

**City of Swartz Creek
AGENDA**

**Virtual Council Meeting, Monday, December 14, 2020, 7:00 P.M.
Paul D. Bueche Municipal Building, 8083 Civic Drive Swartz Creek, Michigan 48473**

1. **CALL TO ORDER**
2. **INVOCATION:**
3. **ROLL CALL:**
4. **MOTION TO APPROVE MINUTES:**
4A. Council Meeting of December 07, 2020 MOTION Pg. 25
5. **APPROVE AGENDA:**
5A. Proposed / Amended Agenda MOTION Pg. 1
6. **REPORTS & COMMUNICATIONS:**
6A. City Manager's Report MOTION Pg. 8
6B. Staff Reports & Meeting Minutes Pg. 31
6C. Liquor License Transfer Request Pg. 41
6D. Water Master Plan and AWIA Proposal Pg. 42
6E. MML One-Pager-Proposal A/Headlee Pg. 48
7. **MEETING OPENED TO THE PUBLIC:**
7A. General Public Comments
8. **COUNCIL BUSINESS:**
8A. Water Master Plan and AWIA Proposal RESO Pg. 22
8B. Transfer of Liquor License RESO Pg. 23
9. **MEETING OPENED TO THE PUBLIC:**
10. **REMARKS BY COUNCILMEMBERS:**
11. **ADJOURNMENT:** MOTION Pg. 24

Next Month Calendar

Metro Police Board:	Wednesday, December 16, 2020, 10:00 a.m., (Week early, virtual)
Zoning Board of Appeals:	Wednesday, December 16, 2020, 6:00 p.m., PDBMB (Cancelled)
Planning Commission:	Tuesday, January 5, 2021, 7:00 p.m., PDBMB (Virtual)
Park Board:	Wednesday, January 6, 2021, 5:30 p.m., PDBMB (Virtual)
City Council:	Monday, January 11, 2021, 7:00 p.m., PDBMB (Virtual)
Downtown Development Authority:	Thursday, January 14, 2021, 6:00 p.m., PDBMB (Virtual)
Fire Board:	Monday, January 18, 2021, 2020, 6:00 p.m., (Virtual)
Zoning Board of Appeals:	Wednesday, January 20, 2020, 6:00 p.m., PDBMB (Virtual)
City Council:	Monday, January 25, 2020, 7:00 p.m., PDBMB (Virtual)

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
VIRTUAL REGULAR CITY COUNCIL MEETING ACCESS INSTRUCTIONS
MONDAY, DECEMBER 14, 2020, 7:00 P.M.**

The regular virtual meeting of the City of Swartz Creek city council is scheduled for **December 14, 2020** starting at 7:00 p.m. and will be conducted virtually (online and/or by phone), due to health concerns surrounding Coronavirus/COVID-19 and rules promulgated by the Michigan Department of Health and Human Services.

To comply with the **Americans with Disabilities Act (ADA)**, any citizen requesting accommodation to attend this meeting, and/or to obtain the notice in alternate formats, please contact Connie Olger, 810-429-2766 48 hours prior to meeting,

Zoom Instructions for Participants

To join the conference by phone:

1. On your phone, dial the teleconferencing number provided below.
2. Enter the **Meeting ID** number (also provided below) when prompted using your touch-tone (DTMF) keypad.

Before a videoconference:

1. You will need a computer, tablet, or smartphone with speaker or headphones. You will have the opportunity to check your audio immediately upon joining a meeting.
2. Details, phone numbers, and links to videoconference or conference call is provide below. The details include a link to “**Join via computer**” as well as phone numbers for a conference call option. It will also include the 9-digit Meeting ID.

To join the videoconference:

1. At the start time of your meeting, enter the link to join via computer. You may be instructed to download the Zoom application.
2. You have an opportunity to test your audio at this point by clicking on “Test Computer Audio.” Once you are satisfied that your audio works, click on “Join audio by computer.”

You may also join a meeting without the link by going to join.zoom.us on any browser and entering the Meeting ID provided below.

If you are having trouble hearing the meeting, you can join via telephone while remaining on the video conference:

1. On your phone, dial the teleconferencing number provided below.
2. Enter the **Meeting ID number** (also provided below) when prompted using your touchtone (DMTF) keypad.
3. If you have already joined the meeting via computer, you will have the option to enter your participant ID to be associated with your computer.

Participant controls in the lower left corner of the Zoom screen:



Using the icons in the lower left corner of the Zoom screen you can:

- Mute/Unmute your microphone (far left)
- Turn on/off camera (“Start/Stop Video”)
- Invite other participants
- View participant list-opens a pop-out screen that includes a “Raise Hand” icon that you may use to raise a virtual hand during Call to the Public
- Change your screen name that is seen in the participant list and video window
- Share your screen

Somewhere (usually upper right corner on your computer screen) on your Zoom screen you will also see a choice to toggle between “speaker” and “gallery” view. “Speaker view” show the active speaker.

Connie Olger is inviting you to a scheduled Zoom meeting.

Topic: Swartz Creek City Council Meeting

Time: Dec 14, 2020 07:00 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/84653995361>

Meeting ID: 846 5399 5361

One tap mobile

+13126266799,,84653995361# US (Chicago)

+19292056099,,84653995361# US (New York)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington D.C)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 846 5399 5361

Find your local number: <https://us02web.zoom.us/u/kZb9bogwU>

If you have any further questions or concern, please contact 810-429-2766 or email colger@cityofswartzcreek.org.

A copy of this notice will be posted at City Hall, 8083 Civic Drive, Swartz Creek, Michigan.

CITY OF SWARTZ CREEK VIRTUAL (ELECTRONIC) MEETING RULES AND PROCEDURES

In order to conduct an effective, open, accessible, and professional meeting, the following protocols shall apply. These protocols are derived from the standard practices of Swartz Creek public meetings, Roberts Rules of Order, the City Council General Operating Procedures, and other public board & commission procedures. These procedures are adopted to govern participation by staff, councilpersons and members of the public in all City meetings held electronically pursuant to PA 228 of 2020. Note that these protocols do not replace or eliminate established procedures or practices. Their purpose is to augment standing expectations so that practices can be adapted to a virtual meeting format.

The following shall apply to virtual meetings of the city's public bodies that are held in accordance with the Open Meetings Act.

1. Meetings of the City Council, Planning Commission, Zoning Board of Appeals, Downtown Development Authority, Park Board, or committees thereunder may meet electronically or permit electronic participation in such meetings insofar as (1) the Michigan Department of Health and Human Services restricts the number of persons who can gather indoors due to the COVID-19 pandemic; (2) persons have an illness, injury, disability or other health-related condition that poses a risk to the personal health or safety of members of the public or the public body if they were to participate in person; or (3) there is in place a statewide or local state of emergency or state of disaster declared pursuant to law or charter by the governor or other person authorized to declare a state of emergency or disaster.
2. All meetings held hereunder must provide for two-way communication so that members of the public body can hear and respond to members of the general public, and vice versa.
3. Members of the public body who participate remotely must announce at the outset of the meeting that he/she is in fact attending the meeting remotely and by further identifying the specific physical location (by county, township, village and state) where he/she is located. The meeting minutes must include this information.
4. Notice of any meeting held electronically must be posted at the City Offices at least 18 hours before the meeting begins and must clearly explain the following:
 - (a) why the public body is meeting electronically;
 - (b) how members of the public may participate in the meeting electronically, including the specific telephone number, internet address or similar log-in information needed to participate in the meeting;
 - (c) how members of the public may contact members of the public body to provide input or ask questions on any business that will come before the public body at the meeting;
 - (d) how persons with disabilities may participate in the meeting.

5. The notice identified above must also be posted on the City’s website homepage or on a separate webpage dedicated to public notices for non-regularly scheduled or electronic public meetings that is accessible through a prominent and conspicuous link on the website’s homepage that clearly describes the meeting’s purpose.
6. The City must also post on the City website an agenda of the meeting at least 2 hours before the meeting begins.
7. Members of the public may offer comment only when the Chair recognizes them and under rules established by the City.
8. Members of the public who participate in a meeting held electronically may be excluded from participation in a closed session that is convened and held in compliance with the Open Meetings Act.

MAINTAINING ORDER

Public body members and all individuals participating shall preserve order and shall do nothing to interrupt or delay the proceedings of public body.

All speakers shall identify themselves prior to each comment that follows another speaker, and they shall also indicate termination of their comment. For example, “Adam Zettel speaking. There were no new water main breaks to report last month. That is all.”

Any participants found to disrupt a meeting shall be promptly removed by the city clerk or by order of the Mayor. Profanity in visual or auditory form is prohibited.

The public body members, participating staff, and recognized staff/consultants/presenters shall be the only participants not muted by default. All other members must request to speak by raising their digital hand on the Zoom application or by dialing *9 on their phone.

MOTIONS & RESOLUTIONS

All Motions and Resolutions, whenever possible, shall be pre-written and in the positive, meaning yes is approved and no is defeated. All motions shall require support. A public body member whom reads/moves for a motion may oppose, argue against or vote no on the motion.

PUBLIC ADDRESS OF COUNCIL

The public shall be allowed to address a public body under the following conditions:

1. Each person who wishes to address the public body will be first recognized by the Mayor or Chair and requested to state his / her name and address. This applies to staff, petitioners, consultants, and similar participants.
2. Individuals shall seek to be recognized by raising their digital hand as appropriate on the digital application.

3. Petitioners are encouraged to appropriately identify their digital presence so they can be easily recognized during business. If you intend to call in only, please notify the clerk in advance of your phone number.
4. The city clerk shall unmute participants and the members of the public based upon the direction of the mayor or chair. Participants not recognized for this purpose shall be muted by default, including staff, petitioners, and consultants.
5. Individuals shall be allowed five (5) minutes to address the public body, unless special permission is otherwise requested and granted by the Mayor or Chair.
6. There shall be no questioning of speakers by the audience; however, the public body, upon recognition of the Mayor or Chair, may question the speaker.
7. No one shall be allowed to address the public body more than once unless special permission is requested, and granted by the Mayor or Chair.
8. One spokesperson for a group attending together will be allowed five (5) minutes to address the public body unless special permission has been requested, and granted by the Mayor or Chair.
9. Those addressing the public body shall refrain from being repetitive of information already presented.
10. All comments and / or questions shall be directed to and through the Mayor or Chair.
11. Public comments (those not on the agenda as speakers, petitioners, staff, and consultants) are reserved for the two "Public Comment" sections of the agenda and public hearings.

VOTING RECORD OF PUBLIC BODIES

All motions, ordinances, and resolutions shall be taken by "YES" and "NO" voice vote and the vote of each member entered upon the journal.

City of Swartz Creek
CITY MANAGER'S REPORT
Regular Council Meeting of Monday, December 14, 2020 - 7:00 P.M.

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

FROM: Adam Zettel, City Manager

DATE: December 10, 2020

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

✓ **MICHIGAN TAX TRIBUNAL APPEALS** *(Update)*

We have an appeal filed in addition to the office at 5376 Miller Road. An appraisal for this property has been ordered from Kevin Groves Appraisals, Inc. I will keep the council informed on the progress of this appeal.

The new appeal is for Family Farm and Home. This is part of a disturbing trend we are hearing about in which businesses use the economy of the COVID year to set their taxable values substantially lower, knowing that they cannot improve with the economy during a rebound (Proposal A). What is more disturbing is that some industries saw banner years, fast food and yard/hardware among them, however the appeals are still coming in.

✓ **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.

✓ **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.

Street projects for 2020 are finished!

Chelmsford and Oakview (to Seymour) will be completed next year.

The city accepted the low bid by Glaeser Dawes for 2020 and 2021 work projects, including our street reconstruction projects. This is the company that completed the first three phases of the street/water main reconstruction projects in the city since 2017.

Lighting contracts with Consumers Energy have been approved.

Mr. Harris and I will be working with OHM to ascertain what preventative maintenance projects or rehabilitation projects might be added to 2021 and beyond.

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

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

Work is complete on the sewer collectors on the west end of downtown (Fairchild, McLain, Ingalls, Brady, Hayes, and Holland).

We will also be inspecting and cleaning areas of high fat, oil, and grease concentration in the system, such as Elms and Miller. We will be able to ascertain if we have any restaurant grease trap maintenance issues/enforcement to contend with.

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.

Note that the most recent inspections are PACP compliant (Pipeline Assessment Certification Program). These inspections provide a GIS based video, along with standard pipe and maintenance scoring for use by state agencies and our assessment management planning efforts.

✓ **SEWER CAPACITY INITIATIVE** *(No Change in Status)*

The scope of work is indeed smaller than originally thought. This means that the excavation and piping needs are smaller, as is the impact on property owners. Engineering services have been approved. Prior to commencing in full, we hope to acquire permanent easements for the run of the new line. We will be working with Springbrook and the Masonic Lodge. I will keep the council informed.

The previous report follows:

ROWE has a potential solution for the district three capacity problem. They recommend a by-pass of specific portions of the collection system that function as a choke point through the installation of a larger capacity sewer line. This will require a sizable construction effort, approaching \$500,000. It will also require cooperation with Springbrook Home Owners Association, the United Methodist Church, and the Masonic Lodge. I am hopeful all those property owners will be agreeable and have been communicating with all three groups, with positive feedback.

Rowe has begun their design. We would like to perform this work in 2021. Once crews can begin work, they will survey the area and prepare engineering documents that will get us to bid.

Concerning inflow and infiltration (I&I), the county met with communities about the current status and long term solutions for the sanitary sewer systems. This is something we have been actively reducing for years through manhole water proofing and pipe lining. However, there are still issues, and the higher levels of government are pushing hard to reduce I&I.

In pursuing the 'general permit' that is issued by EGLE, the county will be mandating targets for I&I reduction. We do not know what this will look like for our community since many things come into play, including the current wet weather ratio, the ability of surface water management to effectively remove water from problem areas, and the capacity of the county interceptor. A plan is expected to be crafted by 2022. I will keep the council informed.

✓ **WATER MAIN REPLACEMENT - USDA** *(No Change in Status)*

Work is complete on:

Oakview from Winston to Daval (Complete)
Winston from Chesterfield to Oakview (Complete)
Oxford Court (Complete)

Work is underway on Miller Road, from Tallmadge to Dye.

Bristol from Elms to Miller will begin within the next week or two.

We have sent notice to all impacted properties of record.

UPDATE: MAIN ON CHELMSFORD, FROM WINSTON TO DAVAL, IS NOT BEING REPLACED BECAUSE IT WAS REPLACED IN 2000.

Chelmsford and Oakview (to Seymour) will be completed next year, along with the remainder of the water main work, which will include Morrish Road from Fortino to I-69 and Miller from Raubinger to Elms.

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.

✓ **UTILITY BILL PENALTIES, INTEREST, AND TURN OFFS** *(No Change in Status)*

We have decided to commence with utility bill penalties after the January billing payment date. We will send this notice out with all invoices and directly to those with outstanding balances. This does NOT mean that shut offs will occur. We will be accepting payment plans on an extended basis that will go beyond the standard shut off time period.

Again, we understand that there were allowances made to overcome hardships, so we do not wish to financially punish folks or take unreasonable action on collections or shut offs. However, we do need to move forward sooner or later. Further down the road, we shall need to consider if the outstanding balances will need to go on the July 2021 tax assessment roll, or if some delay will be necessary. We will keep the council informed.

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

The last of the lots acquired prior to the special assessment have been sold. We approved permits for single family homes on September 30th. The city also has two more lots that were acquired through the tax reversion process.

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

The January (winter) edition of the newsletter is going to be drafted soon. Send me ideas.

✓ **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 city has been recommended for funding through the **DNR Trust funds for 2021 construction of the Genesee Valley Trail**. The MDOT grant is conditionally awarded. We hope to combine this with the Safe Routes to School initiative for 2021 construction.
2. **(Update)** The **raceway has surrendered its 2020 race days due to a lack of beneficial state statutory changes**. They intend to use the site for thoroughbred horse racing. There is currently some pending legislation that could make this a reality, and they are optimistic. A resolution of support has been approved.
3. Communities First has a purchase option for **Mary Crapo**. They seek to extend this option from February of 2021 to June of 2021 or to purchase the property outright from the school in order to seek funding from the state. Their first application was denied. The zoning, site plan, and PILOT for the 40 unit building conversion have been approved by the city. The land purchase and state approvals are still pending. The park board recommends against the lease unless terms are dramatically improved to allow flexible public use. They have until 2/1/21 to make the purchase.
4. The **school bond** passed and many improvements are expected in 2020 throughout the district. Total investment for this effort will exceed \$50 million over two to three years. Work has commenced on Syring and Elms School, as well as the high school athletic complex. Plans are being submitted for the Middle School. The schools in the city are in a rigorous state of improvement at the moment. It also appears that the school will be adding a walking path on

their high school campus that should be integrated with other pedestrian features.

5. **Street repair in 2020** is complete. We will be completing the remainder of Chelmsford and Oakview to Seymour in 2021. The city also has grants and loans for about **\$5 million in water main work** to occur between 2020 and 2022. COVID 19 may put a stop to some or all work efforts.
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. This project is on hold pending the sewer relief project.
7. The **Brewer Condo Project** was given site plan approval and tentative purchase agreement approval (July 22, 2019). This includes 15 townhome condos off Morrish Road in downtown. They are approximately 1,750 square feet, with two car garages and basements. A drainage solution has just been approved by the county. The developer indicates they may be able to start soon. They will be working to finalize the master deed and condominium documents so that the purchase agreement can be executed and the property transferred. The resolutions and agreement still enable this activity, despite the delay. If council members wish to revisit this, please let the council know. Otherwise, we hope to have the transfer and start of construction occur this fall.
8. The next **Springbrook East** phase is under construction. They have pulled their first home permit.

✓ **TRAILS (Update)**

The DNR is recommending funding of the Trust Fund grant application in the amount of \$300,000! This is fantastic news which should cover the absolute lion's share of the construction amount. As always, the bids could come in high or construction change orders could add costs, but we are definitely in a good spot. I suspect high exposure will be \$150,000 of local funds at this point. Hopefully, this will cover most of it!

We have a meeting with GM at the facility on Tuesday. We shall see what happens. They have also commissioned a traffic study to look at the situation. It is unclear if this is a sincere effort to work the problem and cooperate or if it is a justification for their initial reaction that trails are dangerous. Hopefully, we can meet with them and work something out that works for all parties.

In the meantime, we continue to negotiate easements with three other property owners. We are concurrently pursuing appraisals for these three easement requests, as well as General Motors. This is a requirement of the condemnation process. Hopefully, this will not be necessary, but we must maintain our timeline for improvements. I will keep the council informed.

✓ **REDEVELOPMENT READY COMMUNITIES (No Change of Status)**

We are supposed to have a joint meeting of the council, planning commission, and DDA this calendar year. This is an obvious challenge to do in person with COVID, and might be even more difficult with a virtual meeting of the same group. Given the large

amount of appointments that are due in the near future, compounded with our need to revisit the master plan, I am working with the state on solutions. They recommend we push this into early 2021. We could host a virtual workshop on master planning or otherwise bring the larger group together to host a state-of-the city style event. I will keep the council informed.

There is a buyer for the Lovegrove Building. We met with them onsite. Though they have not yet closed on the property, it appears that they will soon. They have plans for relatively robust maintenance and upgrades at the property, and they would like to cooperate on parking, site access, and downtown events.

Though it does not appear they have any immediate plans to engage in a larger scale transformative project, I do believe they have some good users coming to the site and will be investing sufficient resources to bring the building up to functional expectations. I think this is a good step forward.

We are still able to offer our RRC incentives. We will continue to work with property owners to educate and encourage them to consider the benefits of property enhancement and the incentives that can be leveraged to that end.

I have had conversations with them and they are entertaining the possibility of transforming the property in accordance with the Request for Proposals. Either way, we will be moving forward, and I am confident they will act as positive change agents for the building and downtown!

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

I am seeking release from the buyers of tax reverted property on Wade. 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** *(Update)*

There is nothing new to report since our meeting on 12/7. The previous report is below.

The city attorney has been authorized to commence eviction. Per our conversation, I have reached out to the tenant and informed her that our desire is still to maintain a workable relationship that can enable her business to use the premises and thrive. I have instructed her to communicate with us on the matter. As of writing, I have a text message that indicates a desire to finance a purchase of the property outright. She indicated that she would know more at the end of this week (12/4/20). If she cannot make a bonafide attempt to maintain the lease or show a good faith effort to purchase, the attorney's work will continue unimpeded.

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

The water tower antennae is up. The school is also continuing with improvements district-wide. Athletic facility enhancements are underway. There are also big changes proposed to the middle school and high school grounds, including new parking/drop off arrangements and a trail link. The elementary schools in the city will see additional

building and grounds improvements. Note that Elms will have a secondary entrance off an out lot to Elms Road.

One issue that has presented itself is the Residential Equivalent Unit (water and sewer connection and quarterly use factor) charges for Syring. Records indicate that this is a 2 unit building (which is very low for a school). The new county audit places this at 30 units, post construction. This results in additional charges of \$56,000 to be paid by the school to the county and \$84,000 to the city.

We have invoiced the school accordingly. However, I have apprehensions about this large connection fee for a building that has been previously permitted on the system since its construction. We are checking the records to see if we can determine the original unit factor/connection charge amount for the school. If nothing can be found, we may get a request for relief from the school district. I will keep the council informed.

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

County approvals have been granted for storm water. The developer now indicates they may be able to start soon. They will be working to finalize the master deed and condominium documents so that the purchase agreement can be executed and the property transferred. The resolutions and agreement still enable this activity, despite the delay. If council members wish to revisit this, please let the council know. Otherwise, we hope to have the transfer and start construction occur this fall.

✓ **CDBG** *(Update)*

We have accepted bids for the purchase of decorative street signs. This project includes the purchase and installation of decorative street signs throughout the downtown area. We hope to proceed as soon as orders can be made. The bid is less than anticipated, which is always good. We will purchase the signs and look to seek reimbursement for reasonable labor and equipment costs related to installation by our crews. This should get us close to the available allotment.

For the next three year cycle, we have a pre-application approved for senior services and downtown lighting/sidewalks. The application, which can be amended, is due January 15th. The amount of funding available for the 2022-2024 cycle is \$42,025.

✓ **SAFE ROUTES TO SCHOOL** *(No Change of Status)*

A conditional award has been made by the MDOT! We have also funded and awarded engineering for this effort. This is a substantial grant for another \$600,000+ for trails and walkways in the community! This will enable installation of paths near the middle school, Elms, and Syring for student safety. These connections will also enhance our trail network.

✓ **GIS MAPS** *(No Change of Status)*

Staff is now able to edit the maps and accompanying data fields for our GIS system. This includes underground water, sewer, and storm facilities. We are also mapping basic street data. This system is going to be accessible by our staff anywhere in the city by mobile device and will enable locational support, as well as important maintenance and related data fields related to infrastructure.

We are also exploring the use of work order applications with GIS that will save some time and better integrate data analytics for our infrastructure. Some of these features may be viewable by the public as well once we are established.

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

The agreement to provide equipment and labor to perform routine maintenance at the new park in Mundy has been signed. Services are due to begin on December 1, but there is a hold on commencement per Mundy's request. I will keep the council informed.

✓ **DISC GOLF** *(No Change of Status)*

A parking area with two drives has been installed. Site grading, including the extension of the eastern berm continues. In addition, Woodside Builders has donated some culverts for drain crossings. Things are coming together! However, no fundraiser has been done this year, so there are no baskets or pads.

The park board is considering the purchase of the baskets and pads using budgeted funds. This might enable us to hit the ground running in 2021. The difficulty comes from the usage of the site for water main construction staging. While Glaeser Dawes is doing a great service in providing this, they have a heavy footprint there and will continue to do so most of the 2021 warm months. This makes recreational use problematic. We will work with GD and the volunteers to see what options we have this winter.

✓ **WELL-HEAD SITE** *(No Change of Status)*

The potential user is still considering the city property. If they proceed, they will conduct a full title search, partial survey, and environmental analysis. They agree to share all of their findings in exchange for access. If there is still interest, they will need to secure zoning approval from Vernon Township in Shiawassee County. They will look to seek a letter of agreement with the city at some point during this process.

With that said, no commitments have been made. The city council will still have ample opportunity to consider a tenant after a site design is completed and findings regarding water rights impact, zoning, and finance are considered. The previous report follows:

For some time, we have known that our well-head in Shiawassee County is of minimal value. A sale seems unlikely due to its circumstances. If Project Tim were a go, things would be different. However, that appears unlikely. In the meantime, the old pump house and fencing should probably be removed to make sure there are no risk factors left on the site.

As chance would have it, a company that provides high speed internet is interested in using this site for the purpose of installing a 25' x 28' enclosure with a satellite transmitter for area residents. They are offering to pay \$500/monthly to do so. They would also incur other incidental costs, including real and personal taxes that may be incurred. I am including their letter and concept plans. I indicated that the council may have an interest.

This is up for discussion at the meeting [January 13, 2020]. The upside is income. The downside is that it might encumber the site with a user that could compromise a future use. Even so, we could probably mitigate this.

✓ **MARY CRAPO** (*No Change of Status*)

The project applicants did not receive funding with their first application to the state. They plan to apply again in February. They expect to be successful and be funded by May of 2021. Since the option to purchase the property from the school expires in February, they are seeking an extension or a purchase. I do not know if this is likely or not. The previous report follows.

The zoning, site plan, and PILOT have been approved for the 40 units of senior housing within the original building. The land sale is still pending by the school, and the state will be considering funding.

The developer offered a lease to the city, but this matter has stalled. While the maintenance and improvement of a recreational area in downtown has many intrinsic benefits, there are costs and limits as indicated in the lease mark up. I included this in the April 13th packet for discussion. In concept, a long term lease can make much sense to preserve this feature and make enhancements. However, the developer limited options for use (ballfield) and created some uncertainty with the limits on lease rights. There is also the ever-present matter of providing resources to maintain such a feature.

So, the real issue is, do we seek a ballfield area to be held in public trust (at the city's cost), or do we enable the developer to own it for their use. The park board considered this matter at their May and June meetings (with school administration input at the June meeting). There was no interest in leasing the park for a ballpark only. This appears to reflect a requirement that the owners maintain the ballfield for the school or pay the school to relocate it. If this is the case, they might see the city as a means to uphold their obligations.

The board resolved to reject the lease option as written at the May meeting and affirmed this stance in June. There is still a degree of interest for a lease if the city could maintain it as total green space or if the city had the ability to choose the recreational use.

Currently, Communities First feels the ballfield must be retained as the exclusive use of the site because that is what they feel the community desires. It appears Communities First will owe the school district \$70,000 if the ball field is removed. I communicated the findings of the park board to Communities First. They have until 2/1/21 to make the purchase.

✓ **COVID 19** (*No Change of Status*)

Cases are increasing rapidly. Hospitals in the region are nearing capacity, and many offices are closed due to active cases or as a precaution. Now that the election is over, we are more rigorously separating our staff at the office and DPW. Many of our neighboring governments have had to endure one or more total shut downs. We seek

to avoid this by maintaining and increasing our efforts to promote personal protective gear usage, sanitization, and employee separation.

The most notable feature will be to separate the office staff into two separate teams that will work on opposite days. Doing so will make potential tracing easier and avoid a total shutdown in the event of a positive test. See previous reports for details on our established policies and procedures.

✓ **8067 MILLER ROAD** (*Update*)

I had a home rehab specialist walk through the property. I hope to get some feedback on whether we should sell it as-is or to what degree it might be advisable to fix it up. For the time being, we will look to winterize it to save heating costs.

The previous report follows:

We have acquired the property and taken over maintenance and upkeep. I am holding off on the survey and any interior finishing, pending the plan for use of the Lovegrove Building. As of writing, it appears there is no desire to use this property to enhance the Lovegrove investments, beyond the need for a rear yard easement to Hayes Street.

With that said, I recommend that the city carve out the easement and sell the property with restrictions on the deed (residential only, no rentals, first right of refusal for city, etc.). This should be done once improvements are made or underway for the Lovegrove building. Note that it is still possible to hold the building for future public use (museum, visitor center/restrooms, chamber building, etc.). **IF THIS IS DESIRED, PLEASE SHARE YOUR OPINION WITH THE COUNCIL!** We will not likely get another shot at this.

✓ **CARES FUNDING** (*No Change of Status*)

We have learned that our initial reimbursement request for DPW staff, which was a grey area, is probably not fundable. We have received an allocation, but we will likely refuse this based upon the evolving expectations. It is the right thing to do.

We have also learned that the funds for payroll reimbursement of first responders are insufficient to reimburse all agencies fully. Metro has already received a prorated amount of over \$100,000. Their board is awaiting the final reimbursement and ascertaining other conditions before deciding what to do with those proceeds (pension support was at the top of the list). We are still waiting to hear if the fire department will be reimbursed. There is also a chance that the funding source could be increased.

The previous report follows:

We have fantastic news! Public Act 144 of 2020 was signed into law on July 31, 2020. This state law enables additional governmental units to now qualify for the First Responder Hazard Pay Premiums Program and the Public Safety and Public Health Payroll Reimbursement Program. Metro PD and SCAFD can now apply for payroll reimbursement for wages spent for the qualifying period. They were previously unable to do so. If successful, we can expect to get a refund from those agencies. This will be

a big deal for us financially. Keep in mind that the expectation is that we shall maintain any such proceeds for future use when the inevitable revenue sharing cuts hit.

In addition to this outlet, we did submit payroll reimbursement for qualifying activities of our DPW staff. This appears to be a grey area for some, but we wish to get our tax dollars back to the greatest extent possible. Deanna and her staff worked very diligently to get a submission into the state prior to the deadline of July 17th. We expect nothing, but we hope to get about \$25,000.

✓ **MASTER PLAN UPDATE** *(No Change of Status)*

The city master plan was last updated in 2016 and is expected to be revisited every five years. This provision could be as simple as accepting the plan as current and valid, or it could be as extensive as a complete rewrite. In speaking with the Mayor, it appears to be prudent to start this process later this year or the beginning of 2021. This will enable the new city council (November election) to consider the scale of the review based upon the post-election environment.

✓ **ORV ORDINANCE** *(No Change of Status)*

Per guidance from the city council, I am working with the attorney to draft an ordinance that would enable enclosed ORV's on select streets (shoulders or 25 mph speed limits and under) under select circumstances (operator, ORV features, etc). When this is ready for review, we shall bring it to the council for discussion.

✓ **RACEWAY LEGISLATION SUPPORT LETTER** *(Update)*

Based upon the input by Senator Ananich, the ability to pass a modified Senate Bill 661 seems to be 50/50. However, I spoke to the owner on the 2nd, and he indicates that the bill is out of committee in the State House, which is a good a good sign. They are hoping to have a bill passed this calendar year in lame duck. The council has approved a resolution of support to this end.

The previous report follows:

Senate Bill 661 continues to have life in the senate. There is a hope and expectation that the bill will become law in calendar year 2020. I am including the draft bill as passed by the senate in the council packet. Though changes are likely, the bill would enable Sports Creek raceway to engage in historical wagering, a form of wagering on prior horse races (disguised against human or AI interpretation). The owners of the track believe that such wagering would make the facility economically viable when combined with live thoroughbred horse racing.

They owner is requesting a resolution of support from the city council for this legislation. They would like to use the existing facility for a use that reflects its intent and practical attributes. Doing so would certainly eliminate a depreciating, even blighting feature of our community. It MIGHT add some additional resources through additional property investment and the potential for 'breakage' tax revenues to the city as derived from the historical wagering.

Even during its hay day, the facility did not have a remarkable impact on the rest of the local economy (for good or ill). However, the site was maintained, paid its fair share of

taxes, and had some economic impacts that were noted by local businesses. The new owner is proving to be an open and sincere communicator that has a willingness to cooperate with the community and invest. While the site has other obvious opportunities given its location and size, the current approvals, buildings, and ownership lean towards a return to racing.

This is clearly a council decision. However, circumstances and recent council and community action indicate that this is still the preferred course. I am including the resolution for approval.

- ✓ **OTHER COMMUNICATIONS & HAPPENINGS** *(See Individual Category)*
- ✓ **MONTHLY REPORTS** *(Update)*
There are some routine reports included for your information.
- ✓ **MML ONE-PAGER** *(Update)*
With the MML pushing for changes to the Headlee Amendment, I am including their summary sheet of the Proposal A/Headlee tax issue. This is something that is often spoken of but seldom understood, for good reason. I look to include this periodically in our packets as a refresher or educational tool for newer council members.
- ✓ **BOARDS & COMMISSIONS** *(See Individual Category)*
 - ✓ **PLANNING COMMISSION** *(No Change of Status)*
The Planning Commission will not be meeting December due to a lack of agenda items. Their next meeting is scheduled for January 4th.
 - ✓ **DOWNTOWN DEVELOPMENT AUTHORITY** *(Update)*
The next meeting date is January 14, 2021
 - ✓ **ZONING BOARD OF APPEALS** *(Update)*
There is a sign variance application pending. This will be heard at the January 20, 2021 meeting.
 - ✓ **PARKS AND RECREATION COMMISSION** *(No Change of Status)*
The Park Board will not be meeting in December due to a lack of agenda items. Their next meeting is scheduled for January 5th.
 - ✓ **BOARD OF REVIEW** *(No Change of Status)*
The Board of Review will convene December 15th. The time has been set for 9:00 A.M. The purpose is to hear petitions related to clerical errors, mutual mistakes of fact, PREs, poverty exemptions, and disabled veterans exemptions.
- ✓ **CLERK'S OFFICE/ELECTION UPDATE** *(Update)*
I have nothing new to report. I wish everyone a safe and happy holiday.
- ✓ **DEPARTMENT OF COMMUNITY SERVICES/ENGINEERING UPDATE** *(Update)*
Miscellaneous routine tasks continue to be a focus over the upcoming weeks. We wish everyone a safe and healthy holiday season!

✓ **TREASURER UPDATE (Update)**

The winter 2020 tax roll has been completed and journal entries associated with the tax levy prepared and input. Staff has continued to work on various projects around the office in addition to processing a variety of paperwork including utility billing payment arrangements and property transfer affidavits, and sending building department inspection notifications. Routine duties were performed including but not limited to writing and processing routine journal entries, processing tax distributions, bank wires, review of accounts payable invoices, preparation and review of payroll remittance payments, and other financial matters impacting the city.

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

✓ **WATER SYSTEM MASTER PLAN (Business Item)**

Despite all the efforts our community has put into investigating, planning, documenting, reporting, and investing in our water system in recent years, we have a new set of mandates from the EPA and EGLE to comply with. This is in addition to our previous water general plan, water system asset management plan, capital improvement plans, and lead/copper system material inventories.

The city must complete a Water System Master Plan by mid-2021 for compliance with America's Water Infrastructure Act of 2018 (AWIA). The city must also update a Risk and Resilience Assessment (RRA) and Emergency Response Plan (ERP). The Water System Master Plan will address the requirements of the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Safe Drinking Water Act (Act 399) for both the Water Reliability Study (Part 12) and General Plan (Part 16) portions.

This Water Master plan will ultimately be used by the City to address high-priority asset needs that are critical to the City's infrastructure performance, hydraulic capacity, and planning for future capital and operating expenditures. The City last completed an update in 2013.

Under AWIA, the RRA & ERP must certify to the Environmental Protection Agency (EPA) that the RRA has been completed by June 30, 2021. The certification that the ERP has been completed is due 6 months after RRA certification. The RRA identifies key water system assets and potential threats to those assets, and the Emergency Response Plan identifies the procedures and processes the City will employ to address the identified threats.

The investigation and analysis to complete these tasks is highly sophisticated. As such, we have reached out to OHM to provide a proposal to work on these tasks. Their proposal, including scope of work, timeline, and fees is in the packet. I recommend we proceed. The projected cost is \$28,400.

✓ **LIQUOR LICENSE TRANSFER (Business Item)**

We have a request to transfer an assigned liquor license from 5015 Holland Drive to 8048 Miller Road. The current owner of 5015 Holland Drive, commonly known as the Trecha Building, was assigned a Class C, full service license to that address by the

Michigan Department of Licensing and Regulatory Affairs. The city council affirmed the request on July 9, 2018.

The business was never opened due to circumstances, largely the onset of COVID 19. However, the owner has established a separate eatery at 8048 Miller Road, commonly known as the Great Lakes Smoothie Company. At this time, they seek to transfer and activate the license to this location. Both locations are commercial buildings in the Central Business District.

Such uses are allowed and encouraged in the CDB/downtown. Given the community interest in bringing hospitality businesses into downtown, especially in the vicinity of Holland Square, I think this makes a lot of sense and aligns with the Master Plan and Downtown Development Authority Plan.

Approval and inspections by the state shall still be required. No changes to the site are proposed. Since the city will still be able to review any such zoning and building changes, I am confident that we are not exposing the community to uncertainty that cannot be mitigated. As such, I have prepared an affirmative resolution following the state template and give a confident recommendation to approve it.

✓ **WATER CROSS CONNECTION ORDINANCE (Update)**

The council has recently engaged the city's cross connection inspection Company to perform residential inspections to comply with new state mandates. As noted at that time, an update to our ordinance will be required to ensure we are aligned with the promulgated rules of the state and expectations of our planned inspection program. I have been working with the consultant on updating our ordinance accordingly. I suspect the changes will be minor. Look for this at our January 11, 2021 meeting.

Council Questions, Inquiries, Requests, Comments, and Notes

Merry Christmas! Happy Holidays! Due to scheduled staffing levels and workloads, the municipal office will be closed from December 24th to January 4th. This includes three business days (voluntary PTO for all impacted staff), four holidays, and four weekend days.

**City of Swartz Creek
RESOLUTIONS**

Virtual Regular Council Meeting, Monday, December 14, 2020, 7:00 P.M.

Resolution No. 201214-4A MINUTES – December 7, 2020

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday, December 7, 2020, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 201214-5A 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 14, 2020, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 201214-6A CITY MANAGER’S REPORT

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager’s Report of December 14, 2020, including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 201214-8A RESOLUTION TO APPROVE PROFESSIONAL SERVICES TO COMPOSE AND REPORT THE CITY’S WATER SYSTEM MASTER PLAN, RISK AND RESILIENCY ASSESSMENT, AND EMERGENCY RESPONSE PLAN

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek owns, operates, and maintains a water distribution system, including mains, valves, hydrants, meter pits, and related appurtenances, and

WHEREAS, the city has created, updates, and adheres to various plans for operation of the water system, including a Water System Asset management Plan, an Emergency Response Plan, and a Lead/Copper System Material Inventory, and

WHEREAS, the city is also required to create, update, and maintain a Water System Master Plan, an Emergency Response Plan, and Risk and Resilience Assessment, and

WHEREAS, the inspection, analysis, and reporting that is integral to such plans is highly sophisticated and requires the services of a professional engineering company, and

WHEREAS, OHM Advisors is a pre-authorized engineering consultant that is highly engaged in the cities ongoing water and street services.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek City Council approves the professional service proposal as submitted by OHM and dated December 1, 2020 and included in the December 14, 2020 city council packet, in the amount of \$28,400, plus a 20% contingency for noted hourly services.

BE IT FURTHER RESOLVED, that the City Council directs the Mayor to execute said engineering proposal on behalf of the city.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 201214-8B RESOLUTION TO APPROVE A LIQUOR LICENSE TRANSFER FROM 5015 HOLLAND DRIVE TO 8048 MILLER ROAD

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek geography possesses an claimed but inactivated Class C Liquor License as relegated by the State of Michigan Liquor Control Commission; and

WHEREAS, the owner of 5015 Holland Drive, the Smoothie Shop, LLC, was approved to activate and possess the liquor license by the city council on July 9, 2018 with the intention of adding a restaurant/tavern to the site; and

WHEREAS, the business at this location has not been established due to various circumstances, including the onset of the COVID Pandemic; and

WHEREAS, the owner of said license has established a separate eatery in the vicinity, located at 8048 Miller Road and is requesting that the license be transferred and activated at the alternate location; and

WHEREAS, the City of Swartz Creek and the Swartz Creek Downtown Development Authority allow such uses within the Central Business District; and

WHEREAS, the City of Swartz Creek maintains rights to review and approve or deny use of the site based upon objective site plan and building conditions prior to final review and inspection by the State of Michigan.

NOW, THEREFORE, BE IT RESOLVED, the City of Swartz Creek recommends that the application by the Smoothie Shop, LLC for a Class C Liquor License for 8048 Miller, Swartz Creek, Michigan be considered for approval by the Michigan Liquor Control Commission.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 201214-10A ADJOURN

Motion by Councilmember: _____

I Move the Swartz Creek City Council adjourn the regular council meeting of December 14, 2020, and set Zoom as the venue for the next regularly scheduled council meeting of January 11, 2021.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR (VIRTUAL) COUNCIL MEETING
DATE 12/07/2020**

The regular (virtual) meeting was called to order at 7:02 p.m. by Mayor Krueger in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance.

Councilmembers Present: Fountain, Farmer, Gilbert, Hicks, Krueger, Henry.

Councilmembers Absent: Pinkston.

Staff Present: City Manager Adam Zettel, Clerk Connie Olger, Treasurer Deanna Korth, Director of Community Services Andy Harris, City Attorney Chris Stritmater.

Others Present: Lania Rocha, Erik Jamison, Metro PD Chief Bade.

APPROVAL OF MINUTES

Resolution No. 201207-01

(Carried)

Motion by Councilmember Henry
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday November 23, 2020 to be circulated and placed on file.

YES Farmer, Gilbert, Hicks, Krueger, Henry, Fountain.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 201207-02

(Carried)

Motion by Councilmember Fountain
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Agenda as, amended for the Regular Council Meeting of December 07, 2020, to be circulated and placed on file.

YES: Gilbert, Hicks, Krueger, Henry, Fountain, Farmer.
NO: None. Motion Declared Carried.

CITY MANAGER’S REPORT

Resolution No. 201207-03

(Carried)

Motion by Councilmember Farmer
Second by Councilmember Henry

I Move the Swartz Creek City Council accept the City Manager’s Report of December 07, 2020, including reports and communications to be circulated and placed on file.

Discussion Ensued.

YES: Hicks, Krueger, Henry, Fountain, Farmer, Gilbert.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

None.

COUNCIL BUSINESS:

RESOLUTION IN SUPPORT OF MICHIGAN SENATE BILL NO. 661 COOPERATIVE BID

Resolution No. 201207-04

(Carried)

Motion by Mayor Pro Tem Hicks
Second by Councilmember Henry

WHEREAS, the equine industry plays an important role in the communities in which it is located by directly and indirectly supporting a broad set of local jobs, agricultural and economic activity across the spectrum of businesses and occupations; and

WHEREAS, the State of Michigan currently has no live thoroughbred licensed racing facilities which in turn costs the state revenue, business profits, personal wages, and job opportunities; and

WHEREAS, the Sports Creek Raceway Facility was an integral part of Swartz Creek’s economic landscape for over 30 years; and

WHEREAS, Sports Creek Raceway at one time employed 100 workers on live race days and 40 workers for simulcasting support services; and

WHEREAS, tax revenues produced from Sports Creek to Swartz Creek during years in which it featured live racing ranged from \$118,000 to \$425,000 annually; and

WHEREAS, in October 2018 Sports Creek Raceway was purchased by AmRace & Sports, LLC, operated by Dan Schafer, with the plan to reopen the track featuring thoroughbred racing, simulcasting and historical racing wagering opportunities as well as community horse park programs;

WHEREAS, Senate Bill 661 will permit AmRace & Sports, LLC to open the track at Sports Creek Raceway while providing funds to the Michigan Transportation Fund, the Michigan Agricultural Equine Industry Development Fund, and the Horse Racing Advisory Commission; and

WHEREAS, the passage of Senate Bill 661 will permit the Horse Racing Advisory Commission to have funds necessary to distribute grants, conduct research and promote horse racing.

NOW, THEREFORE, I MOVE that the City of Swartz Creek City Council pass this Resolution supporting Senate Bill 661 so that it may become enacted to help provide the necessary resources to allow Sports Creek Raceway to open and thoroughbred racing to get back on track in Michigan.

Discussion Ensued.

YES: Krueger, Henry, Fountain, Farmer, Gilbert, Hicks.

NO: None. Motion Declared Carried.

RESOLUTION IN SUPPORT OF THE MICHIGAN MUNICIPAL LEAGUE'S COMMUNITY STABILIZATION PLAN

Resolution No. 201207-05

(Failed)

Motion by Councilmember Gilbert

Second by Councilmember Henry

WHEREAS, the unforeseen events of COVID-19, combined with Michigan's broken municipal finance system, have pushed our communities into severe financial distress with several cities already in the process of announcing budgetary cuts, layoffs, or both and more are expected in the coming months; and

WHEREAS, the City of Swartz Creek has already taken dramatic, impactful, and exhaustive measures to ensure efficient function of its local services; including but not limited to the combining of building, police, fire, and park services; outsourcing of assessing services; general staffing reductions; and the imposition of new assessments and levies; and

WHEREAS, unless the Michigan Legislature acts quickly to pass the Community Stabilization Plan, local government bodies will be unable to conduct business, and revenue losses will result in drastic cuts to public safety, infrastructure, parks, and other vital services essential to talent attraction and quality of life.

NOW, THEREFORE, I MOVE that the City of Swartz Creek City Council endorse the Community Stabilization Plan of the MML, dated November 19, 2020 and included in the December 7, 2020 city council packet, including the provisions for the Open Meetings Act, City Income Tax provisions, and Headlee Amendment provisions.

BE IT FURTHER RESOVLED, that the City of Swartz Creek authorize and direct the Mayor to sign and address the letter of support to Governor Whitmer, Leader Shirkey, Speaker Chatfield, Leader Ananich, and Leader Greig.

Discussion Ensued.

YES: Fountain, Farmer, Hicks.

NO: Henry, Gilbert, Krueger. Motion Declared Failed.

RESOLUTION TO APPROVE A TEMPORARY ALLEY USAGE/CLOSURE PERMIT FOR THE ALLEY NORTH OF AND ADJACENT TO 8006, 8010, 8012, 8014 MILLER ROAD

Resolution No. 201207-06

(Carried)

Motion by Councilmember Fountain
Second by Councilmember Farmer

WHEREAS, the City of Swartz Creek enables closure and use of its public streets, plazas, and alleys upon application by a petitioner and approval by the city council; and

WHEREAS, the COVID pandemic has had a profound and dynamic impact on the community, including hospitality businesses that cannot provide in-person service, greatly jeopardizing the abilities of these businesses and property owners that rely on this industry; and

WHEREAS, there are grants available to enable outdoor dining, including winter service, for those business that can pursue this as an option; and

WHEREAS, the owner of 8006, 8010, 8012, and 8014 Miller Road houses two restaurant businesses that are immediately south of and adjacent to the city's public alley; and

WHEREAS, this alley is the only accessible space in which to safely accommodate outdoor service for Hank and Don's as well as JT's.

NOW, THEREFORE BE IT RESOLVED that the City of Swartz Creek hereby authorizes closure and private use, including routine maintenance (waste removal, snow removal, and general safety) of the city alley north of and adjacent to 8002, 8010, 8012, and 8014 Miller Road for the purpose of food service, including alcohol sales, inclusive of all stipulations and conditions as specified and listed within the permit dated December 3, 2020, including the provision of valid insurance that lists the City of Swartz Creek as an additionally insured party for all activities.

BE IT FURTHER RESOLVED that the closure and use of said alley shall commence immediately and be valid for 120 days.

Discussion Ensued.

YES: Henry, Fountain, Farmer, Gilbert, Hicks, Krueger.

NO: None. Motion Declared Carried.

EXCUSE COUNCILMEMBER PINKSTON

Resolution No. 201207-07

(Carried)

Motion by Councilmember Gilbert

Second by Councilmember Henry

I Move the Swartz Creek City Council excuse Councilmember Pinkston.

YES: Unanimous Voice Vote.

NO: None. Motion declared carried.

MEETING OPENED TO THE PUBLIC:

Erik Jamison, owner of 8006, 8010, 8012 & 8014 Miller Rd, thanked the council for passing the resolution.

REMARKS BY COUNCILMEMBERS:

Councilmember Henry noted a few things, a line that is tied down at Miller/Fairchild, the erosion control fabric still on areas where the street construction was and he questioned if Burkeshire Apts. where approved for the new sign. He also attended the Metro PD's last meeting and was impressed with their presentation of the budget.

Mr. Harris replied the erosion control fabric is something the Drain Commission is responsible for and will take it off when they feel it's adequate.

Mr. Zettel replied that Burkeshire Apts. did not apply for that sign and he has been in contact with the code enforcement officer about it. Fast Eddie's also put up a new sign without applying for permit and they are working on getting the proper paperwork turned in.

Councilmember Fountain is looking forward to the outdoor dining they was approved tonight, and it would be great if they could have that all year round. She appreciated the Fire Dept. doing the Christmas Parade (drive through).

Councilmember Farmer thanked the Fire Dept. for the amazing Christmas Parade. He is also excited about the outdoor dining.

Mayor Pro Tem Hicks received many compliments about the parade and the Fire Dept. did a nice job. She also prefers to continue our meetings via Zoom and feels it is not necessary to meet in person due to the pandemic. The DPW jobs list in the packet are great records. Everyone stay safe.

Councilmember Gilbert everyone stay safe. He mentioned that the streetlight across from him goes off & on all the time. Mr. Harris replied he called and order in on that light.

Mayor Krueger mentioned street light at Morrish/Miller has been out for weeks. Councilmember Henry replied that he called CE about that light already. Mayor Krueger is glad that Hank & Don's has a solution for the lack of indoor dining.

ADJOURNMENT

Resolution No. 201207-08

(Carried)

Motion by Councilmember Gilbert
Second by Councilmember Henry

I Move the Swartz Creek City Council adjourn the regular meeting at 7:55 p.m.

Unanimous Voice Vote.

David A. Krueger, Mayor

Connie Olger, City Clerk

REVENUE AND EXPENDITURE REPORT FOR CITY OF SWARTZ CREEK
PERIOD ENDING 11/30/2020

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
Fund 101 - General Fund					
000.000 - General	2,322,610.27	2,322,610.27	1,789,898.19	532,712.08	77.06
215.000 - Administration and Clerk	40.00	40.00	0.40	39.60	1.00
262.000 - Elections	0.00	0.00	5,000.00	(5,000.00)	100.00
301.000 - Police Dept	4,100.00	4,100.00	6,019.20	(1,919.20)	146.81
336.000 - Fire Department	0.00	0.00	40,883.00	(40,883.00)	100.00
345.000 - PUBLIC SAFETY BUILDING	25,050.00	25,050.00	7,180.43	17,869.57	28.66
410.000 - Building & Zoning & Planning	65,200.00	65,200.00	28,306.04	36,893.96	43.41
444.000 - Sidewalks	900.00	900.00	0.00	900.00	0.00
448.000 - Lighting	9,870.00	9,870.00	3,217.30	6,652.70	32.60
523.000 - Grass, Brush & Weeds	4,500.00	4,500.00	2,770.00	1,730.00	61.56
694.000 - Community Development Block Grant	33,300.00	33,300.00	0.00	33,300.00	0.00
728.005 - Holland Square Streetscape	40,000.00	40,000.00	40,000.00	0.00	100.00
782.000 - Facilities - Abrams Park	140.00	140.00	140.00	0.00	100.00
783.000 - Facilities - Elms Rd Park	6,700.00	6,700.00	3,180.00	3,520.00	47.46
790.000 - Facilities-Senior Center/Libr	6,200.00	6,200.00	1,631.47	4,568.53	26.31
794.000 - Community Promotions Program	0.00	0.00	1,000.00	(1,000.00)	100.00
931.000 - Transfers IN	0.00	0.00	10,574.22	(10,574.22)	100.00
TOTAL REVENUES	2,518,610.27	2,518,610.27	1,939,800.25	578,810.02	
000.000 - General	14,160.00	14,160.00	5,683.95	8,476.05	40.14
101.000 - Council	22,585.73	22,585.73	11,350.39	11,235.34	50.25
172.000 - Executive	109,424.96	252,233.81	193,052.79	59,181.02	76.54

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
215.000 - Administration and Clerk	36,221.00	36,221.00	12,356.77	23,864.23	34.11
228.000 - Information Technology	15,875.00	15,875.00	14,831.48	1,043.52	93.43
247.000 - Board of Review	3,658.85	3,658.85	322.96	3,335.89	8.83
253.000 - Treasurer	93,323.00	93,323.00	43,556.38	49,766.62	46.67
257.000 - Assessor	47,959.00	47,959.00	14,106.43	33,852.57	29.41
262.000 - Elections	47,202.00	47,202.00	35,375.75	11,826.25	74.95
266.000 - Legal Council	14,000.00	14,000.00	5,747.00	8,253.00	41.05
301.000 - Police Dept	7,900.00	7,900.00	11,775.90	(3,875.90)	149.06
301.266 - Legal Council PSFY	5,000.00	5,000.00	6,794.36	(1,794.36)	135.89
301.851 - Retiree Employer Health Care PSFY	19,670.00	19,670.00	8,972.92	10,697.08	45.62
334.000 - Metro Police Authority	1,019,475.00	1,019,475.00	253,711.00	765,764.00	24.89
336.000 - Fire Department	206,650.00	206,650.00	72,853.60	133,796.40	35.25
345.000 - PUBLIC SAFETY BUILDING	39,132.39	88,822.39	64,272.96	24,549.43	72.36
410.000 - Building & Zoning & Planning	128,884.00	128,884.00	32,994.33	95,889.67	25.60
444.000 - Sidewalks	1,200.00	1,200.00	0.00	1,200.00	0.00
448.000 - Lighting	105,000.00	105,000.00	33,188.87	71,811.13	31.61
523.000 - Grass, Brush & Weeds	1,200.00	1,200.00	550.00	650.00	45.83
694.000 - Community Development Block Grant	33,300.00	33,300.00	0.00	33,300.00	0.00
728.000 - Economic Development	0.00	0.00	55.91	(55.91)	100.00
781.000 - Facilities - Pajtas Amphitheat	1,468.00	1,468.00	986.91	481.09	67.23
782.000 - Facilities - Abrams Park	37,785.87	37,785.87	14,857.87	22,928.00	39.32
783.000 - Facilities - Elms Rd Park	80,732.00	80,732.00	26,727.94	54,004.06	33.11
784.000 - Facilities - Bicentennial Park	1,324.00	1,324.00	372.24	951.76	28.11

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
786.000 - Non-Motorized Trailway	30,000.00	49,730.00	5,780.00	43,950.00	11.62
787.000 - Veterans Memorial Park	2,840.00	2,840.00	2,060.24	779.76	72.54
788.000 - Disc Golf Park	10,000.00	10,000.00	0.00	10,000.00	0.00
790.000 - Facilities-Senior Center/Libr	36,620.58	36,620.58	10,579.05	26,041.53	28.89
793.000 - Facilities - City Hall	19,802.88	19,802.88	6,274.79	13,528.09	31.69
794.000 - Community Promotions Program	50,059.00	50,059.00	20,281.86	29,777.14	40.52
796.000 - Facilities - Cemetary	1,901.70	1,901.70	814.93	1,086.77	42.85
797.000 - Facilities - City Parking Lots	5,600.00	8,890.00	1,224.76	7,665.24	13.78
851.000 - Retired Employee Health Care	25,900.00	25,900.00	4,766.15	21,133.85	18.40
965.000 - Transfers Out	175,367.50	175,367.50	173,778.83	1,588.67	99.09
TOTAL EXPENDITURES	2,451,222.46	2,666,741.31	1,090,059.32	1,576,681.99	
Fund 101 - General Fund:					
TOTAL REVENUES	2,518,610.27	2,518,610.27	1,939,800.25	578,810.02	77.02
TOTAL EXPENDITURES	2,451,222.46	2,666,741.31	1,090,059.32	1,576,681.99	40.88
NET OF REVENUES & EXPENDITURES	67,387.81	(148,131.04)	849,740.93	(997,871.97)	
Fund 202 - Major Street Fund					
000.000 - General	450,475.00	450,475.00	148,816.73	301,658.27	33.04
441.000 - Miller Rd Park & Ride	5,000.00	5,000.00	421.96	4,578.04	8.44
474.000 - Traffic Services	0.00	0.00	364.36	(364.36)	100.00
478.000 - Snow & Ice Removal	2,400.00	2,400.00	0.00	2,400.00	0.00
TOTAL REVENUES	457,875.00	457,875.00	149,603.05	308,271.95	
228.000 - Information Technology	1,000.00	1,000.00	495.03	504.97	49.50
441.000 - Miller Rd Park & Ride	5,058.24	5,058.24	1,361.67	3,696.57	26.92
448.000 - Lighting	15,000.00	58,330.00	43,330.00	15,000.00	74.28
449.500 - Right of Way - General	10,000.00	10,000.00	3,615.00	6,385.00	36.15

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
449.501 - Right of Way - Storms	20,000.00	20,000.00	2,002.19	17,997.81	10.01
452.100 - Safe Routes to School Grant	0.00	83,200.00	0.00	83,200.00	0.00
463.000 - Routine Maint - Streets	158,025.87	158,025.87	24,405.36	133,620.51	15.44
463.307 - Oakview - Seymour to Chelmsford	50,000.00	381,689.92	381,689.92	0.00	100.00
463.308 - Winston - Oakview to Chesterfield	20,000.00	35,910.21	35,910.21	0.00	100.00
473.000 - Routine Maint - Bridges	1,000.00	1,000.00	0.00	1,000.00	0.00
474.000 - Traffic Services	40,202.00	56,021.08	12,326.63	43,694.45	22.00
478.000 - Snow & Ice Removal	81,307.00	81,307.00	1,005.29	80,301.71	1.24
482.000 - Administrative	17,762.00	17,762.00	6,017.96	11,744.04	33.88
538.500 - Intercommunity storm drains	12,500.00	12,500.00	1,125.19	11,374.81	9.00
965.000 - Transfers Out	100,000.00	100,000.00	100,000.00	0.00	100.00
TOTAL EXPENDITURES	531,855.11	1,021,804.32	613,284.45	408,519.87	
Fund 202 - Major Street Fund:					
TOTAL REVENUES	457,875.00	457,875.00	149,603.05	308,271.95	32.67
TOTAL EXPENDITURES	531,855.11	1,021,804.32	613,284.45	408,519.87	60.02
NET OF REVENUES & EXPENDITURES	(73,980.11)	(563,929.32)	(463,681.40)	(100,247.92)	
Fund 203 - Local Street Fund					
000.000 - General	143,500.00	143,500.00	54,005.32	89,494.68	37.63
449.000 - Right of Way Telecomm	15,000.00	15,000.00	0.00	15,000.00	0.00
478.000 - Snow & Ice Removal	500.00	500.00	0.00	500.00	0.00
931.000 - Transfers IN	500,000.00	500,000.00	100,000.00	400,000.00	20.00
TOTAL REVENUES	659,000.00	659,000.00	154,005.32	504,994.68	
228.000 - Information Technology	1,000.00	1,000.00	495.03	504.97	49.50
429.000 - Occupational Safety	0.00	0.00	38.10	(38.10)	100.00
448.000 - Lighting	15,000.00	22,222.00	7,222.00	15,000.00	32.50

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
449.500 - Right of Way - General	22,500.00	22,500.00	1,200.00	21,300.00	5.33
449.501 - Right of Way - Storms	0.00	0.00	659.38	(659.38)	100.00
463.000 - Routine Maint - Streets	285,870.05	285,870.05	32,579.72	253,290.33	11.40
463.107 - Chelmsford - Seymour to Oakview	50,000.00	266,777.23	266,777.23	0.00	100.00
463.108 - Oxford Court	55,000.00	119,003.95	119,003.95	0.00	100.00
474.000 - Traffic Services	20,006.00	20,130.20	4,267.40	15,862.80	21.20
478.000 - Snow & Ice Removal	68,999.00	68,999.00	958.07	68,040.93	1.39
482.000 - Administrative	20,319.75	20,319.75	4,513.40	15,806.35	22.21
538.500 - Intercommunity storm drains	10,000.00	10,000.00	1,125.19	8,874.81	11.25
TOTAL EXPENDITURES	548,694.80	836,822.18	438,839.47	397,982.71	
Fund 203 - Local Street Fund:					
TOTAL REVENUES	659,000.00	659,000.00	154,005.32	504,994.68	23.37
TOTAL EXPENDITURES	548,694.80	836,822.18	438,839.47	397,982.71	52.44
NET OF REVENUES & EXPENDITURES	110,305.20	(177,822.18)	(284,834.15)	107,011.97	
Fund 204 - MUNICIPAL STREET FUND					
000.000 - General	651,580.00	651,580.00	668,427.43	(16,847.43)	102.59
TOTAL REVENUES	651,580.00	651,580.00	668,427.43	(16,847.43)	
905.000 - Debt Service	167,917.11	167,917.11	12,893.97	155,023.14	7.68
965.000 - Transfers Out	500,000.00	500,000.00	0.00	500,000.00	0.00
TOTAL EXPENDITURES	667,917.11	667,917.11	12,893.97	655,023.14	
Fund 204 - MUNICIPAL STREET FUND:					
TOTAL REVENUES	651,580.00	651,580.00	668,427.43	(16,847.43)	102.59
TOTAL EXPENDITURES	667,917.11	667,917.11	12,893.97	655,023.14	1.93
NET OF REVENUES & EXPENDITURES	(16,337.11)	(16,337.11)	655,533.46	(671,870.57)	
Fund 226 - Garbage Fund					
000.000 - General	415,025.00	415,025.00	423,119.37	(8,094.37)	101.95
TOTAL REVENUES	415,025.00	415,025.00	423,119.37	(8,094.37)	

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
000.000 - General	10,036.75	10,036.75	10,036.75	0.00	100.00
101.000 - Council	3,169.93	3,169.93	1,966.49	1,203.44	62.04
172.000 - Executive	7,850.00	7,850.00	3,808.59	4,041.41	48.52
215.000 - Administration and Clerk	3,735.00	3,735.00	1,885.69	1,849.31	50.49
228.000 - Information Technology	2,075.00	2,075.00	1,375.39	699.61	66.28
253.000 - Treasurer	15,705.00	15,705.00	8,083.79	7,621.21	51.47
257.000 - Assessor	800.00	800.00	0.00	800.00	0.00
528.000 - Sanitation Collection	292,202.58	292,202.58	108,547.75	183,654.83	37.15
530.000 - Wood Chipping	52,484.50	52,484.50	21,067.43	31,417.07	40.14
782.000 - Facilities - Abrams Park	9,092.00	9,092.00	4,389.31	4,702.69	48.28
783.000 - Facilities - Elms Rd Park	12,140.00	12,140.00	6,627.00	5,513.00	54.59
793.000 - Facilities - City Hall	4,045.09	4,045.09	1,489.83	2,555.26	36.83
TOTAL EXPENDITURES	413,335.85	413,335.85	169,278.02	244,057.83	
Fund 226 - Garbage Fund:					
TOTAL REVENUES	415,025.00	415,025.00	423,119.37	(8,094.37)	101.95
TOTAL EXPENDITURES	413,335.85	413,335.85	169,278.02	244,057.83	40.95
NET OF REVENUES & EXPENDITURES	1,689.15	1,689.15	253,841.35	(252,152.20)	
Fund 248 - Downtown Development Fund					
000.000 - General	66,962.00	66,962.00	50,319.98	16,642.02	75.15
728.004 - Family Movie Night	2,000.00	2,000.00	0.00	2,000.00	0.00
TOTAL REVENUES	68,962.00	68,962.00	50,319.98	18,642.02	
173.000 - DDA Administration	2,820.00	2,820.00	2,515.50	304.50	89.20
728.002 - Streetscape	40,945.00	40,945.00	40,000.00	945.00	97.69
728.004 - Family Movie Night	3,450.00	11,510.00	4,880.00	6,630.00	42.40
TOTAL EXPENDITURES	47,215.00	55,275.00	47,395.50	7,879.50	

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
Fund 248 - Downtown Development Fund:					
TOTAL REVENUES	68,962.00	68,962.00	50,319.98	18,642.02	72.97
TOTAL EXPENDITURES	47,215.00	55,275.00	47,395.50	7,879.50	85.74
NET OF REVENUES & EXPENDITURES	21,747.00	13,687.00	2,924.48	10,762.52	
Fund 350 - City Hall Debt Fund					
000.000 - General	7.00	7.00	1.68	5.32	24.00
931.000 - Transfers IN	100,357.50	100,357.50	98,778.83	1,578.67	98.43
TOTAL REVENUES	100,364.50	100,364.50	98,780.51	1,583.99	
905.000 - Debt Service	101,117.50	101,117.50	2,683.75	98,433.75	2.65
TOTAL EXPENDITURES	101,117.50	101,117.50	2,683.75	98,433.75	
Fund 350 - City Hall Debt Fund:					
TOTAL REVENUES	100,364.50	100,364.50	98,780.51	1,583.99	98.42
TOTAL EXPENDITURES	101,117.50	101,117.50	2,683.75	98,433.75	2.65
NET OF REVENUES & EXPENDITURES	(753.00)	(753.00)	96,096.76	(96,849.76)	
Fund 402 - Fire Equip Replacement Fund					
000.000 - General	11.00	11.00	6.28	4.72	57.09
931.000 - Transfers IN	75,000.00	75,000.00	75,000.00	0.00	100.00
TOTAL REVENUES	75,011.00	75,011.00	75,006.28	4.72	
336.000 - Fire Department	3,500.00	3,500.00	0.00	3,500.00	0.00
TOTAL EXPENDITURES	3,500.00	3,500.00	0.00	3,500.00	
Fund 402 - Fire Equip Replacement Fund:					
TOTAL REVENUES	75,011.00	75,011.00	75,006.28	4.72	99.99
TOTAL EXPENDITURES	3,500.00	3,500.00	0.00	3,500.00	0.00
NET OF REVENUES & EXPENDITURES	71,511.00	71,511.00	75,006.28	(3,495.28)	
Fund 590 - Water Supply Fund					
000.000 - General	6,000.00	6,000.00	430.10	5,569.90	7.17
540.000 - Water System	2,226,000.00	2,226,000.00	604,719.56	1,621,280.44	27.17
TOTAL REVENUES	2,232,000.00	2,232,000.00	605,149.66	1,626,850.34	
000.000 - General	25,091.88	25,091.88	25,088.46	3.42	99.99

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
101.000 - Council	13,503.00	13,503.00	4,917.21	8,585.79	36.42
172.000 - Executive	29,826.00	29,826.00	14,079.36	15,746.64	47.20
215.000 - Administration and Clerk	19,583.00	19,583.00	6,614.74	12,968.26	33.78
228.000 - Information Technology	5,675.00	5,675.00	3,724.02	1,950.98	65.62
253.000 - Treasurer	56,381.50	56,381.50	25,514.35	30,867.15	45.25
540.000 - Water System	2,037,955.66	2,037,955.66	491,942.06	1,546,013.60	24.14
542.000 - Read and Bill	51,475.00	51,475.00	8,298.94	43,176.06	16.12
543.230 - Water Main Repair USDA Grant	243,800.00	623,683.99	623,983.99	(300.00)	100.05
793.000 - Facilities - City Hall	10,289.20	10,289.20	3,661.11	6,628.09	35.58
905.000 - Debt Service	99,579.23	99,579.23	8,163.32	91,415.91	8.20
TOTAL EXPENDITURES	2,593,159.47	2,973,043.46	1,215,987.56	1,757,055.90	
Fund 590 - Water Supply Fund:					
TOTAL REVENUES	2,232,000.00	2,232,000.00	605,149.66	1,626,850.34	27.11
TOTAL EXPENDITURES	2,593,159.47	2,973,043.46	1,215,987.56	1,757,055.90	40.90
NET OF REVENUES & EXPENDITURES	(361,159.47)	(741,043.46)	(610,837.90)	(130,205.56)	
Fund 591 - Sanitary Sewer Fund					
000.000 - General	5,700.00	5,700.00	1,059.93	4,640.07	18.60
536.000 - Sewer System	1,267,000.00	1,267,000.00	347,593.96	919,406.04	27.43
TOTAL REVENUES	1,272,700.00	1,272,700.00	348,653.89	924,046.11	
000.000 - General	25,091.88	25,091.88	25,089.41	2.47	99.99
101.000 - Council	12,930.82	12,930.82	4,916.33	8,014.49	38.02
172.000 - Executive	29,964.00	29,964.00	13,823.82	16,140.18	46.13
215.000 - Administration and Clerk	18,433.00	18,433.00	6,614.90	11,818.10	35.89
228.000 - Information Technology	5,375.00	5,375.00	3,724.02	1,650.98	69.28
253.000 - Treasurer	55,919.00	55,919.00	25,514.35	30,404.65	45.63

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED
536.000 - Sewer System	994,754.59	994,754.59	186,927.54	807,827.05	18.79
537.000 - Sewer Lift Stations	10,982.00	10,982.00	3,553.14	7,428.86	32.35
542.000 - Read and Bill	63,122.00	63,122.00	25,274.78	37,847.22	40.04
543.310 - Sewer District Rehabilitation	0.00	26,263.00	22,361.50	3,901.50	85.14
543.400 - Reline Existing Sewers	183,128.00	183,128.00	0.00	183,128.00	0.00
543.401 - Flush & TV Sewers	90,000.00	90,000.00	14,058.00	75,942.00	15.62
793.000 - Facilities - City Hall	9,790.16	9,790.16	3,643.71	6,146.45	37.22
TOTAL EXPENDITURES	1,499,490.45	1,525,753.45	335,501.50	1,190,251.95	
Fund 591 - Sanitary Sewer Fund:					
TOTAL REVENUES	1,272,700.00	1,272,700.00	348,653.89	924,046.11	27.39
TOTAL EXPENDITURES	1,499,490.45	1,525,753.45	335,501.50	1,190,251.95	21.99
NET OF REVENUES & EXPENDITURES	(226,790.45)	(253,053.45)	13,152.39	(266,205.84)	
Fund 661 - Motor Pool Fund					
000.000 - General	234,250.00	234,250.00	62,790.81	171,459.19	26.81
TOTAL REVENUES	234,250.00	234,250.00	62,790.81	171,459.19	
172.000 - Executive	10,300.00	10,300.00	9,736.00	564.00	94.52
228.000 - Information Technology	1,070.00	1,070.00	608.28	461.72	56.85
253.000 - Treasurer	7,788.00	7,788.00	3,008.12	4,779.88	38.63
795.000 - Facilities - City Garage	386,681.00	386,681.00	57,676.49	329,004.51	14.92
TOTAL EXPENDITURES	405,839.00	405,839.00	71,028.89	334,810.11	
Fund 661 - Motor Pool Fund:					
TOTAL REVENUES	234,250.00	234,250.00	62,790.81	171,459.19	26.81
TOTAL EXPENDITURES	405,839.00	405,839.00	71,028.89	334,810.11	17.50
NET OF REVENUES & EXPENDITURES	(171,589.00)	(171,589.00)	(8,238.08)	(163,350.92)	
Fund 865 - Sidewalks					
965.000 - Transfers Out	0.00	0.00	1,519.22	(1,519.22)	100.00
TOTAL EXPENDITURES	0.00	0.00	1,519.22	(1,519.22)	

GL NUMBER	2020-21 ORIGINAL BUDGET	2020-21 AMENDED BUDGET	YTD BALANCE 11/30/2020	AVAILABLE BALANCE	% BDGT USED

Fund 865 - Sidewalks:					
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	1,519.22	(1,519.22)	100.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	(1,519.22)	1,519.22	

Fund 866 - Weed Fund					
965.000 - Transfers Out	0.00	0.00	9,055.00	(9,055.00)	100.00
TOTAL EXPENDITURES	0.00	0.00	9,055.00	(9,055.00)	

Fund 866 - Weed Fund:					
TOTAL REVENUES	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	0.00	0.00	9,055.00	(9,055.00)	100.00
NET OF REVENUES & EXPENDITURES	0.00	0.00	(9,055.00)	9,055.00	



Local Government Approval
(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new on-premises license application, certain types of license classification transfers, and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a _____ meeting of the _____ council/board
(regular or special) (township, city, village)
called to order by _____ on _____ at _____
the following resolution was offered:
(date) (time)

Moved by _____ and supported by _____

that the application from THE SMOOTHIE SHOP LLC
(name of applicant - if a corporation or limited liability company, please state the company name)

for the following license(s): CLASS C, SDM
(list specific licenses requested)

to be located at: 8048 MILLER RD SUITE A, SWARTZ CREEK, MI 48473

and the following permit, if applied for:

Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it _____ this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the _____
council/board at a _____ meeting held on _____ (township, city, village)
(regular or special) (date)

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

City Council Packet Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933 December 14, 2020

Fax to: 517-763-0059



December 1, 2020

Adam Zettel, AICP
City Manager
City of Swartz Creek
8083 Civic Drive
Swartz Creek, Michigan 48473

Attention: **Mr. Zettel:**
City Manager

Regarding: **Water Master Plan Update and America's Water Infrastructure Act Requirements**
Scope of Engineering Services

Dear Mr. Zettel:

Thank you for the opportunity to provide this professional services proposal for the preparation of a Water System Master Plan and the documents needed for compliance with America's Water Infrastructure Act of 2018 (AWIA) for the City of Swartz Creek (City).

The Water Master Plan will address the requirements of the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Safe Drinking Water Act (Act 399) for both the Water Reliability Study (Part 12) and General Plan (Part 16) portions. This Water Master plan will ultimately be used by the City to address high-priority asset needs that are critical to the City's infrastructure performance, hydraulic capacity, and planning for future capital and operating expenditures. The City last completed an update in 2013.

Under AWIA, the City is required to prepare a Risk and Resilience Assessment (RRA) and Emergency Response Plan (ERP). The City must certify to the Environmental Protection Agency (EPA) that the RRA has been completed by June 30, 2021. The certification that the ERP has been completed is due 6 months after RRA certification. The RRA identifies key water system assets and potential threats to those assets, and the Emergency Response Plan identifies the procedures and processes the City will employ to address the identified threats.

We understand the City's water supply consists of three meter pits receiving water from the Genesee County Drain Commissioner. The system includes approximately 35 miles of water main ranging from 6 inch to 12 inch diameter. There is one inactive elevated storage facility in the City which was taken off-line in 1994.

SCOPE OF SERVICE

OHM's scope of services necessary to complete the Water Master Plan and assist the City in complying with the AWIA requirements are listed below:

Task 1: Project Initiation and Data Review

Under this task, OHM will initiate the project and obtain necessary information to proceed. Specific work efforts include:

- ▶ Organize and attend a kick-off meeting with City staff to review project goals, objectives, and project schedule.
- ▶ Obtain necessary updated planning information to perform population projections and water demand calculations.
- ▶ Obtain desired fire protection rates and zoning information.
- ▶ Obtain and review updated water system GIS information.



- ▼ Review the current status of the water system data and identify required information to be updated.
- ▼ Review AWIA requirements, designate key City staff contacts and involvement (Information Technology, Finance, Operations, Administration, DPS) based on expertise and establish a specific timetable for AWIA related tasks.

Task 2: Planning and Demand Projections

Under this task, OHM will evaluate and analyze updated population and consumption data. OHM, with the assistance of City staff, will compile updated planning data that will be used in creation of water system demand projections. Under this task, OHM will assemble, evaluate, and analyze water demand and water system capacities to determine the sufficiency of the water system to meet existing and future needs. OHM will use existing data to determine the City's average day, maximum day and peak hour demands. Five (5) year and 20-year demands will be scaled based upon population projections. Similar maximum day and peak hour peaking factors based on existing conditions will be utilized. It will also be necessary to analyze water billing records. This is needed to determine water loss within the system, to provide a breakdown of water use by different customer classes, and to identify the top water users in the system. We assume that billing record data will be available for these calculations.

Specific work efforts include:

- ▼ Compile and report all planning data as required by the provisions in Act 399. These items include the following:
 - a. Current, 5-year, and 20-year population based upon the Genesee County Metropolitan Planning Commission population projections and City input.
 - b. Number of service connections and annual usage totals for each customer class as determined by the public water supply.
- ▼ Compile and report all water production and consumption data (current, 5-year, and 20-year planning periods) as required by the provisions in Act 399. These items include the following:
 - a. Present and projected average daily demands.
 - b. Present and projected maximum daily demands.
 - c. Present and projected peak hourly demands.
 - d. Present and projected fire flow demands.
 - e. Basis for demand projections.
 - f. Monthly and annual water purchase.
- ▼ Determine if the system has adequate supply and transmission capacity
- ▼ Analyze non-revenue water

Task 3: Hydraulic Model Development

OHM proposes to use the most updated City GIS and create a new water model in InfoWater. C-factors and relevant operational data will be incorporated into the new model from the existing City model. Knowledge about pipe material and age available from mapping and discussions with the operators will need to be added to meet General Plan requirements.

Updated existing average day water demand, operating criteria, and elevation data will be input into the water model to simulate pressures and available fire protection under current conditions. Operational criteria will be obtained from the City, such as source pressures, to be used for modeling. It is important that these operating set points be properly input into the water system model. The model will then be calibrated based on hydrant flow test data. OHM will provide suggested hydrants for testing and assist the City with the flow tests. One day of field work for hydrant flow testing is included in this proposal. Water demand scenarios for average day, maximum day, and peak hour for existing, 5-year, and 20-year planning periods will be created for the hydraulic modeling effort.

As part of the General Plan requirements, a map displaying water main size, material, and age will be created from the City's GIS. Hydrants and valves and other key water system components will be included to the extent available.

Specific work efforts include the following:

- ▼ Build a new hydraulic model.



- ▼ Create water demand scenarios for average day, maximum day, and peak hour for existing, 5-year, and 20-year planning periods in the model.
- ▼ Input of operational settings.
- ▼ Identification of hydrants to be flow tested.
- ▼ Provide equipment and assistance with hydrant flow testing.
- ▼ Model calibration.
- ▼ Creation of General Plan map.

Task 4: Hydraulic Analysis

Once the model has been created and calibrated, it will be used to determine anticipated system pressures during average day, maximum day, and peak hour for existing conditions. Available fire protection during a maximum day demand period will also be shown. Deficiencies in pressure or areas of fire protection concern will be identified for existing conditions. The model will also be run to assess system pressure and available fire protection for the 5-year and 20-year planning periods, as required by EGLE.

OHM will meet with the City after areas of concern from the existing conditions model are identified. Proposed water system improvements to fix existing pressure concerns (either too low or too high) and to improve desired fire protection rates will be initially based on existing conditions. Once the hydraulic driven improvements are identified and agreed to with the City, the model will be updated to include those improvements and the 5-year and 20-year future water demand scenarios will be modeled. If other hydraulic driven improvements are needed based on these future scenarios, they will be noted and presented. Once all hydraulic driven system improvements have been identified and incorporated in the water model, the pressure maps and fire protection maps will be updated for the existing, 5-year, and 20-year future projections, as required.

Specific work efforts include the following:

- ▼ Perform model analyses for average day, maximum day, and peak hour demand scenarios for existing, 5-year, and 20-year planning periods.
- ▼ Perform fire protection model analyzes for existing, 5-year, and 20-year planning periods.
- ▼ Identification of capital improvements needed to address pressure or fire protection concerns for the three planning periods.
- ▼ Creation of pressure and fire protection maps summarizing the model results.

Task 5: Development of Water Master Plan Report

A new Water Master Plan report will be created that encompasses the findings and results from the project tasks. The report will generally include the following core components:

1. Water Reliability Study Requirements
 - a. Water demand and population projections
 - b. Ability of existing system to meet needs
 - c. Water loss
2. General Plan Requirements
 - a. Hydraulic modeling results
 - b. Asset management plan results – OHM intends to utilize the 2018 AMP findings to comply with this aspect of the General Plan requirements
3. Capital Improvement Plan (5-year and 20-year)
 - a. Hydraulic recommendations
 - b. Asset management plan recommendations from the City’s 2018 AMP
 - c. City desired projects
 - d. Regulatory driven projects
 - e. Planning level costs
 - f. CIP map



The report will also include figures displaying the required General Plan map, pressure contours, available fire protection, and a CIP map. The report will include the required information that EGLE needs for approval.

Task 6: Risk and Resilience Assessment

Under this task, OHM will advise the City in the completion of the RRA through a series of workshops and online tools. We propose to use EPA's Voluntary Self-Assessment Tool (VSAT) to quantify the system's risk of and resilience to malevolent acts or natural hazards. American Water Works Association's (AWWA) Water Sector Cybersecurity Risk Management Tool was designed to support utilities in developing their cybersecurity risk management strategy while also facilitating compliance with the cybersecurity provisions in AWIA. This tool will be completed by the City with assistance from OHM.

Specific work efforts under this task include:

- ▶ Identify and pair 4-6 critical assets with up to three threats each.
- ▶ Workshop with City Staff on Consequence, Threat Likelihood, Vulnerability using definitions from AWWA's J100 Standard.
- ▶ Workshop with City Staff to discuss countermeasures and recommend actions, procedures, and equipment which can prevent or significantly lessen the impact of a malevolent act or natural hazard.
- ▶ Workshop with City Staff to document City responses to Cybersecurity Management.
- ▶ Facilitate interactions between the City and emergency response agencies as appropriate.
- ▶ Compile Final Report for internal City.

OHM will compile a final RRA report for internal City use and reference. Per requirements, the City will certify completion to EPA via an approved submission process.

Task 7: Emergency Response Plan Assistance

The City has an existing EGLE-approved Community Water Supply Emergency Response Plan however the requirements differ from the EPA ERP requirements. The EGLE document will serve as a resource to begin developing the EPA ERP. OHM will provide support to City staff during development of the required EPA ERP components by providing guidance materials and attending up to two meetings with key staff and invited partners. OHM intends to use EPA's ERP Template as guidance for the development of this report. The ERP will describe the following:

- ▶ Strategies – Resilience strategies incorporate how you will assign roles and responsibilities, how you will work with response partners, and how you intend to communicate both internally and externally during an incident.
- ▶ Plans and Procedures – This will document plans, procedures, and equipment that can be used in the event of a malevolent act or natural hazard. Two types of emergency response plans and procedures should be considered as part of the ERP: Core and Incident-specific. The Core procedures can apply across a variety of incidents and address things like site access, cybersecurity, and power loss. Incident-specific procedures are specialized field ready plans tailored to a particular type of incident like flooding at a facility or a tornado.
- ▶ Mitigation Actions – These actions will be based on the results of the RRA developed in Task 9.
- ▶ Detection Strategies – These strategies will aid in the detection of malevolent acts or natural hazards identified during the RRA.

OHM will compile a final ERP report for internal City use and reference. Per requirements, the City will certify completion to EPA via an approved submission process.

SCHEDULE

Assuming authorization by January 1, 2021, and hydrants available for flow testing (no issues with winterizing schedule) OHM proposes to submit the final Water Master Plan report deliverable to the City and EGLE no later than June 14, 2021. OHM proposes to also submit the final RRA report to the City by June 11, 2021 and certify completion to the EPA



by June 18, 2021 (deadline is June 30, 2021). OHM will work with the City to complete the ERP in order to allow certification within 6 months of the certification of the RRA and no later than December 31, 2021 as required by the AWIA. This schedule is based on timely responses from the City when information requests are verbally or formally submitted. As outlined in the Scope of Services, on-going involvement is needed from the City to maintain task progress and schedule.

COVID-19 DISCLAIMER

As we submit this proposal, the world is still in the midst of the Covid-19 health crisis and we believe there is an increased risk for potential schedule impacts. The project schedule is made with the understanding that virtual meetings may be necessary. Our team, like the City, has adjusted our workflow logistics and our teams are working remotely in an effective manner. However, be aware that schedule impacts from elements such as required resource agencies, and key staff illness that neither OHM Advisors nor the City have control over are more likely in the current environment. We will communicate proactively, clearly identify project issues as they arise, and work with the City’s staff to develop a plan to deal with unforeseen issues.

COMPENSATION

The services outlined above will be performed on an hourly basis for the not-to-exceed amount of twenty-eight thousand and four-hundred dollars (\$28,400.00). This amount is based on the assumptions listed below. The City will be invoiced for services on a monthly basis. The estimated budget breakdown is as follows:

Task 1 – Project Initiation and Data Review	\$ 1,800
Task 2– Planning and Demand Projections	\$ 2,400
Task 3 – Hydraulic Model Development	\$ 5,500
Task 4 – Hydraulic Analysis	\$ 3,300
Task 5 – Development of Water Master Plan Report	\$ 6,700
Task 6 – Risk and Resilience Assessment	\$ 4,700
Task 7 – Emergency Response Plan Assistance	\$ 4,000
Total	\$ 28,400

This proposed work will be done in accordance with our Continuing Services Agreement with the City of Swartz Creek.

FURTHER CLARIFICATIONS AND ASSUMPTIONS

The above-listed scope of services was prepared with the following assumptions:

Water Master Plan Update

- ▶ The City will provide all necessary water system demand information and operating criteria necessary for model analysis. During model updates and calibration, connectivity will be assumed at all intersections unless other data is provided.
- ▶ The City will update their system GIS with material and install date information.
- ▶ The City will perform hydrant flow testing with assistance from OHM Advisors’ field staff.

AWIA RRA and ERP

- ▶ The City will provide the most recent Emergency Response Plan submitted to EGLE, the 2004 Homeland Security plan, applicable Genesee County emergency plans, and any other supporting, relevant documents.
- ▶ Key City Staff will fully participate in proposed workshops and provide data and information, as necessary.



OHM will be pleased to provide any additional services for this project on an hourly basis. Services not included in this proposal:

- a. Additional field verification, assistance, or data collection.
- b. Model trouble shooting due to data availability and/or connectivity issues.
- c. Other requested tasks, meetings, or efforts not outlined in the above scope of services.

Should you find this agreement acceptable, please sign the authorization below and return a copy to us for our files. We look forward to providing professional services on this project. If you have any questions, please contact us.

Sincerely,
OHM Advisors

Mark A. Landis, P.E.
Project Manager

cc: Andrew Harris, Director of Community Services
Vicki Putala, OHM
File

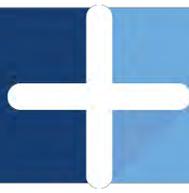
**City of Swartz Creek
Water System Master Plan and AWIA Requirements**

Accepted By: _____

Printed Name: _____

Title: _____

Date: _____



Headlee Rollback and Headlee Override

Introduction

The term “Headlee Rollback” became part of municipal finance lexicon in 1978 with the passage of the Headlee Amendment to Michigan’s Constitution. In a nutshell, Headlee requires a local unit of government to reduce its millage when annual growth on existing property is greater than the rate of inflation. As a consequence, the local unit’s millage rate gets “rolled back” so that the resulting growth in property tax revenue, community-wide, is no more than the rate of inflation. A “Headlee override” is a vote by the electors to return the millage to the amount originally authorized via charter, state statute, or a vote of the people, and is necessary to counteract the effects of the “Headlee Rollback.”

Impact of Headlee Amendment

Since the passage of the Headlee Amendment, units of government are required to annually calculate a Headlee rollback factor. The annual factor is then added to Headlee rollback factors determined in prior years resulting in a cumulative Headlee rollback factor sometimes referred to as the “millage reduction fraction.” This total “millage reduction fraction” is then applied to the millage originally authorized by charter, state statute, or a vote of the people. In summary, the actual mills available to be levied by a unit of local government is the product of the authorized millage rate times the total millage reduction fraction. This is known as the “Headlee maximum allowable millage.”

Impact of Proposal A

Prior to Proposal A legislation passed in 1994, local governments were allowed to “roll up” their millage rates when growth on existing property was less than inflation. “Roll ups” were a self-correcting mechanism that allowed local governments to naturally recapture taxing authority lost due to Headlee rollbacks in prior years. A local government could only “roll up” its millage rate to the amount originally authorized by charter, state statute, or a vote of the people.

Additions to taxable value (such as newly constructed property) are typically excluded (or exempt) from the Headlee roll back calculation. The 1994 General Property Tax Act changes did not specifically define “uncapped values” (increases resulting primarily from property transfers) as exempt.

Result

Although it might appear that a community with an annual increase in uncapped property values would benefit monetarily, uncapped values are treated as growth on existing property and trigger Headlee rollbacks. For local governments levying at their Headlee maximum authorized millage, rolling back the maximum authorized millage rate reduces the revenue that would have been generated from these increased property values. The increase in the taxable value of property not transferred is capped at the lesser of inflation or five percent. Even though the taxable value of a particular piece of property increases at the rate of inflation, the millage rate for the entire community is “rolled back” as a result of the increase in the total taxable value of the community. The net result—a less than inflationary increase in the actual dollars received from property taxes. Consequently, the 1994 change to the General Property Tax Act has prevented local governments from being able to share the benefits of any substantial market growth in existing property values.

Based on System Failure: Michigan’s Broken Municipal Finance Model. Prepared for the Michigan Municipal League by Plante and Moran, PLLC, March, 2004



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

**Bulletin 15 of 2018
Inflation Rate Multiplier
October 22, 2018**

TO: Assessors and Equalization Directors

FROM: State Tax Commission

RE: Inflation Rate Multiplier for use in the 2019 capped value formula and the “Headlee” Millage Reduction Fraction (MRF) formula

Note: The Calculation of the Inflation Rate Multiplier is set in statute. MCL 211.34d states:
 (l) "Inflation rate" means the ratio of the general price level for the state fiscal year ending in the calendar year immediately preceding the current year divided by the general price level for the state fiscal year ending in the calendar year before the year immediately preceding the current year.
 (f) "General price level" means the annual average of the 12 monthly values for the United States consumer price index for all urban consumers as defined and officially reported by the United States department of labor, bureau of labor statistics.

Based on this statutory requirement, the calculation for 2019 is as follows:

1. The 12 monthly values for October 2016 through September 2017 are averaged.
2. The 12 monthly values for October 2017 through September 2018 are averaged.
3. The ratio is calculated by dividing the average of column 2 by the average of column 1.

The specific numbers from the US Department of Labor, Bureau of Labor Statistics are as follows:

Oct-16	241.729	Oct-17	246.663
Nov-16	241.353	Nov-17	246.669
Dec-16	241.432	Dec-17	246.524
Jan-17	242.839	Jan-18	247.867
Feb-17	243.603	Feb-18	248.991
Mar-17	243.801	Mar-18	249.554
Apr-17	244.524	Apr-18	250.546
May-17	244.733	May-18	251.588
Jun-17	244.955	Jun-18	251.989
Jul-17	244.786	Jul-18	252.006
Aug-17	245.519	Aug-18	252.146
Sep-17	<u>246.819</u>	Sep-18	<u>252.439</u>
Average	243.841	Average	249.749
		Ratio	1.024
		% Change	2.4%

Local units cannot develop or adopt or use an inflation rate multiplier other than 1.024 in 2019. It is not acceptable for local units to indicate to taxpayers that you do not know how the multiplier is developed.

➤ **Inflation Rate Multiplier Used in the 2019 Capped Value Formula**

The inflation rate, expressed as a multiplier, to be used in the 2019 Capped Value Formula is 1.024.

The 2019 Capped Value Formula is as follows:

$$\mathbf{2019\ CAPPED\ VALUE = (2018\ Taxable\ Value - LOSSES) \times 1.024 + ADDITIONS}$$

The formula above does not include 1.05 because the inflation rate multiplier of 1.024 is lower than 1.05.

➤ **Inflation Rate Multiplier Used in 2019 “Headlee” Calculations**

The inflation rate multiplier of 1.024 shall ALSO be used in the calculation of the 2019 “Headlee” Millage Reduction Fraction required by Michigan Compiled Law (MCL) 211.34d. The formula for calculating the 2019 “Headlee” Millage Reduction Fraction (MRF) is as follows:

$$\mathbf{2019\ MRF = \frac{(2018\ Taxable\ Value - LOSSES) \times 1.024}{2019\ Taxable\ Value - ADDITIONS}}$$

- The following is a listing of the inflation rate multipliers used in the Capped Value and "Headlee" calculations since the start of Proposal A:

1995	1.026
1996	1.028
1997	1.028
1998	1.027
1999	1.016
2000	1.019
2001	1.032
2002	1.032
2003	1.015
2004	1.023
2005	1.023
2006	1.033
2007	1.037
2008	1.023
2009	1.044
2010	0.997
2011	1.017
2012	1.027
2013	1.024
2014	1.016
2015	1.016
2016	1.003
2017	1.009
2018	1.021
2019	1.024

**CITY OF CHARLOTTE
HEADLEE OVERRIDE BALLOT PROPOSAL**

Shall the authorized charter millage for the City of Charlotte, established at 15 mills (\$15.00 per \$1,000 of taxable value) and reduced to 14.2913 mills (\$14.2913 per \$1,000 of taxable value), by the required millage rollbacks, be increased in an amount not to exceed .7087 mills (\$.7087 per \$1,000 of taxable value) to restore the full amount of the original authorized charter rate for each year for three (3) years, 2012 to 2014, inclusive, for all City and municipal purposes authorized by law; and shall the City levy such new additional millage? The estimate of the revenue the City will collect if the millage is authorized and levied by the City in the 2012 calendar year is approximately \$159,800, a portion of which (\$2,000) will be disbursed to the Charlotte Downtown Development Authority and a portion (\$2,300) which will be disbursed to the Charlotte Local Development Finance Authority.