City of Swartz Creek
AGENDA
Regular Council Meeting, Monday, November 23, 2026, 7:00 P.M.
Paul D. Bueche Municipal Building, 8083 Civic Drive Swartz Creek, Michigan 48473
THIS WILL BE A HYBRID MEETING, WITH IN PERSON ATTENDANCE BY COUNCIL MEMBERS.

1. CALL TO ORDER:

2. INVOCATION & PLEDGE OF ALLEGIANCE:

3. ROLL CALL:

4. MOTION TO APPROVE MINUTES:

4A.	Council Meeting of November 9, 2026	MOTION	Pg. 36

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. 41
6C.	Social District Application (S&K)		Pg. 43
6E.	Health Care PA 152 of 2011 and Benefit Comparison Overview		Pg. 50
6E.	Fiscal Year 2026 Audit Materials		Attached

7. MEETING OPENED TO THE PUBLIC:

8. COUNCIL BUSINESS:

8A.	Fiscal Year 2026 Audit	PRESENTATION	
8B.	Acceptance of Fiscal Year 2026 Audit	RESO	Pg. 31
8C.	2027 Medical Benefit Declaration	RESO	Pg. 32
8D.	Clerk Compensation Adjustment	RESO	Pg. 33
8E.	Social District Permit Application	RESO	Pg. 34

9. MEETING OPENED TO THE PUBLIC:

10. REMARKS BY COUNCILMEMBERS:

11. ADJOURNMENT: MOTION Pg. 35

Next Month Calendar *(Public Welcome at All Meetings)*

Planning Commission:	Tuesday, December 1, 2026, 7:00 p.m., PDBMB
City Council:	Monday, December 7, 2026, 7:00 p.m., PDBMB
Metro Police Board:	Wednesday, December 9, 2026, 11:00 a.m., Metro PD (Two weeks early)
Downtown Development Authority:	Thursday, December 10, 2026, 6:00 p.m. PDBMB
City Council:	Monday, December 14, 2026, 7:00 p.m., PDBMB
Park Board:	Tuesday, December 15, 2026, 5:30 p.m., PDBMB
Zoning Board of Appeals:	Wednesday, December 16, 2026, 6:00 p.m., PDBMB
Fire Board:	Monday, December 21, 2026, 6:00 p.m., Station #1

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, NOVEMBER 23, 2026, 7:00 P.M.

The regular meeting of the City of Swartz Creek city council is scheduled for **November 23, 2026** starting at 7:00 p.m. and will be conducted in hybrid form. The meeting will be available virtually (online and/or by phone). Council members and staff must attend in-person. The general public may attend in-person or virtually.

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 Jacquie Forrest, 810.635.4464, 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 provided 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.

The City of Swartz Creek is inviting you to a scheduled Zoom meeting.

Topic: Swartz Creek City Council Meeting
Time: November 23, 2026 at 7:00 PM Eastern Time (US and Canada)

Join Zoom Meeting
https://us02web.zoom.us/j/83096401128

Meeting ID: 830 9640 1128

One tap mobile
+13017158592,,83096401128# US (Washington DC)
+13126266799,,83096401128# US (Chicago)

Dial by your location
+1 301 715 8592 US (Washington DC)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston)
+1 669 900 6833 US (San Jose)

Meeting ID: 830 9640 1128

Find your local number: https://us02web.zoom.us/u/kz4Jb4etg

If you have any further questions or concerns, please contact 810-429-2766 or email jforrest@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) 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 virtual application or by dialing *9 on their phone, if applicable.

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 who 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, November 23, 2026 - 7:00 P.M.

TO: ***Honorable Mayor, Mayor Pro-Tem & Council Members***
FROM: **Adam Zettel, City Manager**
DATE: **November 18, 2026**

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

- ✓ **MICHIGAN TAX TRIBUNAL APPEALS** ***(Update)***
  Our assessor has reviewed the values and offered a settlement to the owner's representative. We have not heard back yet. The previous report follows.

  We have an appeal from McDonalds. I discussed our strategy with Heather, and she indicates that this is a smaller appeal that does not warrant the appraisals and investment of some of the previous commercial appeals. She believes she can negotiate this at or about an agreeable value based upon comparable properties in a recent survey that she performed. I support this initial tactic and will report the results to the city council.

  Note that Heather believes commercial appeals are on the rise, and 2027 is likely to be a heavy year for appeals, though we have not yet experienced it in Swartz Creek.

- ✓ **STREETS** *(See Individual Category)*
  - ✓ **2025-2027 TRAFFIC IMPROVEMENT PROGRAM (TIP)** ***(Update)***
    We are proceeding with rehabilitation of Elms Road in 2027, as programmed. This could change if the congressionally designated spending is awarded in the next 60 days or so, but we must assume it will not for the time being. The Metropolitan Planning Organization believes this is the best path forward. In short, if awarded quickly enough, we will merge this project with other city and county street work to benefit federal fund use. If it is not, we will continue with this portion as programmed.

    The other amendments are expected to be approved by the Technical Advisory Committee in December. The previous report follows.

    We are likely to submit a set of amendments to the TIP program for Elms Road. Though our federal program dollars are fixed, our work scope has increased, along with the price. As such, MDOT recommends we amend the TIP to include the new pricing, along with the change in local match. We are also going to look to reclassify our construction engineering federal match as construction match. This will enable us to forego the burdensome third-party engineering issue (the stipulation that a federally funded engineer must be observed by another engineer at the local community's expense).

    Lastly, and most importantly, we are going to seek the postponement of our project into 2028. This is because we are not likely to receive a response to our congressionally designated spending submission for this project (along with the Miller sections) until mid-2027. With that timeline, we cannot possibly start work in early 2027.

General program details follow.

We have submitted a request for congressionally designated spending (Senate) and Community Promotion Funds (House) to add necessary funds to our projects. This request is to be combined with the county application for funds to improve Maple and Elms near the Advanced Manufacturing District. If these funds are awarded, we will likely need to push construction to 2028 and/or 2029.

The new table that includes the timeline, federal funding, and total costs is below. For greater detail and context, see the January 12, 2026 council report.

Section	Repair Type	Beginning	End	Year*	Total Cost	Federal	Local
Miller	Concrete Repair	East Springpoint of Elms	475' East of Tallmadge	2028 (2028)	$668,502	$534,802	$133,700
Elms	Asphalt Resurfacing	South City Limits	North City Limits	2027 (2027)	$730,313	$470,800	$259,513
Miller	Asphalt Resurfacing	Morrish	Elms	2028 (2029)	$1,287,581	$747,384	$540,197
Miller	Asphalt Resurfacing	Tallmadge	Dye	2028 (2029)	$1,524,916	$1,114,256	$410,660
		*Years in ( ) are payment years.			$4,211,312	$2,867,242	$1,344,070

✓ **STREET PROJECT UPDATES** *(No Change of 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.

Crack fill work is complete for 2026, and we are pleased with the results. We have the same contractor lined up for 2027 and are seeking an early completion date, perhaps May.

Road markings by M&M Pavement Markings are substantially complete. We will look to get this done earlier in the year moving forward, provided we can get crack fill work done prior.

The previous report follows.

Intensive rehabilitation has been approved for Church and Frederick Streets. The contractor has notified us that they intend to push the project into spring of 2027 at the provided pricing. Rob and I do not object to this. Since the work is an intensive rehabilitation, additional street deterioration should not be a factor in the longevity of the repairs.

Recent reports indicate that several Michigan tax revenue sources intended to support the new road funding package are performing below original projections. In particular, marijuana tax revenues appear to be significantly lower than anticipated. Because local

road agencies, including cities, receive funding after other allocations are made, any shortfall in overall collections can have a disproportionate effect on the amount ultimately distributed to local governments.

At this point, I do not believe there is cause for alarm, but the revenue trends warrant close monitoring. If collections continue to fall short of projections, the anticipated increase in local road funding may be substantially reduced and, in some scenarios, local agencies could receive little or no net benefit from the program. Some analysts and commentators have questioned whether the original revenue estimates were overly optimistic, suggesting that projected collections may not have been fully aligned with actual market conditions.

Until more data becomes available, it would be prudent to view future road funding projections with caution and avoid relying on the full anticipated increase when making long-term financial plans.

Road cores are being ordered up per the proposal approved on March 23rd. This will provide valuable information regarding road and road base profiles, which will be used to provide rehabilitation options for many major and local streets. We are going to ensure the filling of the core holes is done properly.

- ✓ **I-69 MDOT WORK** ***(Update)***

With the month nearly over, I do not think we are getting any additional traffic control consideration. With the rail crossing coming out of nowhere, it is amazing the east end functioned at all. The last report follows.

I did make a request for additional traffic control consideration at Bristol and Elms. MDOT will look into this but noted many of the same practical concerns that were brought up at our meeting. The closure and detour has been noticed to the public. The previous report follows.

There is an update from MDOT which follows:

> We are planning to close Miller from Nov 4th to December to complete patches and painting, detours for this will be Elms (fully opened), Bristol to Miller Rd. I will be working with our communications rep to get out a press release for this closure. I also spoke to our operations about getting the conc section patched as discussed, he is looking at how to write it to charge the job. I think we can get this done.

MDOT indicated that they believe a full closure is necessary to complete necessary work before the onset of winter. I indicated that our preference would be to maintain limited traffic, but there are concerns about snow maintenance with a single lane open in the construction zone, among other concerns. We also expressed a need to restore some of the damaged road surface prior to having MDOT leave the site. They appear to be open to this. I will be working with them on this matter further and will report any closures and new timelines.

There is still work planned for 2027.

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

    We have not heard anything new from Blastek since the last report. I hesitate to remove this from the report, because this issue may still be active. There has NOT been a submission of final desired compensation with proper substantiation, as requested. The last report follows.

    The company we originally hired to perform hydrant painting (Blastek) has reached out to seek additional payment of $14,535. We paid them half of the original contract amount last fall, which amounted to $22,950 (150 hydrants x $153). They believe they satisfactorily painted 245 hydrants in total. We disagree. In addition, we obviously found them to be in general breach of the agreement, which forced the city to pursue another contractor in 2026.

    We exchanged a few emails on the matter, stating our position. The exchange was becoming petty, misdirected, and unproductive. As such, I directed them to provide a final and best determination of their desired compensation with proper substantiation and to direct any future communications to Mr. Stritmatter. The redirection in communication was necessary in my opinion because they made reference to our agreement in a legal sense.

    I believe our exposure on this matter is very low. We acted in good faith with an incredible amount of grace and patience as we navigated two years of delays, communication black-outs, and deficient workmanship. I believe our payment represents a reasonable amount of compensation for work performed, especially considering the damage that the delays and workmanship cost us in time, soft costs, and public confidence.

    I will keep the city council informed.

  - ✓ **SEWER REHABILITATION PROGRAM** ***(Update)***

    Dependable was expecting to be done for the winter and to complete inspections in the spring, but we have some potentially crucial sewer issues to address as soon as possible. These are noted below and in Rob's report. They relate to a blockage that was discovered on Worchester, which upon inspection, appears to be in a section of pipe that requires root cutting and lining as soon as possible.

    The blockage appears to be related to an accumulation of grease. Once cleared, it created a secondary blockage on Cappy Lane as it flowed downstream. This blockage was a tough one to clear, requiring the county's equipment to do so. This equipment, being of a higher flow and intensity, caused a basement toilet backflow in the area and upset the residents impacted.

    We will be looking to create more awareness on grease. While our commercial grease program is very successful, and we have a modern system of sewer collection pipes that are well maintained, we cannot control grease buildup from private kitchens. This will be a focus in upcoming communications to the public. The previous report follows.

Dependable has completed their initial phase of work in the city. This work only includes the original ~3 miles of pipe that were approved. They are now looking to inspect sections that do NOT include backyard easement work (Winchester Village). This is approximately eight miles of line.

The mobilization fee to work in the back yards of the Village needs to be agreed upon prior to engaging the rest of the work.

The work scope for inspections was expanded from ~3 miles of inspections (1/8th of the 24 total miles), to include the entire system not yet cleaned or inspected (televised). We expect this to cost an additional $300,000 plus a Winchester Village mobilization/access charge to work in the rear yards. This has not been negotiated yet.

See the January 13, 2025 report for historic and conceptual details regarding the city's eight year inspection program.

✓ **WATER PLANS** ***(Update)***

We revised another draft of the emergency response plan and should have this complete in the next 30 days. The previous report follows.

Our water Risk and Resiliency Study draft is complete. OHM submitted this during the summer. In addition, we have taken a first look at the water system dashboard, which is the online information depository that will be the basis for our master plan. We are pleased with the data provided, our progress on the system, the modeled system function, and the recommendations for 5 and 20 year improvements. In short, the city is in a good spot, and there is not much, if anything, that will require investment in the coming years.

In addition to all of the water plans that are currently in the works, we will need to assess the water tower again in early 2027. We have been conducting an inspection every five years as a best practice to ensure structural safety and preservation. I expect to have a proposal before the council in the fourth quarter of this year.

The previous report follows.

OHM is working on the water plans and studies that are required by EGLE and the EPA. These include the Water Reliability Study (WRS), General Plan, Asset Management Plan (AMP), Emergency Response Plan (ERP), and Risk and Resilience Assessment (RRA).

The RRA should be done around June 1 (complete), with the ERP to follow those findings. The current findings for the WRS modeling are resulting in some additional field work. Work on this and the AMP will continue independent of the RRA/ERP and result in the practical guide to water system improvements in the coming years.

✓ **SEWER ASSET MANAGEMENT PLAN** *(No Change of Status)*

We have three flow meters that are being installed to measure actual flows in our sewer districts. This will help plan any future expansions and to track inflow and infiltration. We affirmed that our first round of monitoring in districts 1, 2, & 4. This includes a Miller

Road connection to the interceptor that includes Heritage Village to the north; the Elms Road connection that includes the commercial area at Miller; the First Street connection that includes Morrish and parts of downtown and the raceway. These meters will be available for three years and are expected to be relocated multiple times. As of writing, districts 2 and 4 are installed and sending data. District 1 is expected to be installed within a week. The previous report follows.

DLZ has added much detail to our GIS system. We are now at a point in which we are troubleshooting some anomalies or inconsistencies in the mapped data. We are doing so with field work. In addition, we expect them to be able to produce the first system-wide maps that indicate lining and inspection data, which will be very helpful in assessing the system and optimizing ongoing maintenance.

After mapping of the system is found to be accurate, DLZ will proceed with documenting a 20 year asset management plan. This will include a redistricting of our system based on system changes over the last twenty years. The document will also make a determination of theoretical flows based upon changes to the system since the last districting process.

For complete details on this topic, see the June 23, 2025 report.

- ✓ **GENESEE COUNTY WATER & SEWER MATTERS** *(No Change of Status)*

  Genesee County formally resolved to adjust their sewer rates upwards as indicated in the October 12 packet. This has been a long time coming and is no surprise. As noted below, I recommend no change. Unless the situation is altered or members of the council seek to review this further, I will remove this from future reports. We will, of course, monitor the new expenses against our current revenues.

  Based on our initial math, we are looking at an annual increase to our total expenses of about $130,000 annually. This includes $1 per month per unit as a readiness to serve charge (~3,800 sewer units x $1.00 x 12 months = $45,600 annually). It also includes an increase of $0.38 per 100cf of retail water usage. At ~5,500,000 cf per quarter, this equates to $83,600 annually.

  Fortunately, we have some wiggle room, as indicated in previous reports. As we have accelerated our line cleaning and inspection, we have not encountered much that will require capital investment, nor does a large investment in inflow and infiltration appear necessary. As such, we were looking at a potential rate decrease in 2027. In lieu of decreasing our rates, we will almost certainly be able to absorb this increase.

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

  I received an inquiry about the purchase of one or more of our lots. Currently, staff is only authorized to sell to J.W. Morgan per the action of the council in conjunction with the Heritage Home Owners Association. If something formal is received, I will bring this to the council. The previous report follows.

  The city also has two more lots that were acquired through the tax reversion process. Though the city cannot retain funds in addition to expenses for these lots, we are still

expected to sell them at market value. Listings in Heritage for vacant units are $10,000-$12,000, but they are moving slowly.

✓ **NEWSLETTER** *(No Change of Status)*
The fall newsletter is out. Let me know what you think.

✓ **CONSTRUCTION & DEVELOPMENT UPDATE** *(See Individual Category)*
This will be a standing section of the report that provides a consolidated list for a brief status on public and private construction/developmental projects in the city. Many of these briefs are covered in more detail elsewhere in this report

1. The **raceway** remains vacant and unused, likely awaiting the future of the Mundy Advanced Manufacturing District
2. **Street repair in 2026.** Road repairs from water main breaks are complete, as is crack filling. Frederick and Church are to be rehabilitated in the spring of 2027.
3. The **Brewer Condos** incentive package was approved. I suspect this will enable the developer to pursue the remaining twelve units.
4. ***(Update)*** The current phase of **Springbrook East is substantially complete.** We have drafts of the required easement documents and as-builts. Our engineer is reviewing these. With any luck, we can have the infrastructure dedicated this year.
5. The **southwest corner of Elms & Miller** was seeing some increased activity. I have not heard anything in many months, and I see much of list area listed as a combined sale for ~$1,900,000.
6. **Park Projects.** Otterburn work is underway. We expect pickleball court expansion at Elms and a new drinking fountain at Abrams. We are working with the historical society on new interpretive signs for some of our park facilities.
7. **New Businesses.** I expect one of our local medical offices to pursue a site plan application to expand soon.
8. **Mundy Megasite (Advanced Manufacturing District).** Trees are being planted along some borders of the site to function as a buffer for any potential development. I observed this initially along Linden Road. It appears that Consumers Energy is proposing a temporary sub-station on the site, but this was turned down. Another offer was provided to the schools to sell Morrish Elementary. The school did not accept this offer. The Genesee Economic Alliance maintains efforts to find a user and continues acquisition and demolitions. Multiple parties are seeking to improve and increase capacity for Maple Avenue and Elms Road through specific state and federal funding plans. This might include the city's portion of Elms, south city limit to Miller.
9. ***(Update)*** **The Holland Square** project is nearing completion, with lighting and sound crews substantially complete. Signs and planters are in and will be going onsite soon. Plaques are in the process of final order, with most awaiting delivery.
10. ***(Update)*** **Wayfinding & Branding Signs** are budgeted and approved for acquisition and installation by the city and the DDA. We will install a couple 'pilot' signs that will include one jurisdictional marker, public parking signs, and the public safety building sign at the end of November. Once we determine the quality is good, we will order more. We should see some strong movement on this in 2027.
11. ***(Update)*** The **Social District** was approved for a two-year trial. The state has approved this district and we have our first application to participate (see below).

We are still finalizing graphics. Once complete, we can onboard our license holders and sign the district.

12. ***(Update)*** **Old Methodist Church** abatement is complete. I have a tentative bid package and price for the DDA to consider at their December meeting. The estimated price to restore the exterior is $80,000. Doing so will certainly commit the DDA to holding on to the building for some future use. The MEDC is covering designs costs to create a scope of work and bid specs, as well as any construction observation/inspections.

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

The MEDC has reduced their workforce by 15%, which is very substantial and includes one of our closest contacts. I am not sure how this will impact our programming or access to funds. For now, it appears we are still funded for the brick work project scoping.

The MEDC agreed to fund design and bid specifications for masonry work at the church. This program is still a staple in our development toolbox. Though the future of the program may be somewhat in doubt because of legislative and other action, they remain a great partner. I encourage our council to note the success of this program to our legislators.

✓ **OTTERBURN PARK** *(No Change of Status)*

We have a schedule for the Otterburn Park work. We are not pleased with losing the 2026 season, but our only other option is to rebid at this point, which will not alleviate the delay.

The proposed schedule follows:

Staking, silt fence, and clearing are complete
Trail construction is substantially complete
Submittal for alternate pavilion end of week of October 19 (overdue)
8-10 week Delivery
Submittal for alternate restroom end of week of October 19 (overdue)
6 month Delivery

Note that the initial delay was due to the late release of funds by HUD. This made the acquisition of the pre-fabricated structure components difficult, with lead times going from 60 days to about 200 days. The previous report follows.

The previous report follows.

The notice to proceed has been given. Work can start any day. However, we have hit yet another snag. It appears the pavilion materials are a 2-3 month order and the pre-fab bathroom is a 10 month order! With that said, we are looking for substitutes that will allow us to proceed with change orders this summer/fall. If not, we do have the ability to construct in 2027 and still comply with the DNR grant. We would prefer not to drag this out if we do not have to though.

The city accepted the low bid from Glaeser Dawes in the amount of $574,025.15. We have sufficient funds from the DNR, HUD, and donations to cover all proposed construction expenses. Preliminary and construction engineering services have previously been approved and budgeted by the city.

The water service and sewer services have been installed.

The project now includes a pavilion, restrooms, a path, bike station, gates, sign, and ADA parking. The estimated total cost is close to $600,000. Our grants include $283,000 from HUD and $290,000 from the DNR, in addition to donations. This concept includes all original work items, excluding the disc golf and sledding hill (now complete), as well as a secondary pavilion on the far north side of the site, which is not affordable.

✓ **WAYFINDING PROJECT** ***(Update)***

A trail jurisdictional marker, the public safety building sign, and some downtown parking signs are going in at the end of November. We will debrief the appearance afterwards! The previous report follows.

Signs are budgeted and approved for acquisition and installation by the city and the DDA. We are looking to install a couple 'pilot' signs that will include one jurisdictional marker and the public safety building sign. These have been delivered and are awaiting installation. We have also ordered the 'flag panel' signs for the pergola and some public parking signs. Once we determine the quality is good, we will order more. We should see some strong movement on this implementation in 2027.

The cost for the signs as approved is estimated to be $88,858.80 as split by the city and DDA. Note that this is not necessarily a 50/50 split. The DDA will cover the cost of signs in their jurisdiction. This round of signs does NOT include many components of the master sign plan (monument signs and civic campus signs), but it will conclude the bulk of all wayfinding needs until existing signs require replacement (city offices, Elms Park, etc.).

Please see the consultants original design work here and the original sign location plan here.

✓ **HOLLAND PROJECT** ***(Update)***

Lighting and sound are complete. I believe we await only activation and training.

Planters have been delivered, and we hope to have them up with Christmas décor soon!

The banner poles are delivered as well and are expected to be installed at the end of November. We are finalizing plaques. This will complete the project!

See the October 26, 2026 and February 23, 2026 packet for prior project details and context.

✓ **SPRINGBROOK STREET DEDICATION INQUIRY** *(No Change of Status)*

I attended the annual meeting of the homeowners association for Springbrook Colony. The road issue was not an official item of business, but I was able to speak with some folks about the matter.

It appears there is still interest in moving in this direction, but there is no rush to do so. In the meantime, they have budgeted funds to rehabilitate Springbrook Drive, which is a

massive investment. I will be liaising with them to ascertain if our assistance with planning or observing construction is requested as it was for Crosscreek Drive.

See the September 14, 2026 and October 14, 2024 reports for all the details of this request, as well as a historical and contextual narrative.

✓ **GENESEE COUNTY FORECLOSURES** *(No Change of Status)*
The property at 7484 Wade Street has been vacant for over one year. Under our ordinance, the non-conforming use is no longer permitted. Any future occupancy and use must comply with the zoning code. We have sent a letter to the owner of record informing them of this. The previous report follows.

The Genesee County Land Bank has taken possession of Wade Street property. Some of us were able to tour the site on April 21st. While the building appears to be structurally sound (floor, most of the roof, walls, etc.), we believe a massive amount of work (funds) would be needed to bring this building into a state of environmental and code compliance, even for storage.

I am following up with other Land Bank contacts regarding the potential for a demolition or sale, to us or another party. They were initially unresponsive. After some political prodding, I received a trio of calls from the Land Bank the week of May 11th, indicating that they would respond to our inquiries. Since then, we have been asked to submit an offer form. We did so with the understanding that there is not a committed offer, and they require this as a formality to proceeding with discussions. We have not heard anything of substance from them since.

I have lost nearly all confidence in the Land Bank to properly administer this site from an environmental, maintenance, or sale/disposition perspective.

Despite this, we will continue to seek environmental information and to work with the Land Bank for a future use strategy. Based on prior discussions, we are working with neighborhood stability being the top priority (noise, appearance, contaminants from the site). Potential use by the city is also a priority. Potential use/taxes by a third party comes in as a lower priority.

✓ **PARKRIDGE DRIVEWAYS** *(No Change of Status)*
We should get full compliance on this issue. One owner that met this action in court has agreed to a consent judgement to correct the issue. The remaining owners have done so voluntarily or are on voluntary timelines for compliance. See the September 22, 2025 packet for full details.

✓ **CONSUMERS ENERGY FRANCHISE & DISPUTE** ***(Update)***
Concerning the franchise agreement and Consumers Energy meeting attendance, my request has been forwarded to another department. I am communicating with a liaison about a potential meeting with the council during one of our regular sessions. They are collecting information and are responsive.

Note that the agreement expired on October 14th. I expect things to function with the status quo even without a formal franchise, but that does not diminish the need to formalize our relationship with CE.

The previous report follows.

The franchise agreement that the city has with Consumers Energy to set the terms and conditions under which they provide electric and gas service in the city expires this year. They have requested to renew this, and I have our attorney's office reviewing that request. I am seeking to ensure we have the most favorable terms as it relates to ensuring proper service to residents and to ensuring appropriate use of our right of ways.

✓ **CONGRESSIONALLY DESIGNATED SPENDING** *(No Change of Status)*
Our project has been consolidated into a matching application for the previously mentioned Build Grant that the Genesee County Road Commission is pursuing to improve Maple Avenue and Elms Road. Subsequent and amended applications have been submitted. It appears the combined projects are listed as fundable in congressional reports, but the amounts are lower. I will keep the council informed. The previous report follows.

I have submitted a preliminary request to Representative McDonald Rivet's office for Community Promotion Funds. These are the funds that our elected officials can often look to provide through established federal programs, such as the HUD funds for Otterburn. In the Senate, they are referred to as Congressionally Designated Spending.

I believe our best and most fundable project is the road work for Miller and Elms Roads. This set of projects is partially funded already, has regional impact, is very visible, and is nearly shovel-ready status. Because of the proximity to the Advanced Manufacturing District, this submission should carry some positive weight. We will likely be working with Senator Peters as well so that there is a working advocate in both the Senate and the House.

✓ **REGIONAL TRAIL PLAN** *(No Change of Status)*
We received a communication that affirms the Swartz Creek Creekview trail in the regional plan for Early Preliminary Engineering (EPE). I am including this in the September 14, 2026 packet. The previous report follows.

I spoke with the Genesee County Metropolitan Planning Organization staff again after our initial meeting with ROWE. It appears that GCMPC are going to complete very preliminary engineering (10% concept engineering) for many of the trails in the legacy network. This includes our stretch between Miller/Elms and Morrish, along the creek. At this point, there is nothing we need to do. They will seek out a professional to complete this work in a package with other projects.

At some point, we may be asked to opine on some findings or provide direction. Eventually, we will be making decisions on our commitment to the trail and what form that will take. For a first step, I am very happy with this. The previous report follows.

A few months back, I reported that our creek trail (Elms to downtown) was noted as a relatively high priority regional trail for the region in their new plan. Given our current

commitments for recreational spending and grants, we have not elevated the acquisition of easements or design for this segment based on that alone. However, the Mott Foundation announced $25M in funding for this trail plan, with apparent commitments for additional funds in the future.

This is huge. If the city can work with grant funds to support much of the trail, we may be able to move this quickly and without the known obstacles of dealing with federal funds. As such, I have started conversations with Rowe PSC regarding preliminary engineering. I also have reached out to one of the more prominent land owners along that route to set the table for easement discussions.

This project could move quickly or not at all, but we will be prepared for those scenarios and all the space in between. I will keep the council informed.

- ✓ **GAINES FIRE DEPARTMENT** *(No Change of Status)*
  Chuck Melki, who represents Gaines Township in some regards, approached the Fire Board on July 20th about shared fire services. An exploratory meeting was held on the 27th of July with the chief, Rae Lynn Hicks, and Tom Spillane to discuss the matter. Chief Plumb also addressed the city council on July 27th. There have not been any further updates since that meeting. The original report follows.

  The Gaines Township Fire Department is going through a period of transition that is stressing their resources. Recently, the township board hired a new chief, and this apparently resulted in many resignations. My understanding is that the department is still staffed and functional, operating with 8-10 members (SCAFD operates with about 25 in recent times).

  Recent events have resulted in a lot of political statements, social media chatter, and so on. Notably, statements have been made that Gaines Fire is no longer responding to calls and SCAFD is doing everything. Chief Plumb assures me that this is not the case. Gaines is still deploying for runs, and our department backs them up through automatic mutual aid (AMA) as necessary. Given the circumstances, this has been more frequent in recent months due to staffing anyway (SCAFD was deployed to a brush fire in Gaines because only two members were able to respond BEFORE the resignations).

  Moving forward, Chief Plumb is focusing on meeting AMA obligations and separating his staff, the department, and our communities from the political currents of the situation. However, some officials from Gaines Township have reached out to myself and Chief Plumb, and they indicate that there may be an official interest petitioning Clayton and Swartz Creek to expand the fire board to include Gaines Township.

  Procedurally, any discussion about providing contractual services or expanding the authority will be a decision by Clayton and Swartz Creek at the legislative level. I recommend the fire board and city remain as observers only until and if a formal request for such service or inclusion is received from the township (village). If such a request is received, I DO recommend that the city work with Clayton to consider this as a serious option that could provide enhanced fire service for all three communities.

Chief Plumb's initial finding is that the potential to contract services to Gaines in the interim and to evaluate the potential for board expansion are very feasible. If township leadership in Gaines pursues this, our communities could begin to explore shared services while under a short term service provision agreement, with final findings available in about 12-18 months.

Some additional notes to consider: Gaines used to participate in the department but withdrew years ago. Consolidation has many benefits, especially with lower paid-on-call participation than ever before. The politics of the current situation may or may not have the requisite degree of permanence. Gaines Village apparently contracts with Gaines Township and will require representation at some level.

I will keep the council informed.

✓ **WEB CONTENT ACCESSIBLITY GUIDELINES** *(No Change of Status)*
The Department of Justice (DOJ) has adopted new accessibility requirements under Title II of the Americans with Disabilities Act (ADA) that apply to local government websites, mobile applications, and other public-facing digital services. Communities with populations under 50,000, including the City of Swartz Creek, must comply by April 26, 2028.

The new rule requires public-facing digital content to meet the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA standard. This includes City websites, online forms, payment portals, agendas and packets, downloadable documents, and other digital services provided to the public.

If you are not familiar with WCAG, please watch this video. These guidelines are put in place to enable web users with disabilities to access content and services. Primary examples include the need for a screen reader to be able to read all text and describe imagery to a blind user, or for meetings to include closed captioning for a deaf user. In practice, this would mean that our budget book and council packets would have to be formatting appropriately in word for reading, each image or graph would need to contain an embedded description, and scans of any content would need to be converted to digitally readable and describable content.

These document and form augmentations are not something we currently provide. We are not alone and are probably better situated than most comparable cities because of our new website, reliance on Formstack, and digital document creation techniques. While certain limited exemptions exist for archival records, older social media content, and some third-party materials, the majority of City-provided digital content will be expected to meet accessibility standards.

Staff's initial review indicates the City's website was redesigned with accessibility considerations in mind; however, accessibility of PDF documents and other posted materials will require additional attention. Given the volume of agendas, packets, reports, and historical records maintained by the City, compliance efforts may require significant staff time and/or software solutions to ensure documents are properly formatted and accessible.

Over the coming months, staff will continue evaluating current practices, reviewing available compliance tools, and identifying any budgetary or operational impacts associated with implementation. While this sounds daunting, I suspect third party AI tools and services will greatly assist in enabling implementation and/or allowing end users to garner accessibility themselves (e.g. AI is becoming more advanced and will likely be able to interpret old scans, text, and images without additional interpretation or formatting). We will start with ensuring our primary vendors are compliant and look for conversion tools from existing providers, such as our online ordinance codification service.

Additional updates and recommendations will be provided to Council as more guidance and resources become available.

✓ **BS&A SOFTWARE UPDATES** *(No Change of Status)*
We have engaged BS&A in the conversion from the .NET system to the Software as a Service system. We hoped to convert on or about April 1, 2027, but this has been pushed back to May 17, 2027 due to availability. Our first meeting with them on the transition was on September 8th and went well. This process will move slowly. Staff training should begin in March, data transition will begin the week of May 10, 2027, and the big move will be Monday, May 17. We DO expect some transition errors, delays, and the standard slate of expected but 'unexpected' problems.

See the August 10, 2026 report for full details of this move.

✓ **CDBG** *(No Change of Status)*
I submitted preliminary applications for the senior center (30%) and a demolition project for Wade Street (70%). I will know soon if we can proceed with full applications for these activities.

Since the spending cycle is 2028-2030, we have ample time to adjust any or all expenses. We may even get another map adjustment that enables construction projects.

I did check on the potential for investing in a fire apparatus, fire gear, and distributable fire devices (smoke alarms, CO detectors, etc.). None of these expenses are allowed unless serving a documented low/moderate income population.

Funds CAN be allocated to the Home Program.

✓ **5472 MILLER ROAD ZONING** ***(Update)***
I expect a December application to be on the January 5, 2027 planning commission agenda. The previous report follows.

The zoning proposal for 5472 Miller (next to the Wistuba building across from Genesee Valley Golf Course) failed at the October 26 meeting. The stated reason for some of the lack of support was because the zoning change would enable all I-1 uses, not necessarily the landscaping company.

I have spoken to the petitioner, and it appears they are going to resubmit a zoning application and site plan concurrently to alleviate these concerns. If not, they indicated they may submit a voluntary condition to restrict the use of the property in the event of the

zoning change. My initial findings, along with Mr. Stritmater, is that this would constitute a substantial change in the conditions of the submittal, thereby allowing resubmission for consideration.

In addition, I think it would be agreeable to waive the fees for a repeat zoning submission. I believe we can review the request readily enough without expending many resources, and I think this would be a positive gesture to maintain our community as a place to engage in commerce. Please let me know if there is any objection to this. If not, I will look to place the formal waiver in any future resolution related to the zoning.

✓ **GENERAL MOTORS SIGNAL REQUEST** *(No Change of Status)*
GM indicated that they are interested in proceeding with a traffic study and will reach out later this year. If they commission a study, we will see where that leads. The previous report follows.

I received a communication from GM indicating that they have reports of congestion leaving the facility at Gate 4 (the drive across from the retail plaza on Miller). This driveway used to have a fully functional signal when the facility employed 3,000+ people. With the diminishing of the workforce, the signal went to a 'flashing yellow' mode for years before it was declared obsolete about a decade ago. There have not been any known issues since.

I responded that the issues they are experiencing are likely due to temporary traffic increases on Miller Road due to the MDOT work on I-69 and the ramp closures in the area. However, I invited them to pursue the matter further if they so desired and indicated that the community would work with them on solutions. I stressed that any changes would likely require a valid traffic study (provided by the requesting party) that demonstrates a compelling need for improvements, and I reiterated that such a study should be performed under normal operating conditions. I will inform the council of any further communications and will otherwise remove this report from future packets.

✓ **HEALTH CARE RENEWAL** ***(Business Item)***
Employers and their impacted employees continue to face substantial increases in the cost of providing employee health insurance benefits. Following a significant increase in 2026, the city's current provider, HAP, has proposed a premium increase of approximately 17% for the 2027 calendar year. These increases are particularly concerning because they are occurring despite changes to the city's coverage that have already shifted greater financial responsibility to employees.

The city has historically operated under the "Hard Cap" provisions of Public Act 152 of 2011, which establishes annual limits on the amount a public employer may contribute toward employee medical benefit plans. These limits are adjusted annually by the state and are based on the composition of the covered employee group. Costs exceeding the applicable limits are generally borne by employees. The Act also provides alternatives, including an 80/20 employer contribution arrangement and an annual exemption, commonly referred to as an "opt-out," which requires a two-thirds vote of the governing body.

For 2026, the city was confronted with a proposed premium increase of approximately 13% to maintain its existing coverage. Rather than simply absorbing the increase or passing the

additional costs along to employees, management worked with staff to identify a more affordable alternative. This resulted in a transition from Blue Care Network (BCN) to HAP, with meaningful changes to the benefits provided.

Although the transition moderated premium costs, it also introduced greater employee financial exposure through deductibles, coinsurance, cost sharing, and substantially higher potential out-of-pocket expenses (see the comparative benefit chart that illustrates coverage under BCN in 2025, the current HAP plan, and the proposed HAP plan). These were not insignificant concessions. However, they represented a reasonable compromise that allowed the city to maintain meaningful health insurance benefits without imposing the full cost of escalating premiums on either party.

Unfortunately, the 2027 renewal demonstrates that these concessions have not insulated the city from continued increases. HAP's proposed 17% increase, coupled with additional adjustments to employee cost-sharing provisions, presents another substantial financial challenge.

Management has investigated alternative coverage and purchasing arrangements, including obtaining proposals from Gallagher Benefit Services, Inc., which offers access to governmental insurance pooling opportunities. While Gallagher's BCN proposal was more competitive than the city's previous BCN renewal, the comparable HAP offering remains less expensive than all comparable options through our existing provider. At this time, changing providers does not appear to offer a meaningful reprieve.

There is also some uncertainty regarding the composition of the covered employee group for 2027. Certain employees are reviewing age-related coverage options with our benefits administrator, and the resulting changes could materially reduce the city's total premium obligation (and employee contributions). Preliminary estimates suggest that the current renewal could exceed the applicable Hard Cap by an estimated $25,310, although these potential enrollment changes may substantially reduce or eliminate that exposure. The final financial impact cannot yet be determined.

It is against this backdrop that I am recommending the City Council exercise the annual opt-out provision of Public Act 152 for the 2027 coverage year.

My reasoning is based on the principle that both the employer and employees should participate fairly in addressing rising health care costs. Employees have already accepted meaningful reductions in the value of their coverage to help control premiums. Requiring additional premium contributions under the Hard Cap, on top of these changes, would place a disproportionate share of the recent adjustments on employees.

An additional concern is the inflationary adjustment mechanism established by Public Act 152. The annual Hard Cap limits are adjusted by the State Treasurer based on the medical care component of the national Consumer Price Index, rather than actual increases in employer health insurance premiums. For 2027, this adjustment is approximately 3%, compared to the city's proposed premium increase of 17% (Note that increases of 15%-25% are very much the norm in Michigan this year). This growing disparity places additional pressure on employees and employers, as the statutory contribution limits fail to keep pace with the actual cost of providing coverage. Over time, this effectively shifts an increasing

share of health insurance costs to employees, even when the city maintains or reduces the level of benefits provided.

The proposed opt-out would allow the city to absorb the applicable premium costs for 2027 without requiring additional employee premium contributions under the Hard Cap. It would not eliminate the deductibles, coinsurance, or other out-of-pocket expenses associated with the health plan. Those existing provisions would remain an important component of shared financial responsibility.

I believe this is an appropriate accommodation in recognition of the changes employees have already made. It also reflects the city's commitment to maintaining competitive employee benefits while acknowledging that the current trajectory of health insurance costs cannot continue indefinitely without further changes.

Importantly, this recommendation is limited to one year. It is not intended to establish a permanent commitment to absorbing future premium increases. Rather, it provides an opportunity to evaluate actual enrollment and premium costs, investigate additional coverage alternatives, and consider the appropriate balance between employee benefits and municipal expenditures.

There may be promising developments in this regard. The Michigan Municipal League is developing a health benefits cooperative, similar in concept to its established municipal insurance pooling arrangements. I have registered the city to receive information as this program develops, and it may present another competitive option in future years.

Ultimately, the city and its employees will need to continue adapting to a health insurance market in which premium increases have consistently outpaced reasonable expectations. Maintaining affordable coverage will likely require some combination of changes to benefits, employee contributions, employer expenditures, and purchasing arrangements. I believe our employees have demonstrated a willingness to participate constructively in that process, and I am hopeful the city will recognize those efforts.

I recommend that the City Council approve the attached resolution to opt out of the provisions of Public Act 152 for the 2027 medical benefit plan coverage year. This action would provide employees with a measure of financial stability following two years of significant benefit adjustments, while allowing the city additional time to evaluate longer-term solutions.

A resolution in the affirmative is included for council consideration.

✓ **ELMS ROAD WATER MAIN BREAK** ***(Update)***

Chief Plumb has indicated that he is addressing the hydrant operation failures with his staff through internal interventions directly with employees and through group training. I am also aware that the department is working with our DPW on assessing truck valve use, improving communication, and establishing some best practices.

We have not invoiced the department for any repair costs, water loss, or overhead. I am not sure if additional training will alleviate the likelihood of future breaks. We will monitor

the situation, and if additional breaks occur, we may need to institute some more rigorous protocols and/or cost recovery mechanisms.

The previous report follows.

We have tied the water main break on Elms Road directly to the accessory structure fire that occurred there. There is no other reasonable explanation than 'water hammer' from hydrant use over stressed an otherwise functional water main in the vicinity. Chief Plumb is debriefing the matter with his officers. Since we also believe the Springbrook water main break to be tied to the Bristol Road structure fire, I have requested a corrective action plan from Chief Plumb as it relates to hydrant operation. Dave said he will provide this.

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

✓ **MONTHLY REPORTS** ***(Update)***
Monthly reports are included.

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

✓ **PLANNING COMMISSION** ***(Update)***
The request for rezoning of 5472 Miller is likely to return to the planning commission in January (they did not make the December deadline). The original application was rejected by council, but I believe the petitioner intends to alter the plan for use through voluntary conditions or an accompanying site plan.

The commission may be getting another site plan for a medical office expansion in the near future. This was supported by a request of the same to the county water and waste department for review of such an expansion.

Their next scheduled meeting is December 1 but I suspect there will not be a meeting until January 5th.

I plan to request the Planning Commission to craft and review a draft of an e-bike/scooter ordinance in 2027. Based on input from our planner, we are NOT pursuing a short term rental ordinance in the coming months (see above).

The master plan is due to be reviewed in 2027. I will look to budget funds to do so with the understanding that this should require only small revisions.

✓ **DOWNTOWN DEVELOPMENT AUTHORITY** ***(Update)***
The DDA met on October 8th. They approved a façade grant to install a patio for Feather n' Fin, which should be partially installed this fall. They also recommended lighting on Holland and the Brewer incentives. The council approved both of these on October 26th. They did not meet in November. Their next meeting is scheduled for December 10, 2026.

✓ **ZONING BOARD OF APPEALS** *(No Change of Status)*
The ZBA approved a variance at their July meeting. The ZBA granted the variance with conditions. For full details, see attached minutes and the ZBA packet. There was not an

August, September, or October meeting. Their next regular meeting date is November 18, 2026.

- ✓ **PARKS AND RECREATION COMMISSION** ***(Update)***
  The park board met on November 17th. The board set plans for the Christmas decorating contest. They also discussed bench options for the creek trail, but did not make a decision. Updates were given on Otterburn, the regional trail plan, and general maintenance.

  The next regular meeting is set for December 15th, but that is not likely to have any business.

- ✓ **BOARD OF REVIEW** ***(Update)***
  The Board of Review will meet on December 15th. The purpose is to correct qualified errors and to consider exemptions (poverty, disabled veteran, agricultural, qualified forest, & personal property).

- ✓ **CLERK'S OFFICE/ELECTION UPDATE (Forrest)** ***(Update)***
  - I am pleased to report County Board of Canvassers has completed the canvass for the City of Swartz Creek for the November General Election. All election results have been reviewed and certified and everything is in order. The process has been completed successfully with no outstanding issues.

- ✓ **DEPARTMENT OF COMMUNITY SERVICES UPDATE (Bincsik)** ***(Update)***
  - Wood chipping
  - Non read meter replacement appointments
  - Rental inspections
  - Miss Digs staking
  - EGLE and Gaines water samples
  - Street Sweeping leaves
  - Painted Cemetery wall
  - Continued weekly church inspections
  - Winterized park bathrooms and other seasonal city water services
  - Yard restorations from catch basin repairs
  - Senior center exterior building maintenance
  - Completed traffic counts for Railroad crossing data update on Miller and Elms
  - Assisted Dawes with water main break repair on Elms Rd south of Miller
  - Replaced furnace filters at municipal buildings
  - We had another break in at the Morrish Rd church. Replaced hasp and lock
  - Christmas decorations
  - Non pay water turn offs (44)
  - We had a sewer backup at 5119 Worchester. We called American Sewer to jet the sewer. They were able to get the blockage on Worchester relieved, causing Cappy lane sewer to become plugged. After several attempts American was unable to relieve the plug on Cappy. DPS called Genesee County and had them bring a vac truck out and were able to relieve the plug on Cappy. After the sewer backup event DPS had Dependable sewer come out to televise the sewer. Sewer on Cappy needs more cleaning to televise. The sewer on Worchester is unlined and full of roots at nearly every joint. Dependable is coming out 11/18/26 to begin cutting the roots with a robot.

DPS has started the process to get the sewer lined. This work will include tree removals and fence work to gain access to the sewers located in the rear of the properties. It is expected that the work will be completed in an expedited fashion.

- ✓ **TREASURER UPDATE (Nichols)** ***(Update)***
  Winter Property tax bills have been sent to the printer. You can expect them to hit mail boxes December 1st. With audit complete, we are rolling around to completing end of year reports and gearing up for the holidays.

- ✓ **ECONOMIC DEVELOPMENT UPDATE (Dietrich)** ***(Update)***
  - ❑ Met with Congressional Staff to submit letters of support from Sen Cherry, Flint & Genesee Economic Alliance and Curbco for a City and Genesee County joint request through Congresswoman McDonald Rivet for $900,000 in federal funding to support expanded roadway improvements along Miller Road. This request is currently being debated in committee.
  - ❑ Senator Peters has included our Miller Road appropriation request and has been included in the THUD Committee in the THIP line item in the amount of $4M. Considering how Congress has approved previous continuing resolutions, we should see if our request is funded by early next year.
  - ❑ Volunteer groups are signing up to support Family Movie Night, which begins in June.
  - ❑ In addition, a $5000 donation and a $7,500 from the Community Foundation of Greater Flint was awarded for the Pergola this month.
  - ❑ Bella's Book Nook was awarded $980.00 from MEDC's Match on Main program. We look to finalize the reimbursement within the next two weeks.
  - ❑ Phase 2 should start this month as the DDA approved funding for sound, lighting and accessories.
  - ❑ Grant submission for $10,000 was submitted through the Consumers Energy Foundation for the sound and lighting for the Pergola.
  - ❑ Patronicity application for the pergola has been closed with pictures featuring Jeepers Creekers event and final budget cost.
  - ❑ Match On Main Grant was officially closed with funds disbursed to the owner of Bella's Book Knook

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

- ✓ **CLERK COMPENSATION ADJUSTMENT** ***(Business Item)***
  The City Council approved an employment agreement with City Clerk Jacqueline Forrest on April 28, 2026. The agreement established an annual base salary of $60,000, with an additional $5,000 annual salary adjustment upon completion of one year of service, along with provisions for annual adjustments and professional certification.

  Since assuming the position, Clerk Forrest has demonstrated considerable progress in fulfilling the responsibilities of the office, exceeding expectations with respect to the pace of her professional development and assumption of duties. Of particular note is her administration of both the August primary and November general elections, which represent two of the most consequential and demanding responsibilities of the City Clerk.

  Her performance has demonstrated an ability to independently execute the essential functions of the office ahead of the anticipated schedule. She approaches the job with

tenacity and extraordinary dedication of both time and energy. This progress warrants recognition and provides a reasonable basis to accelerate the compensation adjustment previously contemplated in her employment agreement.

I recommend that the City Council authorize the $5,000 annual salary increase originally conditioned upon completion of one year of service, effective November 23, 2026, rather than waiting until the previously anticipated July 1, 2027 adjustment date.

This action would increase the Clerk's annual base salary from $60,000 to $65,000, recognizing demonstrated performance while maintaining the remaining terms and conditions of the existing employment agreement.

Recommendation: Approval of the accompanying resolution authorizing the accelerated salary adjustment for City Clerk Jacqueline Forrest.

Note that any inflationary adjustments due on July 1, 2027 will also be applied at that time.

- ✓ **FISCAL YEAR 2026 AUDIT** ***(Business Item)***

  Plante Moran will be presenting our city audit at the November 23 meeting. This presentation is timely, being two weeks earlier than last year and eight weeks earlier than the year before. There was not a federal ‘single audit’ this year because we did not expend the requisite amount of federal funds to warrant that service.

  Concerning the financial picture revealed by the audit, we are very pleased. We have another year in which the city was able to complete projects and provide services with balanced operating budgets. The city was able to build up more fund balance in the general fund, maintain utility rates, and provide for capital purchases and savings. In addition, we observed reductions to the city’s pension and Other Post Employment Benefit obligations, with the defined benefit pension showing a surplus for the first time.

  Concerning the audit findings related to our year-end accounting processes, we continue to have some work to do. While I believe our relationship with Taylor & Morgan is working well, and the audit went much more smoothly, there were still some corrections to make that stemmed from the 2026 fiscal year. Note that the propriety of the expenditure and allocation of funds is not in question, however, some journal entries and accruals were subject to adjustments. Restated, I find that the public funds are being spent appropriately, but the bookkeeping to reflect some of these transactions and investments requires adjustment.

  In the second week of November, we debriefed with our auditors, Plante Moran, as well as our financial consultant, Taylor & Morgan. We added some strategies to build upon our financial and auditing processes. We are now working with Amy Storms with Taylor & Morgan as our regular financial expert. We are moving some year-end reporting from them to Mrs. Nichols this year as she continues to add to her knowledge base. I expect Ashley from Plante Moran to walk us through the audit on Monday.

  There were four adjustments/misstatements noted in the audit letter that are explained below. Note that these are all bookkeeping adjustments that reflect accrual adjustments between fiscal years, classification changes, and routine adjustments. They do not

represent misspent, missing, or improper fund use. The one exception is the DDA tax matter, which represents a miscalculation in the DDA revenue that requires correction and reconciliation by the county.

1. DDA property tax revenue and receivable adjustment of $15,000. This was due to DDA personal property tax being omitted from the funds transfer and reconciliation. (In essence, we transferred more tax money to the county than necessary. The county is to provide these funds back to the city that were initially not withheld for DDA use).
2. Cash and account payable adjustment of $10,500 for DDA and general fund. This was due to a reclassification of invoices paid via general fund but subsequently reclassed to DDA fund causing and overstatement in DDA accounts payable and an understatement in GF accounts payable.
3. Water fund liability and expense adjustment of $96,000. This was due to an accumulation of USDA loan reserves from the last four years that were incorrectly recorded to a liability and an expense. The entire correction was made to the current year as opposed to restating beginning net position. (This change reflects the monies that the USDA require be set aside as bond reserve; instead of recording this as an expense, the money need only be transferred to the appropriate bank account and held).
4. General grant revenue and related receivables adjustment of $24,000. This was to record the CDBG grant revenue and receivable for the amphitheater concrete. (The project was completed in FY26 instead of FY27 as budgeted).

There were also two uncorrected adjustments, due to their insignificance:

1. An adjustment for $5,878 to record depreciation in the DDA for the church property. (The church was not initially depreciated as it was considered property held for resale).
2. An estimated adjustment for $25,044 to record unbilled building permit expenses from February-June 2026. (Mundy has been delayed in sending invoices for building department services, which is the primary issue here. They are going to expedite these moving forward).

Please see the attached audit and related letters. Myself and Amy are available prior to the meeting to respond to questions or to pass such inquiries to the auditing team. Please do not hesitate to reach out to us or to make inquiries at the meeting.

✓ **S&K SOCIAL DISTRICT APPLICATION** ***(Business Item)***

The city has received an application from American Pub, LLC, doing business as S&K Hometown Pub, 8006 Miller Road, requesting local approval to participate in the City of Swartz Creek Social District. The applicant operates under Michigan Liquor Control Commission (MLCC) Class C License No. 452023 and proposes to begin participation December 1, 2026 (as soon as LLC approval and district signage can occur).

The City Council established the social district and associated commons area in September 2026, adopting the necessary operating requirements, management and maintenance provisions, and local participant approval process. The district is intended to support downtown economic activity by allowing eligible licensed establishments to sell alcoholic beverages for consumption within the designated commons area, subject to applicable state and local regulations.

The applicant has submitted the city's social district participant application, acknowledged the applicable operating requirements, and provided a copy of its current liquor license. The application represents that the licensed premises are contiguous to the designated Commons Area and that the establishment qualifies to seek a social district permit under MCL 436.1551.

Local approval constitutes a recommendation to the MLCC and does not independently authorize social district alcohol sales. The applicant must obtain the required state permit and comply with the city's social district boundaries, operating hours, container requirements, Management and Maintenance Plan, and participation agreement.

Approval of the application is consistent with the City Council's prior action establishing the social district and provides an opportunity for an existing licensed establishment to participate in the program.

I know that approval of the district was not unanimous, but I advocate the position that council enable operations of the community license holders within the district for the prescribed pilot program duration. I recommend approval of the attached resolution recommending the social district permit application of American Pub, LLC, doing business as S&K Hometown Pub, to the Michigan Liquor Control Commission, subject to completion of the city's local participation requirements and issuance of the applicable state permit.

Council Questions, Inquiries, Requests, Comments, and Notes

Orienteering Course: Walt has taken the lead on this and has investigated the course. They have some tentative place to replace the medallions. We appear to be close to getting new material in the ground.

Small Cities Meeting: We are hosting the Genesee County Small Cities and Villages Association in January instead of November. The location is TBD. Council members are encouraged to attend.

Holiday Coffee Tasting: The Make a Morning of It event is to occur on November 21, 9am to 1pm at Holland Square, as approved. Tickets can be purchased here.

Hometown Days: While I do not have details, it appears there is some discussion between Hometown Days and Metro regarding their willingness or ability to conduct future events. There is still an outstanding balance of about $5,000 to Metro for services rendered in 2026.

Email Protection: VC3 is upgrading our email scanning and protection to a new system. Operations should not be altered, though some emails that would otherwise be delivered may be temporarily quarantined.

City of Swartz Creek
RESOLUTIONS
Regular Council Meeting, Monday, November 23, 2026, 7:00 P.M.

Motion No. 261123-4A **MINUTES – NOVEMBER 9, 2026**

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday, November 9, 2026, to be circulated and placed on file.

Second by Councilmember: _____

Voting For:_____
Voting Against: _____

Motion No. 261123-5A **AGENDA APPROVAL – NOVEMBER 23, 2026**

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Agenda as presented / printed / amended for the Regular Council Meeting of November 23, 2026, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____
Voting Against: _____

Motion No. 261123-6A **CITY MANAGER'S REPORT**

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager's Report of November 23, 2026, including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Resolution No. 251123-8B **RESOLUTION TO ACCEPT THE 2025-2026 FISCAL YEAR AUDIT BY INDEPENDENT AUDITOR PLANTE-MORAN**

Motion by Councilmember: _____

WHEREAS, Section 8.13 of the City Charter requires an audit of all accounts of the city government; and

WHEREAS, independent auditors, retained by the city per a qualified bidding selection process, have completed said audit for the most recent fiscal year, 2026; and

WHEREAS, said audit contains financials for related public utilities, enterprise accounts, and the Downtown Development Authority; and

WHEREAS, the audit, as presented to the city council on November 23, 2026, has been found to meet generally accepted accounting standards and required reporting provisions of state and local law.

NOW, THEREFORE, BE IT RESOLVED, the City of Swartz Creek approve the 2025-2026 Fiscal Audit Report prepared by Plante-Moran, a copy of which is attached hereto, and further, direct such to be published, distributed, circulated and placed on file in a manner prescribed by law.

Second by Councilmember: _____

Voting For: _____
Voting Against: _____

Resolution No. 261123-8C **RESOLUTION TO ADOPT THE PUBLIC ACT 152 "OPT OUT" OPTION FOR THE 2027 MEDICAL BENEFIT PLAN COVERAGE YEAR**

Motion by Councilmember: _____

WHEREAS, the Publicly Funded Health Insurance Contribution Act, Public Act 152 of 2011 (MCL 15.561 et seq.), was enacted by the State of Michigan to limit public employer contributions toward employee medical benefit plan costs; and

WHEREAS, the Act provides three possible employer contribution options for each medical benefit plan coverage year:

The Hard Cap Option under Section 3, which sets maximum employer annual premium contribution limits;

The 80/20 Percent Option under Section 4, requiring the employer to pay no more than 80% of total annual medical benefit plan costs; and

The Opt-Out/Exemption Option under Section 8, requiring a two-thirds vote of the governing body; and

WHEREAS, the City of Swartz Creek is a "public employer" as defined by the Act and must annually determine its applicable contribution arrangement or statutory compliance for the upcoming medical benefit plan coverage year; and

WHEREAS, the City of Swartz Creek implemented changes to its employee medical benefit plan for the 2026 coverage year to moderate premium increases, resulting in greater potential out-of-pocket medical expenses for covered employees and their dependents; and

WHEREAS, plan changes for the 2027 coverage year will also result in greater potential out-of-pocket medical expenses for covered employees and their dependents; and

WHEREAS, medical benefit plan costs continue to increase at rates that present significant financial challenges to both the City and its employees; and

WHEREAS, the City Council recognizes that rising medical benefit costs should be addressed through a reasonable sharing of financial responsibility between the City and its employees, taking into consideration both premium contributions and out-of-pocket expenses; and

WHEREAS, the City Council finds that exercising the exemption authorized under Section 8 of Public Act 152 provides the flexibility necessary to establish equitable medical benefit contributions for 2027, recognizing the increased financial exposure assumed by employees through plan modifications in both 2026 and 2027 while maintaining responsible stewardship of public funds; and

WHEREAS, the City Council wishes to formally record its election for the upcoming coverage year to ensure transparency, audit compliance, and clear administrative direction to staff; and

WHEREAS, Section 8 of Public Act 152 requires an affirmative vote of at least two-thirds of the governing body to authorize such an exemption for the succeeding medical benefit plan coverage year.

NOW, THEREFORE, BE IT RESOLVED, that the City of Swartz Creek hereby elects, pursuant to Section 8 of Public Act 152 of 2011, to exempt itself from the requirements of the Act for the 2027 medical benefit plan coverage year.

BE IT FURTHER RESOLVED, that the City Manager or their designee is authorized to establish and administer employer and employee medical benefit contributions for the 2027 coverage year, consistent with the City's approved budget, applicable collective bargaining agreements, and other applicable laws.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately upon adoption.

Second by Councilmember: _____

Voting For: _____
Voting Against: _____

Resolution No. 261123-8D **RESOLUTION TO AUTHORIZE AN ACCELERATED SALARY ADJUSTMENT FOR THE CITY CLERK**

Motion by Councilmember: _____

WHEREAS, the City Council approved an employment agreement with City Clerk Jacqueline Forrest on April 28, 2026, establishing the terms and conditions of her employment; and

WHEREAS, Section 5 of the agreement provides for an additional $5,000 in annual salary upon completion of one year of service; and

WHEREAS, Clerk Forrest has demonstrated exceptional progress in assuming the duties and responsibilities of the office, including the successful administration of the August primary and November general elections; and

WHEREAS, the City Manager has determined that Clerk Forrest's professional development and performance have exceeded the anticipated schedule and recommends advancing the previously established salary adjustment in recognition of these accomplishments; and

WHEREAS, the City Council finds that accelerating the adjustment is appropriate and consistent with the City's interest in recognizing professional performance and maintaining continuity in the administration of the Clerk's office.

NOW, THEREFORE, BE IT RESOLVED, that the City of Swartz Creek City Council hereby authorizes an amendment to Section 5 of the amended and restated employment agreement with City Clerk Jacqueline Forrest to advance the $5,000 annual salary increase previously conditioned upon completion of one year of service, establishing an annual base salary of $65,000, effective November 23, 2026.

BE IT FURTHER RESOLVED, that this adjustment shall satisfy the one-year service salary increase provision of the existing agreement, and that all other terms and conditions of the agreement, including annual salary adjustments and the additional compensation associated with professional certification, shall remain unchanged.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to execute any necessary documentation to effectuate this amendment.

Second by Councilmember: _____

Voting For: _____
Voting Against: _____

Resolution No. 261123-8E **RESOLUTION TO APPROVE THE SOCIAL DISTRICT PERMIT APPLICATION OF AMERICAN PUB, LLC, DBA S&K HOMETOWN PUB**

Motion by Councilmember: _____

WHEREAS, the Michigan Liquor Control Code, PA 58 of 1998, as amended, specifically MCL 436.1551, authorizes local governmental units to establish Social Districts and designated Commons Areas and provides for the issuance of Social District Permits to qualified licensees; and

WHEREAS, the City Council of the City of Swartz Creek established a Social District and designated Commons Area pursuant to Resolution No. 260914-05 and adopted associated operating requirements and a Management and Maintenance Plan pursuant to Resolution No. 260914-06; and

WHEREAS, American Pub, LLC, doing business as S&K Hometown Pub, located at 8006 Miller Road, Swartz Creek, Michigan, has submitted an application requesting local approval to participate in the City's Social District; and

WHEREAS, the applicant holds Michigan Liquor Control Commission Class C License No. 452023 and has represented that its licensed premises are contiguous to the designated Commons Area and that it meets the applicable eligibility requirements of MCL 436.1551; and

WHEREAS, the applicant has acknowledged the City's Social District operating requirements, including the designated boundaries, hours of operation, approved beverage containers, and Management and Maintenance Plan; and

WHEREAS, the City Council finds that approval of the application is consistent with the purposes of the City's Social District and its objectives for supporting downtown business activity and economic development.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Swartz Creek hereby approves the local Social District Permit application of American Pub, LLC, doing business as S&K Hometown Pub, 8006 Miller Road, and recommends approval of the applicant's Social District Permit by the Michigan Liquor Control Commission, subject to verification of statutory eligibility and completion of applicable City participation requirements.

BE IT FURTHER RESOLVED, that the City Council authorizes the City Clerk to certify this action and transmit the necessary documentation to the Michigan Liquor Control Commission in accordance with MCL 436.1551.

BE IT FURTHER RESOLVED, that participation in the City's Social District shall be conducted in accordance with the City's adopted Social District regulations, Management and Maintenance Plan, and applicable state law, following issuance of the required permit by the Michigan Liquor Control Commission.

Second by Councilmember: _____

Voting For: _____
Voting Against: _____

Motion No. 261123-11A **ADJOURN**

Motion by Councilmember: _____

I Move the Swartz Creek City Council adjourn the regular council meeting of November 23, 2026.

Second by Councilmember: _____

Voting For: _____
Voting Against: _____

CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR COUNCIL MEETING
DATE November 9, 2026

The meeting was called to order at 7:01 p.m. by Mayor Henry in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance.

Councilmembers Present:	Spillane, Gilbert, Hicks, Knickerbocker, Henry.
Councilmembers Absent:	Melen, Krueger
Staff Present:	City Manager Adam Zettel, Clerk Jacquie Forrest.
Others Present:	Metro PD Chief Murphy, Jeff Kelly, Brenda Aldrich, Dennis Cramer.
Others Virtually Attended:	Lania Rocha, Jeffrey Kelley, Michael Miller, Jusitn Sprague.

EXCUSAL OF COUNCILMEMBERS

Motion by Councilmember Gilbert
Second by Councilmember Knickerbocker

I **Move** the Swartz Creek City Council approve an excused absence for Councilmember Krueger and Councilmember Melen from the Regular Council Meeting held Monday, November 9, 2026

Unanimous Voice Vote

APPROVAL OF MINUTES

Resolution No. 261109-01 **(Carried)**

Motion by Councilmember Spillane
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday October 26, 2026 to be circulated and placed on file.

YES: Spillane, Gilbert, Hicks, Knickerbocker, Henry.
NO: None. Motion Declared Carried.

APPROVAL OF CLOSED SESSION MINUTES

Resolution No. 261109-02

Motion by Mayor Pro Tem Hicks
Second by Councilmember Gilbert

I Move the Swartz Creek City Council approve the Closed Session Minutes of the Closed Session Meeting held during the Regular Council Meeting on Monday October 26, 2026.

YES: Gilbert, Hicks, Knickerbocker, Henry, Spillane,
NO: None. Motion Declared Carried

APPROVAL OF AGENDA

Resolution No. 261109-03 **(Carried)**

Motion by Councilmember Gilbert
Second by Councilmember Knickerbocker

I Move the Swartz Creek City Council approve the Agenda as printed for the Regular Council Meeting of November 9, 2026, to be circulated and placed on file.

YES: Hicks, Knickerbocker, Henry, Spillane, Gilbert,
NO: None. Motion Declared Carried.

CITY MANAGER'S REPORT

Resolution No. 261109-04 **(Carried)**

Motion by Councilmember Knickerbocker
Second by Councilmember Gilbert

I Move the Swartz Creek City Council accept the City Manager's Report of November 9, 2026, including reports and communications to be circulated and placed on file.

Discussion Ensued.

YES: Knickerbocker, Henry, Melen, Spillane, Gilbert, Hicks
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Dennis Cramer – Gave an update on Councilmen Krueger's surgery.

COUNCIL BUSINESS:

RESOLUTION TO EXTEND THE TERMS OF APPOINTED BOARD AND COMMISSION MEMBERS

Resolution No. 261109-05 **(Carried)**

Motion by Councilmember Spillane
Second by Mayor Pro Tem Hicks

WHEREAS, the State of Michigan enacted Public Acts 17 through 20 of 2025, establishing revised commencement dates for the terms of newly elected municipal officials, providing that such terms shall commence no earlier than 12:00 p.m. on the first day of the month following the election; and
WHEREAS, these legislative changes will result in the newly elected City Council taking office in December 2026, with the selection of a Mayor anticipated for December 7, 2026; and
WHEREAS, the City of Swartz Creek has historically conducted mayoral appointments to various boards and commissions at the regular City Council meeting following the selection of the Mayor; and
WHEREAS, certain appointed board and commission terms are scheduled to expire in November 2026, creating a potential lapse in appointments prior to the customary December appointment process; and
WHEREAS, the City Council desires to maintain continuity of representation, preserve the orderly conduct of public business, and avoid uncertainty regarding the authority of appointed members to participate in official board and commission proceedings.
NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Swartz Creek hereby extends the terms of all City-appointed board and commission members whose terms are otherwise scheduled to expire during November 2026, through December 14, 2026, or until their successors are duly appointed and qualified, whichever occurs later, to the extent permitted by applicable law.
BE IT FURTHER RESOLVED, that this extension is intended solely to facilitate the transition to the revised municipal election and appointment schedule and shall not otherwise alter the established terms, qualifications, or appointment procedures governing such boards and commissions.
BE IT FURTHER RESOLVED, that the City Clerk is directed to maintain the official appointment records consistent with this resolution and to recognize the continued service of affected members during the extension period.

Discussion Ensued.

YES: Knickerbocker, Henry, Spillane, Gilbert, Hicks.
NO: None. Motion Declared Carried.

RESOLUTION TO APPROVE THE MICHIGAN DEPARTMENT OF TRANSPORTATOIN PERFORMANCE RESOLUTION FOR MUNICIPALITIES

Resolution No. 261109-06 **(Carried)**

Motion by Mayor Pro Tem Hicks
Second by Councilmember Knickerbocker

WHEREAS, the Michigan Department of Transportation (MDOT) requires municipalities to adopt a Performance Resolution for Municipalities as a condition of obtaining permits for construction, maintenance, utility operations, and other activities within state highway rights-of-way; and
WHEREAS, the City of Swartz Creek periodically undertakes public infrastructure improvements and related activities that may require permits or approvals from MDOT; and
WHEREAS, compliance with applicable MDOT requirements is necessary to support the City's continued participation in state and federally funded transportation improvement programs; and
WHEREAS, the City anticipates substantial roadway improvements involving Miller Road and Elms Road through the Transportation Improvement Program (TIP), for which MDOT-administered funding is essential to advancing these projects; and
WHEREAS, the MDOT Performance Resolution for Municipalities, Form 2207B, establishes the City's obligations regarding permitted activities, contractor responsibilities, insurance, liability, and restoration of state highway rights-of-way; and
WHEREAS, the City Council finds that adoption of the Performance Resolution is necessary and in the public interest to facilitate future infrastructure improvements and preserve access to available transportation funding.
NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Swartz Creek hereby approves and adopts the Michigan Department of Transportation Performance Resolution for Municipalities, Form 2207B, as attached and incorporated herein by reference.
BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to apply to MDOT for permits to conduct work within state highway rights-of-way on behalf of the City of Swartz Creek, consistent with the terms and conditions of the adopted Performance Resolution.
BE IT FURTHER RESOLVED, that the City Manager and City Clerk are authorized to execute, certify, and submit the Performance Resolution and related documentation as required by MDOT.
BE IT FURTHER RESOLVED, that this authorization shall remain effective in accordance with the terms of the MDOT Performance Resolution, unless subsequently amended or rescinded by the City Council, subject to any continuing obligations under previously issued permits.

Discussion Ensued.

YES: Henry, Spillane, Gilbert, Hicks, Knickerbocker
NO: None. Motion Declared Carried.

OPENED TO THE PUBLIC:

None.

REMARKS BY COUNCILMEMBERS:

Councilmember Spillane: Asked if the DPW put away the woodchipper. Historical Society is having a presentation on Faygo pop and its history with Michigan. Asked about the decorative lighting on Holland Square.

Councilmember Gilbert: Wednesday, November 11, 2026 at 11:00 a.m. there will be a service at the Veterans Memorial Park with lunch following the ceremony at the VFW hall.

Councilmember Knickerbocker: Congratulations on the election results to the councilmembers.

Mayor Pro Tem Hicks: Inquired about the coffee tasting event at Holland Square, Saturday, November 21, 2026. Kudos to the City Clerk for a smooth-running election.

Mayor Henry: Read a letter from James Packer written to city council. Commented on his trip to Bentonville Arkansas with the City Manager.

ADJOURNMENT

Resolution No. 261109-09 **(Carried)**

Motion by Councilmember Gilbert
Second by Councilmember Knickerbocker

I Move the Swartz Creek City Council adjourn the regular meeting at 7:45 p.m.

Unanimous Voice Vote.

Nate Henry, Mayor **Jacquie Forrest, City Clerk**

CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
PARK AND RECREATION ADVISORY BOARD
MINUTES OF REGULAR MEETING
PAUL D. BUECHE MUNICIPAL BUILDING
NOVEMBER 17, 2026

Meeting called to order at 8083 Civic Drive at 5:00 p.m. by Chairman Barclay

Members Present: Barclay, Gonyea, Henry, D. Witter, S. Witter

Members Absent: Cramer, Parenteau, K. Melen, W Melen

Staff Present: Adam Zettel & Robert Bincsik

Others Present: None. Zoom was not functional.

APPROVAL OF AGENDA: Motion by Gonyea to approve the agenda for November 17, 2026, as printed, support by Henry.

Unanimous Voice Vote.
Motion Declared Carried.

APPROVAL OF MINUTES: Motion by Henry to approve minutes of September 15, 2026, support by Gonyea.

Unanimous Voice Vote.
Motion Declared Carried.

MEETING OPEN TO THE PUBLIC:

None.

COMMUNICATIONS TO THE BOARD:

A. November 17, 2026 Minutes
B. Staff Letter
C. Contest Maps

REPORTS:

A. The DPW Director and City Manager noted that the trails were in at Otterburn, though there will be further restoration and disc golf course adjustments prior to completion. The regional trail effort is picking up steam and the Swartz Creek trail between Elms and Morrish should benefit from engineering and MAYBE construction dollars. Bathrooms are winterized. The pickleball fencing needs to be rebid. Abrams may get leaves mulched again.

The bench options for the creek trail were discussed. There was not a decision on whether to go with a conventional bench or a stone bench.

BUSINESS:

A. Otterburn, Trail, Bench, Pickleball Courts: These items were covered in the update section above.

B. Christmas Decorating Contest: The publication date is to be December 17th. Images, addresses, and a short statement are to be sent to Lania via Adam by October 12th. Sara will do district 1. Barclay will do district 2. Nate will do district 3, and the Mark will do district 4.

C. Benches: The board would like to compare costs to place either a formal bench with wastebin (on a slab) along the trail between Morrish and Fairchild or to place a large stone bench with wastebin.

MEETING OPEN TO PUBLIC: None.

BOARD MEMBER COMMENTS:

Board Member D. Witter remarked about how the city is taking steps to invite more business and this seems to be working.

Board Member Henry noted that he feels vindicated because Bentonville used many stone benches!

Board Member Gonyea apologized for missing the last meeting.

Meeting declared adjourned at 6:01 p.m.

NEXT MEETING: December 15, 2026, 5:30 p.m. (likely to be cancelled)

_____

Mark Gonyea, Secretary

Where Friendships Last Forever

CITY OF SWARTZ CREEK
SOCIAL DISTRICT PARTICIPANT APPLICATION

Application for Local Approval / Recommendation for Michigan Social District Permit

Purpose. Use this form to request City of Swartz Creek approval to participate in the City's Social District. City approval is required before a qualified licensee applies to the Michigan Liquor Control Commission (MLCC) for a Social District Permit.

Important. This is a City application only. Approval by the City does not itself authorize Social District alcohol sales. The applicant must separately obtain the Social District Permit from the MLCC using the current State form (LCC-208).

RECEIVED
NOV. 10 2026
By

1. Applicant and Licensed Premises

Legal Licensee Name	American Pub LLC
DBA / Trade Name	S&K Hometown Pub
Licensed Premises Address	8006 Miller Rd.
City / State / ZIP	Swartz Creek, MI 48473
Applicant / Contact Person	Tyler Hardisty
Title	Operating Owner
Phone	810.919.5858 Email: American Pub 810@gmail.com
MLCC License No.	452023 License Type: Class C

2. Eligibility and Location

Please check each applicable statement:

☑ The applicant is a qualified licensee eligible for a Social District Permit under MCL 436.1551.

☑ The licensed premises is contiguous to the City of Swartz Creek Social District Commons Area.

☑ The applicant holds an active Michigan liquor license for the premises identified above.

☑ The applicant has reviewed the City's adopted Social District map, Management and Maintenance Plan, and applicable local rules.

☑ The applicant understands that alcohol for consumption in the Commons Area may be sold only from the applicant's licensed premises, including any MLCC-approved outdoor service area.

3. Requested Participation

Proposed Start Date	Dec. 1, 2026
Business Hours	Sun 12p-9p Mon-Thurs 11a-11p Fri 11a-2a Sat 12p-2a
Primary On-Site Contact	Tyler Hardisty
Contact Phone	810.919.5858

4. Applicant Acknowledgments

By signing this application, the applicant acknowledges and agrees that, if approved by the City and MLCC:

☑ The applicant will comply with MCL 436.1551, the Michigan Liquor Control Code and MLCC rules and requirements applicable to Social District Permits.

☑ Alcohol intended for consumption in the Commons Area will be served only in compliant non-glass containers of no more than 16 ounces that prominently display both (a) the applicant's trade name, logo, or other unique mark and (b) the logo or other mark designated for the City's Commons Area.

☑ The applicant will not sell alcoholic liquor in the Commons Area itself and will not allow alcohol purchased from another Social District permittee onto its licensed premises except where expressly allowed by State law.

☑ The applicant will make reasonable efforts to prevent sales to minors or intoxicated persons and will comply with all applicable server-training and liquor-control requirements.

☑ The applicant will comply with the City's Social District hours, boundaries, signage, operational requirements, Management and Maintenance Plan, and any participation agreement or rules adopted by the City.

☑ The applicant is responsible for obtaining and maintaining all required State and local licenses, permits, approvals, and insurance applicable to its operations.

☑ City approval is a recommendation to the MLCC and does not guarantee issuance or continuation of a State Social District Permit.

5. Required Attachments

Submit the following with this application:

☑ Copy of the applicant's current Michigan liquor license.

☐ Copy of the completed applicant/licensee portion of the current MLCC Social District Permit Application (LCC-208), if available.

☐ Any City-required participation agreement, signed by an authorized representative.

☐ Sample or proof of the proposed Social District serving-container markings, if requested by the City.

☐ Other information reasonably requested by the City to confirm eligibility or compliance.

call if other info is needed 810.919.5858 Tyler

6. Certification and Signature

I certify that I am authorized to submit this application on behalf of the licensee; that the information provided is true and complete to the best of my knowledge; and that the licensee agrees to comply with the requirements stated above and with the City of Swartz Creek Social District requirements, as amended from time to time.

Authorized Representative Tyler Hardisty

Title Operating Owner

Signature _____ Date: 11/11/2026

7. City Use Only

Date Received	_____
Staff Review	☐ Complete ☐ Incomplete ☐ Additional information requested
Contiguous to Commons Area	☐ Yes ☐ No
Qualified Licensee	☐ Yes ☐ No
Council Action	☐ Recommended ☐ Not Recommended
Council Meeting Date	_____
Resolution / Motion No.	_____
Clerk Certification	☐ Completed ☐ Attached to LCC-208 / resolution

CITY ACTION / NOTES

Submit to: City of Swartz Creek, 8083 Civic Drive, Swartz Creek, MI 48473
Questions: Contact the City Manager's Office. Applicants are responsible for filing the State Social District Permit Application and required State fees directly with the MLCC after local approval.

STATE OF MICHIGAN - LIQUOR CONTROL COMMISSION

Department of Licensing and Regulatory Affairs

This is to certify that a License is hereby granted to the person(s) named with the stipulation that the licensee is in compliance with Commission Rule R 436.1003, which states that a licensee shall comply with all state and local building, plumbing, zoning sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcement officials who have jurisdiction over the licensee. Issuance of this license by the Michigan Liquor Control Commission does not waive this requirement. The licensee must obtain all other required state and local licenses, permits, and approvals for this business before using this license for the sale of alcoholic liquor on the licensed premises.

This License is granted in accordance with the provisions of Act 58 of the Public Acts of 1998 and shall continue in force for the period designated unless suspended, revoked, or declared null and void by the Michigan Liquor Control Commission. The licensee named below freely and voluntarily consents and submits to inspections of the license premises in accordance with MCL 436.1217(2)-(3) and R 436.1011(4). Failure to comply with all laws and rules may result in the revocation of this license.

THIS LICENSE SUPERSEDES ANY AND ALL OTHER LICENSES ISSUED PRIOR TO MAY 7, 2026

BUSINESS ID: 0276953 FILE NUMBER:
AMERICAN PUB, LLC
D/B/A S & K'S HOMETOWN PUB

8006 MILLER RD,
SWARTZ CREEK, MI 48473-1341

GENESEE COUNTY
S-110.5
SWARTZ CREEK CITY

LICENSE #	LICENSE:	ACT:
L-000452022	Specially Designated Merchant	N/A
L-000452023	Class C	N/A

TOTAL BARS: 1 OUTDOOR SERVICE AREA: 1 ROOMS:
DIRECT-CONNECTIONS: 0 PASSENGERS:

PERMIT
Sunday Sales (PM):Class C- Spirits & Mixed Spirit Drink, Dance-Entertainment, Sunday Sales (AM), Outdoor Service Area(1), Sunday Sales (PM):SDM - Mixed Spirit Drink

IN WITNESS WHEREOF, this License has been duly signed and sealed by both the Michigan Liquor Control Commission and the Licensee(s).

LIQUOR CONTROL COMMISSION

LICENSEE(S) SIGNATURE(S)

LICENSE EFFECTIVE MAY 1, 2026 - EXPIRES APRIL 30, 2027

2026
2027

CITY OF SWARTZ CREEK
SOCIAL DISTRICT PARTICIPATION AGREEMENT

Implementation of City Council Resolutions No. 260914-05 and 260914-06 (September 14, 2026)

This Social District Participation Agreement ("Agreement") is entered into on _____ by and between the City of Swartz Creek, Michigan ("City"), and the following Michigan liquor licensee ("Participant"):

Legal licensee name: American Pub LLC

Trade name / DBA: S&K Hometown Pub

Licensed premises address: 8006 Miller Rd., Swartz Creek MI 48473

MLCC license number and type: 452023, class C

Authorized representative / title: Tyler Hardisty / Operating Owner.

1. Purpose and controlling documents

This Agreement governs Participant's voluntary participation in the Swartz Creek Social District and designated Commons Area. The City established the district and Commons Area by Resolution No. 260914-05 and adopted its management, maintenance, and activation plan by Resolution No. 260914-06. Participant shall comply with those resolutions, the officially adopted map and boundaries (Exhibit A to Resolution No. 260914-05), applicable City requirements, Michigan liquor law, and Michigan Liquor Control Commission ("MLCC") rules. If this Agreement conflicts with applicable law, the law controls.

2. Eligibility and approvals

Participant represents that it is a qualified licensee with an active, eligible MLCC license and premises contiguous to the designated Commons Area. Participant shall secure and maintain the MLCC Social District Permit and all other required approvals before selling beverages for Commons Area consumption. City approval and execution of this Agreement do not themselves authorize sales or guarantee MLCC permit issuance. Participant shall promptly notify the City of any license or permit suspension, revocation, lapse, or material change.

3. Authorized sales and location

Subject to the MLCC permit and applicable law, Participant may sell alcoholic beverages from its licensed premises (including an MLCC-approved outdoor service area, if applicable) for consumption in the designated Commons Area. Participant shall not sell alcoholic beverages within the Commons Area itself. Consumption under the Social District program is limited to the designated Commons Area; the Social District boundary and Commons Area boundary are not necessarily identical. Participant shall inform patrons of applicable boundaries and restrictions.

4. Containers and identification

Beverages intended for Commons Area consumption must be served in compliant, non-glass containers not exceeding 16 fluid ounces. Each container must display both the Participant's trade name, logo, or other unique identification and the designated Commons Area logo or mark. Participant shall follow City/DDA branding and container specifications communicated for the program, consistent with state law. Participant shall not refill Social District containers or permit removal of beverages in noncompliant containers. Alcohol purchased from another permittee may not be brought onto Participant's licensed premises except as expressly permitted by law.

5. Hours and temporary restrictions

The City-established Social District hours are Sunday through Saturday, 7:00 a.m. to 11:00 p.m. Participant may conduct Social District sales only during the intersection of these hours, its lawful license/service hours, and any other applicable

restrictions. The City Council may modify hours for special events; the City Manager may reduce hours for public safety and temporarily restrict hours or boundaries and administer special-event overlays as authorized by the adopted resolutions. Participant shall comply with written or otherwise duly communicated restrictions.

6. Personnel, safety, and patron conduct

Participant shall train relevant personnel on age verification, service to intoxicated persons, approved containers, boundaries, and program rules; comply with applicable server-training requirements; and refuse unlawful sales. Participant shall cooperate with law enforcement and City personnel. Disorderly conduct and public intoxication are not tolerated. Participant shall post or make available district rules at public exits as required by the City's management plan.

7. Cleaning, maintenance, and coordination

Participant shall keep its premises and adjacent frontage reasonably clean, provide or use appropriate waste receptacles, promptly address litter associated with its operations, and coordinate with the City and Downtown Development Authority ("DDA") regarding maintenance, signage, events, and program communications. The adopted plan assigns shared cleaning and maintenance responsibilities to the City, DDA, and participating businesses; this Agreement does not transfer all district-wide maintenance obligations to Participant.

8. Fees and cost recovery

Under Resolution No. 260914-06, the current annual participation fee is $0 and the current per-container fee is $0. Any future participation or per-drink fee shall apply only if duly adopted by subsequent City Council resolution and lawfully implemented. Participant remains responsible for its own licensing, insurance, container, staffing, and operating costs.

9. Insurance and responsibility

Participant shall maintain insurance required by applicable law and MLCC requirements and commercially reasonable general liability and liquor liability coverage appropriate to its operations. Participant shall provide evidence of coverage upon City request. Participant shall name the City as an additional insured on its general liability policy to the extent available and applicable to Participant's operations, subject to insurer endorsement. To the extent permitted by law, Participant shall indemnify and hold harmless the City and its officers, employees, and agents against third-party claims, damages, and reasonable costs arising from Participant's negligent or wrongful acts, omissions, or violations of law, except to the extent caused by the City's own negligence or wrongful conduct. This provision does not waive governmental immunity or create a City obligation to indemnify Participant.

10. Oversight and enforcement

The City Manager or designee administers the Social District, coordinates participation, oversees implementation, and may adjust operations within the authority of the adopted resolutions. For noncompliance, the City may issue notice and require correction, temporarily suspend local participation where authorized, or terminate this Agreement for material or repeated violations, subject to applicable law and any required process. Immediate protective restrictions may be imposed where reasonably necessary for public safety. State license and permit enforcement remains with the MLCC and other appropriate authorities; City action under this Agreement does not itself revoke an MLCC permit.

11. Pilot period and review

Resolution No. 260914-06 establishes a two-year pilot program measured from the date of activation. The City will collect participation, safety, cost, and community-feedback information and present a report to Council before deciding whether to continue, modify, or discontinue the program. Participation is not guaranteed beyond the pilot period. Any continuation is subject to Council action, applicable permits, and this Agreement or a successor agreement.

12. Events and changes

The Social District may be adapted for festivals, concerts, Holland Square programming, and other special events by Council resolution. The City Manager may impose temporary boundary or hour restrictions and administer special-event overlays as

authorized. Participant shall follow duly adopted or authorized changes and cooperate with City and DDA event coordination. Permanent changes to the designated Commons Area shall be implemented through applicable legal and City approval processes.

13. Term and termination

This Agreement becomes effective when signed by both parties, but Participant may not begin Social District sales until required MLCC authorization is effective. Unless earlier terminated, this Agreement ends upon expiration or discontinuation of the two-year pilot program, unless the City authorizes continuation and the parties renew or extend it in writing. Participant may withdraw on written notice. The City may terminate for material noncompliance, public safety concerns, loss of eligibility, or discontinuation of the district, subject to applicable law. Termination of this Agreement ends local authorization to participate but does not substitute for any MLCC action.

14. Miscellaneous

This Agreement does not create a partnership, agency, or joint venture; does not convey property rights or exclusivity; and may not be assigned without the City's written consent. Changes to this Agreement must be in writing and signed by both parties, except that duly adopted City rules, boundaries, hours, and lawful operational restrictions apply as provided above. Michigan law governs. If a provision is unenforceable, the remaining provisions continue in effect to the extent lawful.

Signatures

CITY OF SWARTZ CREEK

By: _____ Date: _____

Printed name / title: _____

PARTICIPANT (authorized licensee representative)

By: _____ Date: 11/17/2026

Printed name / title: Tyler Hardisty / Operating Owner.

Attachments / incorporated references: Resolution No. 260914-05 (including adopted Exhibit A map); Resolution No. 260914-06; applicable City Social District rules and approved branding specifications.

Act No. 152
Public Acts of 2011
Approved by the Governor
September 24, 2011
Filed with the Secretary of State
September 27, 2011
EFFECTIVE DATE: September 27, 2011

STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2011

Introduced by Senator Jansen

ENROLLED SENATE BILL No. 7

AN ACT to limit a public employer's expenditures for employee medical benefit plans; to provide the power and duties of certain state agencies and officials; to provide for exceptions; and to provide for sanctions.

The People of the State of Michigan enact:

Sec. 1. This act shall be known and may be cited as the "publicly funded health insurance contribution act".

Sec. 2. As used in this act:

(a) "Designated state official" means:

(*i*) For an election affecting employees and officers in the judicial branch of state government, the state court administrator.

(*ii*) For an election affecting senate employees and officers, the secretary of the senate.

(*iii*) For an election affecting house of representatives employees and officers, the clerk of the house.

(*iv*) For an election affecting legislative council employees, the legislative council.

(*v*) For an election affecting employees in the state classified service, the civil service commission.

(*vi*) For an election affecting executive branch employees who are not in the state classified service, the state employer.

(b) "Flexible spending account" means a medical expense flexible spending account in conjunction with a cafeteria plan as permitted under the federal internal revenue code of 1986.

(c) "Health savings account" means an account as permitted under section 223 of the internal revenue code of 1986, 26 USC 223.

(d) "Local unit of government" means a city, village, township, or county, a municipal electric utility system as defined in section 4 of the Michigan energy employment act of 1976, 1976 PA 448, MCL 460.804, an authority created under chapter VIA of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.108 to 259.125c, or an authority created under 1939 PA 147, MCL 119.51 to 119.62.

(e) "Medical benefit plan" means a plan established and maintained by a carrier, a voluntary employees' beneficiary association described in section 501(c)(9) of the internal revenue code of 1986, 26 USC 501, or by 1 or more public employers, that provides for the payment of medical benefits, including, but not limited to, hospital and physician services, prescription drugs, and related benefits, for public employees or elected public officials. Medical benefit plan does not include benefits provided to individuals retired from a public employer.

(f) "Public employer" means this state; a local unit of government or other political subdivision of this state; any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision; a school district, a public school academy, or an intermediate school district, as those terms are defined in sections 4 to 6 of the revised school code, 1976 PA 451, MCL 380.4 to 380.6; a community college or junior college described in section 7 of article VIII of the state constitution of 1963; or an institution of higher education described in section 4 of article VIII of the state constitution of 1963.

Sec. 3. Except as otherwise provided in this act, a public employer that offers or contributes to a medical benefit plan for its employees or elected public officials shall pay no more of the annual costs or illustrative rate and any payments for reimbursement of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts, or similar accounts used for health care costs, than a total amount equal to $5,500.00 times the number of employees with single person coverage, $11,000.00 times the number of employees with individual and spouse coverage, plus $15,000.00 times the number of employees with family coverage, for a medical benefit plan coverage year beginning on or after January 1, 2012. A public employer may allocate its payments for medical benefit plan costs among its employees and elected public officials as it sees fit. By October 1 of each year after 2011, the state treasurer shall adjust the maximum payment permitted under this section for each coverage category for medical benefit plan coverage years beginning the succeeding calendar year, based on the change in the medical care component of the United States consumer price index for the most recent 12-month period for which data are available from the United States department of labor, bureau of labor statistics.

Sec. 4. (1) By a majority vote of its governing body, a public employer, excluding this state, may elect to comply with this section for a medical benefit plan coverage year instead of the requirements in section 3. The designated state official may elect to comply with this section instead of section 3 as to medical benefit plans for state employees and state officers.

(2) For medical benefit plan coverage years beginning on or after January 1, 2012, a public employer shall pay not more than 80% of the total annual costs of all of the medical benefit plans it offers or contributes to for its employees and elected public officials. For purposes of this subsection, total annual costs includes the premium or illustrative rate of the medical benefit plan and all employer payments for reimbursement of co-pays, deductibles, and payments into health savings accounts, flexible spending accounts, or similar accounts used for health care but does not include beneficiary-paid copayments, coinsurance, deductibles, other out-of-pocket expenses, other service-related fees that are assessed to the coverage beneficiary, or beneficiary payments into health savings accounts, flexible spending accounts, or similar accounts used for health care. Each elected public official who participates in a medical benefit plan offered by a public employer shall be required to pay 20% or more of the total annual costs of that plan. The public employer may allocate the employees' share of total annual costs of the medical benefit plans among the employees of the public employer as it sees fit.

Sec. 5. (1) If a collective bargaining agreement or other contract that is inconsistent with sections 3 and 4 is in effect for a group of employees of a public employer on the effective date of this act, the requirements of section 3 or 4 do not apply to that group of employees until the contract expires. A public employer's expenditures for medical benefit plans under a collective bargaining agreement or other contract described in this subsection shall be excluded from calculation of the public employer's maximum payment under section 4. The requirements of sections 3 and 4 apply to any extension or renewal of the contract.

(2) A collective bargaining agreement or other contract that is executed on or after September 15, 2011 shall not include terms that are inconsistent with the requirements of sections 3 and 4.

Sec. 6. A public employer may deduct the covered employee's or elected public official's portion of the cost of a medical benefit plan from compensation due to the covered employee or elected public official. The employer may condition eligibility for the medical benefit plan on the employee's or elected public official's authorizing the public employer to make the deduction.

Sec. 7. (1) The requirements of this act apply to medical benefit plans of all public employees and elected public officials to the greatest extent consistent with constitutionally allocated powers, whether or not a public employee is a member of a collective bargaining unit.

(2) If a court finds the requirements of section 3 to be invalid, the expenditure limit in section 4 shall apply to a public employer that does not exempt itself under section 8, except that the requirement for a majority vote of the governing body of the public employer in section 4 shall not apply. If a court finds section 4 to be invalid, the expenditure limit in section 3 shall apply to each public employer that does not exempt itself under section 8.

Sec. 8. (1) By a 2/3 vote of its governing body each year, a local unit of government may exempt itself from the requirements of this act for the next succeeding year.

(2) A 2/3 vote of the governing body of the local unit of government is required to extend an exemption under this section to a new year.

(3) An exemption under this section is not effective for a city with a mayor who is both the chief executive and chief administrator, unless the mayor also approves the exemption.

(4) An exemption under this section is not effective for a county with a county executive who is both the chief executive and chief administrator, unless the county executive also approves the exemption.

Sec. 9. If a public employer fails to comply with this act, the public employer shall permit the state treasurer to reduce by 10% each economic vitality incentive program payment received under 2011 PA 63 and the department of education shall assess the public employer a penalty equal to 10% of each payment of any funds for which the public employer qualifies under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, during the period that the public employer fails to comply with this act. Any reduction setoff or penalty amounts recovered shall be returned to the fund from which the reduction is assessed or upon which the penalty is determined. The department of education may also refer the penalty collection to the department of treasury for collection consistent with section 13 of 1941 PA 122, MCL 205.13.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Clerk of the House of Representatives

Approved .....

.....

Governor

City of Swartz Creek — Medical Benefit Comparison

Benefit / Cost	BCN 2025	HAP 2026	HAP 2027
Plan	BCN PCP Focus Platinum EA	HAP HFH Select HMO Platinum A050	HAP HFH Select HMO Platinum A050
Effective date	1/1/2025	1/1/2026	1/1/2027
Network	HMO / In-Network	HMO / In-Network	HMO / In-Network
DEDUCTIBLE			
Individual	$500	$500	$500
Family	$1,000	$1,000	$1,000
Aggregate or Embedded	Not specified	Embedded	Embedded
COINSURANCE			
Coinsurance	0%	0%	0%
Individual Max	Not Applicable	Not Applicable	Not Applicable
Family Max	Not Applicable	Not Applicable	Not Applicable
ANNUAL OUT-OF-POCKET MAX			
Individual	$1,500	$2,500	$3,200
Family	$3,000	$5,000	$6,400
PHYSICIAN OFFICE SERVICES			
Preventive Care	No Charge	No Charge	No Charge
Primary Care	$20	$20	$25
Specialist	$30	$40	$45
Virtual Visit	$0	No Charge	No Charge
Behavioral Health	$20	$20	$25
HOSPITAL SERVICES			
Urgent Care	$35	$65	$65
Emergency Room	$150 Copay after deductible	$200	$250
Inpatient	0% after deductible	No Charge after deductible	No Charge after deductible
Outpatient	0% after deductible	No Charge after deductible	No Charge after deductible
DIAGNOSTIC SERVICES			
Imaging/CT/PET/MRI	$150 Copay after deductible	$150 Copay after deductible	$150 Copay after deductible
Labs	No Charge	$30	$35
X-Rays	0% after deductible	$30	$35
REHABILITATIVE CARE			
Chiropractic	$30	$30	$30
Occupational and Physical Therapy	$30 Copay after deductible	$35	$40
PRESCRIPTION DRUGS			
Generic	$4/$15	$5/$15	$5/$15
Preferred Brand	$40	$30	$40
Non-Preferred Brand	$80	$60	$80
Preferred Specialty	20%/$200 max	20%/$200 max	20%/$200 max
Non-Preferred Specialty	20%/$300 max	50%/$500 max	50%/$500 max
PREMIUMS — AS QUOTED			
Monthly Premium	**$12,698.47**	**$13,551.84**	**$15,867.90**
Annual Premium	**$152,381.64**	**$162,622.08**	**$190,414.80**