary Crapo**. The intent is to use the building and site for senior housing (approximately 40 units total). This

would result in new residents in the downtown and the potential for new construction on part of that site. They are looking at a January planning commission meeting for zoning and site plan. This is unlikely since we have not received materials with the prescribed 30 days.

4. The **school bond** passed and many improvements are expected in 2019 throughout the district. Total investment for this effort will exceed \$50 million over two to three years. Plans have been submitted for work on Syring and Elms School.
5. **Street repair in 2020** is to include Chelmsford. We also hope to include the remainder of Winston and Oxford Ct. The city also has grants and loans for about **\$5 million in water main work** to occur between 2020 and 2022.
6. The **Applecreek Station** development of 48 townhomes is seeking final review by the county. These units range in size from 1,389 to 1,630 square feet, with garages. Construction will occur on vacant land in the back of the development, by Springbrook Colony. Site engineering plans have just been submitted by the owner. Rents are expected to be about \$1.00 per square foot (~ \$1,600 a month) which matches rents in Winchester Village. If this project occurs in 2019, 2020 DDA revenues will be positively and substantially improved.
7. The **Brewer Condo Project** was given site plan approval and tentative purchase agreement approval. This includes 15 townhome condos off Morrish Road in downtown. They are approximately 1,750 square feet, with two car garages and basements. Parking on the raceway property has been tentatively approved by the owner, and we are working on a plan to level and maintain the surface to replace lost parking on Paul Fortino Drive.
8. The city council approved the use of **state tax incentives** and local utility waivers for redevelopment sites in downtown, rounding out our efforts to be a certified Redevelopment Ready Community.
9. The **elevator now has a new tenant** that wishes to engage in auctions. Because it is in an industrial district, they should be able to hold limited outdoor sales events with an administrative approval.
10. The next **Springbrook East** phase is under construction. Underground work is nearly complete. The developer has not been cooperative with installation requirements and inspections. Because much of the infrastructure is to be public, this is creating big problems. We are working on solutions.
11. **(Update)** Bigby has broken ground and should be serving coffee this year!

✓ **TRAILS (Update)**

We did not get an award for the DNR Trust Fund Grant. This is shocking and disappointing. I have been speaking to the Genesee County Metropolitan Planning Commission representative, our engineering consultant, and area community foundation staff. I have not yet heard from our grant administrator, but I have reached out for an explanation.

After speaking with Jacob Maurer (GCMPC) to discuss the impact of the Trust Fund grant rejection, we are considering the options for getting this section built which included the following:

1. Continue with 2020 bid and hope for favorable pricing that will enable a local match
2. Seek an agreeable plan of action with MDOT to proceed with a 2021 construction that will enable one more fiscal year of savings and/or another shot at a Trust Fund award
3. Seek legislative support for an award that supersedes the recommendation of the TF committee
4. Seek alternate funding sources

Based upon our discussion, we are looking to immediately proceed with seeking other, private funding options. I have reached out to Sandra Murphy (and her replacement) already with the Community Foundation of Greater Flint. We will also look to debrief with Lyndsay Ross (Trust Fund) regarding the awards. We should be able to learn if a future award has potential or if other pressure may help our cause. Based upon the disposition of the committee for 2020 and 2021, we will formulate a plan of action for the TAP, be it for a 2020 commitment or 2021 delay.

In the meantime, engineering is being completed as we speak. This will ensure that we will still have time to bid if we choose to. Bidding early in the year (during the winter months) generally results in better pricing. Work with Consumers Energy and CN Rail is positive for those project components that require their engagement. We are still working with the MTA and GM on some easements and permissions.

✓ **REDEVELOPMENT READY COMMUNITIES** (*Business Item*)

The formal recognition for the RRC program will be at the city council meeting on December 23rd. This will be the focus of our meeting and the culmination of much effort!

We are also working on a plan to begin planning and marketing for the redevelopment of the old Lovegrove building on Miller Road. The state is taking a keen interest in this as one of our priority sites. Since the site is front and center in town and is being listed, it makes sense to pursue this as a priority. The state is willing to provide in-kind services and funding support to conceive a rehabilitation plan and market this to qualified buyers/developers.

✓ **TAX REVERTED PROPERTY USE** (*No Change of Status*)

I am seeking release from the buyers of tax reverted property on Wade Street and Heritage. I am doing so because the council granted sale approval over one year ago, but the purchase agreements remain unsigned after numerous requests. We can look to reoffer the properties or allow time to mature the prospects more.

✓ **8002 MILLER** (*No Change of Status*)

Occupancy of the entire building has been granted. The user is now going to be entering the next phase of rent payment towards the total purchase. I will be engaging them in early 2020 to begin establishing a plan and timeline for transfer of the property.

Note that the proceeds from this lease MUST go to offset the cities investment, effectively counting towards the eventual sale price by the user. This closely resembles a land contract. In fact, the city attorney may recommend we proceed

directly to a land contract at this point as a means to recognize the current lease and eventually purchase terms.

✓ **SCHOOL FACILITY PROPOSAL** *(No Change of Status)*

It is expected that elementary security entrances and related work will be the first phase of the investment. There are plans in for Syring, with the expectation that this work will commence in 2019.

The school has placed a construction trailer to oversee this massive set of projects. This is located near the administration building, but away from work efforts, on the property next to the bus garage. Though this is obviously temporary, the project could take a couple years.

Additional bond work shall continue in 2020 and 2021. It will include all facilities, including athletic facilities at the high school. We expect cooperation and benefit in terms of establishing safer connections for walkers, better land grades (e.g. the football field), and more attractive gateways.

✓ **BREWER TOWNHOMES** *(No Change of Status)*

The site plan and sale has been approved. We await transfer of the property pending final approval of the condominium documents by the city attorney. The builder is also still working on final drainage plans with Genesee County. It appears some additional underground investment may be needed. As previously noted, this development is a candidate for water and sewer fee waiver incentives. I will have more information soon.

✓ **SPORTS CREEK RACEWAY & GAMING COMMISSION** *(Update)*

The **raceway has been granted tentative 2020 race days**. They intended to use the site for thoroughbred horse racing. However, the legislation needed to enable mobile application betting did not pass (a bill that enables advance deposit wagering by phone did, but it does nothing for the industry). The state passed legislation that was favorable to the Detroit casinos, including the ability for those facilities to engage in all sports betting and for state legislator to take direct donations from casinos.

There is a chance that Lansing could do something before March, but there does not appear to be universal interest to support this. The owner is not giving up on the potential for thoroughbred or harness racing, but it is expected that the site will be redeveloped entirely at this point.

✓ **CDBG** *(No Change of Status)*

At this point, we are looking to upgrade street name/stop signs in the downtown area using these funds. Improvements should be eligible for funding in the fall of 2020.

✓ **SAFE ROUTES TO SCHOOL** *(Update)*

The application has been reviewed by the state and comments are in. We are proceeding with the understanding that preliminary engineering, accurate pricing, and a final construction plan have not been settled. As we proceed with a potential award, we will have the opportunity to prioritize and select various project components, with the understanding that we will only need to proceed if funding is allocated through the grant.

As of writing, the school has been fantastic to work with. They indicate a willingness and ability to supply many of the desired improvements as they proceed with bond upgrades, including walkways and a potential pedestrian bridge.

See the October 14th packet for more details. Detailed information on the research and recommendations by the Crim Fitness Foundation are available upon request.

✓ **CENSUS COMPLETE COUNT COMMITTEE (Update)**

The committee met December 18th, at 10:00 a.m. at Fireside Coffee. We have ordered some banners and related materials to assist in getting the word out as well. Their next meeting will be at the high school media center on January 9, 2020 at 2:30 p.m.

✓ **GIS MAPS (No Change of Status)**

We will be working with Rowe to complete map and database creation. We will also seek a partial reimbursement from the Genesee County Drain Commission. Please see the report in the August 12 City Council packet for full details.

✓ **SHARED SERVICES AGREEMENT-MUNDY TOWNSHIP (No Change of Status)**

Mundy's park will not be completed this year. As such, any need for services is put on hold as it relates to utilizing our labor and maintenance staff/equipment. The previous report follows:

Mundy Township is very interested in utilizing our existing labor and equipment resources to support their new park facility on Hill Road. We have come to verbal terms with each other regarding expectations. I have also ensured we have the capacity and willingness from the DPW Director and union steward that represents the crew that will be doing the work. The city Treasurer is also equipped to track, report, and invoice such services by virtue of extending a system of accounting that we use to enable our staff to maintain the park and ride.

Moving forward, I expect to deliver a short shared services agreement that will enable city labor and equipment to be used to maintain the Mundy Township park. Again, this agreement will resemble the MDOT park-and-ride service expectation, while taking the form of the shared service agreement we have with Mundy Township for building services. Conceptually, I think this is a great idea to create efficiency for the township and more capacity for the city, while ensuring costs are fairly and appropriately covered. The working plan appears to support the concept in terms of its functionality and demand on our resources.

✓ **DISC GOLF (No Change of Status)**

Disc Golf is proposed for the Bristol Road property (let's call it Bristol Fields until something better comes along). A park board committee has been formed to create a physical, financial, and implementation plan to make this happen. We are looking to locate corner stakes before planning the site. To do so, we must perform a full staking, since the expansion survey has a minor error and irons were never placed at the corners.

✓ **DIRECTOR OF COMMUNITY SERVICES SUCCESSION PLAN (Update)**

The city approved a shared service agreement with Mundy. Once executed by both parties, we are good to go with employing and compensating a professional engineer.

In the meantime, we have conducted interviews and expect to make an offer that will have someone join our team in January. We are also working with Tom to document and record various features and functions of the job to ensure a legacy plan for the position.

See the previous packets for prior details on this process.

✓ **OTHER COMMUNICATIONS & HAPPENINGS** *(See Individual Category)*

✓ **MONTHLY REPORTS** *(Update)*

There some routine reports included for your information.

✓ **METRO LETTERS** *(Update)*

Chief Bade has some good news that he wishes to pass on regarding officer performance. Good job Metro!

✓ **MICHIGAN ROAD WARRANTIES** *(Update)*

With the state requiring even more warranties on state-funded road work, we have had some concern about the costs for providing such warranties. It has been our opinion that the quality assurance adds significant costs to a project, which essentially takes the form of an additional insurance policy that the contractor must pay for. Since we have observed few occasions where the state makes use of such guarantees, even when warranted, we do not see the value. The attached article supports this.

✓ **NOTICE OF WATER BASE RATE CHANGE** *(Update)*

The city is charged a base fee to have access to Karegnondi Water each month. The county assigns this fee based upon peak consumption in August of each year, and our community consumes that volume of water that places us right at the cutoff between two rate categories. We received notice that we will be moving by one rate category (from 35 units to 25 units) for 2020. This will save \$4,600 a month, which will equate to about a 2% change in total expenses.

This is certainly welcome news. Note that we could bounce back next year. With the USDA project bidding and the uncertainty of the rate permanence, I do not recommend any rate study at this time. The notice and rate schedule are included in the packet.

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

✓ **PLANNING COMMISSION** *(Update)*

A training was held on December 3rd. There is a possibility that we will meet in January to review a site plan and zoning application for Mary Crapo. Their regular meeting will be a week later on January 7th. As of writing, there is no business so I expect a delay or cancellation.

✓ **DOWNTOWN DEVELOPMENT AUTHORITY** *(Update)*

The DDA did not meeting in December. Their next meeting is scheduled for January 9th.

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

The ZBA did not meet on December 18th. Their next meeting is scheduled for January 15th.

✓ **PARKS AND RECREATION COMMISSION (No Change of Status)**

The Park Board did not meet on December 4th. Their next meeting is scheduled for January 8th (one week later due to the New Year). They should have a full agenda.

✓ **BOARD OF REVIEW (Update)**

The BoR December meeting was at 10:00 a.m. on the 10th. This meeting enables folks to correct clerical errors and veteran exemptions. Three petitioners were heard.

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

✓ **APPOINTMENTS (Business Item)**

Doug Stephens has resigned from the Planning Commission and Zoning Board of Appeals. He has been with the city about thirty years! To replace him, we are looking to place a current ZBA member on Planning Commission, as Doug was. The city will also need to fill the ZBA slot.

In addition, there are two resignations from the park board, Mr. Cummings and Mr. Perrault. We are hopeful that replacements can be identified. However, since membership of this board is not prescribed, a seven member board is satisfactory for the time being.

Tom Wyatt is being recommended to take Doug's place on the Planning Commission. The ZBA and park board positions are still open. I am including place-holders in the resolution for any one that presents themselves before we meet. **Note that the ZBA member should be a council member**, since one has not been appointed in the place of Curt Porath, who maintained that cross-over appointment.

✓ **REPUBLIC WASTE SERVICES (Update)**

As discussed at the last meeting, the waste collection services offered by Republic have come under heavy scrutiny by Swartz Creek and Mundy Township. We have been experiencing an increase in missed pickups, repeat missed pickups for specific areas, recovery failures, and inaccurate customer service to residents.

Mr. Hicks, the area Republic representative, has indicated that staffing is difficult for waste management companies in this economy. He notes that this is part of the reason for limited equipment availability and a lack of consistent drivers on our routes. He reasons that low unemployment rates make the hiring and retention of drivers and mechanics difficult, resulting in deficiencies.

In working with the township, we are getting a sense that these issues MAY be more about how Republic does business and not industry-wide workforce problems with waste management. We will continue to press them for better service. We will also co-sign a notice to Republic noting the deficiencies and our intention to analyze the service. Note that this COULD result in a breach of contract and a new provider.

Though we do not have formal metrics for many service parameters, we did compare November 2019 resident complaints to November 2018 complaints. The numbers are telling, and we suspect many folks do not report issues.

Waste Collection Complaints:

November 2018: 14

November 2019: 43

Staff indicates that the trend appears to be continuing into December.

Council Questions, Inquiries, Requests, Comments, and Notes

Small Cities: The next Small Cities meeting will be at the Draft, and the presenter will be the State of Michigan RRC staff. The date is January 8th, and the time is 6pm.

Springbrook East: As of writing, the road base, curb, and asphalt was all installed without notice and inspections. The city will not be able to accept this infrastructure. We are working with the engineer on solutions.

Christmas Tree Expansion: The next sections for the tree come in three foot increments, with the 14-17 foot section being approximately \$2,200 and the 17-20 foot section being \$2,900.

Traffic Islands: We have had the traffic island hit by a vehicle and the site was damaged. This will be replaced. We subsequently received a complaint and request to remove it.

**City of Swartz Creek
RESOLUTIONS
Regular Council Meeting, Monday, December 23, 2019, 7:00 P.M.**

Resolution No. 191223-4A MINUTES – December 9, 2019

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday, December 9, 2019, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 191223-5A 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 December 23, 2019, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 191223-6A CITY MANAGER’S REPORT

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager’s Report of December 23, 2019, including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**Resolution No. 191223-8B RESOLUTION TO APPROVE ENGINEERING FIRMS VIA
THE QUALIFICATION BASED SELECTION (Q.B.S.)**

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek is a Local Governmental Unit and recognized Street Authority eligible to receive funding from the Michigan Department of Transportation and the Federal Highway Administration; and,

WHEREAS, it is the duty of the City of Swartz Creek to provide for the safety of its citizens and in so doing, provide for safely designed, engineered, and constructed public roads, highways, bridges, drainage systems, water systems, sewage systems, and other improvements; and

WHEREAS, it is in the best interest of the city to protect people by demanding and ensuring that qualified engineers and land surveyors, also known as design professionals, render services which will assist in making construction projects safer, efficient, and sustainable for public use; and

WHEREAS, selection of design professionals based upon qualification to perform the required services rather than selection supported solely on price, is more likely to produce a preferable result; and

WHEREAS, the Michigan Department of Transportation and the Federal Highway Administration require the periodic bidding of design professional services for state and federally funded projects, and the City of Swartz Creek desires to comply with all such requirements and guidelines with respect to selection of design professionals; and

WHEREAS, the City has adopted a process and developed an RFQ that extends for a period of at least three (3) years, at the option of the city, thus eliminating the need to engage in additional selection processes on a project by project basis, and further, invited firms to submit qualifications, advertised in a newspaper of general circulation, and published in a state wide publication, resulting in the returns of four interested firms; and

WHEREAS, after reviewing bid returns in open session, the City finds that all submittals meet professional standards and qualifications and further, the City finds that the submitting firms are similarly qualified in possessing the services the City.

NOW, THEREFORE, BE IT RESOLVED that the Swartz Creek City Council, in compliancy with requirements set forth by Michigan Department of Transportation and the Federal Highway Administration, hereby create a Qualification Based Selection list for professional design, inspection and other engineering services, as follows:

1. ROWE Professional Services
2. Orchard, Hiltz & McCliment Inc.
3. Spicer Group, Inc.
4. DLZ, Inc.

BE IT FURTHER RESOLVED that the City direct the Staff to solicit pricing for various engineering services the City may use or desire, from all four firms, and negotiate such prices if needed, and make all such findings available to the public and Council.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

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:

- | | | |
|-------------|---|---------------------|
| #191223-8C1 | <u>MAYOR RE-APPOINTMENT:</u>
Park and Recreation Advisory Board, Citizen
Three year term, expiring December 31, 2022 | Rick Henry |
| #191223-8C2 | <u>MAYOR RE-APPOINTMENT:</u>
Park and Recreation Advisory Board, Citizen
Three year term, expiring December 31, 2022 | ? |
| #191223-8C3 | <u>MAYOR RE-APPOINTMENT:</u>
Park and Recreation Advisory Board, Citizen
Three year term, expiring December 31, 2022 | ? |
| #191223-8C3 | <u>MAYOR APPOINTMENT:</u>
Planning Commission, Citizen
Remainder of Three year term, expiring June 30, 2021 | Thomas Wyatt |
| #191223-8C4 | <u>MAYOR RE-APPOINTMENT:</u>
Zoning Board of Appeals, City Council Delegate
Two year term, expiring June 30, 2020 | ? |

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR COUNCIL MEETING
DATE 12/09/2019**

The meeting was called to order at 7:00 p.m. by Mayor Krueger in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance.

Councilmembers Present: Cramer, Farmer, Gilbert, Hicks, Krueger, Pinkston, Root.

Councilmembers Absent: None.

Staff Present: City Manager Adam Zettel, Clerk Connie Eskew, Director Public Service Tom Svrcek.

Others Present: Lania Rocha, Bob Plumb, Nate Henry, Chad Young, Robert Daavettila, Metro PD Chief Bade.

APPROVAL OF MINUTES

Resolution No. 191209-01 (Carried)

Motion by Councilmember Root
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday November 25, 2019 to be circulated and placed on file.

YES Farmer, Gilbert, Hicks, Krueger, Pinkston, Root, Cramer.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 191209-02 (Carried)

Motion by Councilmember Cramer
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Agenda as, printed for the Regular Council Meeting of December 9, 2019, to be circulated and placed on file.

YES: Gilbert, Hicks, Krueger, Pinkston, Root, Cramer, Farmer.

NO: None. Motion Declared Carried.

CITY MANAGER'S REPORT

Resolution No. 191209-03

(Carried)

Motion by Councilmember Farmer
Second by Councilmember Hicks

I Move the Swartz Creek City Council accept the City Manager's Report of December 9, 2019, including reports, communications and addendum to be circulated and placed on file.

YES: Hicks, Krueger, Pinkston, Root, Cramer, Farmer, Gilbert.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Bob Plumb, 37 Somerset, he's been asked by residents why we have an artificial tree this year, people commented they would rather have a real one.

Tom Svrcek, Director of Public Services, a nice sizable real tree is very costly.

Chad Young, Mundy Township Manager, introduced himself and spoke of the shared services with the city. He feels the relationship between the township and the city is a model for municipalities. He looks forward to continuing the fortuitous relationship.

COUNCIL BUSINESS:

RESOLUTION TO APPROVE BURN PERMIT

Resolution No. 191209-04

(Carried)

Motion by Councilmember Hicks
Second by Councilmember Farmer

WHEREAS, the City of Swartz Creek city council may authorize open burning per ordinance section 8-1 if it finds that such burning will provide for the general welfare of the community, and

WHEREAS, a burning permit is sought by the resident at 7325 Bristol Road; and

WHEREAS, the city finds that the circumstances of this request, being a substantial amount of brush on a large and open lot, enable burning as a potentially preferred solution over curbside chipping.

NOW, THEREFORE, BE IT RESOLVED that the Swartz Creek City Council approve a single occurrence permit for open burning conditioned upon and in conformance with the standard burning requirements of the fire department.

Discussion Ensued.

YES: Krueger, Pinkston, Root, Cramer, Farmer, Gilbert, Hicks.

NO: None. Motion Declared Carried.

A RESOLUTION TO APPROVE A SHARED SERVICE AGREEMENT WITH MUNDY TOWNSHIP THAT WILL ENABLE THE SERVICE AND COST SHARING OF A PROFESSIONAL ENGINEER

Resolution No. 191209-05

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Cramer

WHEREAS, the city operates a department of community services that is responsible for the overseeing operations and investment of streets, water, sewer, storm, parks, facilities, waste, and related functions; and

WHEREAS, the city is creating a succession plan for the Director of Community Services and finds that a professional engineer would be desirable to oversee the aggressive upcoming capital improvement programs of the city; and

WHEREAS, the Township of Mundy is expanding their physical assets and is in need of limited engineering services; and

WHEREAS, Public Act 63 of 2011, introduced the Economic Vitality Incentive Program, requires municipalities receiving over \$4,500 in revenue sharing to engage in numerous activities, including service consolidation; and

WHEREAS, the city and township can benefit from the skill set of a qualified professional engineer, but this will come at a greater expense.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek hereby approves the amended agreement for joint services with Mundy Township as included in the December 9, 2019 packet and directs staff to integrate the terms of the agreement into the official minutes of record and to establish and set procedures, policies, and duties as necessary to implement and perform services as outlined in the agreement.

Discussion Ensued.

YES: Pinkston, Root, Cramer, Farmer, Hicks, Krueger.

NO: Gilbert. Motion Declared Carried.

RESOLUTION TO APPROVE AN AGREEMENT BETWEEN METRO POLICE AUTHORITY OF GENESEE COUNTY, THE CHARTER TOWNSHIP OF MUNDY, AND THE CITY OF SWARTZ CREEK REGARDING POLICE PROTECTION UNITS

Resolution No. 191209-06

(Carried)

Motion by Mayor Pro Tem Pinkston
Second by Councilmember Cramer

WHEREAS, the City and the Charter Township of Mundy (“Mundy”) entered into an Interlocal Agreement to create Authority to provide police services to both the City and the Township (“Interlocal Agreement”); and

WHEREAS, the Authority currently provides police services to the Township and City for the benefit of the general public; and

WHEREAS, the Article VI, Section 6.02 of the Interlocal Agreement provides in part that states that the Parties shall execute an agreement that provides for the funding of the Authority; and

WHEREAS, pursuant to Article VI, Section 6.02 of the Interlocal Agreement, the Parties hereto desire to execute an Agreement to set forth how the Authority will be funded;

NOW, THEREFORE, BE IT RESOLVED, that the City of Swartz Creek approves the amended Agreement between Metro Police Authority of Genesee County, The Charter Township of Mundy, and the City of Swartz Creek Regarding Police Protection Units, as included in the December 9, 2019 city council packet.

BE IT FURTHER RESOLVED that the City of Swartz Creek City Council directs the Mayor to execute said agreement on behalf of the city.

Discussion Ensued.

YES: Root, Cramer, Farmer, Hicks, Krueger, Pinkston.
NO: Gilbert. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

None.

REMARKS BY COUNCILMEMBERS:

Councilmember Cramer 2020 Census Complete Count Committee meeting is December 18, 2019 @ 1 pm at Fireside Coffee. The time was adjusted. He also thanked all first responders for all the work they do.

Councilmember Hicks Christmas Parade was a wonderful time. Thanks to Nate Henry, Rick Henry, Jentery Farmer, Angie Root, Lania Rocha, and The Chamber, Fireside & McDonalds donations, Mayor Krueger, Rebecca Bosas, Jay Sandford, DPW, Women's Club, Fire Department, Great Lakes Smoothies, Erik Jamison & Art Guild for all the help.

Councilmember Gilbert commented about Republic Waste.

Mayor Krueger hot cocoa at the parade, donated by Fireside was the best ever. Artificial trees save real trees.

ADJOURNMENT

Resolution No. 191209-07

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Farmer

I Move the Swartz Creek City Council adjourn the regular meeting at 8:00 p.m.

Unanimous Voice Vote.

David A. Krueger, Mayor

Connie Olger, City Clerk

REVENUE AND EXPENDITURE REPORT FOR CITY OF SWARTZ CREEK
PERIOD ENDING 11/30/2019

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
Fund 101 - General Fund					
000.000 - General	2,280,530.00	2,280,530.00	1,625,610.05	654,919.95	71.28
215.000 - Administration and Clerk	42.00	42.00	40.60	1.40	96.67
262.000 - Elections	0.00	0.00	350.00	(350.00)	100.00
301.000 - Police Dept	3,800.00	3,800.00	4,964.15	(1,164.15)	130.64
345.000 - PUBLIC SAFETY BUILDING	28,100.00	28,100.00	7,643.09	20,456.91	27.20
410.000 - Building & Zoning & Planning	65,830.00	65,830.00	58,412.50	7,417.50	88.73
448.000 - Lighting	9,870.00	9,870.00	3,217.30	6,652.70	32.60
448.001 - Decorative Street Lighting	8,165.39	8,165.39	0.00	8,165.39	0.00
728.005 - Holland Square Streetscape	0.00	40,000.00	40,000.00	0.00	100.00
782.000 - Facilities - Abrams Park	100.00	100.00	140.00	(40.00)	140.00
783.000 - Facilities - Elms Rd Park	6,700.00	6,700.00	1,560.00	5,140.00	23.28
790.000 - Facilities-Senior Center/Libr	7,980.00	7,980.00	1,943.37	6,036.63	24.35
790.012 - CDBG Senior Center Operations	1,440.95	1,440.95	0.00	1,440.95	0.00
794.000 - Community Promotions Program	0.00	0.00	1,000.00	(1,000.00)	100.00
931.000 - Transfers IN	38,000.00	38,000.00	0.00	38,000.00	0.00
TOTAL REVENUES	2,450,558.34	2,490,558.34	1,744,881.06	745,677.28	
000.000 - General	14,160.00	14,160.00	5,683.95	8,476.05	40.14
101.000 - Council	20,210.43	20,210.43	9,203.22	11,007.21	45.54
172.000 - Executive	109,561.45	132,061.45	59,206.11	72,855.34	44.83
201.000 - Finance,Budgeting,Accounting	47,008.38	47,008.38	25,184.92	21,823.46	53.58
215.000 - Administration and Clerk	28,138.95	28,138.95	13,105.34	15,033.61	46.57

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
228.000 - Information Technology	16,600.00	18,970.53	12,205.79	6,764.74	64.34
247.000 - Board of Review	2,450.65	2,450.65	322.96	2,127.69	13.18
253.000 - Treasurer	43,940.75	43,940.75	16,939.30	27,001.45	38.55
257.000 - Assessor	55,963.72	55,963.72	15,327.86	40,635.86	27.39
262.000 - Elections	58,867.77	58,867.77	5,483.08	53,384.69	9.31
266.000 - Legal Council	20,000.00	20,000.00	6,370.00	13,630.00	31.85
301.000 - Police Dept	7,855.00	7,855.00	11,900.90	(4,045.90)	151.51
301.266 - Legal Council PSFY	4,100.00	4,100.00	0.00	4,100.00	0.00
301.851 - Retiree Employer Health Care PSFY	21,133.00	21,133.00	7,471.35	13,661.65	35.35
334.000 - Metro Police Authority	990,000.00	990,000.00	485,463.50	504,536.50	49.04
336.000 - Fire Department	200,781.24	200,781.24	60,177.02	140,604.22	29.97
345.000 - PUBLIC SAFETY BUILDING	45,613.25	45,613.25	14,706.24	30,907.01	32.24
410.000 - Building & Zoning & Planning	117,084.00	117,084.00	33,911.02	83,172.98	28.96
410.025 - 2017 CDBG 5157 Morrish Demo	375.00	375.00	0.00	375.00	0.00
448.000 - Lighting	108,165.39	108,165.39	37,044.68	71,120.71	34.25
463.000 - Routine Maint - Streets	0.00	0.00	1,125.00	(1,125.00)	100.00
728.005 - Holland Square Streetscape	103,700.00	290,682.31	319,456.45	(28,774.14)	109.90
781.000 - Facilities - Pajtas Amphitheat	2,025.62	2,025.62	1,075.01	950.61	53.07
782.000 - Facilities - Abrams Park	43,259.60	43,259.60	17,005.22	26,254.38	39.31
783.000 - Facilities - Elms Rd Park	77,407.45	77,407.45	40,845.36	36,562.09	52.77
784.000 - Facilities - Bicentennial Park	1,930.75	1,930.75	1,972.28	(41.53)	102.15
786.000 - Non-Motorized Trailway	150,000.00	150,000.00	0.00	150,000.00	0.00
787.000 - Veterans Memorial Park	3,173.58	3,173.58	1,649.01	1,524.57	51.96
790.000 - Facilities - Senior Center/Libr	36,376.28	36,376.28	16,369.06	20,007.22	45.00

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
790.012 - CDBG Senior Center Operations	1,440.95	1,440.95	0.00	1,440.95	0.00
793.000 - Facilities - City Hall	19,505.94	19,505.94	7,496.58	12,009.36	38.43
794.000 - Community Promotions Program	40,958.41	40,958.41	26,323.18	14,635.23	64.27
796.000 - Facilities - Cemetary	2,492.94	2,492.94	1,597.05	895.89	64.06
797.000 - Facilities - City Parking Lots	7,074.46	7,074.46	1,143.32	5,931.14	16.16
851.000 - Retired Employee Health Care	25,377.00	25,377.00	4,924.73	20,452.27	19.41
965.000 - Transfers Out	164,930.00	164,930.00	84,567.50	80,362.50	51.27
TOTAL EXPENDITURES	2,591,661.96	2,803,514.80	1,345,256.99	1,458,257.81	
Fund 101 - General Fund:					
TOTAL REVENUES	2,450,558.34	2,490,558.34	1,744,881.06	745,677.28	70.06
TOTAL EXPENDITURES	2,591,661.96	2,803,514.80	1,345,256.99	1,458,257.81	47.98
NET OF REVENUES & EXPENDITURES	(141,103.62)	(312,956.46)	399,624.07	(712,580.53)	
Fund 202 - Major Street Fund					
000.000 - General	430,121.00	430,121.00	135,056.23	295,064.77	31.40
441.000 - Miller Rd Park & Ride	5,200.00	5,200.00	1,298.72	3,901.28	24.98
449.500 - Right of Way - General	1,250.00	1,250.00	0.00	1,250.00	0.00
453.105 - Fairchild-Cappy to Miller TIP	201,600.00	253,585.91	31,661.74	221,924.17	12.49
463.000 - Routine Maint - Streets	288.00	288.00	0.00	288.00	0.00
478.000 - Snow & Ice Removal	500.00	500.00	0.00	500.00	0.00
TOTAL REVENUES	638,959.00	690,944.91	168,016.69	522,928.22	
228.000 - Information Technology	800.00	948.16	492.26	455.90	51.92
441.000 - Miller Rd Park & Ride	5,892.21	5,892.21	2,651.77	3,240.44	45.00
448.000 - Lighting	90,547.00	90,547.00	96,187.00	(5,640.00)	106.23
449.500 - Right of Way - General	9,500.00	9,500.00	13,484.00	(3,984.00)	141.94
453.105 - Fairchild-Cappy to Miller TIP	257,000.00	300,434.84	66,081.77	234,353.07	22.00

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
463.000 - Routine Maint - Streets	53,521.36	53,521.36	31,199.23	22,322.13	58.29
463.308 - Winston - Oakview to Chesterfield	0.00	0.00	1,312.00	(1,312.00)	100.00
474.000 - Traffic Services	31,334.12	31,334.12	20,761.11	10,573.01	66.26
478.000 - Snow & Ice Removal	39,449.85	39,449.85	2,938.19	36,511.66	7.45
482.000 - Administrative	11,292.50	11,292.50	4,524.47	6,768.03	40.07
538.500 - Intercommunity storm drains	3,700.00	3,700.00	4,508.08	(808.08)	121.84
786.000 - Non-Motorized Trailway	0.00	0.00	20,032.75	(20,032.75)	100.00
965.000 - Transfers Out	100,000.00	100,000.00	0.00	100,000.00	0.00
TOTAL EXPENDITURES	603,037.04	646,620.04	264,172.63	382,447.41	
Fund 202 - Major Street Fund:					
TOTAL REVENUES	638,959.00	690,944.91	168,016.69	522,928.22	24.32
TOTAL EXPENDITURES	603,037.04	646,620.04	264,172.63	382,447.41	40.85
NET OF REVENUES & EXPENDITURES	35,921.96	44,324.87	(96,155.94)	140,480.81	
Fund 203 - Local Street Fund					
000.000 - General	150,691.00	150,691.00	48,643.72	102,047.28	32.28
449.000 - Right of Way Telecomm	15,000.00	15,000.00	0.00	15,000.00	0.00
449.500 - Right of Way - General	1,250.00	1,250.00	0.00	1,250.00	0.00
463.000 - Routine Maint - Streets	288.00	288.00	0.00	288.00	0.00
478.000 - Snow & Ice Removal	300.00	300.00	0.00	300.00	0.00
931.000 - Transfers IN	540,000.00	540,000.00	0.00	540,000.00	0.00
TOTAL REVENUES	707,529.00	707,529.00	48,643.72	658,885.28	
228.000 - Information Technology	800.00	948.16	492.26	455.90	51.92
448.000 - Lighting	9,021.00	9,021.00	9,021.00	0.00	100.00
449.000 - Right of Way Telecomm	15,000.00	15,000.00	0.00	15,000.00	0.00
449.500 - Right of Way - General	15,000.00	15,000.00	14,883.70	116.30	99.22
463.000 - Routine Maint - Streets	197,393.54	197,393.54	33,778.52	163,615.02	17.11

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
463.106 - Hemsley Reconstruction	85,792.42	126,545.67	387,967.12	(261,421.45)	306.58
463.108 - Oxford Court	0.00	0.00	1,389.00	(1,389.00)	100.00
474.000 - Traffic Services	19,955.58	19,955.58	3,668.59	16,286.99	18.38
478.000 - Snow & Ice Removal	47,564.75	47,564.75	2,272.17	45,292.58	4.78
482.000 - Administrative	16,231.44	16,231.44	6,568.54	9,662.90	40.47
538.500 - Intercommunity storm drains	4,825.00	4,825.00	4,508.07	316.93	93.43
TOTAL EXPENDITURES	411,583.73	452,485.14	464,548.97	(12,063.83)	
Fund 203 - Local Street Fund:					
TOTAL REVENUES	707,529.00	707,529.00	48,643.72	658,885.28	6.88
TOTAL EXPENDITURES	411,583.73	452,485.14	464,548.97	(12,063.83)	102.67
NET OF REVENUES & EXPENDITURES	295,945.27	255,043.86	(415,905.25)	670,949.11	
Fund 204 - MUNICIPAL STREET FUND					
000.000 - General	631,220.00	631,220.00	610,055.65	21,164.35	96.65
TOTAL REVENUES	631,220.00	631,220.00	610,055.65	21,164.35	
905.000 - Debt Service	165,475.28	165,475.28	13,933.47	151,541.81	8.42
965.000 - Transfers Out	440,000.00	440,000.00	0.00	440,000.00	0.00
TOTAL EXPENDITURES	605,475.28	605,475.28	13,933.47	591,541.81	
Fund 204 - MUNICIPAL STREET FUND:					
TOTAL REVENUES	631,220.00	631,220.00	610,055.65	21,164.35	96.65
TOTAL EXPENDITURES	605,475.28	605,475.28	13,933.47	591,541.81	2.30
NET OF REVENUES & EXPENDITURES	25,744.72	25,744.72	596,122.18	(570,377.46)	
Fund 226 - Garbage Fund					
000.000 - General	395,423.00	395,423.00	382,542.42	12,880.58	96.74
TOTAL REVENUES	395,423.00	395,423.00	382,542.42	12,880.58	
000.000 - General	8,873.00	8,873.00	8,456.74	416.26	95.31
101.000 - Council	4,390.35	4,390.35	1,724.84	2,665.51	39.29
172.000 - Executive	8,768.92	8,768.92	3,574.28	5,194.64	40.76

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
201.000 - Finance,Budgeting,Accounting	7,300.77	7,300.77	4,553.91	2,746.86	62.38
215.000 - Administration and Clerk	4,228.93	4,228.93	1,644.80	2,584.13	38.89
228.000 - Information Technology	2,150.00	2,446.32	1,344.51	1,101.81	54.96
253.000 - Treasurer	8,282.59	8,282.59	3,183.71	5,098.88	38.44
257.000 - Assessor	800.00	800.00	0.00	800.00	0.00
528.000 - Sanitation Collection	290,477.59	290,477.59	101,443.98	189,033.61	34.92
530.000 - Wood Chipping	42,355.00	42,355.00	30,781.00	11,574.00	72.67
782.000 - Facilities - Abrams Park	4,457.22	4,457.22	5,467.33	(1,010.11)	122.66
783.000 - Facilities - Elms Rd Park	5,203.95	5,203.95	6,015.97	(812.02)	115.60
793.000 - Facilities - City Hall	3,905.04	3,905.04	1,644.78	2,260.26	42.12
TOTAL EXPENDITURES	391,193.36	391,489.68	169,835.85	221,653.83	
Fund 226 - Garbage Fund:					
TOTAL REVENUES	395,423.00	395,423.00	382,542.42	12,880.58	96.74
TOTAL EXPENDITURES	391,193.36	391,489.68	169,835.85	221,653.83	43.38
NET OF REVENUES & EXPENDITURES	4,229.64	3,933.32	212,706.57	(208,773.25)	
Fund 248 - Downtown Development Fund					
000.000 - General	45,310.00	45,310.00	35,154.49	10,155.51	77.59
728.004 - Family Movie Night	2,500.00	2,500.00	0.00	2,500.00	0.00
TOTAL REVENUES	47,810.00	47,810.00	35,154.49	12,655.51	
173.000 - DDA Administration	2,510.00	2,510.00	8.90	2,501.10	0.35
728.002 - Streetscape	475.00	40,475.00	40,000.00	475.00	98.83
728.003 - Facade Program	0.00	0.00	10,000.00	(10,000.00)	100.00
728.004 - Family Movie Night	3,950.00	3,950.00	2,673.66	1,276.34	67.69
TOTAL EXPENDITURES	6,935.00	46,935.00	52,682.56	(5,747.56)	
Fund 248 - Downtown Development Fund:					
TOTAL REVENUES	47,810.00	47,810.00	35,154.49	12,655.51	73.53
TOTAL EXPENDITURES	6,935.00	46,935.00	52,682.56	(5,747.56)	112.25

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
NET OF REVENUES & EXPENDITURES	40,875.00	875.00	(17,528.07)	18,403.07	
Fund 350 - City Hall Debt Fund					
000.000 - General	12.75	12.75	4.63	8.12	36.31
931.000 - Transfers IN	88,730.00	88,730.00	84,567.50	4,162.50	95.31
TOTAL REVENUES	88,742.75	88,742.75	84,572.13	4,170.62	
905.000 - Debt Service	89,480.00	89,480.00	5,158.75	84,321.25	5.77
TOTAL EXPENDITURES	89,480.00	89,480.00	5,158.75	84,321.25	
Fund 350 - City Hall Debt Fund:					
TOTAL REVENUES	88,742.75	88,742.75	84,572.13	4,170.62	95.30
TOTAL EXPENDITURES	89,480.00	89,480.00	5,158.75	84,321.25	5.77
NET OF REVENUES & EXPENDITURES	(737.25)	(737.25)	79,413.38	(80,150.63)	
Fund 402 - Fire Equip Replacement Fund					
000.000 - General	10.00	10.00	4.82	5.18	48.20
931.000 - Transfers IN	75,000.00	75,000.00	0.00	75,000.00	0.00
TOTAL REVENUES	75,010.00	75,010.00	4.82	75,005.18	
Fund 402 - Fire Equip Replacement Fund:					
TOTAL REVENUES	75,010.00	75,010.00	4.82	75,005.18	0.01
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	75,010.00	75,010.00	4.82	75,005.18	
Fund 590 - Water Supply Fund					
000.000 - General	2,100.00	2,100.00	934.36	1,165.64	44.49
540.000 - Water System	2,225,695.00	2,225,695.00	530,281.47	1,695,413.53	23.83
TOTAL REVENUES	2,227,795.00	2,227,795.00	531,215.83	1,696,579.17	
000.000 - General	22,382.50	22,382.50	21,141.88	1,240.62	94.46
101.000 - Council	11,606.88	11,606.88	4,311.86	7,295.02	37.15
172.000 - Executive	30,681.16	30,681.16	12,761.48	17,919.68	41.59
201.000 - Finance,Budgeting,Accounting	22,649.21	22,649.21	13,141.63	9,507.58	58.02
215.000 - Administration and Clerk	15,872.96	15,872.96	6,455.39	9,417.57	40.67

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
228.000 - Information Technology	6,000.00	7,333.43	4,000.95	3,332.48	54.56
253.000 - Treasurer	31,271.84	31,271.84	12,285.24	18,986.60	39.29
540.000 - Water System	2,076,741.20	2,098,658.70	623,046.46	1,475,612.24	29.69
542.000 - Read and Bill	56,248.38	56,248.38	19,444.56	36,803.82	34.57
543.230 - Water Main Repair USDA Grant	149,195.00	149,195.00	56,303.75	92,891.25	37.74
793.000 - Facilities - City Hall	10,277.73	10,277.73	4,099.36	6,178.37	39.89
850.000 - Other Functions	12,000.00	12,000.00	0.00	12,000.00	0.00
905.000 - Debt Service	49,916.22	49,916.22	4,161.94	45,754.28	8.34
TOTAL EXPENDITURES	2,494,843.08	2,518,094.01	781,154.50	1,736,939.51	
Fund 590 - Water Supply Fund:					
TOTAL REVENUES	2,227,795.00	2,227,795.00	531,215.83	1,696,579.17	23.84
TOTAL EXPENDITURES	2,494,843.08	2,518,094.01	781,154.50	1,736,939.51	31.02
NET OF REVENUES & EXPENDITURES	(267,048.08)	(290,299.01)	(249,938.67)	(40,360.34)	
Fund 591 - Sanitary Sewer Fund					
000.000 - General	2,500.00	2,500.00	(747.14)	3,247.14	(29.89)
536.000 - Sewer System	1,289,965.00	1,289,965.00	296,847.87	993,117.13	23.01
TOTAL REVENUES	1,292,465.00	1,292,465.00	296,100.73	996,364.27	
000.000 - General	22,682.50	22,682.50	21,141.88	1,540.62	93.21
101.000 - Council	11,281.88	11,281.88	4,311.73	6,970.15	38.22
172.000 - Executive	30,593.04	30,593.04	12,761.26	17,831.78	41.71
201.000 - Finance,Budgeting,Accounting	22,554.21	22,554.21	13,141.38	9,412.83	58.27
215.000 - Administration and Clerk	16,422.96	16,422.96	6,455.47	9,967.49	39.31
228.000 - Information Technology	6,000.00	7,333.43	4,000.96	3,332.47	54.56
253.000 - Treasurer	31,211.70	31,211.70	12,284.52	18,927.18	39.36
536.000 - Sewer System	995,116.56	1,024,459.06	210,464.90	813,994.16	20.54
537.000 - Sewer Lift Stations	9,074.40	9,074.40	4,182.50	4,891.90	46.09

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
542.000 - Read and Bill	64,579.13	64,579.13	23,807.69	40,771.44	36.87
543.400 - Reline Existing Sewers	197,000.00	197,000.00	0.00	197,000.00	0.00
543.401 - Flush & TV Sewers	0.00	16,500.00	0.00	16,500.00	0.00
793.000 - Facilities - City Hall	10,069.04	10,069.04	4,081.13	5,987.91	40.53
850.000 - Other Functions	5,000.00	5,000.00	0.00	5,000.00	0.00
TOTAL EXPENDITURES	1,421,585.42	1,468,761.35	316,633.42	1,152,127.93	
Fund 591 - Sanitary Sewer Fund:					
TOTAL REVENUES	1,292,465.00	1,292,465.00	296,100.73	996,364.27	22.91
TOTAL EXPENDITURES	1,421,585.42	1,468,761.35	316,633.42	1,152,127.93	21.56
NET OF REVENUES & EXPENDITURES	(129,120.42)	(176,296.35)	(20,532.69)	(155,763.66)	
Fund 661 - Motor Pool Fund					
000.000 - General	154,115.26	154,115.26	77,608.44	76,506.82	50.36
TOTAL REVENUES	154,115.26	154,115.26	77,608.44	76,506.82	
172.000 - Executive	10,628.40	10,628.40	9,729.04	899.36	91.54
201.000 - Finance,Budgeting,Accounting	7,889.59	7,889.59	3,074.77	4,814.82	38.97
228.000 - Information Technology	1,150.00	1,446.32	666.97	779.35	46.11
795.000 - Facilities - City Garage	188,597.59	188,597.59	24,740.90	163,856.69	13.12
850.000 - Other Functions	9,850.00	9,850.00	0.00	9,850.00	0.00
TOTAL EXPENDITURES	218,115.58	218,411.90	38,211.68	180,200.22	
Fund 661 - Motor Pool Fund:					
TOTAL REVENUES	154,115.26	154,115.26	77,608.44	76,506.82	50.36
TOTAL EXPENDITURES	218,115.58	218,411.90	38,211.68	180,200.22	17.50
NET OF REVENUES & EXPENDITURES	(64,000.32)	(64,296.64)	39,396.76	(103,693.40)	
Fund 865 - Sidewalks					
478.000 - Snow & Ice Removal	1,000.00	1,000.00	0.00	1,000.00	0.00
931.000 - Transfers IN	1,200.00	1,200.00	0.00	1,200.00	0.00
TOTAL REVENUES	2,200.00	2,200.00	0.00	2,200.00	

GL NUMBER	2019-20 ORIGINAL BUDGET	2019-20 AMENDED BUDGET	YTD BALANCE 11/30/2019	AVAILABLE BALANCE	% BDGT USED
478.000 - Snow & Ice Removal	2,200.00	2,200.00	0.00	2,200.00	0.00
TOTAL EXPENDITURES	2,200.00	2,200.00	0.00	2,200.00	
Fund 865 - Sidewalks:					
TOTAL REVENUES	2,200.00	2,200.00	0.00	2,200.00	0.00
TOTAL EXPENDITURES	2,200.00	2,200.00	0.00	2,200.00	0.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	0.00	0.00	
Fund 866 - Weed Fund					
000.000 - General	6,800.00	6,800.00	2,300.00	4,500.00	33.82
TOTAL REVENUES	6,800.00	6,800.00	2,300.00	4,500.00	
000.000 - General	2,100.00	2,100.00	570.00	1,530.00	27.14
965.000 - Transfers Out	38,000.00	38,000.00	0.00	38,000.00	0.00
TOTAL EXPENDITURES	40,100.00	40,100.00	570.00	39,530.00	
Fund 866 - Weed Fund:					
TOTAL REVENUES	6,800.00	6,800.00	2,300.00	4,500.00	33.82
TOTAL EXPENDITURES	40,100.00	40,100.00	570.00	39,530.00	1.42
NET OF REVENUES & EXPENDITURES	(33,300.00)	(33,300.00)	1,730.00	(35,030.00)	



GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

- DIVISION OF -

WATER & WASTE SERVICES

G-4610 BEECHER ROAD - FLINT, MICHIGAN 48532-2617
PHONE (810) 732-7870 - FAX (810) 732-9773

JEFFREY WRIGHT
COMMISSIONER

November 26, 2019

RECEIVED

Per _____

City of Swartz Creek
Attn: Mr. Tom Svrcek
Department of Public Works
8083 Civic Drive
Swartz Creek, MI 48473-1498

Dear Mr. Svrcek:

The Division of Water and Waste Services' staff recently reviewed your monthly water usage for 2019.

The City of Swartz Creek peak month water usage was August 2019. The volume of water registered for this 30-day period is 2,284,548 cubic feet. In accordance with the meter equivalent formula, your monthly base rate will decrease from 35 to 25 for the service period of January 1, 2020 – December 31, 2020.

If you have any questions or concerns in this matter, please do not hesitate to contact me at (810) 732-7870 ext. 4110.

Respectfully,

Mark Horgan, P.E.
Chief of Operations and Maintenance
Division of Water and Waste Services

CC: JFO
Finance
File
Billing

GENESEE COUNTY WATER SUPPLY SYSTEM
 RATES FOR SERVICE FOR WATER BILLS RENDERED
 ON AND AFTER APRIL 2, 2018

The rates to be charged for water furnished by the System shall be as hereinafter set forth. Water to be furnished by the System shall be measured by a meter or equivalent meters, installed and controlled by the County. Charges for water service will be made for water furnished based upon monthly, bimonthly, and quarterly billings as set forth herein.

I. RATES BASED ON SUMMATION OF INDIVIDUAL METER READINGS (MONTHLY CHARGES)

<u>Meter Size - Inches</u>	<u>Readiness to Serve Charge</u>	<u>Irrigation Meters</u>
5/8	\$ 21.00	\$15.00
3/4	\$ 31.50	¾ or larger \$22.50
1	\$ 52.50	
1-1/2	\$ 105.00	
2	\$ 168.00	
3	\$ 367.50	
4	\$ 525.00	
6	\$ 1,050.00	
8	\$ 1,680.00	
10	\$ 2,520.00	
12	\$ 4,515.00	

(Irrigation meters are an automatic charge May 1 through October 31 or any quarter that usage is recorded) Rate becomes effective on date signed.

I. A. Indirect Rates

<u>Meter Size - Inches</u>	<u>Readiness to Serve Charge</u>	<u>Irrigation Meters</u>
5/8	\$ 20.00	\$19.00
3/4	\$ 30.00	¾ or larger \$
1	\$ 50.00	
1-1/2	\$ 100.00	
2	\$ 160.00	
3	\$ 350.00	
4	\$ 500.00	
6	\$ 950.00	
8	\$ 1,600.00	

II. RATES BASED ON MASTER METER READINGS (Wholesale)

A. MONTHLY

<u>Equivalent Meters</u>	<u>Readiness to Serve Charge @ \$460.00 / eq. meter</u>
15	\$ 6,900.00
25	\$ 11,500.00
35	\$ 16,100.00
50	\$ 23,000.00
80	\$ 36,800.00
120	\$ 55,200.00
165	\$ 75,900.00
215	\$ 98,900.00
320	\$147,200.00

The number of equivalent meters is based on the peak monthly flow from the prior calendar year. An equivalent meter size will be determined based on the peak monthly flow being 75% of the meter capacity. The meter capacity and number of capacity equivalent meters will be based on current AWWA standards. The meter size and number of equivalent meters will be based on standard meter sizes, with a minimum of 15 equivalent meters.

III. COMMODITY CHARGES (applies to both Individual and Master Meters):

A. The total commodity charge is \$5.75 per 100 cubic feet.

B. The commodity charge for individual customers who exceed 500,000 cubic feet a month will be \$5.75 per 100 cubic feet for the first 500,000 cubic feet and \$1.90 per 100 cubic feet for water above 500,000 cubic feet.

IV. QUARTERLY RATES (applies to Individual Meters):

Multiply readiness to serve charge by three.

GENESEE COUNTY WATER SUPPLY SYSTEM
RATES FOR SERVICE FOR WATER BILLS RENDERED
ON AND AFTER APRIL 2, 2018

V. WATER STATION RATES

The commodity charge for watering is \$7.05 per 100 cubic feet (0.25 per 30 gallons). No Readiness to Serve charge. Accounts shall be billed monthly.

VI. HYDRANT METER RATES

The commodity charge is \$7.05 per 100 cubic feet. No Readiness to Serve charge. Accounts shall be billed within 30 days of use.

VII. COUNTY CAPITAL IMPROVEMENT FEE

The County will charge a Capital Improvement Fee of \$1,000 per unit based upon the Residential Equivalent Units prior to the issuance of a Water Permit (B-Permit). The County Agency shall collect the fee.

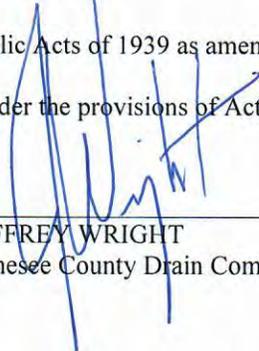
VIII. CITY OF FLINT FRANCHISE RATES

The County will add \$1.00 per month to the amount the City of Flint bills the franchise customers for each 5/8-inch meter equivalence plus \$0.10 per each 100 cubic feet of volume used.

The rates are established pursuant to Act 342 Michigan Public Acts of 1939 as amended.

Jeffrey Wright, Drain Commissioner, as County Agency under the provisions of Act 342, Michigan Public Acts of 1939, as amended.

Dated: 6-28-2017



JEFFREY WRIGHT

Genesee County Drain Commissioner, the County Agency

LAST RATE INCREASE WHILE STILL ON DWSD.
G.L.W.A. WATER SYSTEM. 

MICHIGAN REDEVELOPMENT READY COMMUNITIES PROGRAM

The Redevelopment Ready Communities® (RRC) Program is a state-wide certification program that supports communities to become development ready and competitive in today's economy. It encourages communities to adopt innovative redevelopment strategies and efficient processes which build confidence among businesses and developers. Through the RRC program, local municipalities receive assistance in establishing a solid foundation for development to occur in their communities – making them more attractive for investments that create places where people want to live, work and play.

Once engaged in the program, communities commit to improving their redevelopment readiness by undergoing a rigorous assessment, and then work to achieve a set of criteria laid out in the RRC Best Practices. Each best practice addresses key elements of community and economic development, setting the standard for evaluation and the requirements to attain certification. The program measures and then certifies communities that actively tap the vision of local residents and business owners to shape a plan for their future while also having the fundamental practices in place to be able to achieve that vision. The six RRC best practices include:

- Community Plans and Public Outreach
- Zoning Regulations
- Development Review Process
- Recruitment and Education
- Redevelopment Ready Sites®
- Community Prosperity

Through the RRC best practices, communities build deliberate, fair and consistent development processes from the inside out. RRC provides the framework and benchmarks for communities to strategically and tactically ask “What can we do differently?” By shifting the way municipalities approach development, they're reinventing the way they do business – making them

more attractive for investments that create places where talent wants to live, work and visit.

The RRC program also has an advisory council consisting of public and private sector experts to assist in guiding the development of the best practices, provide feedback and recommendations on community assessments, and consider new opportunities to enhance the program. In addition to Michigan Economic Development Corporation (MEDC) assistance, communities receive comments from multiple perspectives from experts working in the field, tapping into a broader pool of talent.

RRC certification formally recognizes communities for being proactive and business friendly. Certified communities clearly signal they have effective development practices such as well-defined development procedures, a community-supported vision, an open and predictable review process and compelling sites for developers to locate their latest projects. Through the program, MEDC provides evaluation support, expertise and consultation, training opportunities, and assist certified communities market their top redevelopment sites. These packaged sites are primed for new investment because they are located within a community that has effective policies, efficient processes and broad community support.

For more information email RRC@michigan.org or contact the MEDC at 517.373.9808.



Certification Report

City of Swartz Creek
December 2019

MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

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Redevelopment Ready Communities® (RRC) is a certification program supporting community revitalization and the attraction and retention of businesses, entrepreneurs and talent throughout Michigan. RRC promotes communities to be development ready and competitive in today’s economy by actively engaging stakeholders and proactively planning for the future—making them more attractive for projects that create places where people want to live, work and invest.

City of Swartz Creek originally engaged in the RRC program in May 2016 after completing the three steps for engagement: attending RRC training events, completing a self-evaluation, and passing a resolution of intent to participate. The October 2017 “Report of Findings” found that the city aligned with 44 percent of the best practices. In the two years since, city staff and officials have worked diligently to address the remaining best practices. Key projects included:

- Reviewing the downtown development authority’s project list and identifying priorities;
- Establishing a comprehensive public engagement strategy;
- Adopting changes to the zoning ordinance to more easily allow mixed-use development in the downtown by making this type of development allowed by-right;
- Amending the development review process to empower the planning commission to make final decisions for most site plans (previously site plans had to also go to city council);

- Updating the website to include all key development review information in a single location;
- Developing a more strategic approach to identifying and marketing priority redevelopment sites;
- Creating a detailed marketing strategy for the city, including new branding guidelines; and
- Convening a group of key stakeholders to build the city’s first standalone economic development strategy.

The city has already seen lessons learned and success from following the RRC Best Practices, including ongoing discussions with a local property owner regarding redevelopment of a priority site.

As demonstrated above, reaching Redevelopment Ready Communities® certification demonstrates that a community has invested in its own processes and is ready to work with potential developers to turn its vision into reality. In return, this certification provides a stronger foundation for continued investment in the city from its state partners including the Michigan Economic Development Corporation (MEDC). The city now has access to a new set of tools including a specialized Redevelopment Services Team, social media exposure, direct technical assistance projects and new networking opportunities. MEDC congratulates the city on this milestone in its development journey and looks forward to many more years of collaboration as work continues to build and strengthen vibrant, diverse and sustainable communities across the state.

The basic assessment tool for evaluation is the RRC Best Practices. These six standards were developed in conjunction with public and private sector experts and address key elements of community and economic development. A community must demonstrate all of the RRC Best Practice components have been met to become RRC certified. Once received, certification is valid for three years.

Measurement of a community to the best practices is completed through the RRC team’s research, observation and interviews, as well as the consulting advice and technical expertise of the RRC advisory council. The team analyzes a community’s development materials, including, but not limited to: the master plan;

redevelopment strategy; capital improvements plan; budget; public participation plan; zoning regulations; development procedures; applications; economic development strategy; marketing strategies; and website. Researchers observe the meetings of the community’s governing body, planning commission, zoning board of appeals and other committees as applicable. In confidential interviews, the team also records the input of local business owners and developers who have worked with the community.

A community’s degree of attainment for each best practice criteria is visually represented in this report by the following:

	Green indicates the best practice component is currently being met by the community.
	Yellow indicates some of the best practice component may be in place, but additional action is required.
	Red indicates the best practice component is not present or outdated.

This report represents the findings of the evaluation of City of Swartz Creek’s redevelopment processes and practices. All questions should be directed to the RRC team at RRC@michigan.org.

Best Practice 1.1—The plans

Best Practice 1.1 evaluates community planning and how the redevelopment vision is embedded in the master plan, downtown plan and capital improvements plan. The master plan sets expectations for those involved in new development and redevelopment, giving the public some degree of certainty about their vision for the future, while assisting the city in achieving its stated goals. Local plans can provide key stakeholders with a road map for navigating the redevelopment process in the context of market realities and community goals.

The Michigan Planning Enabling Act (MPEA), Public Act 33 of 2008, requires that the planning commission create and approve a master plan as a guide for development and review the master plan at least once every five years after adoption. Swartz Creek’s current master plan was adopted in May 2016, placing it within the five-year timeframe.

The plan balances increasing development pressure with existing desires to maintain the small town feel of the city. The plan’s goals and objectives section covers eight focus areas and lays out 15 goals with 102 more specific objectives/actions. The plan also includes a section dedicated to “critical areas” which discusses the history and future potential of seven neighborhoods or areas including downtown, Northtown, and the Pearl Harbor Interchange. This section does an excellent job of concisely describing redevelopment goals and strategies. The plan also includes references to complete streets, including the city’s goal of developing a non-motorized transportation system (which is more specifically planned out in the city’s most recent “Parks & Recreation Plan”). The city has included a clear strategy for achieving the plan’s vision through the implementation

schedule included in Section 6 which assigns key tasks to responsible parties and estimates timeframes for completing the task. The plan’s progress is reviewed annually as part of the city’s budget process.

One of the critical areas noted in the master plan is the downtown, which runs primarily along Moorish Road. The city has established a downtown development authority which adopted a downtown development and tax increment financing (TIF) plan in 2005. That plan was updated in 2015. The plan includes a helpful page at the very beginning to outline the DDA’s goals for the plan. It then includes more detail on specific projects and guiding narrative on how to pursue them. Through this plan the DDA indicates its intention to work in many areas including streetscape enhancements, transportation improvements, marketing and updating public facilities. The final section of the plan outlines the expected revenue from the TIF mechanism (\$3.254 million over 30 years—significantly less than the 2005 plan) and estimated costs for projects. Appendix B includes costs for the proposed projects. As part of the city’s RRC efforts, the DDA conducted a review of the project list and now prioritizes projects as part of its annual report.

Cities develop numerous plans to help guide their growth, ranging from the master and downtown plans to parks/recreation and neighborhood plans. Many of these plans require capital investments to turn the goals into reality. The capital improvements plan (CIP) is a key tool to make that happen. As part of its RRC efforts, the city expanded its capital improvements plan process outside of a long-term roads plan to a more comprehensive CIP included directly in the budget each year. The CIP makes direct connections to funding sources and existing plans.

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
1.1.1	1.1.1	The governing body has adopted a master plan in the past five years.	✓
1.1.2	1.1.2	The governing body has adopted a downtown plan.	✓
1.1.3	1.1.3	The governing body has adopted a corridor plan.	N/A
1.1.4	1.1.4	The governing body has adopted a capital improvements plan.	✓

Best Practice 1.2—Public participation

Best Practice 1.2 assesses how well the community identifies and engages its stakeholders on a continual basis. Public participation aims to prevent or minimize disputes by creating a process for resolving issues before they become an obstacle. Strong public participation systems also build greater community support for plans and redevelopment efforts.

Swartz Creek deploys a strong network of outreach opportunities including the city’s website, postcards, newspaper posting, attachments to water bills, community fliers and meeting announcements. Many of these are required under Michigan statute to comply with the Open Meetings Act. Beyond these basic methods,

the city maintains an active social media presence on Facebook, holds public workshops during plan updates and provides individual mailings in certain situations. The city also publishes a newsletter twice a year.

In the spring of 2019, Swartz Creek adopted a public participation statement which provides a framework for providing consistent, predictable public engagement activity. The statement outlines expectations, applicable laws, key stakeholders, engagement processes for major planning and development activities, how the city will communicate results, and how it will evaluate its effectiveness.

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
1.2.1	1.2.1	The community has a public participation plan for engaging a diverse set of community stakeholders.	✓
1.2.2	1.2.2	The community demonstrates that public participation efforts go beyond the basic methods.	✓
1.2.3	1.2.3	The community shares outcomes of all public participation processes.	✓

Best Practice 2.1—Zoning regulations

Best Practice 2.1 evaluates the city’s zoning ordinance and assesses how well it implements the goals of the master plan. Zoning is a significant mechanism for achieving desired land use patterns and quality development. Foundationally, the Michigan Zoning Enabling Act (MZEA), Public Act 110 of 2006, requires that a zoning ordinance be based on a plan to help guide zoning decisions.

During the city’s initial RRC evaluation, the RRC team found a handful of areas where the city’s ordinance did not align with its recent master plan. As a result, RRC recommended—and the city pursued—a zoning audit to identify not only master plan alignment opportunities but also general improvements. The city used RRC technical assistance matching funds to cover the cost of the audit and adopted several changes in October 2018.

The reminder of this best practice assesses a community’s zoning ordinance against a series of provisions which are designed to support different types of development throughout a community and address emerging development trends. These criteria range from housing diversity and downtown development to flexible tools and green infrastructure. The city was aligned with nearly all of these during its initial evaluation and thanks to its October 2018 changes, it now fully aligns with all seven criteria.

Concentrated Development: This criterion looks that the ordinance allows vertical mixed-use development by-right, incorporates placemaking provisions, and addresses historic and environmental preservation. Swartz Creek’s ordinance includes several place-making provisions including outdoor dining, minimum ground floor transparency (20 percent, Section 26.10) and maximum setbacks (5 feet in downtown, Section 10.03). As part of the October 2018 updates the city changed mixed-use development from a special land use in the downtown to a permitted land use, thus reducing the uncertainty, time, and cost associated with such development. The city uses PUDs to handle the protection of historic and environmental features.

Housing Diversity: Missing middle housing continues to be in short supply across the nation and is limiting

business development in some areas as housing shortages can have major impacts on employee recruitment. Communities who adopt zoning ordinances allowing for missing middle housing will be more competitive in attracting business development deals and the residents who come with them. This criterion looks to see that the ordinance clearly allows at least two type of missing middle housing. The city’s ordinance allows many types of housing including accessory dwelling units, town homes, live/work units, cluster housing and mixed-use housing (special land use). The city’s master plan includes a focus on providing housing for an aging population—the ordinance supports that.

Non-motorized Transportation: This criterion evaluates the ordinance’s support for alternative modes of transportation, primarily walking and biking. Ordinance provisions such as requiring the completion of sidewalk systems, bike parking, traffic calming measures or streetscape standards can all assist the city in encouraging non-motorized transportation. Swartz Creek’s ordinance includes design standards to create a safe public realm for pedestrians. Section 29.10 requires that sidewalks are created during development.

Parking Flexibility: Parking is a necessary amenity in any community; however, emerging technologies in the mobility industry and increasing land values require communities to reconsider the long-term impact of parking requirements. Redevelopment Ready Communities are preparing for this future by including tools to allow for creative solutions or exemptions to parking minimums. Swartz Creek’s ordinance provides numerous tools including connections between parking lots (Article 25), shared parking agreements, reductions for complementary uses (26.02[K]) and parking maximums (26.02[J]). The city also utilizes Section 26.02(K) to allow a reduction for the availability of public parking but this could be clearer.

Green Infrastructure: Like transportation, our understanding of the long term environmental and fiscal impacts of sustainable green infrastructure continues to evolve. Communities who incorporate provisions to support such infrastructure show a forward-thinking

Best Practice 2.1—Zoning regulations *continued*

approach to development which is attractive to investors and residents alike. Swartz Creek’s ordinance has a dedicated section on landscaping (Article 28) which encourages native species, and the preservation of existing trees. The ordinance also includes standards for parking lot landscaping, including one tree for every eight spaces.

Flexible Tools: Even the best ordinance can’t predict every possible development scenario. As such, Redevelopment Ready Communities® include tools that allow them to be flexible in certain circumstances. Swartz Creek’s ordinance includes tools for flexible development including special land uses and five types of planned unit developments (PUDs) including one

specifically for the Moorish Road Corridor and one for senior housing developments.

User-friendliness: Not typically a word associated with legal frameworks such as zoning ordinances, user-friendliness works to increase the ease with which a potential developer can find the information they need as they conduct initial research into whether the community is a good fit. At a minimum, RRC Best Practices call for the community to provide an online version of the zoning ordinance with clear definitions. The city’s ordinance is available online through Municode and includes numerous tables and graphics to improve readability. The city created a more prominent link as part of its RRC efforts.

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
2.1.1	2.1.1	The governing body has adopted a zoning ordinance that aligns with the goals of the current master plan.	✓
2.1.2	2.1.2	The zoning ordinance provides for areas of concentrated development in appropriate locations and encourages the type and form of development desired.	✓
2.1.3	2.1.3	The zoning ordinance contains flexible zoning tools to encourage development and redevelopment.	✓
2.1.4	2.1.4	The zoning ordinance allows for a variety of housing options.	✓
2.1.5	2.1.5	The zoning ordinance includes standards to improve non-motorized transportation.	✓
2.1.6	2.1.6	The zoning ordinance allows for flexible parking requirements.	✓
2.1.7	2.1.7	The zoning ordinance includes standards for green infrastructure.	✓
2.1.8	2.1.8	The zoning ordinance is user-friendly.	✓

Best Practice 3.1—Site plan review policy and procedures

Best Practice 3.1 evaluates the city’s development review policies and procedures, project tracking and internal/external communications. An efficient site plan review process is integral to being redevelopment ready and can assist a community in attracting investment dollars while ensuring its zoning ordinance and other laws are followed. In addition to the ordinance and conversations with city staff, evaluation of this best practice included interviews with several developers who’ve worked on projects in Swartz Creek.

The development review process in Swartz Creek is primarily handled by the city manager who also serves as the zoning administrator (the manager maintains planning’s professional credentials, AICP). Prior to formally entering the process, a developer is encouraged to meet with city officials for a pre-application meeting where all applicable items such as zoning ordinance requirements, the site plan process and other key information can be covered. The city can also create customized flowcharts for applicants so they have a clear understanding of the upcoming process. The applicant also has the option of a seeking a preliminary review by the planning commission.

Applicants ultimately go through one of four levels of review: full, limited, administrative and exempt. Most projects go through the full site review process; however, the city does also offer limited site plan reviews, administrative reviews and exempt situations which require less information and a quicker approval process. The ordinance includes a table in Section 29.02 clearly outlining which process a project would fall under.

For full site reviews, an applicant will submit a complete application and fee to the city at least days prior to the desired planning commission meeting.¹ Complete applications are reviewed concurrently by the zoning administrator, the city’s engineering consultant, and the fire chief. A traffic engineering consultant (or other specialized reviewers) are brought in on a case-by-case basis as well. This process usually takes place within 10

days. Those entities’ comments are compiled into a report for the planning commission. Packets for the planning commission are usually sent out a week before the meeting. Once at the meeting, the planning commission will review the site plan and make a final decision. Certain processes also require city council approval and include other steps. Developer interviews indicate that the city staff go above and beyond to provide responsive customer service. The city tracks an application through the entire process via BS&A software.

During the initial evaluation, RRC found the city’s development review process to be straightforward but also found that it could benefit from a handful of enhancements to truly incorporate transparency, predictability and efficiently. Over the past two years, the city incorporated a number of those recommendations including:

- Allowing the planning commission to be the final approver for permitted uses, thus eliminating both a 14-day waiting period and the additional step of going to city council. This change allows the planning commission to fill its administrative role, leaving city council with more time to dedicate to its other matters.
- Updating the information on its website regarding conceptual review meetings to more clearly advertise their availability and indicate what will be covered.
- Documenting the internal review process so that it can remain consistent even in the event of staff turnover.
- Creating flowcharts showing a general overview of the various development review processes, including timelines. The city still offers customized flowcharts for projects as well.
- Establishing a survey to solicit feedback on the development review process, thus integrating the concept of continued improvement into this important process.

¹ A site plan is guaranteed to get through the internal review process if submitted by this date. If a site plan is submitted with less than 30 days before the desired planning commission meeting, the city will make every effort to complete the internal review, but no guarantee can be made.

Best Practice 3.1—Site plan review policy and procedures *continued*

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
3.1.1	3.1.1	The zoning ordinance articulates a thorough site plan review process.	✓
3.1.2	3.1.2	The community has a qualified intake professional.	✓
3.1.3	3.1.3	The community defines and offers conceptual site plan review meetings for applicants.	✓
3.1.4	3.1.4	The community encourages a developer to seek input from neighboring residents and businesses at the onset of the application process.	✓
3.1.5	3.1.5	The appropriate departments engage in joint site plan reviews.	✓
3.1.6	3.1.6	The community has a clearly documented internal staff review policy.	✓
3.1.7	3.1.7	The community promptly acts on development requests.	✓
3.1.8	3.1.8	The community has a method to track development projects.	✓
3.1.9	3.1.9	The community annually reviews the successes and challenges with the site plan review and approval procedures.	✓

Best Practice 3.2—Guide to Development

Best Practice 3.2 evaluates the availability of the community’s development information. Having all the necessary information easily accessible online for developers and residents alike creates a transparent development process that can operate at any time. This information creates a smoother process overall and reduces the amount of time village staff spend answering basic questions.

During its initial evaluation, the city did not have a dedicated guide to development nor a space on its website that truly brought together all the materials a guide would include. Over the past two years, the city has worked to build out its community development web page to serve as an online guide. The page now includes easy access to all the information a potential investor would need to know including applications, meeting

schedules, zoning, plans, financial tools, the city’s economic development strategy, and more.

In addition to having information on the process, developers should be able to calculate their develop review costs upfront. The city’s fee schedule is reviewed each year as part of the budget process. Development review fees vary depending on the proposed use and include both a base fee (ranging from \$250 to \$500) and scaled fee (\$5 or \$50/acre depending on type). The fee schedule is easily accessible on the “Community Development” page. The city accepts credit/debit cards for development fees (and any city-related payment) which provides an extra level of service for both small-scale and out-of-town developers for whom using a check may be inconvenient.

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
3.2.1	3.2.1	The community maintains an online guide to development that explains policies, procedures and steps to obtain approvals.	✓
3.2.2	3.2.2	The community annually reviews the fee schedule.	✓

Best Practice 4.1—Recruitment and orientation

Best Practice 4.1 evaluates how a community conducts recruitment and orientation for newly appointed or elected officials. Such officials sit on the numerous boards, commissions and committees that advise city leaders on key policy decisions. Ensuring that the community has a transparent method of recruitment, clearly lays out expectations/desired skill-sets, and provides orientation for appointed officials is key to ensuring the community makes the most of these boards and commissions.

The city meets this best practice thanks to its detailed

application package (available under the “Forms and Information” page) which includes the application itself and one-page descriptions for each board/commission outlining expectations, desired skill-sets and applicable sections of the ordinance. The city also provides an orientation packet for new members which includes the master plan, personnel handbook, information on the open meetings and freedom of information acts, “Robert’s Rules of Order,” applicable bylaws, zoning ordinances, other applicable statutes, applicable plans, and more.

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
4.1.1	4.1.1	The community sets expectations for boards and commission positions.	✓
4.1.2	4.1.2	The community provides orientation packets to all appointed and elected members of development-related boards and commissions.	✓

Best Practice 4.2—Education and training

Best Practice 4.2 assesses how a community encourages training and tracks educational activities for appointed and elected officials and staff. Trainings provide officials and staff with an opportunity to expand their knowledge and ultimately make more informed decisions about land use and redevelopment issues. An effective training program includes four components: financial resources to support training, a plan to identify priority topics and track attendance, consistent encouragement to attend trainings and sharing of information between boards and commissions to maximize the return on investment for the community.

The city allocates funds each year to send planning officials to the Michigan Association of Planning Conference (rotating throughout the years to send everyone) as well as support the city manager’s accreditation maintenance. These funds are included as specific line items which makes it clear that the city values education and training. The city also provides regular reminders about training opportunities via email and at meetings. As part of its RRC efforts, the

city created a tracking mechanism to report on training activity for development-related staff and officials.

The second part of this best practice goes beyond training and assesses overall communication networks between development-related boards and staff. In particular, Redevelopment Ready Communities® address three key areas to ensure consistent and strong communication: a planning commission annual report (as required by law), opportunities for information sharing between boards such as minutes and training report outs, and regular joint meetings (at least annually) to discuss common priorities or hold trainings. The city prepares a joint planning commission and ZBA annual report each year outlining calendar year activity, training, and upcoming priorities. The report is presented to council. It also issues a report for the DDA. Joint meetings and training report outs also happen in the city as applicable. All board/commission members are cc’d on minutes and agendas for all city meetings to further promote communication

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
4.2.1	4.2.1	The community has a dedicated source of funding for training.	✓
4.2.2	4.2.2	The community identifies training needs and tracks attendance of the governing body, boards, commissions and staff.	✓
4.2.3	4.2.3	The community encourages the governing body, boards, commissions and staff to attend trainings.	✓
4.2.4	4.2.4	The community shares information between the governing body, boards, commissions and staff.	✓

Best Practice 5.1—Economic Development Strategy

**Note: This best practice was previously Best Practice 6.1 during the city’s 2017 evaluation.*

Best Practice 5.1 evaluates goals and actions identified by the community to assist in strengthening its overall economic health. Strategic economic development planning is critical to attract jobs and new investment in communities.

The city’s 2016 master plan update includes specific goals and objectives related to economic development on pages 22 and 23; this is one of the most detailed sections of the plan. Through this, the city indicates that providing a high quality of life and strong planning is an economic development strategy in and of itself. Objectives include promotion of the downtown as a civic and community center, ensuring design guidelines are created/enforced, promotion of mixed-use development, marketing sites for advanced industrial development and working with partners such as the Genesee Regional Chamber.

While the economic development section of the

master plan provided a foundation for meeting this best practice, the city chose to use RRC as a chance to create a more detailed economic development strategy. The outcome of that effort is the city’s 2019 economic development strategy which is driven by two main goals:

1. To provide attractive commercial areas that create a stable tax base and quality shopping and service use for residents; and
2. To encourage attraction of variety and mix of new businesses to Swartz Creek.

These goals are supported by several objectives and actions ranging from zoning amendments and a façade improvement program to completing a consumer survey and expanding the city’s marketing efforts. The plan’s action strategy assigns lead parties and timelines to help keep the strategy on track. It also includes information on implementation tools, business support programs, and priority redevelopment sites (see Best Practice 5 for more details).

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
6.1.1	5.1.1	The community has approved an economic development strategy.	✓
6.1.2	5.1.2	The community annually reviews the economic development strategy.	✓

Best Practice 5.2—Marketing and promotion

**Note: This best practice was previously Best Practice 6.2 under the city’s 2017 evaluation.*

Best Practice 5.2 evaluates how the community promotes and markets itself. Marketing and branding is an essential tool in promotion of a community’s assets and unique attributes. Consumers and investors are attracted to places that evoke positive feelings and to communities that take pride in their town and their history.

Concurrent with its RRC efforts, the city worked with the downtown development authority to craft a new brand for the city. The resulting brand, “Swartz Creek: Where Friendships Last Forever,” defines the quality of life attributes the city previously used to market itself, but in a more defined and consistent way. In conjunction with the brand itself, the city also created a marketing strategy

which addressed five marketing channels: physical presence; print, electronic and verbal communication; economic development; tourism; and partnerships. The strategy provides guidance on how the city will use each of those channels to spread the message about what it has to offer. It also includes strategies for marketing redevelopment sites, including an elevator speech about the benefits of investing in Swartz Creek.

A key tool in any marketing campaign is an effective and easy-to-navigate website. Swartz Creek’s website is very easy to navigate and is kept up to date with resources and information that an investor would need to assess whether Swartz Creek fits their needs. The city updated the “Community Development” web page as it completed RRC items, bringing it into full alignment.

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
6.2.1	5.2.1	The community has developed a marketing strategy.	✓
6.2.2	5.2.2	The community has an updated, user-friendly municipal website.	✓

Best Practice 6.1—Redevelopment Ready Sites®

**Note: This best practice was previously Best Practice 5.1 under the city’s 2017 evaluation.*

Best Practice 5.1 assesses how a community identifies, visions for and markets their priority redevelopment sites. Communities must think strategically about the redevelopment of properties and investments and should be targeted in areas that can catalyze further development around it. Instead of waiting for developers to propose projects, Redevelopment Ready Communities® identify priority sites and prepare information to assist developers in finding opportunities that match the community’s vision.

During its initial evaluation, the city identified two

priority sites: the raceway and “Holland Square.” As part of the city’s economic development strategy, it identified several other priority sites, including 5203 Morrish Road (Swartz Creek Grain Elevator), 8057 Miller Road (Assenmacher Bicycle Company), Family Worship Center, and the Mary Crapo School. Near the end of the RRC certification process, the city also began working with the Redevelopment Services Team. The first step in that process was to identify the top three priority sites and create marketing packages. Those packages are available on www.miplace.org/sites. The city is currently working with the Redevelopment Services Team and a local property owner on potential redevelopment options.

Initial RRC Evaluation Oct 2017	Final RRC evaluation Oct 2019	Evaluation criteria	Recommended actions for certification
5.1.1	6.1.1	The community identifies and prioritizes redevelopment sites.	✓
5.1.2	6.1.2	The community gathers basic information for prioritized redevelopment sites.	✓
5.1.3	6.1.3	The community has developed a vision for the priority redevelopment sites.	✓
5.1.4	6.1.4	The community identifies potential resources and incentives for prioritized redevelopment sites.	✓
5.1.5	6.1.5	A property information package for the prioritized redevelopment site(s) is assembled.	✓
5.1.6	6.1.6	Prioritized redevelopment sites are actively marketed.	✓

Conclusion

City of Swartz Creek has exhibited a strong commitment to improving their redevelopment readiness and has worked diligently to meet the Best Practice criteria and achieve the Redevelopment Ready Certified Community® designation. The city has found a balance between removing unnecessary delays and hurdles, while preserving the integrity of the community's vision and goals, positioning the city for success. Swartz Creek has set an example for the region as a leader in community revitalization.

Certified communities signal a proactive, business friendly environment to developers and investors. Upon certification, the MEDC will assist in marketing a certified community's top Redevelopment Ready Sites® and provide access to a dedicated Redevelopment Services Team which is focused on turning priority site visions into reality. Additional benefits include ongoing technical assistance,

social media exposure, and other specialized services tailored to the community. The tool box of benefits is always growing. RRC certification lasts for three years. At that time a full review will take place to ensure continued alignment with best practices.

In today's competitive economy, developers and businesses can invest anywhere. Certified Redevelopment Ready Communities® signal that locating a new business or growing an existing one within their municipality is straightforward. Swartz Creek, like many other communities will have challenges ahead. The city has developed the tools to address those challenges by streamlining the review process and updating ordinances, to ensure the city remains a competitive and attractive community for business and talent attraction.



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

The Michigan Economic Development Corporation (MEDC) is the state's marketing arm and lead advocate for business development, talent and jobs, tourism, arts and cultural grants, and overall economic growth. The MEDC offers a number of business assistance services and capital programs for business attraction and acceleration, entrepreneurship, strategic partnerships, talent enhancement, and urban and community development.

Michigan uses road warranties on nearly every project. Are they worth it?

Updated 10:47 AM; Today 10:00 AM

For two decades, Michigan has tacked warranties onto nearly every road construction project without pausing to ask a key question: are they worth it?

Other Midwest states also experimented with warranties — which in theory guarantee fixes if road work goes bad before it should. But surrounding states scrapped their programs after studying their results: Ohio canned the program after finding warranties hiked costs as much as 26 percent: Wisconsin found pavement built with warranties declined prematurely.

In Michigan, there were no studies. In fact, the state which uses the most warranties in the nation has never collected key data like how much warranties add on to the cost of a road project or even if the state gets a good value for any fixes made.

“It could be costing the state money,” said Jay Goldblum, a former pavement design manager for the Colorado Department of Transportation who studied the cost-effectiveness of 3- and 5-year warranties.

His study concluded warranties weren’t worth the cost — that they added \$12,635 per lane mile in cost and had a rougher ride than non-warrantied pavements after 10 years.

At a time when every transportation dollar counts and lawmakers are turning over the state’s metaphorical couch cushions looking for additional road funding, warranties have escaped scrutiny.

Michigan goes all-in on warranties

Warranties came into vogue across state capitols in the 1990s after a federal rule change allowed their use on highway projects.

Some states dipped a toe in the water, authorizing pilot programs or a small number of warranties to see how they would work. Michigan cannonballed into requiring warranties on virtually every project.

Here’s how they work in Michigan:

- MDOT requires warranties on nearly all state paving projects. Since 1997, MDOT has used warranties on 3,639 pavement projects across the state.
- On projects like pavement sealing and crack filling, MDOT requires a two-year performance warranty, meaning a contractor guarantees the fix will last for that amount of time.
- On new pavement project, such as a road reconstruction, MDOT requires a “materials and workmanship” warranty of between three and five years. This warranty guarantees the right materials were used, in the right ways.
- None of these correspond to the expected lifespan of pavement, which can be upward of 20 years.

Much like a warranty a consumer might purchase to guarantee a new TV works, there is an added cost. But that’s where the similarities end.

Michigan doesn't know how much they are paying for the warranty, as contractors are not required to disclose how much extra they charge to insure their work. There also is no guarantee that if a road project fails that the company is required to fix it.

The idea behind a warranty is longer lasting roads.

Purdue University Professor of Civil Engineering Samuel Labi identified benefits, including finding roads with warranties are projected to last up to 10 years longer than those without warranties. And with less maintenance required, "overall the cost is expected to be lower."

He said a lot of the cost-effectiveness relies on how carefully the contracts are drawn up, how the state works with the contractor and how disputes are settled.

"If it's done carefully, I think it can be a success," Labi said.

In Michigan, officials have called contractors back to corrective action on 13 percent of all projects. The rate is significantly higher on bridge painting projects, where the callback rate is 45 percent, mostly from when individual spots need to be repaired.

Among the pavement projects that carry a three- or five-year materials and workmanship warranty, 16 percent, or 163 of the 1,013 projects since 1997, were fixed under warranty as of February. And among pavement projects that carry short-term, two-year capital preventative maintenance warranties, 4.6 percent -- or 121 out of 2,626 warranties -- were enforced.

In 2015, an audit slammed MDOT for not inspecting roads before the warranty period expired. State officials say that issue was fixed, but it doesn't mean repairs are being done to a taxpayer benefit.

A four-mile stretch of I-96 on Lansing's westside was battered in 2016. That wasn't supposed to happen: the \$41 million road was less than five years old.

The state had a warranty on the project and called contractor Reith Riley back out to fix the issues. The paving contractor negotiated with MDOT to fix only half of the faulty joint seals and about \$150,000 worth of cracked corners and shattered slabs. The rest was fixed by MDOT, at the state's expense to avoid long lane closures, according to MDOT.

Difficulty enforcing warranties isn't specific to Michigan — Mississippi is phasing out warranties, partially for that reason.

When the Mississippi Department of Transportation would request corrective action from contractors, "it was constant negotiations," said Public Information Officer Jace Ponder.

Higher Costs

The Federal Highway Administration estimates warranties hike initial construction costs for hot mix asphalt roads by 3 to 15 percent – mostly because of the extra insurance bonding contractors must get to guarantee a project.

Back to the example of purchasing a warranty with a new TV, the company charges you more because it's taking on more risk that it may need to cover the cost of a new TV.

"It's the same thing in the road building industry," said Mike Nystrom, executive vice president of the Michigan Infrastructure and Transportation Association. "A contractor will build the project and give the normal one-year guarantee... or, if the owner agency requires it, the owner agency says, 'I want a five-year

warranty on this,' there's going to be a cost associated with that."

MDOT doesn't require contractors to break down the additional warranty costs in construction bids, and never conducted a study to determine if the costs were significantly higher with warranties.

"There really is no way for MDOT to evaluate the impact on bid prices because contractors, for proprietary reasons, do not divulge that information. It also is difficult to compare unit costs to those historical costs prior to warranty laws due to varying material costs from year to year," MDOT officials said in a statement.

"An informal review was completed soon after implementation of warranties, but since most projects currently include warranties, there is no basis of comparison with recent projects. Although the review was inconclusive, it is known that bonds are a cost to the contractor, and these costs are likely passed on to MDOT."

Mark McCollough, president of Imlay City- based Pavement Maintenance Systems said bonding does cost money, and, "as a contractor, you'd have to figure that cost into your bid. But I think relatively speaking it's fairly minor."

He estimates his company has completed around 200 warrantied projects for MDOT in the last 10 years and can only remember being called back to repair one of those under warranty.

He said warranties encourage a higher standard by weeding out contractors with less expertise, but don't change the work his company does.

"We're going to build it the right way whether there's a warranty on there or not," McCollough said.

Michigan is rare in not knowing or estimating the costs associated. Colorado asked contractors for the cost and did a side-by-side comparison between warrantied and non-warrantied projects, said Goldbaum, the former pavement design manager from Colorado.

"Without control project data you have no clue whether it's cost-effective or not. So yes, you are at a disadvantage of not knowing the true cost of a warranty," he said.

Ohio recently stopped doing warranties because of the increasing costs.

"It was driving the cost of projects up without making a significant difference in the quality of product being delivered," said Matt Bruning, press secretary for the Ohio Department of Transportation. "For example, on bridge painting projects the costs were about 26% higher."

A 2011 study from the National Cooperative Highway Research Program identified the 10 states with the most pavement warranty experience as of a 2006 survey. Of those 10 states, six – Ohio, Colorado, Illinois, Mississippi, California and Wisconsin -- have stopped using warranties or are in the process of phasing them out.

Two, Indiana and Minnesota, use a limited number of warranties. Florida rolls warranty-like guarantees into its value-added specifications. And only one, Michigan, continues to use them on nearly every project.

And the state continues to strictly adhere to the 1997 law that started MDOT down the road warranties path, most recently expanding the idea to [make local governments consider warranties](#), too.



Back in 1997, state officials wanted warranties to cover half the road’s lifespan, but insurance companies balked at the thought of 10-year warranties, said Curtis Bleech, a pavement construction engineer for MDOT. So the department lowered the warranty lengths to 25-35 percent of the road’s life.

The original bill’s sponsor, former Sen. Phil Hoffman, a Republican from Jackson said he wanted stronger wording, but faced resistance from MDOT.

So today, as it did 20 years ago, the law still reads: “the department shall, where possible, secure warranties of not less than 5-year full replacement guarantee for contracted construction work.”

“This was brand new stuff,” Hoffman said of the 1997 drafting. “So, they were kind of rolling it out and I would have expected that since then, they would have fine-tuned it, fine-tuned the language in it.”

Board Chair
Kay Doerr

Chief of Police
Matthew Bade

Lieutenant
Joel Grahn

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Board Members

Cory Bostwick
Dennis Cramer
Rae Lynn Hicks
Tonya Ketzler
Vane King
David Krueger

December 12, 2019

On this date I received a telephone message from Michael Williams who had been involved in a car crash (#1965002278) on Grand Blanc Rd. near Fenton Rd. Mr. Williams stated that Officer Nicole Gillett assisted him and he was grateful for her presence. He said that Officer Gillett calmed him down, assisted him with a ride and that is was an "honor" to have her as a police officer.

Matthew Bade
Chief of Police

Board Chair
Kay Doerr

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December 11, 2019

On this date I received a telephone call from Megan Hale who expressed gratitude to an unknown Officer who delivered homemade blankets for her children. Ms. Hale requested the name of the Officer who performed the good deed. A review of daily activity reports revealed that Officer Jeff Montney had delivered the blankets to Ms. Hale.

I spoke with Officer Montney who stated he learned that Ms. Hale had financial problems when he spoke with her on a traffic stop. He became aware that she was going to be unable to provide any Christmas presents to her children. Officer Montney took it upon himself to deliver homemade blankets to Ms. Hale to give her children for Christmas.

Officer Montney's compassion and generosity is a true reflection of his professionalism and the standard of the Metro Police Authority.

Matthew Bade
Chief of Police