

**City of Swartz Creek  
AGENDA**

**Regular Council Meeting, Monday June 28, 2010 7:00 P.M.  
City Hall 8083 Civic Drive, Swartz Creek Michigan 48473**

1. **CALL TO ORDER:**
2. **INVOCATION AND PLEDGE OF ALLEGIANCE:**
3. **ROLL CALL:**
4. **MOTION TO APPROVE MINUTES:**
  - 4A. Regular Council Meeting of June 14, 2010 MOTION Pg. 7,10-17
5. **APPROVE AGENDA**
  - 5A. Proposed / Amended Agenda MOTION Pg. 7
6. **REPORTS & COMMUNICATIONS:**
  - 6A. [City Manager's Report](#) (Agenda Item) MOTION Pg. 7,2-6
  - 6B. Monthly Fire Report Pg. 18-43
  - 6C. DDA & PC Notices Pg. 44-45
  - 6D. Tax Foreclosure, 7026 Miller – Marathon (Agenda Item) Pg. 46-54
  - 6E. Springbrook East Proposal, Street Repairs (Agenda Item) Pg. 55-57
  - 6F. Fire Cost recovery Ordinance (Agenda Item) Pg. 58-62
  - 6G. WWS Notices, Water Rate Increase, Historical Increase Notices Pg. 63-70
  - 6H. WWS Notice, Franchise Customers Pg. 71-76
  - 6I. City Attorney Publication, Municipal Mediation Pg. 77-80
  - 6J. Comcast Notice, Channel Changes Pg. 81-82
  - 6K. County EMD Consolidation Pg. 83
  - 6L. Quarterly Report, Flint Watershed Coalition Pg. 84-91
  - 6M. Legislative Update, Gonzales Newsletter Pg. 92-94
  - 6N. Time Article, States In Fiscal Crisis Pg. CD
7. **MEETING OPENED TO THE PUBLIC:**
  - 7A. General Public Comments
8. **COUNCIL BUSINESS:**
  - 8A. Accept Grant, One-Hundred Club RESO. Pg. 8, 5
  - 8B. AFSCME Labor Agreement, Wage Opener RESO. Pg. 8, 4
  - 8C. Tax Foreclosure, 7026 Miller – Marathon RESO. Pg. 9,46-54
  - 8D. Springbrook East Association Streets DISC. Pg. 55-57
  - 8E. Fire Department Cost Recovery Ordinance DISC. Pg. 58-62
9. **MEETING OPENED TO THE PUBLIC:**
  - 9A. General Public Comments
10. **REMARKS BY COUNCILMEMBERS:**
11. **ADJOURNMENT:**
  - 11A. General Motion MOTION

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

**Regular Council Meeting of Monday June 28, 2010 7:00 P.M.**

**TO:** Honorable Mayor, Mayor Pro-Tem & Council Members  
**FROM:** PAUL BUCHE // City Manager  
**DATE:** 25-June-2010

**OLD / ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS**

- ✓ **2009-2010 FINANCIALS** *(Status)*  
 We are awaiting the year end finals and audit. I'll pass along the year end projected as soon as we have good numbers (mid July).
- ✓ **MTT APPEALS, GM BANKRUPTCY** *(Status)*  
 No new updates.
- ✓ **PERSONNEL POLICIES & PROCEDURES** *(Status)*  
 I had hopes of completing this during the holidays, but got sidetracked on other issues. I'll try and complete it in the near future
- ✓ **DISASTER, EMERGENCY RESPONSE POLICY COMMITTEE** *(Status)*  
 As above, I have similar hopes on this project.
- ✓ **MAJOR STREET FUND, TRAFFIC IMPROVEMENTS** *(See Individual Category)*
  - ☐ **2011-2014 T.I.P. APPLICATION** *(Status)*  
 Here is a schedule of City projects that are funded or in the queue (shaded).

**TABLE #1 2011-2014 TIP, ALL PROJECTS, FUNDED & QUEUE** *(shaded)*

Project	Year	Grant	City Match	P.E.	C.E.	Total
Miller Between Elms & Tallmadge	2011	\$338,997	\$85,749	\$28,000	\$45,000	\$497,746
Bristol Road @ GM-SPO	2013	\$54,912	\$13,728	\$8,000	\$16,000	\$92,640
Trail, Elms Park to Heritage	2013	\$296,000	\$221,000	\$25,000	\$45,000	\$587,000
Miller Between Tallmadge & Dye	Unfunded	\$951,602	\$237,901	\$76,000	\$120,000	\$1,385,503
Miller Between Seymour & Elms	Unfunded	\$1,635,357	\$408,839	\$100,000	\$160,000	\$2,304,196
<b>City Funded Totals</b>	-	-	<b>\$967,217</b>	<b>\$237,000</b>	<b>\$386,000</b>	<b>\$1,590,217</b>

- ☐ **TRAIL SYSTEM** *(Status)*  
 Addressed above.
- ☐ **MORRISH ROAD NORTH CONSTRUCTION PROJECT - MEIJER'S** *(Status)*  
 The project is finally underway. As a note, we have talked about the repair of the area at Morrish & I-69 in front of the racetrack, in connection with this project. So as the Council is aware, we currently have no plans to fix this. As a re-cap, we checked the pricing for both concrete and asphalt repairs. Both were high. The current contractor isn't excited about the work as most of it would be sub-contracted. In

addition, I think MDOT should be paying for all, or a portion of this. We'll keep looking for an equitable solution for the repairs. I'll keep the Council posted on developments.

**❑ MORRISH ROAD SOUTH ARRA PROJECT & GUARDRAIL (Status)**

Pending final reconciliation of construction engineering fees. We are looking at options for replacing the guardrail and will be back for discussion in the near future.

✓ **LOCAL STREET FUND, TRAFFIC IMPROVEMENTS**

**❑ 2008 REPAIR ROSTER (Status)**

Jennie Lane was approved at the meeting of June 14<sup>th</sup>, total amount being \$123,955 (\$7,920 of this being construction engineering fees). The low bid contractor is "Mike & Son Asphalt Inc", of Bath Michigan. Work is set to begin soon with a two week completion estimate. Although we have bid the Cape Seal portion, we are not yet ready to award it as we are in the process of looking at the drainage structures on these streets for repairs that will have to be done before the sealing process. I estimate the cost for this work at around \$10,000. The total for the Cape Seal is \$103,526 (\$1,980 of which is construction engineering fees). As we discussed, the Cape Seal project could be scaled back, in that we could eliminate half or more of the streets we bid for the process. The problem here is that each of the streets we drop will end up in the "hugely expensive to fix" category very soon. Before either of these projects, we have about \$160,000 fund balance in 203 Local Streets. At the June 14<sup>th</sup> meeting, we decided to use contributions from the garbage fund for damages from the vehicles, and general fund supplements. Here is an estimate of the cost distribution:

	<i>Total Project Cost</i>	<i>101 Fund</i>	<i>203 Fund</i>	<i>226 Fund</i>
<i>Jennie Lane</i>	\$124,000	\$16,800	\$70,000	\$37,200
<i>Cape Seal</i>	\$104,000	\$2,800	\$70,000	\$31,200
<b>TOTAL</b>	\$228,000	\$19,600	\$140,000	\$68,400

We will be back with the Cape Seal appropriation and award as soon as we have the costs for the catch basin work.

✓ **WWS SEWER USE – IPP ORDINANCE (Status)**

Pending.

✓ **SEWER REHABILITATION PROJECT, I&I, PENALTIES (Status)**

Phase III was approved at the December 7 Council Meeting. I'll keep the Council informed on progress. As we have discussed, the County has always informed us that as long as we continue to work towards the reduction of infiltration and inflow, the penalties will not be assessed. Our relining and manhole rehabilitation should be much more than adequate to accomplished this.

✓ **WWS STORM WATER ORDINANCE (Status)**

We are still looking at this.

✓ **KAREGNONDI WATER AUTHORITY (Status)**

Pending. Included with tonight's packet is a notice from WWS of a water rate increase, effective September 2<sup>nd</sup>. The increase is 22¢ per 100 cf, from \$2.54 to \$2.76. We are evaluating this increase to see how we need to book it. I've included notices of rate increases going back several years, for your review.

- ✓ **MARATHON STATION BLIGHT & NON-CONFORMING USE** (*Resolution*)  
 Included with tonight's packet is a notice from the County Treasurer that the property at 7026 Miller, the abandoned Marathon Station, is up for tax foreclosure. The property is being offered to the City for the settlement of 2007, 2008 & 2009 back taxes, being \$24,291. As the Council is painfully aware, this property (and soon to be the one downtown) has been a serious thorn in our side. It would greatly benefit us to gain control of this property so we can drive the demolition of the building, site clean-up and ultimate sale for placement back on the active tax roll. The problem is two-fold, money and environmental contamination concerns. I have a pocketful of discussion and options, but in cutting to the chase, I am recommending we put our trust in the County Land Bank and ask them to acquire the property via regular channels and work with us to raze the building and clean up the site. We will have a guest celebrity appearing at tonight's meeting to help us through our options. I think we still remember what he looks like.... Mr. Figura.
- ✓ **SALE OF CITY PROPERTY 5129 MORRISH ROAD** (*Status*)  
 Pending a report back to the Council with recommendation on the structure as well as the house the City owns at Morrish & Fortino.
- ✓ **SWARTZ AMBULANCE AGREEMENT** (*Status*)  
 The budget we will be adopting tonight discontinues all funding related to the City's contribution towards the ambulance base. We are fast approaching less than 24 hour police coverage which will become a number one General Fund Priority. I have spoken with Swartz Ambulance and they do desire to stay within the City. I plan to meet with them and discuss the future of the base and options that may exist.
- ✓ **MDOT PARK & RIDE** (*Status*)  
 Construction is underway, but temporarily halted pending the Consumer Energy power drop. An easement across the City's street right of way needed endorsed before Consumer's would proceed. We are waiting for the paperwork to catch up before work is completed. In many ways, we are flying blind on this as we have no written agreement with MDOT, other than email and verbal commitments.
- ✓ **LABOR CONTRACTS** (*Resolution*)  
 We approved no change to wages and extending the wage re-opener for the POLC agreement out to December, and thereafter, on six month increments, to meet and review finances. I've met with AFSCME and they will also agree to the same arrangement. I look to do the same with the Supervisor's, as well as the individual agreements with myself and Mr. Zettel. Included with tonight's agenda is an addendum to the AFSCME agreement similar to the POLC agreement. I will bring the other agreements back for review as I clear them.
- ✓ **GO GREEN, PUBLIC SAFETY BUILDING HVAC GRANT** (*Status*)  
 The work was approved at the bid award price of \$36,934. Construction is nearly completed.
- ✓ **BOARDS & COMMISSIONS** (*Status*)  
 We still have a bit of clean up appointments, foremost being the Park Board.

- ✓ **PARK COUNCIL MEETING** (*Status*)  
Set for Monday July 26, 2010, Elms Road Park Pavilion #2 at 7:00 pm,

## **NEW BUSINESS / PROJECTED ISSUES & PROJECTS**

- ✓ **ONE-HUNDERED CLUB GRANT, POLICE VESTS** (*Resolution*)  
As you may recall, we budgeted \$12,000 for the replacement of the bullet resistant vests our police officers wear. They have reached the manufacturer's recommended shelf life. The ones in use now were purchased with a US Department of Justice Grant with a small match amount. We are looking to see if the DOJ will run the program again this fall. In the meantime, we applied for and received a One-Hundred Club of Flint Grant in the amount of \$2,000 towards the purchase. I have a resolution of acceptance of the grant included with tonight's agenda. We will continue for as long as we can to pursue the DOJ grant. If this is awarded, the two grants may very well pay the entire costs of the replacements.
- ✓ **SPRINGBROOK EAST ASSOCIATION CONCERNS** (*Discussion*)  
As we have touched on briefly in the past, we have two subdivisions that are in the early stage of construction and quite likely, it will be a long time, if ever, before they are completed. Both associations, being Springbrook East and Heritage Village, have been to the City seeking help. Springbrook East is further along in searching for solutions. Although the problems for the two associations are very similar, the association savings and ability to fund improvements differ. Included with tonight's packet is a quote from Rowe for design, bid, construction engineering and an estimate for the cost of construction that will bring the roads within Springbrook East to the City's specification for acceptance on our Act 51 certified street system. I've set this for a short discussion to bring the council up to date.
- ✓ **FIRE DEPARTMENT COST RECOVERY** (*Discussion*)  
Included in tonight's packet is an ordinance that the Fire Board requests we pass. As I understand it, they are asking for the authority, via ordinance, to bill for all fire responses in the City and Township. In its current form, the ordinance is inconsistent with our code and would need to be re-written. Additionally, it is unclear in identifying responsible parties and exactly how such funds collected are to be used. As of writing, I have not spoken to the Township or the City Attorney on this. Before we spend the time, I would like direction from the Council as to whether we have an interest in pursuing this. A decision to pursue this is not necessary tonight, but discussion is needed to bring out issues. Mr. Figura will be present at tonight's meeting. I'll make sure he is familiar with the request so he can be prepared to address the legal concerns.
- ✓ **CAMP 911** (*Information*)  
The Police Department held the annual Camp 911 last week with great results. About 80 youngsters participated in this year's program, which was held at the United Methodist Church. The program costs were paid for with a donation by the Swartz Creek Kiwanis. Although a large number of people helped put the program on, a special thanks is in order for our "super volunteers": Korene Kelly, Mary DeShano, Elizabeth DeShano and Ella Mae Hulka. From the Police Department, Officer Ken Szmansky and Lt. Rick DeShano were instrumental in the program with Officer Larry Pirochta, Officer Nick Paul and Officer Ike assisting. Other participating organizations

are Swartz Creek & Gaines Township Fire Departments, Genesee County Sheriff Department, Clayton Township Police Department, Swartz Ambulance Service and Matt Assenmacher of Assenmacher's Bicycle Shop.

### **Council Questions, Inquiries, Requests and Comments**

- ❑ *Traffic Lights, Bristol-Miller, GM-SPO.* Pending the direction that GM takes. New traffic counts as to warrants would need to be taken.
- ❑ *Sr. Center Budget, Statement, Building Cost Reconciliation.* Pending obtaining documents.
- ❑ *Deteriorated Retaining Walls & Planters at City Buildings.* The north wall at the Public Safety Building behind the Police Department collapsed. We are looking at solutions to take care of this more pressing problem first.
- ❑ *Tabled Garbage Collection Policy.* Resting comfortably... for now.
- ❑ *Youth Programs in Park.* Looking into this.

**City of Swartz Creek**  
**RESOLUTIONS**  
**Regular Council Meeting, Monday June 28, 2010 7:00 P.M.**

**Resolution No. 100628-4A**      **MINUTES, JUNE 14, 2010**

Motion by Councilmember: \_\_\_\_\_

**I Move** the Swartz Creek City Council hereby approve the Minutes of the Regular Council Meeting held June 14, 2010 to be circulated and placed on file.

Second by Councilmember: \_\_\_\_\_

Voting For: \_\_\_\_\_

Voting Against: \_\_\_\_\_

**Resolution No. 100628-5A**      **AGENDA APPROVAL**

Motion by Councilmember: \_\_\_\_\_

**I Move** the Swartz Creek City Council approve the Agenda as presented / printed / amended for the Regular Council Meeting of June 28, 2010 to be circulated and placed on file.

Second by Councilmember: \_\_\_\_\_

Voting For: \_\_\_\_\_

Voting Against: \_\_\_\_\_

**Resolution No. 100628-6A**      **CITY MANAGER'S REPORT**

Motion by Councilmember: \_\_\_\_\_

**I Move** the Swartz Creek City Council approve the City Manager's Report of June 28, 2010, to be circulated and placed on file.

Second by Councilmember: \_\_\_\_\_

Voting For: \_\_\_\_\_

Voting Against: \_\_\_\_\_



**Resolution No. 100614-8A      ACCEPT GRANT, HUNDRED CLUB**

Motion by Councilmember: \_\_\_\_\_

**WHEREAS**, the City’s Police Officer are issued bullet resistant vests and are required to wear them as part of their law enforcement activities; and

**WHEREAS**, the vests have a manufacturers recommended life expectancy of approximately five years, the City’s vests at the limit and in need of replacement; and

**WHEREAS**, the City has searched for safety equipment grant funding to offset the cost, two such sources being the Flint One-Hundred Club and the U.S. Department of Justice; and

**WHEREAS**, the One-Hundred Club has committed to grant an amount of \$2,000 towards the replacement of the City’s vests

**NOW, THEREFORE, I Move** the City of Swartz Creek, with appreciation, accept a grant of \$2,000 from the One-Hundred Club of Flint, funds to be used to off set the cost of the replacement of bullet resistant vests for the City’s Police Officers.

Second by Councilmember: \_\_\_\_\_

Voting For: \_\_\_\_\_

Voting Against: \_\_\_\_\_

**Resolution No. 100628-8B      A.F.S.C.M.E. LABOR AGREEMENT WAGE RE-OPENER**

Motion by Councilmember: \_\_\_\_\_

**WHEREAS**, the 2009-2012 A.F.S.C.M.E. Collective Bargaining Agreement provided for no wage or benefit increase for the first effective year of the agreement, being July 1, 2009, and further, the agreement allows for wage re-opener negotiations on July 1, 2010 and July 1, 2011; and

**WHEREAS**, the City Manager met with the union wherein the union believes that compensation has fallen behind other similar sized municipal governments, however, they do understand the economic crisis the City is experiencing and is willing to work with the City; and

**WHEREAS**, it was understood that the City continues to significantly scale back its operation in order to keep expenses within revenues, the A.F.S.C.M.E. asking only that the City continue to review its economic position and work towards merit increases as soon as able, and to this end, it was agreed to forgo any rate increases effective July 1, 2010 and schedule meetings on six month increments in order to conduct such reviews together.

**NOW, THERFORE, I Move** that the City of Swartz Creek allow for a letter of understanding to amend the 2009-2010 A.F.S.C.M.E. Labor Agreement to reflect that



the City will meet on six month increments, being prior to July and December of each year, for the purpose of discussing finances and exploring wage increases.

Second by Councilmember: \_\_\_\_\_

Voting For: \_\_\_\_\_

Voting Against: \_\_\_\_\_

**Resolution No. 100614-8C      TAX FORCLOSURE, 7026 MILLER – MARATHON, TAX ID NO. 58-36-576-001**

Motion by Councilmember: \_\_\_\_\_

**WHEREAS**, the Marathon Filling Station at 7026 Miller Road, Tax ID No.58-36-576-001, has been abandoned for more than a decade, the property having slipped into extreme disrepair; and

**WHEREAS**, the site has been designated as a contaminated facility with underground storage tanks, monitoring and reporting currently being conducted by Inland Seas Environmental Engineering of Flushing Michigan; and

**WHEREAS**, the property shows ownership by Swartz Creek Ventures, Grand Blanc Michigan, and further, is currently delinquent in taxes for the tax years of 2007, 2008 and 2009; and

**WHEREAS**, the Genesee County Treasurer’s Office has commenced tax foreclosure and has offered the property to the City for tax default value, being \$24,291: and

**WHEREAS**, the City’s primary interest is in seeing the site cleaned up by re-development or the demolition of the building: and

**WHEREAS**, the acquisition of the property by tax foreclosure would allow the City an avenue to accomplish such re-development, however, the cost of acquisition and subsequent remediation may be cost prohibitive.

**THEREFORE, I Move** the City of Swartz Creek direct the staff to work with the Genesee County Treasurer’s Office to seek a solution to accomplish the demolition, re-development and remediation of the site, and further, to this end, allow for the execution of any necessary documents.

Second by Councilmember: \_\_\_\_\_

Voting For: \_\_\_\_\_

Voting Against: \_\_\_\_\_

**City of Swartz Creek**  
**Regular Council Meeting Minutes**  
*Of the Meeting Held*  
**Monday June 14, 2010 7:00 P.M.**

**CITY OF SWARTZ CREEK**  
**SWARTZ CREEK, MICHIGAN**  
**MINUTES OF THE COUNCIL MEETING**  
**DATE 06/14/2010**

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

Invocation and Pledge of Allegiance to the Flag.

Councilmembers Present: Abrams, Binder, Hicks, Hurt, Krueger, Porath, Shumaker.

Councilmembers Absent: None.

Staff Present: City Manager Paul Bueche, City Clerk Juanita Aguilar, DPS Director Tom Svrcek, Police Chief Rick Clolinger, Officer Larry Pirochta, Mike Royalty of ROWE Professional Services.

Others Present: Boots Abrams, Tommy Butler, Bob Plumb, Sharon Shumaker, J O'Brien, Jeff Wright, Ron Schultz.

**APPROVAL OF MINUTES**

**Resolution No. 100614-01**

**(Carried)**

Motion by Mayor Pro-Tem Porath  
Second by Councilmember Hurt

**I Move** the Swartz Creek City Council hereby approve the Minutes of the Regular Council Meeting held May 24, 2010, as corrected, to be circulated and placed on file.

YES: Binder, Hicks, Hurt, Krueger, Porath, Shumaker, Abrams.  
NO: None. Motion Declared Carried.

**APPROVAL OF AGENDA**

**Resolution No. 100614-02**

**(Carried)**

Motion by Councilmember Krueger  
Second by Councilmember Hurt

**I Move** the Swartz Creek City Council approve the Agenda, as printed, for the Regular Council Meeting of June 14, 2010 to be circulated and placed on file.

YES: Hicks, Hurt, Krueger, Porath, Shumaker, Abrams, Binder.  
NO: None. Motion Declared Carried.

**Excuse Mayor Pro-Tem Porath**

**Resolution No. 100614-03**

**(Carried)**

Motion by Councilmember Krueger  
Second by Councilmember Hurt

**I Move** the Swartz Creek City Council excuse Mayor Pro-Tem Porath from the May 24, 2010 meeting, due to transportation difficulties.

YES: Hurt, Krueger, Shumaker, Abrams, Binder, Hicks.  
NO: None. Motion Declared Carried.

**REPORTS AND COMMUNICATIONS:**

**City Manager's Report**

**Resolution No. 100614-04**

**(Carried)**

Motion by Councilmember Shumaker  
Second by Councilmember Hurt

**I Move** the Swartz Creek City Council approve the City Manager's Report of June 14, 2010, to be circulated and placed on file.

YES: Krueger, Porath, Shumaker, Abrams, Binder, Hicks, Hurt.  
NO: None. Motion Declared Carried.

All other reports and communications were accepted and placed on file.

**MEETING OPENED TO THE PUBLIC:**

None.

**COUNCIL BUSINESS:**

**Jeff Wright, WWS, Karegnondi Water Line**

**(Discussion Topic)**

Jeff Wright made a presentation on the status of the Karegnondi Water Line.

**Police Retirement Buy-Out Package**

**Resolution No. 100614-05**

**(Carried)**

Motion by Councilmember Hicks  
Second by Councilmember Hurt

**WHEREAS**, Officer Larry Pirochta has served with the City as a full-time police officer since January 1980 with an exemplary record; and

**WHEREAS**, Officer Pirochta will reach his maximum MMERS retirement benefit cap at 32 years of service in January 2012; and

**WHEREAS**, a significant and unprecedented national fiscal crises began in 2008, the crises continuing today with the likelihood that it may be years, if not decades before the City returns to a point prior to 2008; and

**WHEREAS**, the City continues to meet the fiscal challenges in a variety of ways, one of which is the downsizing of the workforce; and

**WHEREAS**, one such mechanism to accomplish the downsizing of the workforce without layoffs is to accelerate retirements, Officer Pirochta meeting the criteria of being close enough to retirement to make a buy-out economically feasible for all parties.

**NOW, THEREFORE, I Move** the City of Swartz Creek approve the early retirement of Officer Larry Pirochta, with the following general stipulations:

1. The City will deposit into the MMERS retirement system an amount not to exceed \$26,000, the amount calculated by MMERS to buy time from the effective date of retirement, being on or about August 1, 2010, to January 31, 2012, thus bringing the years of service for Officer Pirochta to 32.
2. Officer Pirochta will retire on or about August 1, 2010. Officer Pirochta will be allowed to return as an at-will part-time police officer with the City, subject to the rules, regulations and rates of pay of the Police Department and City, MCOLES licensing requirements and the City's Contract with the Michigan Municipal Employees Retirement System.
3. An agreement drafted by the City Attorney and endorsed by the Police Officers Labor Council.
4. Post retirement and separation benefits to be provided as set forth in the 2009-2012 Labor Agreement between the City and the POLC.

**FURTHER**, the City Council directs the City Manager to prepare and execute any and all necessary paperwork, fiscal adjustments, separation agreements and contractual payouts to accomplish the separation of Officer Pirochta

**BE IT FINALLY RESOLVED**, that the City of Swartz Creek extend its sincere appreciation for the dedicated service extended by Officer Pirochta to the citizens of the City

Discussion Took Place.

YES: Porath, Shumaker, Abrams, Binder, Hicks, Hurt, Krueger.  
NO: None. Motion Declared Carried.

**Local Street Project-Appropriation & Bid Award, Jennie Lane Mill & Resurface**

**Resolution No. 100614-06**

**(Carried)**

Motion by Councilmember Binder  
Second by Councilmember Hurt

**WHEREAS**, the City is in need of extensive repairs to its local street system in which the sole source for funding is State of Michigan Act 51 gas and weight distributions; and

**WHEREAS**, such revenues are insufficient for any extensive repairs and sustain only routine maintenance such as snow and ice removal and cold patch filling; and

**WHEREAS**, the City has been successful over the last six years in reserving a small amount of funds totaling \$160,000 towards repairs, however, such savings fall far short of the estimated \$5 million plus it would take to bring the City's local street system into reasonable repair; and

**WHEREAS**, the City staff and consulting engineers have evaluated the local street system and determined that given the insufficient amount of funds, that the best value for the investment would be to work to prolong the life of streets that have not deteriorated to the point of re-construction; and

**WHEREAS**, the City has sent citizen questionnaires and discussed options at public meetings, concluding that although the citizens desire their streets to be in good repair, they are generally unwilling to support a levy or pay assessments through a special assessment district; and

**WHEREAS**, the City's staff and consulting engineers recommend the best value for the funds in reserve are the mill and re-surface of Jennie Lane from Bristol to Yarmy and the use of a process called "Cape Seal, wherein some structure work is done along with a micro slurry overlay on streets with relatively low deterioration; and

**WHEREAS**, the City bid both a Cape Seal process on a handful of local streets and the mill and resurface of Jennie Lane, with the low bid for the Jennie Lane work being Mike & Son Asphalt of Bath Michigan, in the amount of \$116,035, with construction engineering cost of \$7,920; and

**WHEREAS**, the City staff and consulting engineers have inspected damage to the local street system and determined that in part, deterioration of the structures can be attributed to sustained exposure to heavy vehicles, in particular during the freeze thaw period in the spring, such overweight vehicle exposure recognized to be the City's contracted weekly garbage collection services: and

**WHEREAS**, the City’s consulting engineer and City Staff have documented such damage and calculated the outside three feet of each lane, approximately 30%, have sustained attributed damage; and

**WHEREAS**, it is reasonable to subrogate funds from within the garbage collection 226 fund to assist in the repair of such damage.

**NOW, THEREFORE, I Move** the City of Swartz Creek accept the low bid of Mike & Son Asphalt of Bath Michigan, in the amount of \$116,035, for the mill and resurface of Jennie Lane from Bristol to Yarmy, in accordance with the bid specifications as set forth and offered for bid by the City’s engineering consulting firm, Rowe Professional Services Inc, and further, appoint Rowe Professional Services Inc. to perform construction engineering and testing services at a cost of \$7,920, total project cost of \$124,000.

BE IT FURTHER RESOLVED, that the City direct staff to apportion the cost of the project as follows:

	<i>Total Project Cost</i>	<i>101 Fund</i>	<i>203 Fund</i>	<i>226 Fund</i>
<i>Jennie Lane</i>	\$124,000	\$16,800	\$70,000	\$37,200

Discussion Took Place.

YES: Shumaker, Abrams, Binder, Hicks, Hurt, Krueger, Porath.  
 NO: None. Motion Declared Carried.

**Appropriation, 2009-2010 FANG Dues**

**Resolution No. 100614-07**

**(Carried)**

Motion by Councilmember Hurt  
 Second by Councilmember Binder

**I Move** the City of Swartz Creek appropriate and approve the expenditure in an amount not to exceed \$8,368 from Fund 265, the City’s 2009-2010 annual fees for membership in the Flint Area Narcotics Group.

YES: Abrams, Binder, Hicks, Hurt, Krueger, Porath, Shumaker.  
 NO: None. Motion Declared Carried.

**Appropriation, 2010-2011 MML Property & Liability Pool Insurance Renewal**

**Resolution No. 100614-08**

**(Carried)**

Motion by Mayor Pro-Tem Porath  
 Motion by Councilmember Hurt

**I Move** the City of Swartz Creek approve the renewal of the Liability & Property Pool Insurance Policy, number MML001107824, with the Michigan Municipal League, Meadowbrook Insurance Company, liability maximum of \$10,000,000; and, further,

appropriate a total amount of \$60,820 for payment of premiums for July 1, 2010 through June 30, 2011, funds to be appropriated from 101, 590, 591, and 661, in accordance with the cost distribution schedule as apportioned by fund by the Michigan Municipal League and Meadowbrook Insurance Company.

Discussion Ensued.

YES: Binder, Hicks, Hurt, Krueger, Porath, Shumaker, Abrams.  
NO: None. Motion Declared Carried.

### **Police Motorcycle Lease Extension**

**Resolution No. 100614-09**

**(Carried)**

Motion by Councilmember Krueger  
Second by Councilmember Hurt

**I Move** the City of Swartz Creek approve a 12 month lease extension with Cummings Harley-Davidson of Burton, Michigan, for one (1) HD Road King police motorcycle, under the terms and conditions as set forth in the original Lease Agreement, a copy of which is attached hereto, and further, direct the staff to execute a letter of understanding allowing for the extension.

Discussion Took Place.

YES: Hicks, Hurt, Krueger, Porath, Shumaker, Abrams, Binder.  
NO: None. Motion Declared Carried.

### **Council Meeting in the Park**

**Resolution No. 100614-10**

**(Carried)**

Motion by Councilmember Shumaker  
Second by Councilmember Hicks

**I Move** the City of Swartz Creek move the location of the regular Council Meeting of July 26, 2010, from City Hall to Elms Road Park Pavilion #2 at 7:00 pm, weather permitting, and further, direct the staff to make any and all necessary notices and publications of the change.

Discussion Ensued.

YES: Hurt, Krueger, Porath, Shumaker, Abrams, Binder, Abrams,  
NO: None. Motion Declared Carried.

### **MEETING OPENED TO THE PUBLIC**

None.



## **REMARKS BY COUNCILMEMBERS:**

City Manager Bueche congratulated Boots and Mayor Abrams on their wedding anniversary.

Councilmember Hurt stated that he found Mr. Wright's presentation very helpful. Mr. Hurt thanked the DPS for fixing the flickering lights in the Council Chambers.

Councilmember Binder thanked everyone on behalf of the Swartz Creek Veteran's Committee for their continued support of the memorial.

Councilmember Hicks asked if the duck was still nesting in the Civic Center sign. Ms. Hicks stated that the flowers that the Women's Club planted are beautiful.

Councilmember Shumaker talked about the great turnout on Memorial Day at the Veteran's Memorial. Mr. Shumaker stated that WWII veteran Tony Zieber was honored at the memorial that day with a nice luncheon at the American Legion Hall after. Mr. Shumaker announced that the Kiwanis club did some cleaning at pavilion #2, the Kiwanis pavilion, at Elms Park. Mr. Shumaker spoke about the great turnout for the rummage sale that benefited the Veteran's Memorial.

Councilmember Krueger stated that he spoke with Congressman Kildee before the Hometown Days parade. Mr. Krueger stated that he spoke with Mr. Kildee about the couple of times that he has gone to Mr. Kildee's local office asking for help repaving Miller Road. Mr. Krueger stated that Mr. Kildee said that he will personally take care of it and make sure that the City gets the funds they need, although he hasn't heard back from Mr. Kildee at this time.

Mayor Pro-Tem Porath commented that the gas saved by using the police motorcycle as opposed to a police cruiser should compensate for the amount of the motorcycle lease. Mr. Porath commented on the lesser number of garbage vehicles that are on the City's streets since the City has a contract with just one waste company. Mr. Porath questioned Assistant City Manager Zettel about other communities and if they have other methods of garbage collection. Mr. Zettel stated that he doesn't believe there is a big difference in other communities.

Mayor Abrams spoke about the Alternative Education group graduating and commended them for their hard work. Mr. Abrams thanked his wife Boots for a wonderful 57 years.

## **Executive Session**

**Resolution No. 100614-11**

**(Carried)**

Motion by Councilmember Shumaker  
Second by Councilmember Hurt

**I Move** the City of Swartz Creek, at the request of the City Manager and in accordance with the Open Meetings Act, enter into Executive Session for the purpose of discussing strategy with the City Attorney, via conference call, in connection with pending MTT Appeals.

YES: Krueger, Porath, Shumaker, Abrams, Binder, Hicks, Hurt.  
NO: None. Motion Declared Carried.

**End Executive Session**

**Resolution No. 100614-12**

**(Carried)**

Motion by Councilmember Krueger  
Second by Councilmember Shumaker

**I Move** the City Council resume the Regular Session of the City Council Meeting.

YES: Unanimous Voice Vote.  
NO: None. Motion Declared Carried.

**Adjournment**

**Resolution No. 100614-13**

**(Carried)**

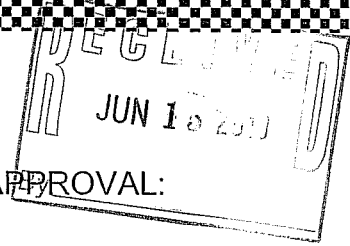
Motion by Councilmember Shumaker  
Second by Councilmember Krueger

**I Move** the City of Swartz Creek adjourn the Regular Session of the City Council meeting at 10:20 p.m.

YES: Porath, Shumaker, Abrams, Binder, Hicks, Hurt, Krueger.  
NO: None. Motion declared carried.

Richard Abrams, Mayor

Juanita Aguilar, City Clerk



- I. CALL TO ORDER
  - A. PLEDGE OF ALLEGIANCE
  - B. ROLL CALL
  - C. ADDITIONS/CHANGES/DELETIONS AND AGENDA APPROVAL:
  - D. SPECIAL PRESENTATIONS/ANNOUNCEMENTS:
  
- II. APPROVAL OF MINUTES
  - A. MAY 17, 2010 MEETING:
  
- III. CORRESPONDENCE:
  - A. MAY INCIDENT SUMMARY REPORT:
  
- IV. PROFESSIONAL SERVICE REPORTS:
  - A. MAY FINANCIAL REPORT:
  
- V. COMMITTEE REPORTS:
  - A. BY-LAWS COMMITTEE - Chairman Rick Clolinger, Richard Derby, Bill Cavanaugh and Brent Cole:
  
  - B. HEALTH AND SAFETY COMMITTEE: Chairman Greg Childers (Members Chief Cole, Assistant Chief Merriam, Captain Tabit, Lieut. Jones & FF VanArsdale)
  
  - C. PERSONNEL COMMITTEE: Chairman Ray Thornton, Richard Derby and David Hurt.
    - 1. Fire Chief's Annual Evaluation:
  
  - D. FIRE AGREEMENT COMPLIANCY COMMITTEE: Chairman Dave Hurt, Richard Derby, Ray Thornton and Attorney Bill Cavanaugh.
    - 1. Investment Policy Approval:
  
    - 2. Cost recovery recommendation for municipality consideration:
  
- VI. OLD BUSINESS:
  - A. APPARATUS UPDATE from Battalion Chief Jack King-
    - 1. Apparatus status report attached
  
  - B.

A. MEMBERS FOR PLACEMENT ON PROBATION:

1. Daniel Merriam, for station 2, has been an Explorer since July 9, 2006. He is currently the Explorer Chief.

**Chief Cole recommends placing Daniel Merriam on one (1) year probation with the SCAFD, pending results of his back ground check and physical results.**

B. MEMBERS ELIGIBLE TO COME OFF PROBATION:

1. Daniel Hill, originally hire on June 15, 2009, is assigned to station 1. Dan passed his Firefighter I/II and is certified.

**Chief Cole recommends Daniel Hill be placed on regular status with the Swartz Creek Area Fire Department.**

C. MEMBERS RESIGNING/TERMINATING: none

D. MEMBERS ELIGIBLE FOR REINSTATEMENT: none

- E. HUNDRED CLUB OF FLINT: (copy of approval letter attached) Grant approval for safety equipment was received on May 19, 2010. 100% funding for 10 helmets, 10 Nomax hoods, 10 pairs of gloves and 3 Hot Sticks (used to detect energized wires) was received in the amount of \$3,294.50.

- F. POLICY 114, EXECUTION OF CHIEF'S DUTIES (update): With the creation of the Rules and Regulations, this policy needs updating to reflect the change. Attached is a copy of Policy 114 indicating the changes for consideration.

G.

VIII. GENERAL INFORMATION:

A. MUNICIPAL BILLINGS for May

B. MAY BILLS LIST

C. SCAFD Organization Chart (showing Dan Hills change in status and addition of Dan Merriam.)

D. Flint Fire Department appreciation letter received May 19, 2010

E. Congratulations to Ann and Bill Samida for receiving the American Red Cross Hero award on June 4 for a quick response to save a man having a heart attack on the same airplane they were on.

- F. On May 27, 2010, Chief Cole submitted 2 grant requests to FEMA. One for equipment that included a new washing machine (extractor), 15 sets of turn out gear and 9 portable radios in the amount of \$69,820.00. The 5% matching fund amount would be \$3,491.00 The other grant was for a new pumper, fitted for rehab, in the amount of \$382,355.00. The 5% matching fund amount would be \$19,177.00. Only \$275,000.00 was requested for the apparatus, due to limitations placed by FEMA for pumpers and \$107,355.00 for loose equipment.

**NOTE: Lieut. Rich Tesner compiled the information for and authored the narrative. Capt. Steve Tabit gathered the prices for the loose equipment. Capt. Dave Plumb gathered the prices for the communications related equipment**

(radios and computer). Capt. Tabit is also managing the specifications for the pumper.

G. Thank you card from Elms Elementary First Graders for tour of station 1 on June 3, 2010

F. Audit Report page 4 replacement: Mike from Roye Noye & Associates found an error in the expenditure column, but it did NOT effect the overall totals presented. A copy of the page (with the highlighted corrections) is attached.

IX. OPEN TO THE PUBLIC:

X. COMMENTS OF FIRE DEPARTMENT PERSONNEL (THROUGH THE CHIEF AND/OR HIS DESIGNATE:

XI. CHAIN OF COMMAND APPEAL TO THE FIREBOARD:

XII. COMMENTS FROM FIREBOARD MEMBERS:

XIII. MEETING ADJOURNMENT:

**SWARTZ CREEK AREA FIRE DEPARTMENT**

The regular meeting of the Swartz Creek Area Fire Board was held at Station #2, May 17, 2010. Chairman, Mike Messer, called the meeting to order at 7:00p.m.

**I. CALL TO ORDER:**

**A. PLEDGE OF ALLEGIANCE**

**B. ROLL CALL**

**Board Members Present:**

- Chairman, Mike Messer
- Clayton Representative, Richard Derby
- Clayton Representative, Greg Childers
- City Representative, Ray Thornton
- City Representative, Dave Hurt
- City Representative: Boots Abrams

**Board Members Absent:**

- City Representative, Rick Clolinger

**Staff Present:**

- Fire Chief, Brent Cole
- Acct./Clerical, Kim Borse
- Attorney, Bill Cavanaugh

**Staff Absent:**

- Acct./Clerical, Eric Merriam

**Others Present:**

- Jack King, Batt. Chief

**C. AGENDA: ADDITIONS/CHANGES/DELETIONS/APPROVAL:**

- **Resolution 051710-01**  
Motion by Dave Hurt  
Second by Rick Derby

The SCAFD Board does hereby approve the change of VII.E. to VIII.C. and approve the agenda as amended.

YES: Abrams, Childers, Derby, Hurt, Thornton, Messer

NO: None Motion declared carried

**D. SPECIAL PRESENTATION: 2009 AUDIT**

- **Resolution 051710-02**  
Motion by Dave Hurt  
Second by Rick Derby

The SCAFD Board does hereby accept the 2009 audit, as presented.

YES: Abrams, Childers, Derby, Hurt, Thornton, Messer

NO: None Motion declared carried

**II. APPROVAL OF MINUTES**

**A. APRIL 19, 2010 BOARD MEETING**

- **Resolution 051710-03**  
Motion by Ray Thornton  
Second by Dave Hurt

The SCAFD Board does hereby approve the minutes of the April 19, 2010 board meeting, as presented.

YES: Abrams, Childers, Derby, Hurt, Thornton, Messer

NO: None Motion declared carried

**III. CORRESPONDENCE:**

**A. APRIL INCIDENT SUMMARY REPORT:**

- **Resolution 051710-04**  
Motion by Rick Derby  
Second by Dave Hurt

The SCAFD Board does hereby accept the April 2010 Incident Summary, as presented

YES: Abrams, Childers, Derby, Hurt, Thornton, Messer

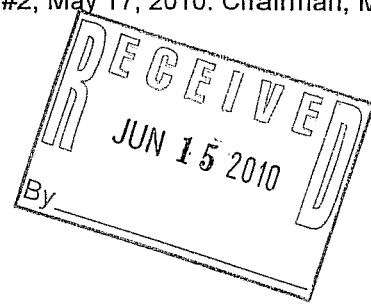
NO: None Motion declared carried

**IV. PROFESSIONAL SERVICE REPORTS:**

**A. APRIL FINANCIAL STATEMENT:**

- **Resolution 051710-05**  
Motion by Greg Childers  
Second by Rick Derby

The SCAFD Board does hereby approve the April 2010 financial statement, as presented



YES: Abrams, Childers, Derby, Hurt, Thornton, Messer

NO: None

Motion declared carried

**V. COMMITTEE REPORTS:**

- A. BY-LAWS COMMITTEE MEETING: NONE
- B. HEALTH & SAFETY COMMITTEE: NONE
- C. PERSONNEL COMMITTEE: In process of beginning Chief's evaluation
- D. FIRE AGREEMENT COMPLIANCY COMMITTEE: will bring investment policy to next meeting

**VI. OLD BUSINESS**

- A. APPARATUS UPDATE:
  - 1. Monthly report from Batt. Chief King

**VII. NEW BUSINESS**

- A. NEW MEMBER(S) TO BE PLACED ON PROBATION: NONE
- B. MEMBER TO COME OFF PROBATION: NONE
- C. MEMBERS RESIGNING/TERMINATING: NONE
- D. MEMBERS ELIGIBLE FOR REINSTATEMENT: NONE

**VIII. GENERAL INFORMATION**

- A. MUNICIPAL BILLINGS
- B. APRIL BILLS LIST
- C. SCAFD ORGANIZATIONAL CHART

**IX. OPEN TO THE PUBLIC:** NONE

**X. COMMENTS OF FIRE DEPARTMENT PERSONNEL, THROUGH THE CHIEF:** NONE

**XI. CHAIN OF COMMAND APPEAL TO THE FIRE BOARD:** NONE

**XII. COMMENTS OF THE FIREBOARD:**

- Abrams: Glad to be back
- Derby: Thank you to Chief for his presentation at the Clayton Twp Townhall Meeting
- Childers: Welcome back to Boots
- Thornton: Welcome back to Boots
- Hurt: None
- Messer: Chief & he had meeting with Twp supervisor, no word on the outcome

**XIII. ADJOURNMENT OF MEETING:**

Meeting adjourned at 7:20 p.m. The next regular meeting will be 06/21/10 at Station 1 at 7:00 pm

MIKE MESSER  
 CHAIRMAN  
 SWARTZ CREEK AREA FIRE BOARD

KIM BORSE  
 ACCOUNTING/CLERICAL SPECIALIST  
 SWARTZ CREEK AREA FIRE DEPT.



## SWARTZ CREEK AREA FIRE DEPT, SWARTZ CREEK MICHIGAN 48473

Incident Log for 05/01/2010 through 05/31/2010

Printed: 06/14/2010

Inc. No. - Exp. Location	Date	Disp. Time	Sta. Incident Type	Owner Name	No. Resp Prop. Loss	Disp. to Enrte. Min.	Resp. Min. Cont. Loss	Total Hr:Min:Sec
Involved Name						Officer in Charge		
0000049-000 8215 Calkins RD MRS Michelle Tucker	05/04/2010	17:46	2 412 LPG leak; line vs mower	MRS Michelle Tucker	10 \$ 0	0.00	4.00	0:14:00
						MERRIAM, ERIC M - ASSISTANT		
0000050-000 4966 Schafer DR MS Valerie Turner	05/05/2010	01:59	1 531 Smoke or odor removal	MS Valerie Turner	6 \$ 0	0.00	9.00	0:34:00
						KING, JACK L - BATT CHIEF		
0000051-000 7009 Granada DR MRS Linda Rowland	05/08/2010	07:18	2 111 Sofa fire; AMA rec'd		22 \$ 0	0.00	13.00	0:42:00
						MERRIAM, ERIC M - ASSISTANT	\$ 500	
0000052-000 8310 Hidden Creek DR MR Lillardl Howard	05/09/2010	17:28	2 113 Microwave food; fire alarm	MR Lillardl Howard	20 \$ 0	0.00	13.00	0:37:00
						COLE, BRENT D - CHIEF	\$ 50	
0000053-000 7336 Miller RD MR Brian Spooner	05/12/2010	12:20	1 652 Psngr veh over heated; no fire	MR Brian Spooner	9 \$ 0	0.00	2.00	0:10:00
						MERRIAM, ERIC M - ASSISTANT	\$ 0	
0000054-000 5354 Winshall DR MRS Linda L McKnight	05/13/2010	21:32	1 445 Consumers fuse overheating	MRS Linda L McKnight	8 \$ 0	0.00	9.00	0:39:00
						KING, JACK L - BATT CHIEF	\$ 0	
0000055-000 WB I 69 eo Nichols and WB I 69 eo Nichols MR ANDRZEJ ROCHOWSKI	05/16/2010	17:00	1 651 Smoke scare, semi tractor		11 \$ 0	0.00	6.00	0:50:00
						KING, JACK L - BATT CHIEF	\$ 0	
0000056-000 6324 W GRAND BLANC RD	05/17/2010	20:19	12 111 MA standby for Gaines Twp		19 \$ 0	0.00	14.00	2:48:00
						TABIT, STEPHEN D - CAPTAIN/EM	\$ 0	
0000057-000 Hill and SE corner of Seymour	05/19/2010	14:01	12 611 MA to Gaines; canceled		8 \$ 0	0.00	0.00	0:08:00
							\$ 0	
0000058-000 12081 W Reid RD	05/19/2010	20:21	12 611 AMA to Gaines, canceled		21 \$ 0	6.00	0.00	0:23:00
						TABIT, STEPHEN D - CAPTAIN/EM	\$ 0	
0000059-000 Holland and At Ingalls St.	05/23/2010	22:51	1 444 Power line arcing=cable		9 \$ 0	0.00	10.00	0:22:00
						KING, JACK L - BATT CHIEF	\$ 0	
0000060-000 Directions E Interstate 69; EO Morrish MS Shirley Sereque	05/28/2010	13:23	1 131 Passenger vehicle fire	MS Shirley Sereque	7 \$ 1,000	6.00	8.00	0:53:00
						KING, JACK L - BATT CHIEF	\$ 0	

Incident Log for 05/01/2010 through 05/31/2010

Inc. No. - Exp. Location	Date	Disp. Time	Sta. Incident Type	Owner Name	No. Resp Prop. Loss	Disp. to Enrte. Min.	Resp. Min. Cont. Loss	Total Hr:Min:Sec	
0000061-000 US National Grid Winshall Park	05/30/2010	01:30	1 151 mattress fire @ Winshall Park		7 \$ 0	0.00	8.00	0:31:00	
					Officer in Charge KING, JACK L - BATT CHIEF				
0000062-000 1146 N Seymour RD MR Brian Heasty	05/30/2010	10:36	2 743 Smoke detector malfunction, no fire	MR Brian Heasty	13 \$ 0	0.00	9.00	0:44:00	
					Officer in Charge MERRIAM, ERIC M - ASSISTANT				
					Incidents by Shift Including Exposures				
	No. Resp.	Total Hr:Min	Prop. Loss	Cont. Loss	0	1	2	3	4
Totals:	170	9:35:00	\$ 1,000	\$ 550	0	5	7	2	0

The total number of incidents, including exposure fires is 14.  
The number of exposure fires is 0.

SWARTZ CREEK AREA FIRE DEPARTMENT  
Income/Expense Report  
For the Five Months Ending May 31, 2010

	Description	Current Mth	Y-T-D	Budget	Remain. Budget	% Budget
<b>Revenues</b>						
3582	OPERATING CONTRIBU	4,908.26	105,132.68	237,300.00	132,167.32	(0.44)
3583	EQUIPMENT CONTRIBU	0.00	15,300.00	30,600.00	15,300.00	(0.50)
3628	MISC. INCOME (SUNDR	0.00	15.00	0.00	(15.00)	0.00
3630	GRANT INCOME	0.00	0.00	0.00	0.00	0.00
3664	INVESTMENT INCOME	9.19	59.59	300.00	240.41	(0.20)
3673	SALE OF FIXED ASSETS	0.00	0.00	0.00	0.00	0.00
	<b>Total Revenues</b>	<b>4,917.45</b>	<b>120,507.27</b>	<b>268,200.00</b>	<b>147,692.73</b>	<b>(0.45)</b>
<b>Expenses</b>						
4703	SOCIAL SECURITY	793.80	3,693.50	12,100.00	8,406.50	0.31
4704	STAFF SALARIES	3,272.51	15,692.05	45,500.00	29,807.95	0.34
4705	MAIN/TRAIN-SALARIES	945.74	4,106.36	10,900.00	6,793.64	0.38
4706	OFFICER SALARIES	1,250.00	5,000.00	15,000.00	10,000.00	0.33
4707	FIREFIGHTERS SALARY	4,908.35	23,483.08	74,000.00	50,516.92	0.32
4708	DEFERRED COMPENSA	207.50	928.75	4,800.00	3,871.25	0.19
4709	MEDICAL-FIREFIGHTER	206.00	3,787.00	6,170.00	2,383.00	0.61
4727	OFFICE SUPPLIES	47.01	361.99	2,700.00	2,338.01	0.13
4728	BUILDING SUPPLIES	61.59	273.08	700.00	426.92	0.39
4740	OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00
4741	EQUIPMENT SUPPLIES	373.09	2,145.79	8,650.00	6,504.21	0.25
4801	CONTRACT SERVICES	165.05	2,591.30	5,700.00	3,108.70	0.45
4820	80th Anniversary	0.00	0.00	0.00	0.00	0.00
4850	COMMUNICATIONS	232.01	1,226.06	3,350.00	2,123.94	0.37
4910	INSURANCE	0.00	24,203.00	26,000.00	1,797.00	0.93
4920	UTILITIES	268.39	5,277.77	17,000.00	11,722.23	0.31
4960	EDUCATION & TRAININ	0.00	205.85	5,030.00	4,824.15	0.04
4970	OFFICE EQUIPMENT	0.00	59.88	240.00	180.12	0.25
4976	FIRE EQUIPMENT	0.00	372.99	13,860.00	13,487.01	0.03
4978	FIRE EQUIP.-MAINT/REP	850.00	6,814.81	15,300.00	8,485.19	0.45
4979	FIRE EQUIPMENT-UPGR	0.00	0.00	0.00	0.00	0.00
4981	APPARATUS	0.00	0.00	0.00	0.00	0.00
4982	Loose Equip. New Apparat	0.00	0.00	0.00	0.00	0.00
4983	Misc. Upgrades	0.00	0.00	0.00	0.00	0.00
4984	COMPUTER EQUIPMENT	0.00	359.00	600.00	241.00	0.60
4988	COMPUTER SOFTWARE/	0.00	379.00	600.00	221.00	0.63
4999	RESERVE	0.00	0.00	0.00	0.00	0.00
	<b>Total Expenses</b>	<b>13,581.04</b>	<b>100,961.26</b>	<b>268,200.00</b>	<b>167,238.74</b>	<b>0.38</b>
	Net Income/<Loss>	(8,663.59)	19,546.01	0.00		
3400	FUND BALANCE-Beginni	0.00	61,597.70	0.00		
	Fund Balance-End of Year	(8,663.59)	81,143.71	0.00		

**SWARTZ CREEK AREA FIRE DEPARTMENT  
INVESTMENT & CASH MANAGEMENT POLICY**

**I. POLICY**

It is the policy of the Swartz Creek Area Fire Authority to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting long term major equipment purchasing needs of the Swartz Creek Area Fire Department. The policy will conform to all State statutes and local ordinances governing the investment of public funds.

**II. SCOPE**

This investment policy applies to all financial assets of the Swartz Creek Area Fire Authority. These funds are accounted for in the Swartz Creek Area Fire Authority's Annual Financial Report.

**III. INVESTMENT OBJECTIVES**

The following investment objectives, in priority order, will be applied in the management of the Swartz Creek Area Fire Authorities funds.

**Safety**

The primary objective of the Swartz Creek Area Fire Authority's investment activity is the preservation of capital in the overall portfolio and the protection of investment principal.

The authorized investment staff will employ mechanisms to control risks and diversify investments regarding specific security types or individual financial institutions.

**Liquidity**

The investment portfolio will remain sufficiently liquid to enable the Swartz Creek Area Fire Authority to meet equipment purchasing requirements, which might be reasonably anticipated.

**Return on Investment**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio. Return on investments shall be of secondary importance compared to the safety and liquidity objectives above.

**IV. PRUDENCE**

In managing its investment portfolio, Swartz Creek Area Fire Authority officials shall avoid any transaction that might impair public confidence. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs,

not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The above standard is established as the standard for professional responsibility and shall be applied in the context of managing the overall portfolio. Investment officers of the Swartz Creek Area Fire Board, acting in accordance with State statute, this investment policy, written procedures as may be established, and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely fashion, and appropriate action is taken to control adverse developments.

#### **V. DELEGATION OF AUTHORITY**

Authority to manage Swartz Creek Area Fire Authority investment program is derived from the following: P.A. 1943, No. 20., as amended by P.A. 1988 No. 285 SS1.

Management responsibility for the investment program is hereby delegated to the Fire Chief and in the absence of the Fire chief the Accounting/Clerical Specialist who shall establish written procedures for the operation of the investment program consistent with this investment policy. Oversight will be provided by the Swartz Creek Area Fire Authority through the Board Treasurer. Procedures should include reference to: safekeeping, PSA repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Swartz Creek Area Fire Authority. The Swartz Creek Area Fire Authority shall be responsible for all transactions undertaken.

#### **VI. ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair or create the appearance of an impairment on their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Fire Chief and the Board Treasurer any material financial interests in financial institutions that conduct business with the unit, and they shall further disclose any large personal financial investment positions that could be related to the performance of the Swartz Creek Area Fire Authority's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the Swartz Creek Area Fire Authority, particularly with regard to the time of purchases and sales.

#### **VII. SAFEKEEPING AND CUSTODY**

Authorized Financial Dealers and Institutions – The Fire Chief will maintain a list of financial institutions approved by the Swartz Creek Area Fire Authority. In addition,

a list will also be maintained of approved security broker/dealers selected by credit-worthiness, who maintain an office in the State of Michigan or who are "primary" dealers or regional dealers that qualify under Securities and Exchange Commission rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by State law.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements for the most recent fiscal year; certification of having read and agreeing to abide by the Swartz Creek Area Fire Authority's investment policy and the pertinent State statutes; proof of national Association of Security Dealers certification; and proof of State of Michigan registration, where applicable.

An annual review of the financial condition and registration of qualified bidders will be conducted by the Swartz Creek Area Fire Authority through the Fire Chief. Information indicating a loss or prospective loss of capital on existing investments must be shared with the Swartz Creek Area Fire Board immediately upon notification.

#### **VIII. INTERNAL CONTROLS**

The Fire Chief shall establish a system of internal controls, documented in writing, which is designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Swartz Creek Area Fire Board. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefit likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The Fire Chief shall initiate an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

All securities purchased by the Swartz Creek Area Fire Authority under this section shall be properly designated as an asset of the Board and held in safekeeping by a third party custodial bank or other third party custodial institution, chartered by the United States government or the State of Michigan, and no withdrawal of such securities, in whole or in part, shall be made from safekeeping except by the Fire Chief as authorized herein, at the direction of the Swartz Creek Area Fire Authority. Internal controls will also encompass at a minimum the additional issues:

Separation of functions including transaction authority from accounting and record-keeping, delegation of authority to subordinate staff members written confirmation of telephone transactions, specific guidelines regarding securities losses and remedial action, documentation of decisions made by the Swartz Creek Area Fire Authority

and avoidance of physical delivery securities. Further all confirming written transactions shall be signed by the Fire Chief and the Board Treasurer or in his/her absence the Board Chairman.

**IX. DELIVERY VS. PAYMENT**

All trades will be executed by delivery vs. payment to ensure that securities are deposited in an eligible financial institution prior to release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

The Swartz Creek Area Fire Authority will execute third party custodial agreement(s) with its bank(s) and depository institution(s). Such agreements will include letters of authority from the Swartz Creek Area Fire Authority, details as to responsibilities of each party, notification of security purchases, sales, delivery, repurchase agreements and wire transfers, safekeeping and transactions costs, procedures in case of wire failure or other unforeseen mishaps including liability of each party.

**X. AUTHORIZED AND SUITABLE INVESTMENTS**

1. The Swartz Creek Area Fire Authority is empowered by State statute (1988 Public Act 239, M.C.L. 129.91) to invest in the following types of securities:
  - a. Bond, securities, and other obligations of the United States, or an agency or instrumentality of the United States including securities issued or guaranteed by the Government National Mortgage Association;
  - b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the federal deposit insurance corporation or a savings and loan which is a member of the federal savings and loan insurance corporation or a credit union which is insured by the national credit union administration, but only if the bank, savings and loan or credit union is eligible to be a depository of surplus funds belonging to the state under section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended;
  - c. In United States government or federal agency obligation repurchase agreements.
  - d. In banker's acceptances of United States banks;
  - e. Mutual funds registered under the investment company act of 1940, title I of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with the authority to purchase only investment vehicles that are legal for direct investment by the Board. This authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share.
  - f. Investment pools through an inter-ocal agreement under the urban cooperation act of 1967, 1967 (Excess) PA 7, MCL 124.501 to 124.512. All of the pools are limited to investments described in Sections a-f.
  - g. Investment pools organized under the surplus funds investment pool act, 1982 PA 367, 129.11 to 129.118. All of the pools are limited to investments described in Sections a-f.
2. The Investment Officer is restricted to investments that meet the statutory restrictions above and limitations on security issues and issuers as detailed below:



- a. Repurchase agreements shall be negotiated only with dealers or financial institutions with whom the Swartz Creek Area Fire Authority has negotiated a Master Repurchase Agreement or with the Swartz Creek Area Fire Authority's primary bank. Repurchase Agreements must be signed with the bank or dealer and must continue provisions similar to those outlined in the Public Security Association's model master Repurchase Agreement.
- b. Certificates of Deposit shall be purchased only from financial institutions, which qualify under Michigan law and are consistent with Opinion No. 6168, Opinions of the Attorney General (1982).
- c. To the extent possible, the Fire Chief will attempt to match investments with anticipated cash flow requirements. Specific Swartz Creek Area Fire Authority's approval is necessary for investments exceeding eighteen months. Unless matched to a specific cash flow requirement, the Swartz Creek Area Fire Board will not directly invest in securities maturing more than 10 years from the date of purchase. No more than 25 percent of the Swartz Creek Area Fire Authorities total investment portfolio shall be placed in securities maturing in more than 10 years. No more than 50 percent of investment vehicles maturing in any given month shall be of non-liquid nature (non-negotiable CDs, commercial paper, etc.)
- d. Up to 50 percent may be invested in commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and which matures not more than 270 days after the date of purchase; Commercial Paper held in the portfolio which subsequently receives a reduced rating shall be closely monitored and sold immediately if the principal invested may otherwise be jeopardized.
- e. Investments will be diversified by security type and institutions. With the exception of U.S. treasury securities and authorized investment pools (as a long-term investment program), no more than 50 percent of the total investment portfolio will be invested in a single security type or with a single financial institution. With the exception of using affiliates of the major Banking Institute and upon receipt of written confirmation that funds are fully insured when held by the affiliates.

## **XI. PERFORMANCE STANDARDS**

The Swartz Creek Area Fire Authority's investment strategy is passive. Given this strategy, the basis used by the Fire Chief to determine whether market yields are being achieved shall be the three (3) month U.S. Treasury bill and the average Federal Funds rate.

## **XII. REPORTING**

All investment transactions shall be recorded in the various funds of the Swartz Creek Area Fire Authority in accordance with Generally Accepted Accounting Principles as declared by the Government Accounting Standards Board.

The Fire Chief shall submit a semi-annual investment report to the Swartz Creek Area Fire Authority that provides the principal and type of investment, annualized yield,

earnings for the period, market price and a summary report of cash and investments maintained in each financial institution.

Material deviations from performance standards (section XIII) shall be reported immediately to the Swartz Creek Area Fire Authority.

**XIII. INVESTMENT POLICY ADOPTION**

The Swartz Creek Area Fire Authority investment policy shall be adopted by resolution of the Swartz Creek Area Fire Authority. Modifications made at any time or when necessitated by State statutory revision must be approved by the Swartz Creek Area Fire Authority. Investments conforming to the investment policy guidelines prior to any amendatory act are hereby validated.

# RECOVERY OF THE COSTS OF FIRE SERVICES

*A Proposed Section to Be Added to the Codes of Ordinances  
for the City of Swartz Creek, Michigan  
and for Clayton Township, Michigan*

**June 7, 2010**

Subject. Recovery of expenses related to responses of the Swartz Creek Area Fire Authority (*the Authority*).

Findings and Purpose. *The municipality* (the City of Swartz Creek or Clayton Township) finds that beneficiaries of services should contribute towards their cost. The taxes levied in the municipality allow it to have a professional fire department but are not sufficient to cover all costs of services. Municipal taxpayers should not bear all these costs, particularly in cases where non-residents or non-taxpayers derive a benefit from the services. This ordinance is adopted to grant authority and to provide a mechanism for the reimbursement of the Authority's costs of actually responding to fires and emergencies

Definitions. The following words, terms and phrases, when used in this section, shall have the meanings provided in this subsection, except where the context clearly indicates a different meaning:

*Assessable costs* means those charges and fees incurred by the Authority as a result of assistance provided by the Authority or by a third party on behalf of the Authority in connection with an Authority response to an incident including, but not limited to, the actual labor and material costs (including without limitation, employee wages, fringe benefits, administrative overhead, costs of equipment, costs of equipment operation, costs of materials, costs of transportation, costs of material disposal and costs of contracted labor, legal fees, collection costs, etc.) provided.

*Authority response* means appearing at the scene of a fire incident, traffic or vehicular accident, vehicle extrication, medical response, utility line failure or railroad fire, or hazardous condition, or any investigation in connection with a fire, accident, hazardous condition or hazardous materials incident.

*Hazardous condition* means an occurrence resulting in a risk to the physical welfare of persons in the immediate area of the situation (such as downed utility lines or gas leaks not in an occupied structure), requiring an Authority response.

*Person* means a natural person, corporation, utility, railroad, partnership or any other entity with legal capacity.

*Railroad* means any person, partnership, association, or corporation, their respective lessees, trustees, or receivers, appointed by a court, or other legal entity operating in this state either as a common carrier for hire or for private use as a carrier of persons or property upon cars operated upon stationary rails and includes any person, partnership, association, corporation, trustee, or receiver appointed by a court or any other legal entity owning railroad tracks.

*Railroad fire* means a burning rail car or contents, or burning vegetation (e.g., grass, brush) adjacent to the railroad rails, track, or roadbed originating from railroads/trains passing over the rails, track or roadbed.

*Release* means any actual or threatened leaking, spilling, pumping, pouring, emitting, emptying, discharging, injecting, leaching, dumping, or disposing into the environment (including air, soil, ground water and surface water).

*Resident* means any person who, at the time and date of the Authority response, legally resides in the municipality.

*Responsible party* means any person who receives the benefit of Authority response services. When a particular service rendered by or through the Authority directly benefits more than one person, the owner of each property benefited and each person benefited (if property protection is not involved), shall be liable for the payment of the full amount of assessable costs. Beneficiaries shall also be responsible jointly and severally for assessable costs billed to the recipient of the service. Parents or guardians shall be responsible for payment of assessable costs incurred by minors. Persons owning, maintaining or operating a public or private railroad or utility shall be responsible for and pay the assessable costs incurred by the Authority to respond to, assist, manage, monitor, or remediate any emergency concerning or involving a railroad fire or utility line failure.

*Taxpayer* means any person who pays property taxes to the municipality directly or through a mortgage escrow or similar arrangement.

*Utility* means all persons, firms, corporations, partnerships, organizations, municipal or other public authority that provides gas, electric, water, steam, sewer, energy, telecommunications, cable television or other services of a similar nature.

*Utility line failure* means downed power lines, gas pipeline breaks (including ruptures and punctures), the disabling of any transmission or service line, cable, conduit, pipeline, wire or the like used to provide, collect or transport electricity, natural gas, communication or electronic signals, water, or sanitary or storm sewage, or other mishaps occurring in connection with the activities of utilities or their suppliers after the Authority is on scene for one hour.

Exemptions. The provisions of this ordinance shall not apply to assessable costs associated with fire service performed outside the jurisdiction of the Authority under a mutual or automatic aid agreement, nor shall they apply to services involving municipal property.

Charges and Fees. The Authority will, by resolution, adopt a schedule of the costs included in an emergency response. Such schedule will be available to the public from the fire chief and will be amended or updated from time to time as necessary.

Payment for Services. The Fire Chief or his designee shall determine the total assessable costs and bill to the responsible parties for their assessable costs. Bills shall be sent by first-class mail. All bills rendered for charges shall be payable within 30 days of the mailing of the billing.

Collection of Charges. Bills not paid within 30 days shall be considered in default. The Authority may file suit in district court to collect any monies remaining unpaid and any costs allowed by law and shall have any and all other remedies provided by law for the collection of the charges, including using a collection agency or petitioning the appropriate municipality to place the unpaid charges on the tax roll.

Other Remedies. The recovery of assessable costs imposed under this Code section shall not relieve or limit the liability of any responsible parties under any other local ordinance, state or federal law, rule or regulation.

Appeal Procedure. A responsible party who receives a bill under this section may request a meeting with the Fire Chief or his designee to request modification of the assessable costs. The person shall request a meeting in writing within 14 calendar days of the date of the invoice.

The Fire Chief or his designee shall have authority to affirm, modify or waive the assessable costs if he finds that: (1) an error was made with respect to the nature of the incident; (2) an error was made in calculating the assessable costs; or, (3) the person to which the bill was sent is not liable under the terms of this section. The Fire Chief or his designee shall mail his determination regarding the appeal within 14 days of the meeting with the appellant, which determination shall identify the basis for the decision.

If, after meeting with the Fire Chief or designee the person is not satisfied, he may request an opportunity to appear before the Board of the Swartz Creek Area Fire Authority (the Fire Board) to seek relief from the assessable costs charged. Such an appeal must be made in writing within 14 calendar days of the date of the meeting with the Fire Chief or designee and specifically identify why the billing should be modified. In its review, the Fire Board shall consider factors including:

1. The degree to which the imposition of assessable costs would present a unique situation that is unlikely to be repeated
2. Whether granting the appeal would do harm to the intent and purpose of this section.

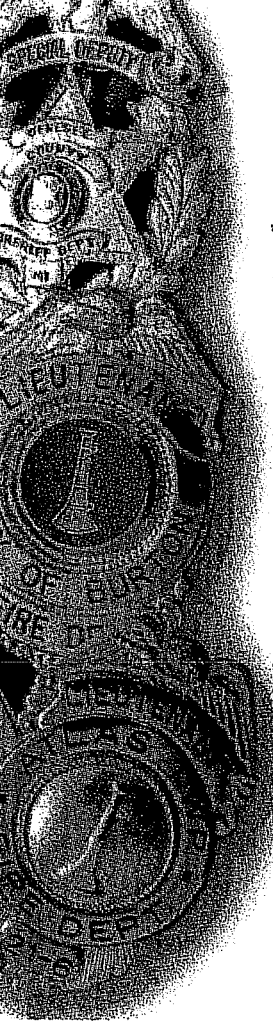
Failure to file a timely written request of appeal constitutes a waiver of the right to relief and further constitutes an agreement to pay the costs involved. The Fire Board is authorized to affirm, modify or overturn the Fire Chief's determination with respect to the imposition of assessable costs in the event of an appeal.

Severability. Should any provision or part of this ordinance be declared by a court of competent jurisdiction to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provisions which shall remain in full force and effect.

Effective Date.

AS OF: June 14, 2010  
TO: Swartz Creek Area Fire Authority  
RECORDED BY: Fire Chief Brent Cole  
SUBJECT: Current Apparatus Readiness Status

Unit	Type	Assignment	Status
11	98 Pumper	Station 1	In service. <b>May 28:</b> BC King rebuilt pumper line discharge valve as it has been leaking.
12	91 Pumper	Station 1	In service.
16	91 Squad	Station 1	In service. <b>June 14:</b> Having minor electrical connection problems with siren and 800 mobile radio.
17	79 Grass Rig	Station 1	In service. <b>June 14:</b> Hose reel nozzle leaking. In process of getting item repaired.
21	99 Pumper	Station 2	In service.
23	92 Tanker	Station 2	In service.
26	93 Squad	Station 2	In service.
27	79 Grass Rig	Station 2	In service.



# the Hundred Club

Serving Genesee & Shiawassee Counties Since 1975 — of flint

May 17, 2010

Dear Chief Cole:

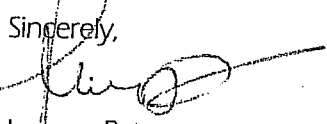
On behalf of the Board of Directors and the entire membership, I am pleased to inform you that we have approved a grant in the amount of \$2450 to enable you to purchase uniforms for your department and \$844.50 for hotsticks for your department.

Please submit your paid invoice for reimbursement to our Treasurer:

Mr. Wayne Schaeffer, President  
11405 Fawn Valley Trail  
Fenton MI 48430

We would like to personally present you, or a representative from your department, with an acknowledgement of this grant at our upcoming Hero's Night on June 22nd at the Flint Golf Club. You will receive your invitation under separate cover. Please return the RSVP card as quickly as possible with the name of the individual(s) who will be attending. All guest fees will be waived.

It is our hope that this grant will greatly contribute to the personal safety of the men and women of your department.

Sincerely,  
  
Leanne Peterman  
Executive Secretary



- Officers:**  
 James Hresko, President  
 Anthony Young, Vice President  
 Gayne Schaeffer, Treasurer  
 Bernard McAra, Secretary  
 Leanne Peterman, Exe. Sec.
- Directors:**  
 Anthony Alexander  
 Maureen Croudy  
 Anna Dodds Hamm  
 Dan Matonich  
 Cassan Saab  
 Jerry Sova  
 Bob Seide  
 Linda Tracy-Stephens  
 Kelly Suski  
 Kathy Hetfield  
 Tom Winters  
 Thomas Yeotis

116



POLICY: # 114  
ADOPTED: 10/19/1998  
REVIEWED/REVISED: 06/07/2010  
SUBJECT: EXECUTION OF CHIEF'S DUTIES

1. The Chief of the Department may implement the administrative duties of his position as set forth in the Department's ~~by-law~~ *Rules and Regulations* and policies by the adoption of departmental procedures or of departmental standard operating guidelines, for the purpose of determining that the Department Chief has acted on his administrative responsibilities to the fire department. The adoption of procedures or standard operating guidelines shall be treated as synonymous terms.

**SWARTZ CREEK AREA FIRE DEPARTMENT**

8100 B CIVIC DRIVE  
SWARTZ CREEK, MI 48473

Voice: 810/635-2300  
Fax: 810/635-7461

**INVOICE**

Invoice Number: 061411  
Invoice Date: Jun 14, 2010  
Page: 1

Duplicate

<b>Bill To:</b> CLAYTON TOWNSHIP 2011 MORRISH ROAD SWARTZ CREEK, MI 48473
--

<b>Ship to:</b> CLAYTON TOWNSHIP 2011 MORRISH ROAD SWARTZ CREEK, MI 48473
--

Customer ID CLAY01	Customer PO	Payment Terms Due at end of Month
Sales Rep ID	Shipping Method Courier	Ship Date 6/30/10

Quantity	Item	Description	Unit Price	Amount
179.50	FIRE02	FIRE SERVICE 05/2010	13.29	2,386.18
Subtotal				2,386.18
Sales Tax				
Total Invoice Amount				2,386.18
Payment/Credit Applied				
<b>TOTAL</b>				<b>2,386.18</b>

Check/Credit Memo No:

2386.18

A

**SWARTZ CREEK AREA FIRE DEPARTMENT**

8100 B CIVIC DRIVE  
SWARTZ CREEK, MI 48473

Voice: 810/635-2300  
Fax: 810/635-7461

**INVOICE**

Invoice Number: 061410  
Invoice Date: Jun 14, 2010  
Page: 1

Duplicate

<b>Bill To:</b> CITY OF SWARTZ CREEK 8083 CIVIC DRIVE SWARTZ CREEK, MI 48473
---

<b>Ship to:</b> CITY OF SWARTZ CREEK 8083 CIVIC DRIVE SWARTZ CREEK, MI 48473
---

Customer ID CITY01	Customer PO	Payment Terms Due at end of Month
Sales Rep ID	Shipping Method Courier	Ship Date 6/30/10

Quantity	Item	Description	Unit Price	Amount
150.50	FIRE02	FIRE SERVICE 05/2010	13.33	2,006.72
Subtotal				2,006.72
Sales Tax				
Total Invoice Amount				2,006.72
Payment/Credit Applied				
<b>TOTAL</b>				<b>2,006.72</b>

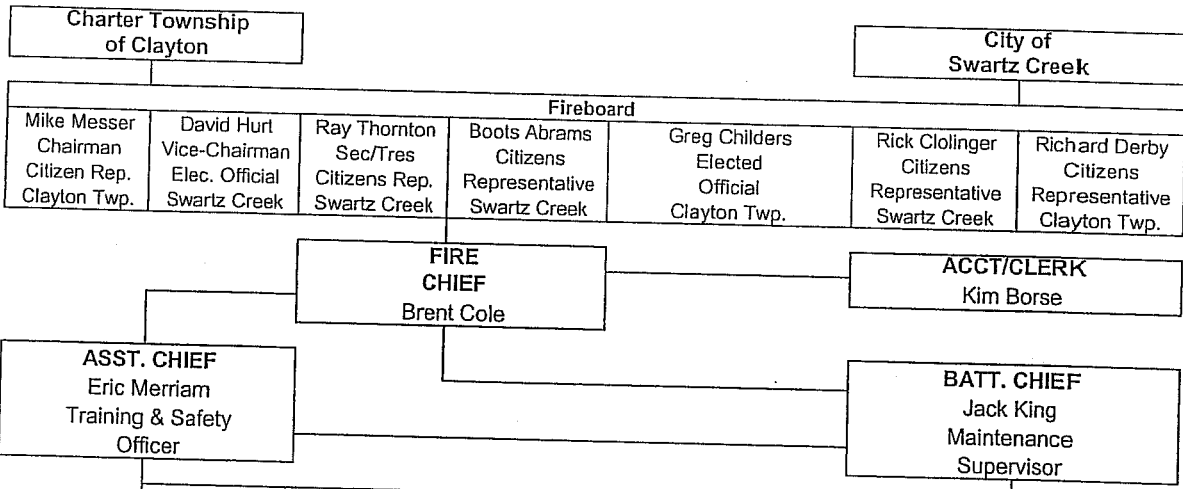
Check/Credit Memo No:

2006.72



# Swartz Creek Area Fire Department

## Organization Chart



STATION 1				STATION 2			
Capt. Steve Tabit - Quarter Master				Capt. Dave Plumb - Asst. Qtrmstr, Coordinator, Run % Monitor			
Lt. Mike Treiger - Fire Prevention & Station 1 Assignments				Lt. Dave Jones - Vehicle Inspections & Station 2 Assignments			
Lt. Brent Cole - Medical & Rehab Supplies				Lt. Rich Tesner - Uniforms			
Name	Leave Expires	Dir. Res. Start	Off Prob.	Name	Leave Expires	Dir. Res. Start	Off Prob.
FF Rod Armstrong				SGT James Barr II			
FF Greg Baker				FF Jarrad Brooks		07/16/07	
FF James Bowers				FF Anthony Davis		01/18/05	
FF Rick Castano				FF Lori McKerracher		05/31/01	
FF Tiffany Forbes				FF Tim McKnight			
FF Daniel Hill				<i>FF Dan Merriam</i>			06/21/11
FF Jeffery Jarrad				FF Karen Merriam			
FF Jeffrey Kelley				FF Mark Merriam			
<i>FF Todd Kimbrue</i>	9/23/2010			FF Ann Samida			
<i>FF Dale Link</i>			09/21/10	FF Bill Samida			
FF Scott Martin				FF Steve Webster			
FF Walter Melen				FF Joe Yambrick		7/20/09	
FF Brian Scott							
SGT Kevin VanArsdale		04/15/04					
FF Bryan Wistuba							
FS Bob Plumb							
RO Valerie Dow							
On personal leave/Medical=		1		On personal leave/Medical=		0	
Suspended=		1		Suspended=		0	
Non-Probationary Total =		12		Non- Probationary =		11	
Probationary Total =		1		Probationary =		1	
Firefighter Subtotal =		15		Firefighter Subtotal =		12	
Radio Operators =		1		Radio Operators =		0	
Support =		1		Support =		0	
Station Personnel Total =		17		Station Personnel Total =		12	

(1) probation to be extended due to medical leave

Total Officers =	9
Total Firefighters=	27
Support	1
Radio Operators =	1
Total active =	38

*Name in italics* = probationary status  
**Font = Suspension**  
**Font = Leave of absence or sick leave**  
 Updated: 6/14/2011

Officers =	9
Active non-probationary =	23
Active probationary =	2
Active Radio Operators =	1
Support	1
Suspended=	1
Medical or extended leave =	1
Total dept. force =	38





**FLINT FIRE DEPARTMENT**



May 15, 2010



Chief Brent Cole  
Swartz Creek Fire Department Station #1  
8100 Civic-B Drive  
Swartz Creek, MI 48473

Dear Chief Cole,

From March 26, 2010 to April 26, 2010, the Flint Fire Department experienced the largest one-month amount of structure fires in our City's history. During this time, 127 working structure fires were extinguished.

In March 2010, the Flint Fire Department laid off of 23 Firefighters, closed Fire Station #8 on the City's south side and Fire Station #3 on the City's north side. Our department was left with 3 Fire Stations and approximately 15 firefighters per shift for the entire City. These firefighters were tasked to respond to the entire City's requests for help and deal with the aftereffects of a prolific arsonist(s) deeds.

Mutual Aid is an agreement among emergency responders to lend assistance across jurisdictional boundaries. The Flint Fire Department would like to re-word this definition to read, "Mutual Aid is an agreement among the brotherhood of firefighters to lend a helping hand across any boundaries whenever needed".

We here at the Flint Fire Department would like to express to you our sincere appreciation for your assistance during this most difficult time in our community. It is a pleasure to work along side such capable, eager firefighters. Always know that we stand ready to assist our brother and sister firefighters whenever we are asked.

Sincerely,

Chief Alvern Lock,  
Director of Public Safety  
City of Flint Fire Department

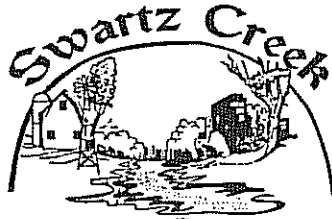
Chief Dandre Williams,  
Assistant Fire Chief  
City of Flint Fire Department



Swartz Creek Area Fire Board  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2009

	Operation & Maintenance Fund	Total Governmental Funds
<u>REVENUES</u>		
Contributions From Local Units	\$ 304,756	\$ 304,756
Operating Grants and Contributions	13,788	13,788
Earnings on Investments and Deposits	136	136
Proceeds from Sale of Fixed Assets	515	-
Other Income	23	23
Total Revenues	\$ 319,218	\$ 318,703
 <u>EXPENDITURES</u>		
Operation and Maintenance	253,566	253,566
Vehicle Maintenance	7,016	7,016
Capital Outlay	25,221	25,221
Total Expenditures	\$ 285,803	\$ 285,803
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 33,415	\$ 33,415
 <u>FUND BALANCE - BEGINNING</u>		
	\$ 28,183	\$ 28,183
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,415	33,415
<u>FUND BALANCE - ENDING</u>	\$ 61,598	\$ 61,598

See Accompanying Notes to Financial Statements



DOWNTOWN DEVELOPMENT  
AUTHORITY

SWARTZ CREEK DDA  
SWARTZ CREEK CITY OFFICES  
8083 CIVIC DR.  
SWARTZ CREEK, MI 48473

PHONE: 810-635-4464  
FAX: 810-635-2887

Date: June 15, 2010

**To: DDA Board Members**  
**From: Adam Zettel**  
**RE: July 8, 2010 DDA Board Meeting**

Hello everyone,

**There will NOT be a DDA meeting this coming Thursday, July 8, 2010.** There are no new agenda items to discuss, and I will be out of town till July 12<sup>th</sup>. With that said, it looks like everyone can take it easy till at least August. Hopefully, by that time we will have a better idea about those tax appeals that were filed.

For the time being, the budget that the DDA approved has been subsequently approved by the City Council and will be in effect on July 1st. With the DDA officers selected at the June meeting, all of the housekeeping business has been taken care of for a while. We will look to convene in the late summer or fall to explore some minor purchasing options under the new budget and discuss current events.

With that said, have a good one! Note that the DDA sponsored Family Movie Night program is under way and had its first show on June 11<sup>th</sup>! (Special thanks to Doors Galore and Kiwanis for their donations!) Everything went well, and we look forward to the season's up-and-coming shows. The next one will be on June 25<sup>th</sup> (Monsters vs. Aliens) followed by another show on July 9<sup>th</sup> (Over the Hedge). I will need to find some volunteers to run those events since I will be out of town. If you are interested, let me know. Also, the Farmers' Market **IS** operating on Sunday's at the Centerpiece Plaza on Miller Road. Please attend. If you have any questions or comments, give me a call.

Sincerely,

A handwritten signature in black ink that reads "Adam Zettel".

**Adam Zettel, AICP**  
*Assistant City Manager*  
(810)-635-4464  
[azettel@cityofswartzcreek.org](mailto:azettel@cityofswartzcreek.org)





*Adam Zettel*

*Assistant City Manager/Zoning Administrator*

[azettel@cityofswartzcreek.org](mailto:azettel@cityofswartzcreek.org)

Date: June 15, 2010

To: **Planning Commissioners**  
From: **Adam Zettel, AICP**  
RE: **July 6, 2010 Planning Commission Meeting**

Hello everyone,

**We WILL NOT meet on Tuesday, July 6, 2010 due to a lack of agenda items.** I will also be out of town on a long overdue vacation for a couple weeks. So, I guess everyone can celebrate and take it easy in July!

As you know, we have two more meeting this calendar year that are required by statute. **If you have any ideas for a Planning Commission discussion or training topic let me or Mr. Stephens know.** This may include a speaker on a planning related topic, a personal project that you would like to share with the Planning Commission and public, or some other informational presentation.

Be sure to stop by the Farmers' Market which operates downtown on Sundays between 9am and 2pm! This new location needs your support. If you have any questions or comments, **I am available at City Hall at (810) 635-4464.**

Sincerely,

Adam H. Zettel, AICP  
Assistant City Manager/Zoning Administrator  
City of Swartz Creek  
[azettel@cityofswartzcreek.org](mailto:azettel@cityofswartzcreek.org)

---

8083 Civic Drive

Swartz Creek Michigan 48473

Phone: (810)-635-4464

Fax: (810)-635-2887

[www.cityofswartzcreek.org](http://www.cityofswartzcreek.org)

[ftp://cityofswartzcreek.org](http://ftp://cityofswartzcreek.org)

### **Sale of Property Foreclosed for Unpaid Taxes**

*Following is a summary of the steps under MCL 211.78m involved in the foreclosure on the Marathon property and the various sales that have to be held and the “opportunities” for the city to acquire that property. While the property may not survive the sales and may get purchased by someone else along the way, the cheapest way for the city to acquire the property is to have it transferred to it free of charge under step #7, below.*

*(All references to “foreclosing governmental unit” or “county” mean the Genesee County Treasurer)*

1. February, 2010. Judgment is entered vesting absolute title to tax delinquent property in the foreclosing governmental unit (county treasurer).
2. Up to second Tuesday in July, the state is granted the right of first refusal to purchase the property at the greater of the minimum bid or its fair market value.
3. If the state elects not to purchase the property under its right of first refusal, the city may purchase for a public purpose any property located within the city by payment of the minimum bid. If the city does not purchase that property, the county may purchase it for the minimum bid.

If the property purchased by the city is subsequently sold for an amount in excess of the minimum bid and all costs incurred relating to demolition, renovation, improvements, or infrastructure development, the excess amount shall be returned to the delinquent tax property sales proceeds account.

4. If property is not purchased at step #3, above, county holds at least 2 sales between 3<sup>rd</sup> Tuesday in July and 1<sup>st</sup> Tuesday in November, at which the property is sold by auction sale. The property shall be sold to the person bidding the highest amount above the minimum bid, except that at the final sale before the 1<sup>st</sup> Tuesday in November, the minimum bid shall not be required.
5. After the conclusion of either of the 2 sales between July and November, the city may purchase the property still unsold by paying the minimum bid to the county. If the city does not purchase the property, the county may do so by payment of the minimum bid.
6. On or before December 1 a list of all property still unsold is transferred to the clerk of the city, village, or township in which the property is located. The city, village, or township may object in writing to the transfer of 1 or more parcels of property set forth on that list.
7. On or before December 30 all property not previously sold by the county under this section shall be transferred to the city, village, or township in which the property is

located, except those parcels of property to which the city, village, or township has objected.

8. If the property is transferred to the city under step #6, above, all taxes due on the property as of the December 31 following the transfer or retention of the property are canceled effective on that December 31.

9. If the property is transferred to the city under step #6, above, all liens (except liens recorded by the department of environmental quality under this act or the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774) for costs of demolition, safety repairs, debris removal, or sewer or water charges due on the property as of the December 31 following the transfer or retention of the property are canceled effective on that December 31.

NOTE: If the property is a facility as defined under section 20101(1)(o) of the natural resources and environmental protection act, 1994 PA 451, MCL [324.20101](#), prior to the sale or transfer of the property to the city, the property is subject to all of the following:

(a) Upon reasonable written notice from the department of environmental quality, the foreclosing governmental unit shall provide access to the department of environmental quality, its employees, contractors, and any other person expressly authorized by the department of environmental quality to conduct response activities at the foreclosed property. Reasonable written notice under this subdivision may include, but is not limited to, notice by electronic mail or facsimile, if the foreclosing governmental unit consents to notice by electronic mail or facsimile prior to the provision of notice by the department of environmental quality.

(b) If requested by the department of environmental quality to protect public health, safety, and welfare or the environment, the foreclosing governmental unit shall grant an easement for access to conduct response activities on the foreclosed property as authorized under chapter 7 of the natural resources and environmental protection act, 1994 PA 451, MCL [324.20101](#) to [324.20519](#).

(c) If requested by the department of environmental quality to protect public health, safety, and welfare or the environment, the foreclosing governmental unit shall place and record deed restrictions on the foreclosed property as authorized under chapter 7 of the natural resources and environmental protection act, 1994 PA 451, MCL [324.20101](#) to [324.20519](#).

(d) The department of environmental quality may place an environmental lien on the foreclosed property as authorized under section 20138 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20138.

OR, if the property is a facility as defined under section 20101(1)(o) of the natural resources and environmental protection act, 1994 PA 451, MCL [324.20101](#), prior to the sale or transfer of the property under this section, the department of environmental quality shall request and the foreclosing governmental unit shall transfer the property to

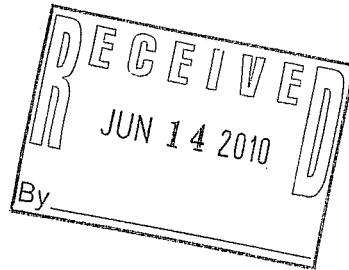
the state land bank fast track authority created under section 15 of the land bank fast track act, 2003 PA 258, MCL 124.765, if all of the following apply:

- (a) The department of environmental quality determines that conditions at a foreclosed property are an acute threat to the public health, safety, and welfare, to the environment, or to other property.
- (b) The department of environmental quality proposes to undertake or is undertaking state-funded response activities at the property.
- (c) The department of environmental quality determines that the sale, retention, or transfer of the property other than under this subsection would interfere with response activities by the department of environmental quality.



**GENESEE COUNTY  
OFFICE OF THE TREASURER**

1101 Beach Street, Suite 144  
Flint, Michigan 48502-1475  
Telephone (810) 257-3059  
Fax (810) 257-3885



**DATE:** June 10, 2010  
**TO:** Local Unit Clerks  
**FROM:** Jon Care, Assistant Treasurer *JC*  
**SUBJECT:** Tax Reverted Property

MCL211.78m directs that all parcels foreclosed by a County Treasurer's Office (foreclosing governmental unit) are available to be purchased by the State of Michigan, City, Village, Township or County in which they are located. The acquisition must be made prior to the foreclosed parcels being taken to public auction.

Sec 78m (1) is excerpted below:

Sec. 78m.

- (1) Not later than the first Tuesday in July, immediately succeeding the entry of judgment under section 78k vesting absolute title to tax delinquent property in the foreclosing governmental unit, this state is granted the right of first refusal to purchase property at the greater of the minimum bid or its fair market value by paying that amount to the foreclosing governmental unit if the foreclosing governmental unit is not this state. If this state elects not to purchase the property under its right of first refusal, a city, village, or township may purchase for a public purpose any property located within that city, village, or township set forth in the judgment and subject to sale under this section by **payment to the foreclosing governmental unit of the minimum bid**. If a city, village, or township does not purchase that property, the county in which that property is located may purchase that property under this section by payment to the foreclosing governmental unit of the minimum bid. If property is purchased by a city, village, township, or county under this subsection, the foreclosing governmental unit shall convey the property to the purchasing city, village, township, or county within 30 days.

Please find attached a list of foreclosed properties in your governmental unit that are available for purchase for the minimum bid. Note that a few foreclosures might be reversed, as allowed by law. Please check with me as to the current status of any individual parcel on your list.

If you are interested in acquiring any of the parcels in your unit, please send a written request for purchase to the Genesee County Treasurer's Office by July 9, 2010 to my attention. Attached is a model written request template entitled:

NOTICE TO JILL MCKENZIE, GENESEE COUNTY CHIEF DEPUTY  
TREASURER DURING A VACANCY IN THE OFFICE OF TREASURER,  
ELECTION TO PURCHASE FORECLOSED PROPERTY

My contact information:

Jon Care  
Assistant Treasurer-Land Reutilization  
1101 Beach St  
Room 144  
Flint, MI 48502

810.762.7778  
[jcare@co.genesee.mi.us](mailto:jcare@co.genesee.mi.us)

cc: Unit Treasurer

G:\SALLY\taxrevertedpropmemo\_2010.doc

2010 FORECLOSURE OF 2007 AND PRIOR YEAR TAXES  
INTEREST COMPUTED AS OF FORECLOSURE DATE  
SWARTZ CREEK CITY

PARCEL	MINIMUM BID	TAX YEARS DELINQUENT
58-36-576-001	24,290.42	2009 2008 2007

NOTICE TO JILL MCKENZIE, GENESEE COUNTY CHIEF DEPUTY  
TREASURER DURING A VACANCY IN THE OFFICE OF TREASURER,  
OF ELECTION TO PURCHASE FORECLOSED PROPERTY

The \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ hereby notifies Jill McKenzie, Genesee County Chief Deputy Treasurer During a Vacancy in the Office of the Genesee County Treasurer and Genesee County Foreclosing Governmental Unit, that it intends to purchase property described as parcel \_\_\_\_\_, also known as \_\_\_\_\_ (address), which property is located in \_\_\_\_\_, (city, village or township), Michigan, for a public purpose. The purchase price is \_\_\_\_\_, which amount is the minimum bid as that term is defined in MCL 211.78m(11).

The public purpose for which the property is being purchased is:

The \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ agrees that this Notice will be filed with the Genesee County Register of Deeds and that the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ will notify the Foreclosing Governmental Unit at least seven days before the event if it ever sells or transfers to a third party all or any part of the above described property. Further, the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ understands and agrees that if it should ever sell the purchased property above described for an amount in excess of the minimum bid and all costs incurred relating to demolition, renovation, improvements, or infrastructure development, the excess amount shall be returned to the Genesee County Treasurer for deposit into the delinquent tax property sales proceeds account for the year in which the property was purchased by the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_.

The \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ agrees to pay a fee in the amount of \$\_\_\_\_\_ to cover the cost of recording the deed transferring the above described property.

Upon the request of the Foreclosing Governmental Unit the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ shall provide without cost to the Foreclosing Governmental Unit information requested regarding any subsequent sale or transfer of the above described property. The information shall be provided within seven days of receipt of the request.

This election by the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ is made subject to any prior right of election vested in the State of Michigan.

The \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ understands that neither Genesee County nor Jill McKenzie, Genesee County Chief Deputy Treasurer During a Vacancy in the Office of the Genesee County Treasurer, either individually and/or as Genesee County Treasurer and/or as the Foreclosing Governmental Unit, makes any warranty of any kind as to the title transferred to



the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ and will not indemnify, defend, save nor hold harmless the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ from any or all claims, liabilities, damages, losses, suits, fines, penalties, demands or expenses, including costs of suit and attorney fees, incurred by the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ because of or related to its election to purchase the property above described.

The \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ agrees to indemnify, defend, save and hold harmless Genesee County and Jill McKenzie, Genesee County Chief Deputy Treasurer During a Vacancy in the Office of the Genesee County Treasurer, individually and/or as Genesee County Treasurer and/or as Foreclosing Governmental Unit, from any and all claims, liabilities, damages, losses, suits, fines, penalties, demands and expenses, including costs of suit and attorney fees, which Genesee County and/or Jill McKenzie, individually and/or as Genesee County Chief Deputy Treasurer During a Vacancy in the Office of the Genesee County Treasurer and/or as Foreclosing Governmental Unit incurred because of or related to the election of the \_\_\_\_\_ (city, village, township) of \_\_\_\_\_ to purchase the property above described.

Attached to this notice is a copy of the resolution authorizing the purchase which resolution incorporates the indemnification of Genesee County and Jill McKenzie.

Date: \_\_\_\_\_

\_\_\_\_\_  
Mayor or Supervisor

Date: \_\_\_\_\_

\_\_\_\_\_  
Clerk



*Adam Zettel*

*Assistant City Manager/Zoning Administrator*  
[azettel@cityofswartzcreek.org](mailto:azettel@cityofswartzcreek.org)

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Date: June 24, 2010

**Douglas Weiland**  
**Executive Director**  
**Genesee County Land Bank**  
**452 S. Saginaw Street, 2nd Floor**  
**Flint, Michigan 48502**

**Subject: Marathon Tax Foreclosure: Swartz Creek**

Dear Mr. Weiland,

The City of Swartz Creek, in accordance with state statute, is hereby notifying the Genesee County Land Bank and Treasurer that the City of Swartz Creek is not interested in acquiring 7026 Miller Road through the tax foreclosure process at this time.

However, the City requests that the Land Bank bundle this property with its future acquisitions and hold it in stewardship with the City of Swartz Creek as a partner for public and economic development purposes. To this end the City desires to enter into an agreement with the Land Bank whereby the City shall maintain and improve the property at its expense so that it shall be usable for public and private endeavors.

The City also desires to be able to work with additional third parties that are able and willing to improve the property at their expense. To this end, the City requests that the Land Bank work with the City to identify and work with such partners and to sell the property, if appropriate, at a cost that will allow the City to recover expenses previously invested into the property for planning services, on-going maintenance, environmental mitigation and testing, and general site improvement.

If you have any questions or comments, please do not hesitate to contact me at the City Offices.

Sincerely,

Adam H. Zettel, AICP  
Assistant City Manager  
City of Swartz Creek

---

8083 Civic Drive  
Swartz Creek Michigan 48473  
Phone: (810)-635-4464 Fax: (810)-635-2887

[www.cityofswartzcreek.org](http://www.cityofswartzcreek.org)

<ftp://cityofswartzcreek.org>



# ROWE PROFESSIONAL SERVICES COMPANY

*Large Firm Resources. Personal Attention.<sup>sm</sup>*

June 4, 2010

Mr. Paul Bueche, City Manager  
City of Swartz Creek  
8083 Civic Drive  
Swartz Creek, MI 48473

RE: Springbrook East Paving Project  
Design and Construction Engineering Proposal

Dear Mr. Bueche:

Pursuant to your request, ROWE Professional Services Company is pleased to provide the city with a proposal to provide design and construction engineering services for the above referenced project. Based on the information you provided, the scope of work will involve pavement repair and overlay on the following streets in Springbrook East:

- Maya Lane – Miller to Russell Drive
- Russell Drive – Maya Lane to West Boundary Line
- Maple Crest Circle
- Lindsey Drive

We estimate construction improvements for the above listed streets at \$165,000. Attached is a breakdown of our fee of \$20,958 to perform design and construction engineering.

ROWE looks forward to another successful paving project with the City of Swartz Creek. If you have any questions, please contact me at (810) 341-7500.

Sincerely,  
ROWE Professional Services Company

  
Louis P. Flenry, P.E.  
Project Manager

Attachment

R:\sask\Proj\PROPOSAL\communities\swartz creek\paving project proposal rev.docx

**City of Swartz Creek  
Springbrook East Paving  
Design and Construction Engineering Fee Breakdown  
June 4, 2010**

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1. Design Phase

***Field Work***

Layout project stationing; measure and mark out the pavement repair areas; measure and mark out the crack repair areas; determine intersection butt joint locations, measure road length and width and identify manhole and curb repair areas, drainage revision areas and possible underdrain improvement areas.

Project Engineer	4 hours @ \$99/hour	\$396
Construction Observer	8 hours @ \$88/hour	\$704
Field Work Subtotal		\$1,100

***Plans, Specifications and Estimate (P, S & E)***

Review proposed improvements with city staff; develop plan sheets from field dimensions; indicate all pavement repair, curb and manhole repair, drainage improvements, crack repair, etc. on base plan drawings; develop quantities and preliminary engineer's estimate; put together contract documents and technical specifications; review final plans with City staff; advertise for bids; open bids, develop bid tabulation, review low bidder's qualifications, recommend award; and facilitate the preconstruction meeting.

Project Manager	8 hours @ \$116/hour	\$928
Project Engineer	40 hours @ \$99/hour	\$3,960
Engineering Technician	50 hours @ \$77/hour	\$3,850
PS&E Subtotal		\$8,738

**Design Total** **\$9,838**

2. Construction Observation Phase: *(Based on 2 weeks anticipated construction time frame)*

We will provide full time construction observation, assist with and resolve any construction problems, perform road base density testing on any road undercutting and pavement base, monitor unit quantities, concrete testing, contract administration, contractor pay estimates, and coordination between the city, contractor and residents.

Project Manager	20 hrs @ \$116/hr	\$2,320
Construction Observer	10 hrs/day x 5days/wk x 2 wks @ \$88/hour	\$8,800

**Construction Administration Total** **\$11,120**

***Overall Design and Construction Engineering Total*** ***\$20,958***

The cost breakdown above is estimated assuming that the contractor may take two weeks to construct the project, and that only one construction observer is necessary to keep up with the contractor's construction pace. The actual construction time may be more or less.

Work not included in this proposal:

- Construction Staking
- Easement Preparation
- Topographic Survey
- Pavement Cores





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# RECOVERY OF THE COSTS OF FIRE SERVICES

*A Proposed Section to Be Added to the Codes of Ordinances  
for the City of Swartz Creek, Michigan  
and for Clayton Township, Michigan*

**June 21, 2010**

Subject. Recovery of expenses related to responses of the Swartz Creek Area Fire Authority (*the Authority*).

Findings and Purpose. *The municipality* (the City of Swartz Creek or Clayton Township) finds that beneficiaries of services should contribute towards their cost. The taxes levied in the municipality allow it to have a professional fire department but are not sufficient to cover all costs of services. Municipal taxpayers should not bear all these costs, particularly in cases where non-residents or non-taxpayers derive a benefit from the services. This ordinance is adopted to grant authority and to provide a mechanism for the reimbursement of the Authority's costs of actually responding to fires and emergencies

Definitions. The following words, terms and phrases, when used in this section, shall have the meanings provided in this subsection, except where the context clearly indicates a different meaning:

*Assessable costs* means those charges and fees incurred by the Authority as a result of assistance provided by the Authority or by a third party on behalf of the Authority in connection with an Authority response to an incident including, but not limited to, the actual labor and material costs (including without limitation, employee wages, fringe benefits, administrative overhead, costs of equipment, costs of equipment operation, costs of materials, costs of transportation, costs of material disposal and costs of contracted labor, legal fees, collection costs, etc.) provided.

*Authority response* means appearing at the scene of a fire incident, traffic or vehicular accident, vehicle extrication, medical response, utility line failure or railroad fire, or hazardous condition, or any investigation in connection with a fire, accident, hazardous condition or hazardous materials incident.

*Hazardous condition* means an occurrence resulting in a risk to the physical welfare of persons in the immediate area of the situation (such as downed utility lines or gas leaks not in an occupied structure), requiring an Authority response.

*Person* means a natural person, corporation, utility, railroad, partnership or any other entity with legal capacity.

*Railroad* means any person, partnership, association, or corporation, their respective lessees, trustees, or receivers, appointed by a court, or other legal entity operating in this state either as a common carrier for hire or for private use as a carrier of persons or property upon cars operated upon stationary rails and includes any person, partnership, association, corporation, trustee, or receiver appointed by a court or any other legal entity owning railroad tracks.

*Railroad fire* means a burning rail car or contents, or burning vegetation (e.g., grass, brush) adjacent to the railroad rails, track, or roadbed originating from railroads/trains passing over the rails, track or roadbed.

*Release* means any actual or threatened leaking, spilling, pumping, pouring, emitting, emptying, discharging, injecting, leaching, dumping, or disposing into the environment (including air, soil, ground water and surface water).

*Resident* means any person who, at the time and date of the Authority response, legally resides in the municipality.

*Responsible party* means any person who receives the benefit of Authority response services. When a particular service rendered by or through the Authority directly benefits more than one person, the owner of each property benefited and each person benefited (if property protection is not involved), shall be liable for the payment of the full amount of assessable costs. Beneficiaries shall also be responsible jointly and severally for assessable costs billed to the recipient of the service. Parents or guardians shall be responsible for payment of assessable costs incurred by minors. Persons owning, maintaining or operating a public or private railroad or utility shall be responsible for and pay the assessable costs incurred by the Authority to respond to, assist, manage, monitor, or remediate any emergency concerning or involving a railroad fire or utility line failure.

*Taxpayer* means any person who pays property taxes to the municipality directly or through a mortgage escrow or similar arrangement.

*Utility* means all persons, firms, corporations, partnerships, organizations, municipal or other public authority that provides gas, electric, water, steam, sewer, energy, telecommunications, cable television or other services of a similar nature.

*Utility line failure* means downed power lines, gas pipeline breaks (including ruptures and punctures), the disabling of any transmission or service line, cable, conduit, pipeline, wire or the like used to provide, collect or transport electricity, natural gas, communication or electronic signals, water, or sanitary or storm sewage, or other mishaps occurring in connection with the activities of utilities or their suppliers after the Authority is on scene for one hour.

Exemptions. The provisions of this ordinance shall not apply to assessable costs associated with fire service performed outside the jurisdiction of the Authority under a mutual or automatic aid agreement, nor shall they apply to services involving municipal property.

Charges and Fees. The Authority will, by resolution, adopt a schedule of the costs included in an emergency response. Such schedule will be available to the public from the fire chief and will be amended or updated from time to time as necessary.

Payment for Services. The Fire Chief or his designee shall determine the total assessable costs and bill to the responsible parties for their assessable costs. Bills shall be sent by first-class mail. All bills rendered for charges shall be payable within 30 days of the mailing of the billing.

Collection of Charges. Bills not paid within 30 days shall be considered in default. The Authority may file suit in district court to collect any monies remaining unpaid and any costs allowed by law and shall have any and all other remedies provided by law for the collection of the charges, including using a collection agency or petitioning the appropriate municipality to place the unpaid charges on the tax roll.

Other Remedies. The recovery of assessable costs imposed under this Code section shall not relieve or limit the liability of any responsible parties under any other local ordinance, state or federal law, rule or regulation.

Appeal Procedure. A responsible party who receives a bill under this section may request a meeting with the Fire Chief or his designee to request modification of the assessable costs. The person shall request a meeting in writing within 14 calendar days of the date of the invoice.

The Fire Chief or his designee shall have authority to affirm, modify or waive the assessable costs if he finds that: (1) an error was made with respect to the nature of the incident; (2) an error was made in calculating the assessable costs; (3) the person to which the bill was sent is not liable under the terms of this section; or, (4) the Fire Chief has received a request to waive the assessable cost based upon hardship or based on public policy after approval of the Fireboard. The Fire Chief or his designee shall mail his determination regarding the appeal within 14 days of the meeting with the appellant, which determination shall identify the basis for the decision.

If, after meeting with the Fire Chief or designee the person is not satisfied, he may request an opportunity to appear before the Board of the Swartz Creek Area Fire Authority (the Fire Board) to seek relief from the assessable costs charged. Such an appeal must be made in writing within 14 calendar days of the date of the meeting with the Fire Chief or designee and specifically identify why the billing should be modified. In its review, the Fire Board shall consider factors including:

1. The degree to which the imposition of assessable costs would present a unique situation that is unlikely to be repeated
2. Whether granting the appeal would do harm to the intent and purpose of this section.

Failure to file a timely written request of appeal constitutes a waiver of the right to relief and further constitutes an agreement to pay the costs involved. The Fire Board is authorized to affirm, modify or overturn the Fire Chief's determination with respect to the imposition of assessable costs in the event of an appeal.

Severability. Should any provision or part of this ordinance be declared by a court of competent jurisdiction to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provisions which shall remain in full force and effect.

Effective Date.



## Paul Bueche

---

**From:** Fire Chief Brent Cole [brentcole@scafd.com]  
**Sent:** Wednesday, June 23, 2010 4:30 PM  
**To:** 'Dale R. Jones'; 'Brian Sepanak'; Paul Bueche  
**Cc:** Hurt-Dave; Messer-Mike; Messer-Mike(MTA); derrld@power-net.net; familyhomesolutions@mac.com  
**Subject:** RE: Cost Recovery Recommendation

Dale,

Below is what has been drafted as a policy associated with cost recovery. The amounts are what should be in place associated with HazMat cost recovery for both Clayton Township and Swartz Creek.

The Fireboard has yet to enact this policy as the Fire Agreement Compliance Committee felt the ordinance should be in place first. It was felt the amounts to charge should be in a policy to make it easier to make adjustments in the future.

Sincerely,

Brent

CC: Bueche, Messer, Hurt, Derby, Thornton

1. The Chief of the Department, or his/her designate, shall be responsible for collecting information, as applicable, for each alarm deemed billable for cost recovery. General information to be gathered includes, but is not limited to, photos, insurance information, vehicle registration, operators license information and etc. In the event an individual refuses to provide any information requested, a local law enforcement official will be requested to assist with information obtainment.
2. The following fee scheduled will be utilized to determine what charges will be billed:
  - A. Engine/Pumper = \$250.00/hour
  - B. Squad, Tanker or Grass Rig = \$125.00
  - C. Personnel on Scene = \$25.00/hour
  - D. Personnel at the station = \$20.00
3. Invoices for cost recovery will be based on a thirty (30) day period. All invoices not paid with in the first thirty (30) days from the original invoice date, will be subject to a two (2) percent late fee, for each thirty (30) day period, past the origin thirty (30) day period.
4. An invoice will be sent for each thirty (30) day period payment is not received, including all late fees as applicable.
5. For those invoices associated with property within the jurisdiction boundaries of the Charter Township of Clayton and the City of Swartz Creek (Fire District), after a six (6) month period, in which no payment has been received, a lien shall be placed on the related property, with assistant from the appropriate municipality. In the event an incident involves a Fire District property owner, but not located on the property of ownership, a lien for charges may be placed on any property owned by the person involved, if six (6) month none payment exists.
6. For those invoices associated with incidents that do not involve a person that own property with in the Fire District, if after six (6) months, the invoice is deemed uncollectable, the Fire Chief may forward collection of the invoice to an appropriate collection agency, with permission from the Fireboard.
7. The Fire Chief shall provide monthly information associated with status of cost recovery.
8. All monies received from cost recovery shall be deposited in the authorized Capital

Improvement Fund Program financial institution account, as prescribed under Policy 120.

---

**From:** Dale R. Jones [mailto:djones@djall3d.com]  
**Sent:** Tuesday, June 22, 2010 17:19  
**To:** 'Fire Chief Brent Cole'; 'Brian Sepanak'  
**Cc:** 'Dale R. Jones'  
**Subject:** RE: Cost Recovery Recommendation

Brent

Do you have an estimate of fees that would be assessed in a violation of this proposed ordinance.

Dale

---

**From:** Fire Chief Brent Cole [mailto:brentcole@scafd.com]  
**Sent:** Tuesday, June 22, 2010 7:42 AM  
**To:** Bueche, Paul; Jones-Dale; 'Brian Sepanak'  
**Cc:** Messer-Mike; Messer-Mike(MTA)  
**Subject:** Cost Recovery Recommendation

Dear Paul, Brian and Dale,  
Please find attached a cost recovery recommendation approved by the Fireboard at their June 21, 2010 meeting for your municipalities to consider for ordinance adoption.  
If you have any questions or concerns, please contact me at your earliest convenience.  
Sincerely,  
Chief Brent Cole



GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

-DIVISION OF-

WATER & WASTE SERVICES

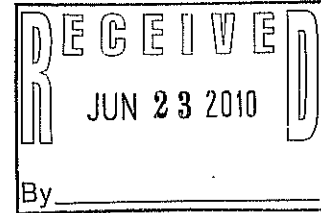
JEFFREY WRIGHT  
COMMISSIONER

G-4610 BEECHER ROAD • FLINT, MICHIGAN 48532-2617

PHONE (810) 732-7870 • FAX (810) 732-9773

June 18, 2010

To: The Governing Bodies of each of the  
Communities Served by the  
Genesee County Water Supply System



Attention: Clerk

Re: Notice of Rates to be Charged for  
Water Supply for all Bills Rendered  
On and After September 2, 2010

Dear Ladies and Gentlemen:

On Tuesday, June 15, the Detroit City Council approved the Board of Water and Sewerage Department's recommended rates for the 2010 - 2011 cycle. These rates will become effective on July 1, 2010. This rate is also a significant deviation from all previous rates. For the first time, Detroit has included a minimum charge to the normal commodity charge. The minimum charge is estimated to add an additional 6 cents to our increase of 16¢ per 100 cubic feet for a total rate increase of 22¢ per 100.

The County Agency has approved the rate increase as a pass through to the local communities. The rate increase will be found in Section III Commodity Charges of the attached rate sheet. Our previous rate was \$2.54 per 100 cubic feet and now is \$2.76. Since the 6¢ was an estimate, the County Agency has agreed to separately track that cost and report the results to the Advisory Committee on an annual basis.

As always, the County is available to assist you and your staff in setting up the user rate system. For those customers who have contracted with the County for billing services, we will need your rate information by the 15<sup>th</sup> of the month prior to the month of implementation. For example, if you wish to update your rate for January 2, 2009, we need your Council/Board approved rate by December 15, 2008, to allow us time to implement.

Should you have any questions, do not hesitate to contact us.

Sincerely,

John F. O'Brien, P.E., Director  
Division of Water and Waste Services

JFO:kt

CC: Supervisor/Mayor/President of the member community



GENESEE COUNTY WATER SUPPLY SYSTEM  
 RATES FOR SERVICE FOR WATER BILLS RENDERED  
 ON AND AFTER SEPTEMBER 2, 2010

\*\*\*\*\*

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

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

<u>Meter Size - Inches</u>	<u>Readiness to Serve Charge</u>	<u>Irrigation Meters</u>
5/8	\$ 13.38	\$13.38
3/4	\$ 20.07	3/4 or larger \$20.07
1	\$ 33.45	
1-1/2	\$ 66.90	
2	\$ 107.04	
3	\$ 200.70	
4	\$ 334.50	
6	\$ 669.00	
8	\$ 1,070.40	
10	\$ 1,605.60	
12	\$ 2,876.70	

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

**II. RATES BASED ON MASTER METER READINGS**

A. MONTHLY

Equivalent Meters

Readiness to Serve Charge @ \$131.83 / eq. meter

25	\$ 3,295.75
50	\$ 6,591.50
80	\$ 10,546.40
120	\$ 15,819.60
165	\$ 21,751.95
215	\$ 28,343.45
320	\$ 42,185.60

The number of equivalent meters is based on the peak monthly flow from the prior calendar year. An equivalent meter size will be determined based on the peak monthly flow being 75% of the meter capacity. The meter capacity and number of capacity equivalent meters will be based on current AWWA standards. The meter size and number of equivalent meters will be based on standard meter sizes, with a minimum of 25 equivalent meters.

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

The total commodity charge is \$2.76 per 100 cubic feet. This sum is the total of \$0.849 per 100 cu.ft. plus the DWSD commodity charge, which is charged to the City of Flint and City of Flint mark-up - currently estimated at \$1.911 per 100 cu. ft.

**IV. QUARTERLY RATES (applies to Individual Meters):**

Multiply readiness to serve charge by three.

**V. WATER STATION RATES**

The commodity charge for watering is \$3.27 per 100 cubic feet (0.25 per 55 gallons). No Readiness to Serve charge. Accounts shall be billed monthly.

**VI. HYDRANT METER RATES**

The commodity charge is \$3.27 per 100 cubic feet. No Readiness to Serve charge. Accounts shall be billed within 30 days of use.

**VII. COUNTY CAPITAL IMPROVEMENT FEE**

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

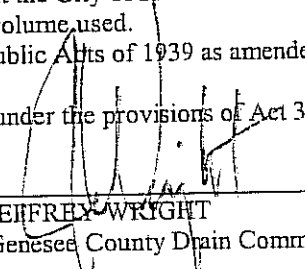
**VIII. CITY OF FLINT FRANCHISE RATES**

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

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

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

Dated: May 25, 2010

  
JEFFREY WRIGHT

Genesee County Drain Commissioner, the County Agency

REFLECTS D.W.S.D. INCREASE.



GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

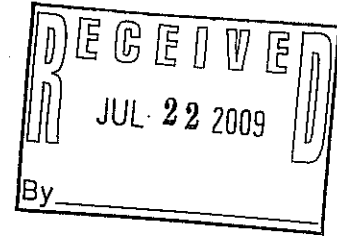
-DIVISION OF-  
WATER & WASTE SERVICES

JEFFREY WRIGHT  
COMMISSIONER

G-4610 BEECHER ROAD • FLINT, MICHIGAN 48532-2617

PHONE (810) 732-7870 • FAX (810) 732-9773

July 17, 2009



To: The Governing Bodies of each of the  
Communities Served by the  
Genesee County Water Supply System

Attention: Clerk

Re: Notice of Rates to be Charged for  
Water Supply for all Bills Rendered  
On and After September 2, 2009

Dear Ladies and Gentlemen:

On June 25, 2009, the news media reported that the Detroit City Council had approved water rate increases to its suburban customers. The Division has received confirmation from the City of Flint that the rate for all water taken off the pipeline will increase by 9.5 percent with an effective date of July 1, 2009. Flint will be charging the Division at the new rate effective on all bills issued on or after August 1, 2009.

The Drain Commissioner has directed the Division to absorb the increase for two months in order to provide the municipalities some time to make the changes it may require before implementing a new rate. Therefore, the Division will hold the rates at their current level through September 1, 2009. The estimated cost of absorbing the Detroit rate increase is \$65,000 per month. All community bills issued on or after September 2, 2009, will be charged at the revised rates as illustrated on the attached "RATES FOR SERVICE FOR WATER BILLS RENDERED ON AND AFTER SEPTEMBER 2, 2009".

Based upon the monthly water use of a typical household, approximately 1,000 cubic feet, the increase to your typical water customer will be about \$1.30 per month or about \$15.60 per year. This charge is simply a pass through of the Detroit increase. The Division will not be compounding this rate increase by adding any additional charges. It is our hope that each of the municipalities has examined its rate structure and has already made the necessary adjustments so that it will need only to add the same pass through costs we have incurred from the Detroit Water and Sewerage Department.

The Division will prepare a note that will be printed on all our retail customers' bills for the initial three months of the rate increase. If any of the communities for whom the Division prepares and sends the retail bills needs to make changes to their rate structure, these changes need to be submitted to our Billing Staff by the fifteenth (15<sup>th</sup>) of the preceding month in which the change is to become effective.

Any calls that come to the Division regarding this new increase will be referred to a contact number with DWSD and callers may express their concerns or displeasure over the ever-increasing rates with the appropriate Detroit officials.

Sincerely,

John F. O'Brien, P.E., Director  
Division of Water and Waste Services



GENESEE COUNTY WATER SUPPLY SYSTEM  
 RATES FOR SERVICE FOR WATER BILLS RENDERED  
 ON AND AFTER SEPTEMBER 2, 2009

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

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

<u>Meter Size - Inches</u>	<u>Readiness to Serve Charge</u>	<u>Irrigation Meters</u>
5/8	\$ 13.38	\$13.38
3/4	\$ 20.07	¾ or larger \$20.07
1	\$ 33.45	
1-1/2	\$ 66.90	
2	\$ 107.04	
3	\$ 200.70	
4	\$ 334.50	
6	\$ 669.00	
8	\$ 1,070.40	
10	\$ 1,605.60	
12	\$ 2,876.70	

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

**II. RATES BASED ON MASTER METER READINGS**

**A. MONTHLY**

<u>Equivalent Meters</u>	<u>Readiness to Serve Charge @ \$131.83 / eq. meter</u>
25	\$ 3,295.75
50	\$ 6,591.50
80	\$ 10,546.40
120	\$ 15,819.60
165	\$ 21,751.95
215	\$ 28,343.45
320	\$ 42,185.60

The number of equivalent meters is based on the peak monthly flow from the prior calendar year. An equivalent meter size will be determined based on the peak monthly flow being 75% of the meter capacity. The meter capacity and number of capacity equivalent meters will be based on current AWWA standards. The meter size and number of equivalent meters will be based on standard meter sizes, with a minimum of 25 equivalent meters.

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

The total commodity charge is \$2.540 per 100 cubic feet. This sum is the total of \$0.849 per 100 cu.ft. plus the DWSD commodity charge, which is charged to the City of Flint and City of Flint mark-up - currently estimated at \$1.691 per 100 cu. ft.

**IV. QUARTERLY RATES (applies to Individual Meters):**

Multiply readiness to serve charge by three.

**V. WATER STATION RATES**

The commodity charge for watering is \$3.11 per 100 cubic feet (0.25 per 60 gallons). No Readiness to Serve charge. Accounts shall be billed monthly.

**VI. HYDRANT METER RATES**

The commodity charge is \$3.11 per 100 cubic feet. No Readiness to Serve charge. Accounts shall be billed within 30 days of use.

**VII. COUNTY CAPITAL IMPROVEMENT FEE**

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

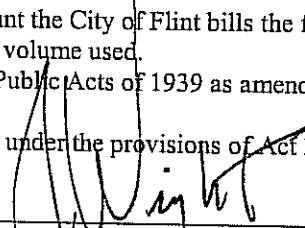
**VIII. CITY OF FLINT FRANCHISE RATES**

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

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

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

Dated: 7.7.09

  
 JEFFREY WRIGHT  
 Genesee County Drain Commissioner, the County Agency



GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

-DIVISION OF-  
WATER & WASTE SERVICES

JEFFREY WRIGHT  
COMMISSIONER

G-4610 BEECHER ROAD • FLINT, MICHIGAN 48532-2617

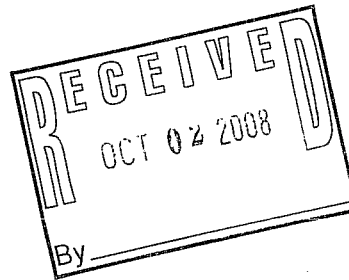
PHONE (810) 732-7870 • FAX (810) 732-9773

October 1, 2008

To: The Governing Bodies of each of the  
Communities Served by the  
Genesee County Water Supply System

Attention: Clerk

Re: Notice of Rates to be Charged for  
Water Supply for all Bills Rendered  
On and After November 2, 2008



Dear Ladies and Gentlemen:

On September 1, 2008, the City of Detroit Water and Sewerage Department (DWSD) raised our water rates from \$11.09 to \$13.07 per 1,000 cubic feet. This is a 16% rate increase. The Division has absorbed all costs for the first month's increase, September 2008.

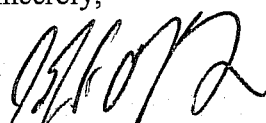
In addition to the Detroit increase, the Division has had to increase our share of the water rate for the first time since 2002 to cover our increased costs for electricity, fuel, and chemical supplies. We are also required for 2008-2009 to include depreciation of the water supply infrastructure as part of our budget and rates. Therefore, our commodity rate will go from \$1.955 to \$2.41 per 100 cubic feet effective with our billings on or after October 2, 2008.

We have also combined the City of Flint franchise rate with our standard rate. This appears in Section VIII of the rate schedule, a copy is attached.

As always, the County is available to assist you and your staff in setting up the user rate system. For those customers who have contracted with the County for billing services, we will need your rate information by the 15<sup>th</sup> of the month prior to the month of implementation. For example, if you wish to update your rate for January 2, 2009, we need your Council/Board approved rate by December 15, 2008, to allow us time to implement.

Should you have any questions, do not hesitate to contact us.

Sincerely,

  
John F. O'Brien, P.E., Director  
Division of Water and Waste Services

JFO:kt

CC: Supervisor/Mayor/President of the member community  
Ronda Simpson & Rebecca MacDermaid



**GENESEE COUNTY WATER SUPPLY SYSTEM  
 RATES FOR SERVICE FOR WATER BILLS RENDERED  
 ON AND AFTER NOVEMBER 2, 2008**

\*\*\*\*\*

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

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

<u>Meter Size - Inches</u>	<u>Readiness to Serve Charge</u>	<u>Irrigation Meters</u>
5/8	\$ 13.38	\$13.38
3/4	\$ 20.07	¾ or larger \$20.07
1	\$ 33.45	
1-1/2	\$ 66.90	
2	\$ 107.04	
3	\$ 200.70	
4	\$ 334.50	
6	\$ 669.00	
8	\$ 1,070.40	
10	\$ 1,605.60	
12	\$ 2,876.70	

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

**II. RATES BASED ON MASTER METER READINGS**

A. MONTHLY

Equivalent Meters

Readiness to Serve Charge @ \$131.83 / eq. meter

25	\$ 3,295.75
50	\$ 6,591.50
80	\$ 10,546.40
120	\$ 15,819.60
165	\$ 21,751.95
215	\$ 28,343.45
320	\$ 42,185.60

The number of equivalent meters is based on the peak monthly flow from the prior calendar year. An equivalent meter size will be determined based on the peak monthly flow being 75% of the meter capacity. The meter capacity and number of capacity equivalent meters will be based on current AWWA standards. The meter size and number of equivalent meters will be based on standard meter sizes, with a minimum of 25 equivalent meters.

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

The total commodity charge is \$2.410 per 100 cubic feet. This sum is the total of \$0.849 per 100 cu.ft. plus the DWSD commodity charge, which is charged to the City of Flint and City of Flint mark-up - currently estimated at \$1.561 per 100 cu. ft.

**IV. QUARTERLY RATES (applies to Individual Meters):**

Multiply readiness to serve charge by three.

**V. WATER STATION RATES**

The commodity charge for watering is \$3.11 per 100 cubic feet (0.25 per 60 gallons). No Readiness to Serve charge. Accounts shall be billed monthly.

**VI. HYDRANT METER RATES**

The commodity charge is \$3.11 per 100 cubic feet. No Readiness to Serve charge. Accounts shall be billed within 30 days of use.

**VII. COUNTY CAPITAL IMPROVEMENT FEE**

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

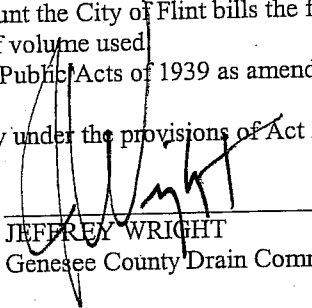
**VIII. CITY OF FLINT FRANCHISE RATES**

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

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

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

Dated: 9/17/08

  
 JEFFREY WRIGHT

Genesee County Drain Commissioner, the County Agency





GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

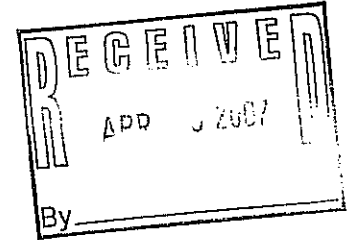
-DIVISION OF-  
WATER & WASTE SERVICES

JEFFREY WRIGHT  
COMMISSIONER

G-4610 BEECHER ROAD • FLINT, MICHIGAN 48532-2617

PHONE (810) 732-7870 • FAX (810) 732-9773

April 19, 2007



TO: The Governing Bodies of each of the  
Communities Served by the  
Genesee County Water Supply System

ATTN: Clerk

RE: Notice of Rates to be Charged for  
Water Supply for all Bills Rendered  
On and After August 1, 2007

Dear Ladies and Gentlemen:

On August 1, 2007, the City of Detroit Water and Sewerage Department (DWSD) and the City of Flint's flat rate mark-up will be raised from \$1.155 to \$1.346 per 100 cubic feet. This is a 16% rate increase to the County Agency for the period of August 1, 2007 to July 31, 2008.

The County uses a Readiness to Serve charge and commodity charge rate model. The DWSD and City of Flint mark-up are part of the commodity charge. It was agreed that the County would "pass through" these charges to the local communities. Therefore, our commodity charge will go from \$1.764 to \$1.955 per 100 cubic feet effective with our billing on September 1, 2006. This will result in a 10% increase to you. This will be included in the August usage.

In addition to the commodity rate change, we have also established a flat rate for irrigation meters. The irrigation meters will be charged a maximum rate of \$9.47 per month. We will begin billing the communities this rate effective May 1, 2007. First billing for May will go out in July of 2007. I believe this will give you, the local municipality, sufficient time to pass that savings on to your customers. We will automatically turn on the charge every May 1 and turn off on October 31, 6 months only. No fee for this turn on/turn off is required. We will read the meter every quarter if we detect usage during the "off" period and we will charge the readiness to serve charge for that usage.

As always, the County is available to assist you and your staff in setting up the user rate system. For those customers who have contracted with the County for billing services, we will need your new information by the 15<sup>th</sup> of the month prior to the month of implementation. For example, if you wish to update your rate for October 1, 2007, we need your Council/Board approved rate by September 15, 2007, to allow us time to implement. If you are going to charge your irrigation customers the readiness to serve rate for May 2007, please give us notice prior to June 15, 2007.

We have enclosed our rate file for your records. Should you have any questions, do not hesitate to contact us.

Sincerely,

John F. O'Brien, P.E., Director  
Division of Water and Waste Services



**GENESEE COUNTY WATER SUPPLY SYSTEM  
RATES FOR SERVICE FOR WATER SOLD  
ON AND AFTER AUGUST 1, 2007**

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

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

<u>Meter Size - Inches</u>	<u>Readiness to Serve Charge</u>	<u>Irrigation Meters</u>
5/8	\$ 6.31	\$6.31
3/4	\$ 9.47	¾ or larger \$9.47
1	\$ 15.78	
1-1/2	\$ 31.55	
2	\$ 50.48	
3	\$ 94.65	
4	\$ 157.75	
6	\$ 315.50	
8	\$ 504.80	
10	\$ 757.20	
12	\$1,356.65	

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

**II. RATES BASED ON MASTER METER READINGS**

**A. MONTHLY**

<u>Equivalent Meters</u>	<u>Readiness to Serve Charge @ \$88.48 / eq. meter</u>
25	\$ 2,212.00
50	\$ 4,424.00
80	\$ 7,078.40
120	\$ 10,617.60
165	\$ 14,599.20
215	\$ 19,023.20
320	\$ 28,313.60

The number of equivalent meters is based on the peak monthly flow from the prior calendar year. An assumed meter size will be determined based on the peak monthly flow being 75% of the meter capacity. The meter capacity and number of capacity equivalent meters will be based on current AWWA standards. The meter size and number of equivalent meters will be based on standard meter sizes, with a minimum of 25 equivalent meters.

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

The total commodity charge is \$1.955 per 100 cubic feet. \$0.609 per 100 cu.ft. plus the DWSD commodity charge charged to the City of Flint and City of Flint mark-up – currently estimated at \$1.346 per 100 cu. ft.)

**IV. QUARTERLY RATES (applies to both Individual and Master Meters):**

Multiply readiness to serve charge by three.

**V. WATER STATION RATES**

The commodity charge for watering is \$2.53 per 100 cubic feet (0.25 per 74 gallons). No Readiness to Serve charge. Accounts shall be billed monthly.

**VI. HYDRANT METER RATES**

The commodity charge is \$2.53 per 100 cubic feet. No Readiness to Serve charge. Accounts shall be billed within 30 days of use.

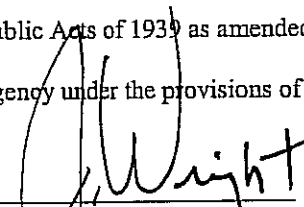
**VII. COUNTY CAPITAL IMPROVEMENT FEE**

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

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

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

Dated: 4/24/07

  
\_\_\_\_\_  
JEFFREY WRIGHT  
Genesee County Drain Commissioner, the County Agency

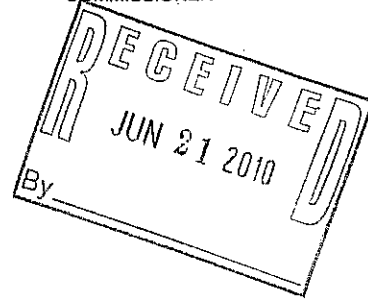


GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

-DIVISION OF-  
WATER & WASTE SERVICES

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

JEFFREY WRIGHT  
COMMISSIONER



I'll keep the Council informed  
on progress here

June 15, 2010

Paul Bueche, Manager  
City of Swartz Creek  
8083 Civic Drive  
Swartz Creek, MI 48473

Brian Sepanak, Supervisor  
Clayton Charter Township  
2011 S. Morrish Road  
Swartz Creek, MI 48473

Re: Water and Sewer Franchise Customers

Dear Gentlemen:

Find enclosed a list of franchise customers that exist between your two communities based on our records. These customers do not conform to the adopted Franchise Policy.

I would like to meet with you together to either convert these accounts to be compliant with the Franchise Policy or prepare a written agreement to cover these accounts.

I have enclosed a copy of the current Franchise Policy for your convenience. I will be contacting you in the next several weeks to schedule a meeting.

Sincerely,

John F. O'Brien, P.E., Director  
Division of Water and Waste Services

JFO:kt

Enclosures

CC: Theresa Ingle



## WWS Franchise Customers

Residency	Billing Community	Connection Address	Service Type	Permit Number	Billing Acct. #	Billing Acct. #	Parcel #	Community Collected Tap	Owner of Utility	Notes
Clayton Twp	Clayton Twp	7282 W Bristol	Water	71569	39-715690	04-715690	04-25-300-002		Swartz Creek, City	
Clayton Twp	Clayton Twp	7470 W Bristol	Sewer	75884	39-758840	04-758840	04-25-300-004		Swartz Creek, City	
Clayton Twp	Clayton Twp	7450 W Bristol	Sewer	75544	39-755440	04-755440	04-25-300-005		Swartz Creek, City	
Clayton Twp	Clayton Twp	7430 W Bristol	Sewer	77813	39-778130	04-778130	04-25-300-006		Swartz Creek, City	
Clayton Twp	Clayton Twp	7260 W Bristol	Sewer	78461	39-784610	04-784610	04-25-300-020		Swartz Creek, City	
Clayton Twp	Clayton Twp	7100 W Bristol	Sewer	67394	39-673940	04-670440	04-25-400-002		Swartz Creek, City	
Clayton Twp	Clayton Twp	7100 W Bristol	Water	67394	39-673940	04-670440	04-25-400-002		Swartz Creek, City	
Clayton Twp	Clayton Twp	7152 W Bristol	Water	71957	39-719570	04-719570	04-25-400-006		Swartz Creek, City	
Clayton Twp	Clayton Twp	7162 W Bristol	Sewer	72194	39-721940	04-721940	04-25-400-006		Swartz Creek, City	
Clayton Twp	Clayton Twp	7188 W Bristol	Sewer	79982	39-799820	04-799820	04-25-400-010		Swartz Creek, City	
Clayton Twp	Clayton Twp	7188 W Bristol	Water	79982	39-799820	04-799820	04-25-400-010		Swartz Creek, City	
Clayton Twp	Clayton Twp	7172 W Bristol	Sewer	83962	39-839620	04-804620	04-25-400-012		Swartz Creek, City	
Clayton Twp	Clayton Twp	7142 W Bristol	Sewer	78151	39-781510	04-781510	04-25-400-019		Swartz Creek, City	
Clayton Twp	Clayton Twp	7152 W Bristol	Sewer	71957	39-719570	04-719570	04-25-400-019		Swartz Creek, City	
Clayton Twp	Clayton Twp	8140 W Bristol	Water	66043	39-660430	04-660430	04-26-400-011		Swartz Creek, City	
Clayton Twp	Clayton Twp	8030 W Bristol	Water	63886	39-638860	04-638860	04-26-576-034		Swartz Creek, City	
Clayton Twp	Clayton Twp	4306 S Seymour	Water	62524	39-625240	04-625240	04-34-400-002		Swartz Creek, City	
Clayton Twp	Clayton Twp	4320 S Seymour	Water	65157	39-651570	04-651570	04-34-400-003		Swartz Creek, City	
Clayton Twp	Clayton Twp	4330 S Seymour	Water	64181	39-641810	04-641810	04-34-400-004		Swartz Creek, City	
Clayton Twp	Clayton Twp	4410 S Seymour	Water	64966	39-649660	04-649660	04-34-400-006		Swartz Creek, City	
Clayton Twp	Clayton Twp	4454 S Seymour	Water	67537	39-675370	04-675370	04-34-400-008		Swartz Creek, City	
Clayton Twp	Clayton Twp	9010 Miller	Water	62348	39-623480	04-623480	04-34-400-010		Swartz Creek, City	
Clayton Twp	Clayton Twp	9110 Miller	Water	63623	39-636230	04-636230	04-34-400-011		Swartz Creek, City	
Clayton Twp	Clayton Twp	9252 Miller	Water	64385	39-643850	04-643850	04-34-400-013		Swartz Creek, City	
Clayton Twp	Clayton Twp	9098 Miller	Water	63621	39-636210	04-636210	04-80-154-099		Swartz Creek, City	T/Off 10/18/07
Clayton Twp	Clayton Twp	9102 Miller	Water	63622	39-636220	04-636220	04-80-311-098		Swartz Creek, City	
Clayton Twp	Clayton Twp	7116 W Bristol	Water	67795	39-677950	04-677950	14-25-400-003		Swartz Creek, City	
Clayton Twp	Clayton Twp	8040 W Bristol	Water	65848	39-658480	04-658480			Swartz Creek, City	T/Off 3/9/01
Clayton Twp	Clayton Twp	9114 Miller	Water	63624	39-636240	04-636240			Swartz Creek, City	
Clayton Twp	Clayton Twp	9118 Miller	Water	63625	39-636250	04-636250			Swartz Creek, City	
Clayton Twp	Clayton Twp	9122 Miller	Water	64890	39-648900	04-648900			Swartz Creek, City	
Clayton Twp	Clayton Twp	9128 Miller	Water	66900	39-669000	04-669000			Swartz Creek, City	
Clayton Twp	Clayton Twp	9132 Miller	Water	66843	39-668430	04-668430			Swartz Creek, City	
Clayton Twp	Clayton Twp	9136 Miller	Water	65330	39-653300	04-653300			Swartz Creek, City	
Clayton Twp	Clayton Twp	4420 S Elms	Sewer	72462	04-000072	04-000072	04-36-400-008	Clayton Twp	Gaines Twp	
Clayton Twp	Clayton Twp	4462 S Elms	Sewer	71577	04-000071	04-000071	04-36-400-012	Clayton Twp	Gaines Twp	

**GENESEE COUNTY  
DIVISION OF WATER AND WASTE SERVICES**

**RULES & REGULATIONS**

Governing the Joint Use of Water and/or Sewer Facilities and Services  
By Users of Such Facilities and Services of Adjoining Municipalities

**PURPOSE:** The Division of Water and Waste Services (“WWS”) provides water supply and sanitary sewer collection and treatment services to participating local municipalities through systems of water mains and sewer interceptors, respectively. The systems were financed and constructed through various Base Agreements or Contracts with the participating municipalities under Act No. 342 of the Public Acts of 1939, as amended, being MCLA 46.171 *et seq.* The local municipality provides such services to the end-user, its customer, through separate building service leads that are connected to the municipality’s water and/or sewer “lateral” extensions. These “laterals” are connected to the water mains and/or sewer interceptors, respectively, that are administered and operated by WWS. It is expected that each participating local municipality will provide the appropriate infrastructure, support and service to its end-users. In most circumstances, local communities will agree to install common utilities on border lines and share the cost equally. As a joint line, it is operated and maintained by the County Agency in the same manner as an interceptor and each local community has equal rights to use of the utility. However, it is understood and agreed by WWS and participating local municipalities that generally it is neither fiscally nor physically prudent or necessary to have duplicate water and/or sewer systems on each side of a border road between adjoining participating municipalities. Thus, it has become customary to allow certain parcels of land, situated within one participating local municipality that lacks an available system of water and/or sewer lateral extensions within its own jurisdiction (the resident municipality), to connect to an existing and available lateral extension(s) of another participating local municipality (the providing municipality).

The following Rules and Regulations are intended to be uniform policies and procedures to govern the terms and conditions for connecting users of a resident municipality to the water and/or sewer system(s) of a providing municipality. A participating municipality is one that has entered into a Base Agreement with WWS and, by doing so, agrees to be bound by the Rules and Regulations adopted by the County Agency. These Rules and Regulations shall operate to waive the applicability of certain contractual provisions of the Base Agreement, as amended, that prohibit a local municipality from furnishing water and/or sewer service(s) outside its geographical jurisdiction or from obtaining water and/or sewer service(s) from any source other than WWS to the extent that the local municipality is participating as a resident or providing municipality in accordance with these Rules and Regulations.

**ELIGIBILITY:** The following are the criteria for eligibility of a parcel within a resident municipality to connect to the water and/or sewer system(s) of a providing municipality.

1. The parcel within a resident municipality is a single use site, whether residential, commercial or industrial, and a single water meter measures water use. (i.e. a single-family residence, store building, or factory is eligible. Site condominiums, retail shopping centers, or other multiple use parcels are not eligible.)

2. The boundary of a parcel within a resident municipality abuts, is adjacent to, or is separated by a common public right-of-way from, the providing municipality's boundary.
3. Both the resident and the providing municipalities must be "original" or "additional" municipalities under one or more County Base Agreement(s), as may be amended.
4. WWS has determined that there is adequate capacity in the infrastructure of the providing municipality to provide service to the resident municipality's parcel.
5. A parcel served by a providing municipality shall be the customer of the providing municipality. Fees charged to the customer may be different as long as the providing municipality's fee structure is in compliance with state law.
6. The providing municipality shall, subject to the limited exception stated below, not be responsible or liable for damages in case of a sewer or water back up upon any parcel that it serves under an inter-local agreement entered into under these Rules and Regulations. The liability, if any, shall be that of the resident municipality, except as otherwise stated below.
7. The providing community shall notify, in writing, the resident municipality of any debt outstanding, greater than 120 days, created by the parcel not paying usage charges owed to the providing municipality under this agreement. The resident municipality agrees to pay the providing municipality any outstanding debt. The resident municipality may place a lien on the property, or any method of collection approved by the resident community for any costs incurred.
8. The resident community may notify, in writing, to the providing community cancellation of the franchise agreement for the end user for failure to pay per Paragraph 7. The providing community will discontinue service within seven (7) days of receipt of the cancellation.
9. WWS shall provide the form to the participating municipalities of the inter-local agreement to be entered into by each said municipality. Each participating municipality agrees to be bound by these Rules and Regulations and the terms of said inter-local agreement. To the extent, if any, that participating municipalities are bound by a pre-existing inter-local agreement, covering the same subject matter as is covered by these Rules and Regulations, that agreement may not be renewed or otherwise extended beyond the expiration date of said inter-local agreement in existence on the date of these Rules and Regulations below. Any relationship between local municipalities that involves the subject matter covered by these Rules and Regulations must be brought into compliance with all terms and conditions hereof at the earliest possible date. Any deviation from these Rules and Regulations in individual cases shall not be permitted without recommendation from the Advisory Committee and written approval of the County Agency.

PROCEDURES: The following are the procedures for connection of an end-user in a resident municipality to the water and/or sewer system(s) of a providing municipality.

1. A prospective end-user, seeking to connect a parcel of land to an available water and/or sewer system(s) of an adjoining providing municipality, must first apply for water and/or sewer service to the municipality in which the parcel is located (the resident municipality). The application shall be made on a form approved by WWS. If the application conforms to the requirements of the

resident municipality, the application shall be stamped or marked "APPROVED" by the authorized official or employee of the resident municipality.

2. The applicant may then submit the approved form to the providing municipality. The applicant shall pay the standard connection fees, charges or assessments charged by the providing municipality to end-users whose parcels are within the jurisdiction of the providing municipality. If the application satisfies the requirements of the providing municipality, it shall be also marked or stamped "APPROVED" by said providing municipality.
3. The applicant may then submit the application, with the approval of both the resident and providing municipalities, respectively, to WWS. If WWS determines that the application conforms to the requirements for connection, including, but not limited to, payment of the appropriate CCIF, WWS shall issue its "B-Permit" approving said connection. Upon return of the "County B-Permit" to the providing municipality, the connection shall be authorized.
4. Neither the providing community nor the resident community may waive requirements of the "Sewer Connection and Sewer Use Regulations" of the County, i.e., no franchise customers will be allowed to have a 2-on-1 lead.

**LIABILITY FOR DEFECTS.** The tort liability, if any, under Public Act 222 of the Public Acts of 2001, as amended, being MCLA 691.1417 *et seq.*, to claimants who are end-users or customers of a providing municipality, seeking economic and/or non-economic damages for property damage and/or physical injury, respectively, due to "a sewage disposal system event," shall be the liability of the providing municipality.

The providing municipality shall indemnify, defend, save and hold harmless, the resident municipality from any liability for damages to a claimant seeking damages under 2001 PA 222, as amended, where the claimant's parcel is connected to the sewage disposal system of that providing municipality.

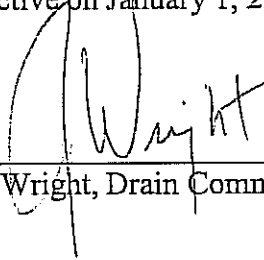
If the sewage disposal system of the providing municipality is operated and maintained by WWS under contract between the providing municipality and the County Agency and the municipality has paid for "indemnification" coverage in its contract, the County Agency shall indemnify, defend, save and hold harmless the providing and resident municipalities from any and all claims for damages under 2001 PA 222, as amended, where the claimant's parcel is connected to the sewage disposal system of that providing municipality. However, if the operation and maintenance contract does not provide for indemnification or if the providing municipality has elected not to purchase such coverage from the County Agency, then the resident municipality is not liable. In the latter case, the liability, if any, for a sewage disposal system event shall be determined between the County Agency and the providing municipality.

**CONVERSION OF A FRANCHISE LINE TO A MULTICOMMUNITY LINE.** A resident community may convert a franchise line to a multi-community line under the following procedure:

1. The resident community submits a written request to the County Agency and the providing community.
2. The County Agency shall determine the route of service to be tracked back to an existing multi-community line.

3. The County Agency shall calculate the original construction cost including principal and interest (if any) for the construction of the utility and calculate 50% of the value. If the original costs are not available, the County Agency will use current construction costs and convert those costs to the year constructed using the Construction Index as published by Engineering News Record (ENR). The County Agency shall deduct any of the tap fees generated by this franchise agreement from the value calculated and this shall be the cost to convert the utility from a franchise to a multi-community line.
4. Upon notification for the providing community to the County Agency of receipt of the funds, the County Agency will perform operation and maintenance services and the residents shall be notified of the change in service along with the change in billing.

Issued on November 30, 2005  
Effective on January 1, 2006



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Jeff Wright, Drain Commissioner



Great Article From Mr. Figura!

## Why Local Government Needs to Mediate

By Richard J. Figura

> **W**ith tax revenues depressed due to plant and business closings, homes in foreclosure, revenue-sharing cuts, and Headlee millage reductions, local governmental units must find ways to cut costs. While many of the expenses facing local government cannot be controlled, there is a way to save on legal fees and litigation costs. While a governmental body cannot always predict when it will be faced with a lawsuit, it can help reduce the costs of those lawsuits—and even prevent some from occurring—by turning to alternative dispute resolution (ADR) techniques such as arbitration and mediation.

Arbitration and mediation have proven to be effective tools for the expedient and cost-effective resolution of disputes of all kinds. All too often, however, lawyers do not consider these potential alternatives. With respect to disputes with, between, and within governmental units, lawyers need to advise their public clients of these alternatives and urge their use. The dollars saved by avoiding litigation can help buy that new fire truck, pave over a lot of potholes, and keep police service levels intact. Although both arbitration and mediation are effective alternatives that governmental bodies can no longer afford to overlook, the focus of this article will be on the benefits of mediation.

Mediation brings disputing parties together in a confidential setting where they candidly discuss their differences and explore a resolution with the assistance of a mediator who facilitates their discussion so they can come to an agreement on their own terms. Mediation of this sort has been a part of the Michigan Court Rules since 2000,<sup>1</sup> successfully settling cases and saving substantial litigation costs while conserving valuable judicial time and resources.

### Benefits of Mediation to Government

Mediation can benefit the governmental unit in many ways:

- **Avoiding the expense of litigation**—Litigation can cost thousands of dollars that could be better spent delivering required services. Further, mediation can help resolve disputes for which, because of cost or other factors, litigation may not be an option.
- **Avoiding the time spent in litigating**—Litigation takes public officials and employees away from their job duties to give depositions, meet with legal counsel, help legal counsel prepare for trial, and appear in court to give testimony or to otherwise assist legal counsel. It is a far better use of tax dollars to keep public officials doing their jobs.

#### Fast Facts:

Mediation is a cost-effective alternative to litigation for local governmental units.

Mediation can lead to the establishment of new and sound public policies for the benefit of the public.

Mediation can be used to resolve disputes between a governmental unit and a third party, between two or more governmental agencies, or within a governmental agency itself.

- **Mediation is private and confidential**—While the final settlement of a dispute will be a matter of public record and debate, the discussions and negotiations necessary to reach that settlement are confidential, thereby enabling the parties to freely discuss issues that may have adverse political or liability consequences.
- **Chance to establish sound public policy and good will**—The mediation process allows the parties to quietly consider remedies that are not limited to simple dollar demands. The parties are free to explore other options and can use a mediated settlement agreement to establish new and sound public policies, engendering the good will of the public served by the governmental unit.

## Where Mediation Can Work

The situations in which mediation can be used to benefit the governmental body are nearly without limit. The following are only some of the situations where mediation can be used. Because mediations are confidential, the examples are disclosed only in general terms to ensure that confidentiality is observed.

### Disputes Between the Governmental Unit and a Third Party

Everyone is familiar with the use of mediation in cases in which the governmental body is being sued for damages by a third party. This article will focus instead on situations in which mediation may not be the lawyer's first thought when considering available alternatives for resolving a dispute between a municipality and a third party. Such situations can include the following:

- **Zoning and land-use disputes:** These disputes are ideal for mediation because they are about more than money and present a playing field rife with opportunities. As an example, a recent case involved a church that wanted to construct a building, half of which would be devoted to church use with the other half being leased to a school. The governmental unit, after hearing from angry neighbors who complained about the increased traffic and the loss of the township's rural character, denied the church's request. The

church filed suit. The parties dug in their heels, preparing for trial six months to a year down a road paved with interrogatories, depositions, affidavits, counter-affidavits, motions, briefs, and reply briefs. They each faced the specter of thousands of dollars in litigation costs.

The parties participated in a mediation lasting two and a half days. More than 15 persons participated in the mediation, including the church's pastor, members of its board of elders, elected and appointed officials of the governmental unit, the parties' engineers, architects, planners, and, of course, legal counsel. The parties reached an agreement that allowed the church to construct the mixed-use building but with a laundry list of conditions designed to protect the surrounding community and the general public. The agreement was formally approved by the unit's legislative body following a public hearing that was attended by more than 100 people.

A consent judgment was filed nine weeks after mediation was ordered by the court and three weeks after mediation began, saving the municipality thousands of dollars and hours of time.

- **Ordinance enforcement:** A contentious citizen who refuses to comply with building code, zoning laws, or other local ordinances can have an adverse impact on a municipal budget. Consequently, because it can take months of attorney and court time to get even minimum compliance on the part of the citizen, such cases aren't always prosecuted vigorously. A particularly perplexing situation is a dispute between neighbors in which each is trying to get the municipality to stop the other's conduct—a no-win situation for the municipality.

Mediation provides a cost-effective and expedient method to obtain compliance with the law while recognizing the particular needs of each citizen. It is especially useful in getting feuding neighbors to reach an accommodation of their differences and getting the municipality out of the feud.

Consider the case in which A and B are neighbors, each of whom constantly complains to city officials about the other's transgressions. The city is besieged with complaints about barking dogs, loud music, junk, etc.

The dollars saved by avoiding litigation can help buy that new fire truck, pave over a lot of potholes, and keep police service levels intact.

In the usual scenario, tickets are issued to the offenders and both parties are brought into court. The court conducts a pretrial conference and schedules the cases for trial. The cases drag on for weeks until a trial is held or until a plea bargain is reached so that trial can be avoided. Each citizen is still upset with the other for having caused him or her to go through this lengthy and expensive court proceeding. They continue to fight and continue to file complaints with the city.

Seeking to alter the usual scenario, the city attorney informed both sides in one case that if they would participate in a mediation, the city would hold its prosecution in abeyance and if an agreement was reached, all the charges would be dropped.

The neighbors reluctantly agreed and the matter was referred to the local community dispute resolution center established under 1988 PA 260.<sup>2</sup> The city even agreed to pay the center's nominal fee. By the end of the second mediation session, the two neighbors agreed that bickering was against their best interests and entered into a written agreement that resolved their disputes. The matter was resolved in less than 60 days. The cost to the city was less than \$500. So far, neither A nor B has made further complaints to the city.

### Disputes Between Governmental Agencies

The taxpaying public abhors costly disputes between governmental units. The public wants governmental agencies to cooperate and jointly work toward the common good. Mediation can accomplish this at minimal cost. Situations in which mediation is a preferred remedy can include the following:

- **Jurisdictional disputes:** We have all seen cases in which different governmental units have overlapping jurisdiction. In those situations it is necessary that the different units come to terms with how jurisdiction will be shared. Having two governmental units argue over which of them is to provide a designated service to a group or to an area is a

waste of scarce tax dollars. Ugly disputes in full view of the taxpaying public can be resolved or avoided entirely by resorting to mediation.

- **Grant-funding disputes:** Funding disputes frequently develop between two governmental units where one is to perform certain duties with funds loaned or granted by another. One recent example involves a dispute between a municipality and a state department over the department's demand that the municipality repay a \$40,000 grant for failure to perform. Rather than pursue an administrative appeal process and subsequent litigation, the parties met with the assistance of a mediator and resolved their issues.
- **Cooperative agreement disputes:** Often, the parties to a joint agreement, such as a fire authority agreement, have a dispute. How the joint agreement will continue to be funded is a common source of disagreements. As in any dispute, the parties, having staked out their positions, are unable to find a mutually agreeable solution.
  - **Case No. 1:** City A is located in and surrounded by Township B. Each unit provides fire services to its citizens through its own fire department. The cost for each unit is approximately \$500,000 per year. If the two fire departments merged, they could jointly serve both communities at a total cost of \$700,000 (\$350,000 each), saving each \$150,000.

The departments' appointed representatives meet to negotiate an agreement, but they are reluctant to give up the control they each currently enjoy over their own department. Additionally, the city believes that the township should pay more than 50 percent of the cost because the township covers a larger service area, resulting in higher costs. The township, on the other hand, believes that the city should pay more because the frequency of fire calls is higher in the city.

Old political rivalries between the two units are rekindled. The renewed animosities make it impossible to reach agreement. Each unit loses the opportunity to save \$150,000.

Management can order employees to participate in mediation, but elected officials are answerable only to the voters and generally cannot be forced to participate in mediation.





– **Case No. 2:** In a nearby community, a city and township face the same facts as the units in Case No. 1. In this instance, however, attorneys for the two units of government suggest that their clients would be well-served to retain and share equally in the cost of a mediator, who can facilitate their meetings and help them resolve any disputed issues. They do so, and after four meetings agree to create a joint fire authority in which each have a role in appointing members to the authority board. The authority is charged with day-to-day control over the fire services, moving operation of the fire department one step away from the sometimes hostile political arena. The authority is a success, and each governmental body recognizes savings of more than \$100,000 a year. Reaching agreement took only 60 days and the total cost for legal and mediation fees was less than \$10,000.

- **Facilitating negotiations to reach cooperative agreements:** As seen in Case No. 2, the assistance of a mediator can result in two or more municipalities entering into a cooperative agreement; it was difficult to do so without such assistance. Some examples of cooperative agreements in which use of a mediator can facilitate reaching a meeting of the minds include agreements under the Urban Cooperation Act,<sup>3</sup> Act 425 land transfer agreements,<sup>4</sup> joint police service agreements, joint fire agreements, and many others.

#### Disputes within Governmental Agencies

Like a private employer, public employers must also deal with officers and employees who can't always get along. Employees who don't talk to each other, who deride one another, or who try to blame others for problems create distractions in the workplace and impede productivity. The employer can require these employees to participate in mediation to resolve these disputes. Experience shows that mediation is successful in nearly all such cases. The public employer and the public in general are beneficiaries.

The problem of co-workers not getting along is exacerbated when the co-workers are elected officials rather than employees. Management can order employees to participate in mediation,

but elected officials are answerable only to the voters and generally cannot be forced to participate in mediation.

In one such incident two years ago, an elected township clerk and the elected treasurer were political rivals with personalities that mixed like oil and water. They argued over their duties, each claiming that the other was infringing on his "turf." Township board meetings became prime-time entertainment; citizens would watch the two verbally abuse one another. This caused substantial distraction and disruption to the operation of the government. Finally, the two officials were pressured into participating in a mediation at the local conflict dispute resolution center. The result was an agreement that allowed them to at least work on a cooperative basis with one another, even if it didn't result in their becoming close personal friends.

#### Mediation Need Not Be Costly

There are obviously very few disputes in which mediation cannot be an expedient and cost-effective remedy. In fact, in many cases involving disputes without a lot of dollars at stake, mediation can be accomplished economically through the use of a local community dispute resolution center (CDRC), at least in those areas of the state where such a center exists.

CDRCs are established pursuant to 1988 PA 260.<sup>5</sup> These centers offer the services of trained mediators who come from a variety of backgrounds and bring a variety of experiences to the table. Mediation is confidential so that neither party needs to be concerned that its dirty linen will be aired publicly. Most significantly, such mediations are inexpensive, as most centers simply charge a nominal fee to cover their costs in conducting the mediation while the mediator services are provided voluntarily. Most CDRC mediations last two or three hours, and the success rate can in many cases be as high as 80 or 90 percent. The resulting benefits to the governmental unit, however, are many.

A list of current state CDRCs can be found online at the Michigan Courts Office of Dispute Resolution website.<sup>6</sup> ■



*Richard J. Figura, a partner in the firm of Simen, Figura & Parker, P.L.C., has represented municipal agencies for more than 35 years and is an experienced arbitrator and mediator. He is a past president of the Michigan Association of Municipal Attorneys. He is a member of the Public Corporation Law Section and the Alternative Dispute Resolution Section, where he is a member of the section council.*

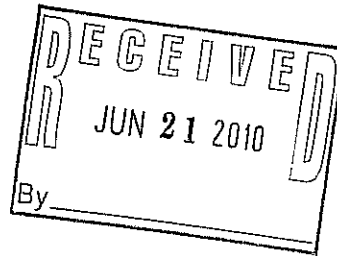
#### FOOTNOTES

1. MCR 2.410, 2.411, and 3.216.
2. MCL 691.1551 *et seq.*
3. MCL 124.501 *et seq.*
4. MCL 124.21 *et seq.*
5. MCL 691.1551 *et seq.*
6. Michigan Courts Office of Dispute Resolution, *List of Mediation Centers* <<http://courts.michigan.gov/scao/dispute/odr.htm>> [accessed May 10, 2010].



June 17, 2010

Paul Bueche, City Manager  
City of Swartz Creek  
8083 Civic Dr.  
Swartz Creek, MI 48473



Dear Mr. Bueche:

As part of Comcast's commitment to keep you informed about important developments that affect our customers in your community, I am writing to notify you of changes to the Hispanic Service package. Customers will receive the enclosed letter notifying them of these changes.

Effective June 11, 2010 Nuevo Selecto, a new Hispanic service tier with over 50 channels, including AYM Sports, Gran Cine, SUR Mexico and TV Chile, will be available for \$14.95. Nuevo Selecto requires a subscription to Basic Service.

Additionally, Cable Latino Service will no longer be available effective July 20, 2010.

Please direct any customer calls about Comcast products, services and prices to 1-888-COMCAST. Our Customer Account Executives are available 24 hours a day, 7 days a week. As always, feel free to contact me directly at 586-883-7075 with any questions you may have.

Sincerely,

Gerald W. Smith  
Government Affairs Manager  
Comcast, Michigan Region  
36250 Van Dyke Ave.  
Sterling Heights, MI 48312

Enclosure



**ACTION  
REQUIRED:  
IMPORTANT  
INFORMATION  
ABOUT YOUR  
CHANNEL LINEUP**

«Customer\_First\_Name» «Customer\_Last\_Name»  
«Customer\_Address\_Line\_2»  
«Customer\_Address\_Line\_3»

June 15, 2010

Dear Valued Customer,

Great news! Comcast has recently launched additional Hispanic programming channels. Our new Hispanic service package is Nuevo Selecto offering over 40 channels for just \$14.95 per month.

How does this impact you?

You have the opportunity to upgrade to the new Nuevo Selecto package for the first two months at the same price you're paying for your current Hispanic programming package (\$9.99 per month). After the first two months, your price will revert to the new Nuevo Selecto package price of \$14.95 per month. If you choose not to upgrade to Nuevo Selecto, effective July 20, 2010, your current Cable Latino or Cable Latino Expanded service will no longer be available and will be removed from your account. To sign up for this great offer and start enjoying all the new channels that Nuevo Selecto offers, call 1-800-COMCAST today. Bi-lingual representatives are available to take your call.

With Nuevo Selecto, you will enjoy these great channels:

Network	Ch.	Network	Ch.	Network	Ch.
Discovery en Español	601	Gran Cine .....	620	Once TV.....	641
CNN en Español .....	602	Gol TV.....	622	SUR Peru.....	643
Fox Sports en Español .....	603	Videorola.....	624	TV Dominicana .....	644
Caracol TV.....	604	TV Venezuela .....	625	TeleFe .....	646
MTV Tr3s .....	605	Teleformula .....	627	Utilisma .....	647
History en Español .....	606	Sur .....	628	CBTV .....	648
mun2 .....	607	TVE .....	629	WAPA America .....	650
CineLatino .....	608	TV Columbia .....	630	Ritmoson Latino .....	652
Vene Movies .....	609	TV Chile .....	631	Telehit .....	653
Cine Mexicano.....	610	Latele Novela.....	632	Bandamax .....	654
Telemundo .....	611	TBN Enlace.....	633	De Pelicula.....	655
ESPN Deportes .....	612	¡Sorpresa! .....	634	De Pelicula Clasico.....	656
HTV Musica .....	615	Si TV .....	635		
Ecuavisa .....	616	Mexicanal .....	636		
Canal 52 Mx .....	617	EWTN Español .....	637		
Multimedios .....	618	Mexico 22.....	639		

If you have any questions or would like to know more about Comcast products and services, please contact us at **1-800-COMCAST** (1-800-266-2278). Thank you for being our customer.

Sincerely,  
Comcast

Offer ends 7/20/2010. Limited to Selecto service to a single outlet. Not available in all areas. After promotional period, or if any service is canceled or downgraded, regular charges apply. Comcast's current monthly service charge for Selecto is \$14.95. Pricing subject to change. Equipment, installation, taxes and franchise fees extra. Certain services available separately or as part of other levels of service. Basic Service subscription required to receive other levels of service. Not all programming available in all areas. Call for restrictions and complete details. Comcast © 2010. All rights reserved.

## Paul Bueche

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**Subject:** Emergency Management going to Sheriff

Genesee County Board of Commissioners  
Finance Committee on June 22, 2010

Commissioner Jamie Curtis motioned that Sheriff Robert Pickell to be appointed as the Director of Genesee County Emergency Management Homeland Security. Tami Yorks will work with in the Sheriff's Department on Emergency Management Issues. Current Program Coordinator position, Jen Boyer will be eliminated as a cost cutting measure.

Motion Supported, All in favor.

Motion passed.

Tomorrow Genesee County Board of Commissioners will have a "Special Board Meeting" to finalize this motion.

**June 24, 2010 at 8:20 a.m. in the Third Floor Auditorium**

Genesee County Administration Building  
1101 Beach Street  
Flint, MI 48502

Any Chief or first responder that wishes to support the Local Emergency Management Department is welcome to attend. This is an open meeting and public comment should be allowed at the start of the meeting.

# The Watershed Reporter

## Rally Ho!!

*From Executive Director Rebecca Fedewa*

This was a phrase repeated over and over during the 2010 National River Rally held in Snowbird, Utah. I was lucky enough to attend with FRWC Board member Brent Nickola. We were there to give a talk on the Flint River 500, the membership drive held last fall that doubled the membership of the Flint River Watershed Coalition.

Rally is an incredible conference that brings together river advocates from



*Rebecca takes in the great Salt Lake even as she misses the fresh waters of home*

across the country. I feel very fortunate that I was able to attend, and that we were chosen to share our experience on the Flint River with this talented and dedicated group. Our peers showed great interest in the Flint River and our efforts to protect, preserve and improve our watershed.

Rally also was a time to reconnect with old friends, make many new friends,

and nearly constant learning. I left feeling truly inspired by the work and dedication of the river community, from east coast to west. This is a group inspired by the beauty and splendor of our rivers; if you are reading this newsletter, count yourself among the throngs of amazing

people who take the time to care about our rivers.

As inspiring as Rally was, I also left feeling very fortunate that the Flint River Watershed

is as healthy and protected as it is. Many of the groups that I met with are involved in issues as dire as the Gulf oil spill, water scarcity, rampant point source pollution that is in direct violation of current federal law, and so much more. Which makes it all the more important that we continue to work hard to maintain the quality of our waters.

This is definitely the time for us all to work together in our efforts to protect this wonderful resource. Thank you for being a part of the Flint River Watershed Coalition and for all you do to ensure the health and prosperity of OUR watershed.

## Taking Action on Earth Day



*Volunteers participate in stenciling to raise awareness*

Local Sierra Club and WildOnes members joined with the FRWC to help prevent stormwater pollution, one of the major sources of contamination to our watershed. Unlike wastewater flowing through sewer drains, water that enters our storm drains does not go to a treatment facility. Instead, that water—and all the debris and other contaminants it carries—flows directly to our local streams or rivers.

On Earth Day, volunteers worked in five targeted river stretches with water quality monitoring results that scored as either "Poor" or "Fair," to raise local awareness of the impact of our storm drains. "Helping to protect our fresh water was a great way to honor Earth Day," said Rebecca Gale-Gonzalez, President of the Flint River WildOnes.

We appreciate their efforts! Many more neighborhoods could be stenciled. If you would like more information on how you can participate, please contact the FRWC Outreach and Education Coordinator Sue Lossing at 810-767-9491 or [slossing@FlintRiver.org](mailto:slossing@FlintRiver.org)

Come and read our blog at



<http://frwc.livejournal.com>





432 N. Saginaw St. Ste. 238  
Flint MI 48502  
810-767-6490  
www.Flintriver.org

The Watershed Reporter is published quarterly by the Flint River Watershed Coalition. The Coalition is dedicated to promoting the importance of protecting our natural resources. It works closely with the public and with private agencies and citizens' groups in carrying out its mission.

### FRWC Board of Directors

#### **Board Chairman**

Jack Minore

#### **Executive Director**

Rebecca Fedewa

#### **Board of Directors**

Jim Ananich  
Darren Bagley  
Irene Bashore  
Linda Berker  
Duane Elling  
Brad Hill  
S. Olof Karlstrom  
Bob McCallister  
Amy McMillan  
Brent Nickola  
Diane Peplinski  
Bill Welch

FRWC Board meetings are held the third Friday of the month.

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Please Recycle!



newsletter design & layout by Jon Wood

## 10 Questions With... FRWC Board Member Bill Welch

1. Why are you a member of/work for / volunteer for the FRWC?

There is a huge need for everyone to look at how we live and interact with our environment. Working with FRWC helps me not only to look at the impact but to get involved in solving problems in the environment connected with the Flint River Watershed.

2. What FRWC programs do you participate in?

Currently I am part of the education committee and I mentor two schools in the GREEN program.

3. When did you first get involved in the FRWC?

I joined in 1999 as an educational representative from the K-12 community. After I retired from K-12 education, I remained on the Board as a concerned citizen.

4. What's your favorite part of the watershed?

My favorite part is the great variety of water sources from the narrowest of creeks to the Rivers and including the lakes and reservoirs.

5. What is the most interesting thing you have seen in the watershed (wildlife, garbage, someone doing something unexpected, etc.)

Fishing, family recreation and power boat races on the same body of water.

6. What's your favorite river (any river) memory?

Camping along the rivers in the western US and also in our own Holloway Reservoir. There are differences but a great many of similarities. My memories are the enjoyable camping trips with my family.

7. What worries you most about the watershed?

The biggest worry that I have about the watershed is that most of our citizens still don't recognize how intertwined their lives are with our Flint River Watershed.

8. What gives you the most hope?

Educating our young citizens through the GREEN program. This program, run

by FRWC helps our school age students to begin to realize how important a watershed is to each community.

9. If you could change one thing to help improve the watershed, what would it be?

More comprehensive educational programming for school age students. I believe that we need a multi-tiered program that will emphasize watershed education in elementary and middle school with a culmination of river water testing in high school. I can only guess at the cost: \$10,000 per year.

10. Who is your river/watershed/environmental/conservation hero?

I have many local heroes, including everyone on the current FRWC Board, but I would have to choose Jack Minore because he was not trained in environmental management/education but he has embraced it and has become a strong and knowledgeable advocate as the president of FRWC.

## Man of the Dam

Man prides himself on  
this canyon,  
this river,  
this water.

But still he wants to  
dam it,  
drown it,  
hide it.

Could man live without  
this dam?

Maybe man would  
dam the ocean;

if he could.

@Sarah Webb

*Sarah Webb is a senior at Skyline High School, Salt Lake City Utah. She is editor-in-chief for the 2nd year of her schools' literary magazine, Satorian! She read this poem, as well as many of her peers' work, at the National River Rally in Snowbird, Utah.*

## Chairman's Update

Jack Minore

THANKS ! to the many volunteers who turned out for our very busy Spring season. From the Trail clean-up in late April, the River clean-up in early May - - and the monitoring, Flint River GREEN and the student summit - hundreds of folks have given hundreds of hours to the FRWC and its programs. Those volunteers are the



Jack Minore

real heart of our programs and our mission. I don't mean to slight the staff who organize the programs and recruit the volunteers - but the volunteer efforts (including those of our Board members)

are what make the Watershed programs really work. THANK-YOU to all!

**MEMBERSHIP:** Some of you are reading this - but have never joined the FRWC. We need you! Some of you are members at the minimum level: please consider increasing your annual contribution. All of us know two or three people who share our interests in protecting our water and its watershed. Please help the FRWC by recruiting them to join us. Perhaps you're a paddler or bike rider or one of the Lapeer river cleaners, and you enjoy the experiences of the group but have never formally joined. We need you. Each year, as our programs have expanded, the cost of running those programs has gone up, too. Add a clean-up or monitoring site, and we need additional equipment.

We have been fortunate to have received several grants over the past few years to build and maintain our programs; but the ultimate sustainability of the FRWC depends on increased numbers of members. All of us have the opportunity to increase the strength of the organization by joining or recruiting one or two members. Our future depends on it.

# TRASH DEFEATED!

Forty-degree weather and a bit of rain is not enough to defeat our awesome volunteers. They are true Watershed Stewards! The 2010 Flint River and Community Cleanup was a very productive effort, with almost 400 people helping to make a difference at one of our 15 locations across the watershed.

We are very excited about the leadership developing among our area's young people through our clean up program..

• This year, we welcomed the Student Veterans of America, Flint Chapter who supported the cleanup at the Vietnam Veteran's park. Over 25 people removed items from this site, including 40 tires.

• Students participating in the Youth Leadership Genesee program started working with the FRWC back in 2008, and they haven't stopped since. Their impact at Cummings Park on Thread Lakes has been enormous.

• Starting in 2009 and continuing this year, the Science Club at Bendle High School hosted the only City of Burton site where more than 30 students helped to clean up Thread Creek. This is upstream from one of our monitoring sites that scores poorly in habitat conditions for macroinvertebrates. We hope to see improving scores at these sites in future years!

• In 2010, the Youth Conservation Council at Brandon Schools took the lead in planning a clean up at three sites along the headwaters of Kearsley Creek. These students raised their own

funds and coordinated all aspects of their clean up.

• In Flushing, 84 students from the high school Environmental Action Group participated in downtown Flushing. Flushing H.S. Teacher Donn



Volunteers at Veteran's Memorial Park smile through the 40 degree temps

Hinds stated this is "... a new record since we started our cleanups about 30 years ago."

The winner of the 2010 Golden Gloves Award is yet to be determined! We'll keep you posted, and the winner(s) will receive their award at our Annual Meeting in January.

We appreciate the efforts of EVERYONE who participated in this year's clean up. Collectively, three hours made a huge difference. To receive notices of the next cleanup date, please visit the FRWC Website [www.FlintRiver.org](http://www.FlintRiver.org) to sign up for our weekly email newsletter "Ripples from the Watershed."

Want to see photos of your watershed?

**flickr®**

[www.flickr.com/photos/frwc/](http://www.flickr.com/photos/frwc/)

# River Views

## Touring the Shiawassee National Wildlife Refuge

"You know this is the gem of the Flint River, don't you?" This, before we even had a chance to say hello to our tour guide for



*Flint River, just before most of its flow is diverted into the Spaulding Drain, outside the SNWR.*

the afternoon, Steven F. Kahl, Refuge Manager. I didn't mention that there are probably a lot of folks out there that feel the same about their slice of the Flint River Watershed, mostly because I absolutely love it when people start a conversation out this way.

If you have never visited the Refuge

before, I strongly encourage you to head to where the Flint River meets with the Shiawassee, Tittabawassee, and Cass Rivers to form the Saginaw River. It contains one of the largest and most productive wetland ecosystems in the state, and last year played host to over 78 different species of birds including 3-5 occupied Bald Eagle nests. The Refuge is also home to a strong population of Blandings turtle, listed as a threatened species in Michigan, and countless other species of reptiles and amphibians. Deer are also plentiful!

With over 13 miles of trails, and activities planned all summer long, there is lots to do. And starting next spring, the Refuge will have completed construction of its new "Auto Tour" route, allowing visitors the chance to see even more of the Refuge than what you can see by foot. Check out their website for more info: <http://www.fws.gov/midwest/shiawassee/>

If you would like to tour the area by boat, an equally compelling and beautiful trip, contact Wil Hufton at Johnny Panther Quests — (810) 653-3859 or [www.jpqat.com](http://www.jpqat.com).

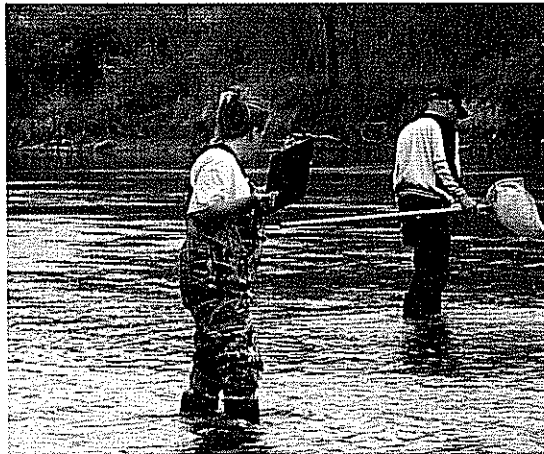
## Spring Water Monitoring: "Excellent!"

Every spring and fall, volunteer water quality monitors fan out across the watershed to conduct benthic macroinvertebrate\* sampling and stream habitat assessments.

This season, two sites in Genesee County received the highest possible score of "Excellent." Scoring is based on the collected species' sensitivity to habitat conditions and whether they are "common" or "rare" at the collection site.

This was also an "excellent" season for monitoring. In stark contrast to last spring—where excessive rain made it too difficult to test most sites—this season 63 volunteers enjoyed the weather and easy stream conditions to help record data on the health of the watershed. Monitors reported on stream habitat conditions, collected macroinvertebrate samples, and helped with the lab identifications. Through their efforts, we monitored all 20 Genesee County sites and 7 of Lapeer County's 10 sites.

How is this data used? By identifying areas with low or fluctuating scores, we can direct our programs to help build awareness and being taking small steps



*Volunteers monitoring at the Flushing Township Nature Park.*

in those areas to improve water quality. For example, the FRWC partners with the local Sierra Club Conservation Committee to conduct community Storm Drain Awareness Programs in areas with 'fair' or 'poor' rankings (see story front page). Scores also are shared with the Genesee County Drain Commission and with the State of Michigan Water Division for their

reporting purposes.

Monitors are essential to the success of this program. Join us at one of the upcoming, State-approved trainings to learn more about monitoring and become a member of a team. Testing is done during the last week of April and the last week in September. For more information, contact program coordinator Sue Lossing at 810 767-9491 or [slossing@FlintRiver.org](mailto:slossing@FlintRiver.org).

\* Freshwater benthic macroinvertebrates are animals without backbones that are larger than 1/2 millimeter (a pencil dot). These animals live on rocks, logs, sediment, aquatic plants, and debris found in the river. They include crustaceans such as crayfish, mollusks such as clams and/or snails, aquatic worms and the immature forms of aquatic insects such as dragonfly, damselfly, stonefly and mayfly nymphs and larvae.

# Welcoming New Members

Tough economic times have continued to present a challenge for our members and supporters. But as we witness the national environmental crisis that is currently taking place in the Gulf of Mexico, our contributors still recognize the work that we do locally to protect, preserve, and improve the Flint River Watershed. As a result, several individuals, groups, and families became new members of the FRWC, or renewed their membership since our last newsletter. They are:

- Richard Barron*
- Dave Crabill and Family*
- Kathleen Dilworth*

- Raeann Gatenby*
- David Leyton*
- Dr. Robert McAllister*
- Sierra Club Nepessing Group*

In addition, one of our long term members, Patricia Schultz of General Motors Corporation, was instrumental in securing additional corporate funds to help with the costs associated with our Flint River GREEN program. We sincerely appreciate Pat's efforts as an individual to look for additional ways to make her support of the FRWC grow.

If you know of individuals who may be

interested in membership in the Flint River Watershed Coalition, please make sure that you pass a membership application on to them. There is an application in this newsletter, and one on line at [www.flintriver.org](http://www.flintriver.org). In addition, for those who prefer the convenience of on line membership payment, you can now use 'Donate Now through Network For Good'. See the button on the home page of our website.

Make sure that when you are on the river this summer, you look for the members of the Flint River Watershed Coalition and join them in celebrating this natural resource.



## Membership Application YES! I am pleased to become a member of the Flint River Watershed Coalition:

SUMMER 2010

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Organization \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_  
 Telephone (h) \_\_\_\_\_ (w) \_\_\_\_\_  
 Email \_\_\_\_\_

Enclosed are membership dues for:

<input type="checkbox"/> Student	\$ 10	<input type="checkbox"/> River Patron	\$ 250
<input type="checkbox"/> Individual	\$ 25	<input type="checkbox"/> Watershed Protector	\$ 500
<input type="checkbox"/> Family/Group	\$ 40	<input type="checkbox"/> Watershed Guarantor	\$ 1000
<input type="checkbox"/> River Sponsor	\$ 100		

I have enclosed an additional gift of \$ \_\_\_\_\_.

**Some companies will match an employee contribution to an eligible charity or non-profit organization. Please check with your employer to obtain a matching gift form, if applicable.**

Your support is sincerely appreciated. The Flint River Watershed Coalition is a not-for-profit organization with 501 (c) (3) tax-exempt status. Your contribution is tax deductible. Please make checks payable to:

**Flint River Watershed Coalition or FRWC  
 432 N. Saginaw Street, Suite 238  
 Flint, MI 48502**

### Please Help Us to Serve You Better

Each quarter, the FRWC newsletter contributors work hard to put together a publication that is newsworthy and informative. Currently, we mail out over 1100 newsletters to our supporters and members. Our goal is to reach all who are interested in our activities and want to keep up to date on what's happening on the Flint River.

Your help is needed. If you have friends or colleagues who you think may appreciate being added to our mailing list, please let us know. Or, if you are receiving the Reporter and think that it's not something you are interested in right now, let us know that too. We can add you back at any time. Lastly, if there are corrections that we need to make to your name or address, please provide us with the correct information.

You can reach us in any one of several ways:

- By e-mail, you can send a quick note to: [ewesthoff@flintriver.org](mailto:ewesthoff@flintriver.org).*
- By phone, you can call the Business Manager at 810-767-6490.*
- Or drop us a note to 432 N. Saginaw St. Ste. 238, Flint MI 48502*

Thanks so much for your support of the Flint River Watershed Coalition. Enjoy the newsletter, and we'll see you on the Flint River this summer!

# FFRT Is Ready for Riding!

The regular Sunday rides of the Friends of the Flint River Trail began May 2nd and will continue every Sunday through October – starting at 2:00 PM at the Flint Farmers’ Market. There were several new ‘first time’ riders with us the first two Sundays; and the first of our regular Saturday rides was on the Clio bike path and the new Trolley Line extension north to the County Line. The next Saturday ride will be on June 12th – and the Friends will ride the new Southern Links Trail from Columbiaville to Millington and back. Saturday rides to

other mid-Michigan trails will occur on the second Saturday of each month.

The Sunday rides are at a leisurely pace – and generally go to either Blue Belle Beach or Stepping Stone Falls – about 13 miles total. On the Second Sunday we take a slightly longer ride to the Village of Genesee for ice-cream. All riders are welcome! There is no advance registration: just “show up and ride”. (Helmets are strongly recommended.) Ride information from Jack Minore at jacksonmin@aol.com or Bruce Nieuwenhuis at bnbaton@gmail.com

## Protecting 97 acres of farm, woodland & stream

### Thread Creek Farm Protected Forever thanks to Virginia and Michael Knag

*Kathy Rollins took the pictures and Katie Anderson wrote the story*

On the last day of 2009, Virginia and Michael Knag and NOHLC’s Executive Director , Katie Anderson, met at the Gene-see county courthouse to execute and file the Conservation Easement donated by the Knags to permanently protect the conservation values of 97 acres of their 140 acre farmstead known as Thread Creek Farm.

Virginia is the great-great-great granddaughter of Jonathon Davison. John C. Evatt, deceased in 2008 was a fifth generation farmer who passed down the property to his daughter Virginia Evatt Knag and her husband Mike Knag.

They produce native Michigan perennial flowers, sweet corn, pumpkins, and raise a small herd of cattle and turkeys. They open their farm to school groups in the Fall and their roadside stand also provides produce to the public. “I am pleased that we can now focus more on stewardship, than the financial burdens of farming,” Ginny said. The easement drafted and negotiated by Frank Aiello, Thomas M. Cooley

is being prepared in collaboration with Virginia’s niece, Shannon Walker, forestry student at MSU. David McCarty, a NOHLC board member and volunteer, will install permanent NOHLC boundary markers.



*Woods at Thread Creek Farm*

#### Conservation Values Protected

- Protects Thread Creek’s water quality and essential habitat as part of Flint River watershed.
- Preserves dynamic wet-mesic forest with dominant canopy of Sugar Maple ( maple syrup production and woodland habitat).
- Protects valuable, fertile soils for local source of pro-duce, potentially native species
- Preserves part of the natural , cultural and historic heritage of the area.



*The beautiful Thread Creek Farm*

Law School Associate Professor and editor of the newly-drafted Michigan Model Conservation Easement, provides for two zones of protection. The Habitat Zone covers the riparian area including Thread Creek and the wooded area, while the Agricultural Zone allows for eco-friendly agricultural practices. The Base-line documentation which serves as a permanent record of the land’s conservation values was prepared by Kathleen Rollins, NOHLC Land Steward. The management plan for the property

leaving the courthouse Ginny, whose connection to the farm and the land run deep, said, “I just knew this was the right thing to do. I have peace of mind knowing that the farm will be protected in perpetuity and can be appreciated by generations beyond my life . I have enjoyed the farm because of the actions taken by my ancestors to preserve it over these many years.”

Having been continually farmed by Virginia’s family for six generations, the family still uses the original buildings.



*Thread Creek wanders through the Knag’s farm*

# CALENDAR OF EVENTS

MONTH DATE/DAY TIME EVENT

JUNE

4	FRI	8pm	Begginer Kayak Presentation, Flushing Riverview Park
5	SAT	10a-3p	Water Demonstrations with various Kayaks, Flushing Riverview Park (behind Tucker Pool)
5	SAT	TBA	Ortonville Creekfest, Activities, downtown Ortonville
6	SUN	2pm	(FFRT) Sunday Bike Ride: Farmer's Market
6	SUN	TBA	Flint River Paddlers: Holloway Dam to Irish Road
12	SAT	10am	FFRT Saturday Bike Ride: Southern Links Trail
13	SUN	TBA	Our Water Paddle: Holloway to Irish Road
13	SUN	2pm	(FFRT) Sunday Bike Ride: Farmer's Market
15	TUE	7pm	Lapeer Chapter, FRWC Meeting
17	THU	6pm	Our Water Walk & Kayaking Demonstrations: Montrose Barber Memorial Park
20	SUN	2pm	(FFRT) Sunday Bike Ride: Farmer's Market
20	SUN	TBA	Flint River Paddlers: Shiawassee River Holly to Fenton
21	MON	TBA	Our Water Paddle Rally: Celebrate the Summer Solstice: Flushing Township Nature Park to Montrose
26	SAT	10am	First Annual Flint River Corridor Alliance Triathlon, downtown Flint
27	SUN	2pm	(FFRT) Sunday Bike Ride: Farmer's Market

JULY

4	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
10	SAT	10am	Saturday bike ride - Saginaw Valley Trail
11	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
14	WED	10am	Our Water Walk: For-Mar Nature Park
18	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
21	WED	Contact FRWC	Our Water Paddle Rally: From Flushing Township Nature Park to Barber Memorial Park in Montrose
25	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
28	WED	10am	Our Water Walk: Clio Jack Abernathy Trail

AUGUST

1	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
1	SUN	Contact FRP	Flint River Paddlers: Shiawassee River from Geeck Park to Shiatown Dam
7	SAT	Contact FRWC	Our Water Paddle Rally & Fresh Water Forever event: Flushing Township Nature Park
8	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
13-15	FRI/SUN	Contact FRP	Flint River Paddlers: Au Sable River/Mio to Cummings Flats
14	SAT	10am	FFRT Second Saturday bike ride - trail TBD
15	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
18	WED	10am	Our Water Walk: Richfield River Walk & Pot Luck Picnic
20	FRI	8:30am	FRWC Board Meeting
22	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market
29	SUN	2pm	FFRT Sunday Bike Ride: Farmer's Market

For a listing of events after August, Please visit the website: [www.FlintRiver.org](http://www.FlintRiver.org)





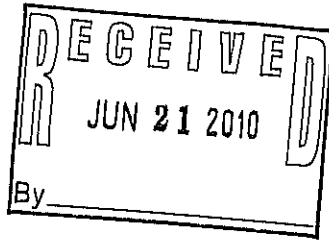
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City of Swartz Creek  
8083 Civic Dr  
Swartz Creek MI 48473-1498

10  
1  
330



The Watershed Reporter SUMMER 2010

# Phenomenally GREEN

The Flint River GREEN program engages area students, teachers, and environmental professionals to help our youth learn about their watershed while engaging in monitoring the health of their local stream or river.

Using scientific methods, students conduct various tests to assess the health of their local river or stream. Students then work to identify any environmental problems, re-



*Students get involved with GREEN sampling*

search the causes of the problem, and develop solutions to improve the health of their stream. Beyond merely identifying the environmental issue, the class works to make positive changes in practices

or policies that allowed the problem to emerge in the first place.

Following their testing season, classes gather at the 2010 Student Summit held at Mott Community College. At the Summit,

students from 24 school districts in three counties presented their data to one another and to the community, providing an opportunity for shared learning across the watershed.

GREEN hit record numbers this year thanks to additional sources of financial support and new collaborations with organizations providing mentors and session leaders. Major organizations supporting GREEN

include Earth Force, the Lapeer and Genesee Intermediate School Districts, the City of Flint Waste Water Division, the Genesee County Drain Commission, Mott Community College, and General Motors. Through their support, we could offer this program to 13 additional teachers from Lapeer County while continuing to sustain the large number of teachers from Genesee County and a teacher from Oakland County.

From a teacher evaluation following the Student Summit, a Flint River GREEN teacher summed up the program thusly: "Kids are phenomenal - at first they think it is "dumb" but once they get started - it is a whole different story." The FRWC thinks our participating GREEN teachers are phenomenal too! With their help, we see the ripples of learning become a much larger wave towards environmental stewardship.

## Paul Bueche

---

**From:** Representative Lee Gonzales [leegonzales@mihouse reps.com]  
**Sent:** Friday, June 18, 2010 11:15 AM  
**To:** Paul Bueche  
**Subject:** Capitol Update



Dear friend,

Welcome once again to my e-newsletter. In this edition, you'll find news from the Capitol and important issues that impact the 49th House District.

### **A Permanent Ban on Drilling in Michigan 's Great Lakes**

This week my I joined my colleagues in calling for a constitutional amendment [to permanently ban drilling in Michigan's Great Lakes](#). Without this protection, our waters could become the next victim of a tragic oil spill disaster like the one caused by BP that is devastating the coastline of the Gulf of Mexico.

Drilling in the Great Lakes is currently against state law, however, the Michigan Legislature and governor could change that at any time. The House plan would give Michigan voters the right to make the ban permanent by making it part of the state constitution. If the Legislature passes the plan, the measure will appear on the November 2010 ballot.

A similar careless accident like the BP-owned Deepwater Horizon oil rig would have a disastrous effect on the Great Lakes and the businesses along Michigan's 3,000 miles of coastline. It could devastate the Great Lakes' \$7 billion fishing and \$9 billion boating industries along with the thousands of jobs associated with them. In addition, it would destroy our vital tourism industry.

Michigan shares ownership of Great Lakes waters with seven other states and two Canadian provinces. Only Ohio, New York and Wisconsin prohibit drilling in the Great Lakes while Illinois, Indiana, Minnesota and Pennsylvania all allow it. In addition, Canadian law permits both onshore and offshore drilling in the Great Lakes. This plan would make Michigan the first Great Lakes State to enact a permanent ban on drilling.

Please visit [www.dontdrillMIlakes.com](http://www.dontdrillMIlakes.com) to join the fight against drilling in the Great Lakes and receive regular updates on this particular issue.

### **MSU's Land Policy Institute Hosts Renewable Energy 2.0 Forum**

On Tuesday, I spoke at the Michigan State University Land Policy Institute's



[forum](#) on renewable energy along with State Representative Gabe Leland (D-Detroit); Jennifer Alvarado, Executive Director of the Great Lakes Renewable Energy Association; and Charles McKeown, Renewable Energy Policy Manager for the Land Policy Institute.

The forum was attended by citizens, business leaders and organizations around the Midwest who are focused on Michigan's role in becoming a leader in the renewable energy field. In March of 2009, the Land Policy Institute conducted a [survey](#) of Michigan residents asking whether or not they believed renewable energy development was important to the state's economic recovery. Results showed that 76 percent of respondents believe the development of renewable energy is "very important" and 19 percent stated it to be "somewhat important" to the state's economic recovery, for a total of 95 percent.

I have introduced numerous bills that would help move Michigan closer to not only manufacturing more renewable energy products such as advanced batteries, but also utilizing that energy through feed-in tariff policies and low carbon fuel standards. Such policies have the power to attract the businesses that represent the future of manufacturing and energy production while creating jobs for our workers.

### **Free Publications Available**

My office provides several informational booklets that inform citizens of their individual rights and state resources. Please use one of the three ways below to request FREE information:

1. E-mail me at [leegonzales@house.mi.gov](mailto:leegonzales@house.mi.gov) and indicate which publication you would like to receive along with your name, address, city and ZIP code;
2. Contact me by phone at (517) 373-7515 or toll-free at (800) FLINT-49 (354-6849); or
3. Fill out the coupon below and mail it to Rep. Lee Gonzales, P.O. Box 30014, Lansing, MI 48909-7514 along with your name, address, city and ZIP code.

- \_\_\_\_\_ Consumer Protection Resource Guide
- \_\_\_\_\_ Veterans Benefits and Services – Federal, State and Local Programs
- \_\_\_\_\_ Peace of Mind – A Guide to Medical and Legal Decisions
- \_\_\_\_\_ Services for Seniors – Laws and Programs for Senior Adults
- \_\_\_\_\_ Tenants and Landlords: A Practical Guide
- \_\_\_\_\_ Getting to Know Michigan Coloring Book
- \_\_\_\_\_ Movin' On – Rights and Responsibilities of Young Adults
- \_\_\_\_\_ Your State Capitol – A Guide to Michigan's State Capitol Building

As always, thank you for the opportunity to represent the 49th House District. I look forward to hearing from you.

Sincerely,

*Lee Gonzales*

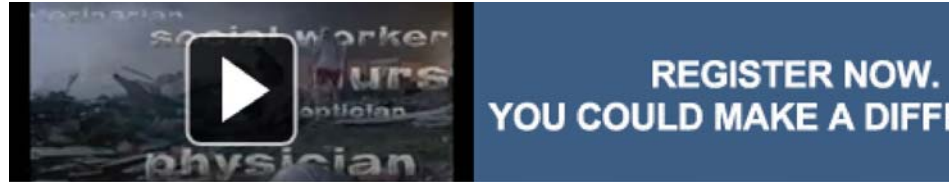
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 REP. GONZALES'S WEBSITE



MICHIGAN HOUSE DEMOCRATS

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Thursday, Jun. 17, 2010

## Inside the Dire Financial State of the States

By David von Drehle

In New Jersey, taxes are high, the budget's a mess, government is inefficiently organized, and the public pension fund is blown to kingdom come. Which makes New Jersey a lot like most other states in 2010. What makes the state unusual is its rookie governor, a human bulldozer named Chris Christie, who vowed to lead like a one-termer and is keeping his promise with brio. He has proposed chopping \$11 billion from the state's budget — more than a quarter of the total — for fiscal year 2011 (which starts July 1). He's backing a constitutional cap on property taxes in hopes of pushing the state's myriad villages and townships to merge into more efficient units. He's locked in an ultimate cage match with the New Jersey teachers' union. It may be the bitterest political fight in the country — and that's saying something this year. A union official recently circulated a humorous prayer with a punch line asking God to kill Christie. You know, New Jersey humor. And in an interview with the *Wall Street Journal*, Christie didn't talk about the possibility that his fiscal initiatives might be compromised or defeated; he pictured himself "lying dead on State Street in Trenton," the state capital. Presumably that was a figure of speech.

The tone of the New Jersey budget battle may be distinctive, but many of the same notes can be heard in state capitals across the country. From Hartford to Honolulu, once sturdy state governments are approaching the brink of fiscal calamity, as the crash of 2008 and its persistent aftermath have led to the reckoning of 2010. Squeezed by the end of federal stimulus money on one hand and desperate local governments on the other, states are facing the third straight year of staggering budget deficits, and the necessary cuts will cost jobs, limit services and touch the lives of millions of Americans. Government workers have been laid off in half the states plus Puerto Rico. Twenty-two states have instituted unpaid furloughs. At least 28 states have ordered across-the-board budget cuts, with many of them adding deeper cuts in targeted

agencies. And massive shortfalls in public pension plans loom as well. ([See a stimulus report card.](#))

Almost no one — and no place — is exempt. Nearly everywhere, tax revenue plummeted as property values tanked, incomes dwindled and consumers stopped shopping. Falling prices for stocks and real estate have made mincemeat of often underfunded public pension plans. Unemployed workers have swelled the demand for welfare and Medicaid services. Governments that were frugal in the past are just squeaking by. Governments that were lavish in the good times, building their budgets on optimism and best-case scenarios, now risk being wrecked like a shantytown in an earthquake.

### **How the Money Ran Out**

For the first time in four decades of collecting data, the National Governors Association (NGA) reports that total state spending has dropped for two years in a row. In hard-hit Arizona, for example, the state budget has sagged to 2004 levels, despite blistering growth in population and demand for government services. Starting with the 2008 fiscal year, state governments have closed more than \$300 billion in cumulative budget gaps, with another \$125 billion already projected for the coming years, says Corina Eckl, fiscal-program director at the National Conference of State Legislatures (NCSL). Similar figures aren't collected for the nation's counties, villages and towns, but when the National League of Cities surveyed mayors recently, three-fourths of them described worsening economic conditions. ([See 10 big recession surprises.](#))

Accustomed to the ups and downs of the ordinary economic cycle, elected officials and budget planners are facing something none of them have experienced before: year after year of shortfalls, steadily compounding. Ordinarily, deficits are resolved mostly through budgetary hocus-pocus. But the length and depth of the recession are forcing governments to go beyond sleight of hand to genuine cuts. And that makes lawmakers gloomy in all but a handful of states. (It's a swell time to be North Dakota.) According to an NCSL survey, worry or outright pessimism is the reigning mood in the vast majority of capitals.

Many taxpayers might say that it's about time spending dropped. But then they start hearing the specifics. Government budgets contain a lot of fixed costs and herds of sacred cows. K-12 education absorbs nearly a third of all spending from state general funds. Add medical expenses, primarily Medicaid, and it's over half. Prisons must be maintained, colleges and universities kept open, interest on bonds and other loans paid. Real cuts provoke loud howls, and you can hear them rising in every corner of the country. College students have marched in California, firefighters have protested in Florida, and on June 10, Minnesota saw the largest one

-day strike of nurses — some 12,000 — in U.S. history. ([Read "Municipal Bonds: The Next Financial Land Mine?"](#))

And don't count on the shaky economic recovery for relief. After plunging in 2009, tax receipts are stabilizing in many places — but the next big shoe is fixing to drop. Having poured billions of dollars into state coffers through the stimulus act of 2009, the federal government is poised to close the tap. President Obama made an unusual Saturday night request to Congress last week for \$50 billion in emergency aid to the states to stave off layoffs of teachers, firefighters and police. But it's an election year, and there is scant appetite among vulnerable Democrats in Washington for more zeros at the end of the federal deficit. (Only the federal government is allowed to run deficits; states and cities must balance their budgets or face default.) Already, 11 states are projecting major budget gaps — greater than 10% of general-fund spending — well into 2013. Such persistent budget woes are unprecedented in the era of modern American government. You'd have to go back to the 1930s to find a parallel.

### **Crisis in the Statehouses**

On the grand scale, this fiscal fiasco is playing out in California and New York. Both states boast economies far larger than that of Greece, which so disturbed the world economy this spring. And both are paralyzed by structural deficits far larger than their politicians seem able to grasp. The impasse in California between Republican governor Arnold Schwarzenegger and the Democrats controlling the legislature appears set in concrete. Last year, the Golden State was reduced to issuing IOUs; this year's budget, some \$19 billion in the hole, is once again a shambles. In New York, Democrats control all the levers, but they can't find a cost-cutting deal acceptable to the public-employee unions that helped elect them. The deficit in Albany is \$9.2 billion.

[Read "How California's Fiscal Woes Began: A Crisis 30 Years in the Making."](#)

[See which businesses are bucking the recession.](#)

Or you can picture the crisis through the other end of the telescope, through the eyes of one young lover of books. Not long ago, 9-year-old Campbell Jenkins of Charlotte, N.C., heard from his mom that two-thirds of the library branches in Mecklenburg County might be closed for lack of funds. "We were completely freaked out," says Campbell's mother Jessica. So the next day, young Campbell organized a letter-writing protest among his third-grade classmates. Not content with words, the kids also sold lemonade and donated the proceeds — \$595 in an empty pretzel jar — to their branch-library manager. "It was really heartwarming," says Heather Gwaltney, whose son Gavin, also 9, joined the effort.

This all comes as a shock to the folks of Charlotte, who long ago grew accustomed to seemingly endless prosperity. The seeds of Bank of America, among other empires, were sown there. "People are asking, 'We're Charlotte, North Carolina. We're big banks. How did we get like this?'" says county budget director Hyong Yi. The answer is rooted in that once booming economy. As Charlotte burgeoned, the county approved \$1.5 billion in bonds to build a new courthouse and new schools, expand its jails, improve its parks and — irony alert — open state-of-the-art libraries. Then the recession hit. Local unemployment rose to 11.7% in January — twice what it was two years earlier. Homes and commercial real estate lost value, which dried up the county's chief revenue source, property taxes. The result: a 5% reduction in the upcoming budget, \$71 million in cuts on top of \$76 million in cuts the year before. Losing nearly \$150 million in two years — an eternity of lemonade stands won't fill that hole. ([See how some Americans are facing the prospect of long-term unemployment.](#))

At the last minute, county commissioners allocated an additional \$3.5 million for libraries, sparing at least some of those facing closure. Campbell Jenkins' branch is safe — for now — but budget woes in the Tar Heel State look like an ongoing problem. A spokesperson for North Carolina governor Bev Perdue said the outlook remains grim: "Next year will not be pretty."

### **When Main Street Acted Like Wall Street**

The collapse of a Wall Street institution like Lehman Brothers looks nothing like the threatened closing of a branch library in the Charlotte suburbs. But whether the characters are mighty or meek, this unfolding economic disaster story is in fact a series of variations on a single theme. When times were good and the future seemed bulletproof, all sorts of grand ventures were floated on waves of debt. No one cared, because everyone planned to be richer when the bills came due. The arbitrageurs of leveraged derivatives, the cash-strapped subprime home buyers, the government grandees issuing bonds and boosting pensions — all were versions of the same doom-shadowed figure. Only if the bubble burst would the bills become unpayable. How did so many people forget all at once that the bubble always bursts? ([See Wall Street's worst days.](#))

Strapped for cash, state and local governments so far have taken mostly predictable steps. They've depleted their rainy-day funds; of all the cash expected to be on hand in state treasuries by the end of the 2010 fiscal year, two-thirds of it will be held by just two states, Alaska and Texas, which enjoy income from vast energy deposits. By comparison, 14 states are expected to have reserves of less than 1% of their annual spending — basically they're living hand to mouth, hoping their checks don't bounce. And a majority of states will have reserves well below safe levels recommended by the National Association of State Budget Officers. Leery of broad tax hikes in a bad economy, governments have instead chosen to shake the sofa cushions and

punish the naughty, closing loopholes, cracking down on tax evaders and raising levies on tobacco, alcohol, gambling, soda pop and candy — even bottled water in Washington State. Nearly half the states have hiked fees for higher education, court services, park access, business licenses — or all of the above.

These are the tried-and-true responses to dips in the business cycle, but as the woes drag on from year to year, the job of closing budget gaps grows more difficult. Now larger issues and harder choices are being laid bare, beginning with the sprawling mess that is Medicaid. Created by Congress, administered by the states and paid for by a patchwork of federal, state and local governments, the health care system for America's poor is a jumble in the best of times. With enrollments growing rapidly, that jumble is becoming a train wreck.

According to the NGA, the number of people covered by Medicaid will grow again next year by an estimated 5.4% on average. Meanwhile, anticipated funding is expected to grow hardly at all. That might not spell disaster for a state like Nebraska, which anticipates just 2% enrollment growth. But in foreclosure-racked Arizona, officials are planning for a jump of more than 17%, and the budgetary pressure is enormous. As Governor Jan Brewer put it in her state-of-the-state address this year, government revenues have sagged to 2004 levels, and "some people ... say we should just adopt the 2004 budget." But Arizona's Medicaid rolls have grown by 475,000 patients since then. ([See pictures of Cleveland's smarter approach to health care.](#))

What's going to give? Prepare for a free-for-all. The states are pressing Washington to maintain the emergency Medicaid supplement that was part of the stimulus package. So far, congressional moderates are blanching at the price tag. If the Beltway budget hawks win that battle, states plan to squeeze the patients, who are currently protected by strings attached to the stimulus money. No federal supplement means no more strings. Already various states are contemplating tighter eligibility rules, lower benefits, higher co-pays and other restrictions. And then there's the ongoing fight between the states and the medical system. Governments are wringing money from doctors and hospitals coming and going: first they are cutting payments for Medicaid services, and then they are raising fees on Medicaid providers.

Just as ugly is the issue of public-employee pay and benefits. The mess in New Jersey is just an extreme example of a widespread problem: many state and local governments have made the mistake of courting the votes of public employees by fattening salaries and benefits, all the time imagining that pension-fund investments could only go up. Tales of lavish retirements for relatively youthful public servants have been making a lot of headlines lately. The *New York Times* reported that some 3,700 retired New York State public employees earn more than \$100,000 a year in pension payments, including a former policeman in Yonkers at the ripe old



age of 47. California's pension poster boy is a Bay Area fire chief who, at 51, was collecting more than \$241,000 a year in retirement pay. The Pew Center on the States, a nonpartisan research group, estimates that states are at least \$1 trillion short of what it will take to keep their retirement promises to public workers. Two Chicago-area professors recently calculated the shortfall at \$3 trillion. According to Pew, half the states ran fully funded pension plans in 2000, but by 2008 that number had dwindled to four.

[See the five big questions about retirement.](#)

[See 10 perfect jobs for the recession — and after.](#)

It's tough to cut the benefits of police officers, firefighters and schoolteachers. But the long recession has cast a glaring light on the fact that public and private workers increasingly live in separate economies. Private-sector employees face frequent job turnover, relentless downsizing, stagnant wages and rising health-insurance premiums. They fund their own retirement through 401(k)s and similar plans, which rise and fall with the tides of the economy. Many public-sector workers, by contrast, enjoy relative job security, and the number of government jobs rose even as the overall unemployment rate shot just past 10%.

### **B Is for Bankruptcy**

The crash of 2008 has also left some civic leaders with egg faces — and possibly worse. In Georgia, at least a dozen Atlanta-area municipalities and agencies embraced the "exotic, high-risk derivative securities" called swaps in hopes of lowering the cost of bond issues, according to an investigation by the Atlanta *Journal-Constitution*. They paid nearly \$300 million in fees for the privilege to such investment banks as Goldman Sachs, JPMorgan and UBS. Then, when the deals went sour, the same governments paid another \$100 million to cancel them. ([See the top 10 financial collapses of 2008.](#))

Busted swaps led to even more dire consequences in Birmingham, Ala. Former mayor Larry Langford was sentenced in March to 15 years in federal prison for bribery in a pay-for-play scheme involving sewer-bond swaps in 2002 and 2003. That debt was only a part of a municipal spending spree for a domed stadium, transit improvements and a scholarship program — worthy causes, perhaps, but now unaffordable in a city where a sky-high sales tax of 10%, even on food, has failed to produce the anticipated revenue. New mayor William Bell is trying to mop up, proposing a 10% wage cut for city workers, closing libraries and recreation centers and canceling a city program to provide laptops for grade-school students. As for sewer rates: they have quadrupled, and there's speculation that Birmingham is headed for bankruptcy.



In sun-drenched San Diego, meanwhile, a grand jury probing that city's troubled finances found a recurring practice of skipping required payments to the city's pension fund while simultaneously awarding ever more generous pensions to public employees. Legal? Apparently. Prudent? Nope. A once solvent system is now billions of dollars in the red. The grand jury raised a scarier question: Is San Diego still a "viable" financial entity?

Indeed, the *B* word has crept into so many conversations in communities around the country that a number of investors are worried that municipal bonds have become the latest debt-fueled bubble ready to burst. California's public-employee unions are lobbying for a bill to ban government bankruptcies entirely, so worried are they about the possibility of widespread defaults to escape pension obligations. Perhaps more worrisome, though, is the risk that all this calamity will ultimately produce little in the way of lessons learned. States are already barred from formal bankruptcy, so although many of them are broke, somehow — given enough time — they will make ends meet. But will they do it only by tweaking taxes and killing innovative programs like Kentucky's juvenile drug courts, which spend money up front on aggressive intervention and rehabilitation programs in hopes of saving the long-run expense of ruined lives in costly prisons? "It always will cost us more to remove [addicted criminals] from their communities and incarcerate them for years," says District Judge Brandy Oliver Brown of Clark and Madison Counties, whose program of intensive drug testing and counseling will be shuttered by budget cuts. In Harrisburg, Pa., the city council needs to make \$68 million in debt payments, mostly related to a mismanaged deal to modernize a trash-burning power plant, when the total city budget is about \$60 million. A consulting firm has some ideas: freeze pay, furlough workers, double the property tax, sell city landmarks, artifacts and museums. In one Ohio county, a local judge urged citizens to carry a gun because the sheriff's department was laying off half its deputies. ([See the top 10 bankruptcies.](#))

A few leaders have their sights set higher, trying to shape this crisis into a moment for significant government reform. Governor Jennifer Granholm of Michigan, a state devastated by the shrinking of the American auto industry, has called for an efficiency revolution. She has cut unneeded departments, sold excess state property and killed hundreds of obsolete boards and commissions. Having risen to power in 2002 on the shoulders of the state teachers' union, Democrat Granholm this year successfully pushed a plan to coax thousands of senior teachers into retirement, to be replaced by a smaller number of younger teachers earning less generous but more sustainable benefits. "The 21st century economy is all about speed, access, intelligence and efficiency," Granholm said in announcing her latest round of restructuring. "A 21st century government needs to be about the same things."

Indiana Governor Mitch Daniels, a budget czar in the free-spending Bush Administration, has proved an efficiency fiend at the state level, privatizing bureaucracies, selling a poorly managed toll road, even harvesting the paper clips from state tax returns for reuse in government offices. Daniels took the controversial step of decertifying Indiana's public-employee unions, a move that may endear him to Republican voters should he decide to run for President in 2012.

Modernizing government is no less painful than globalizing industry has been. Consider the proposal by Nebraska state senator Rich Pahl to merge many of the state's 93 counties. The idea could mean boarding up stately old courthouses while forcing consolidation of such services as road maintenance, vehicle registration, even sheriffs' offices — and many of the jobs that go with them. The bill died, in part because it seemed too frank an acknowledgment of the passing of small-town America. Yet surely its time will come: only 16 of the counties have more than 20,000 residents, and two are home to fewer than 500 people each. "I tell these people, You don't ranch or farm the way they did 100 years ago," says Pahl. "A ranch might have had 20 hands, and now they have four. They didn't stay behind the technology." ([See 10 ways your job will change.](#))

The great reckoning of 2010 took us years to create and will be years in the fixing. It's not as if the economic crisis isn't plenty painful already. In government, as in life, there are cuts that injure and cuts that heal. As they continue to slog through the wreckage of the Great Recession, state and local leaders have a challenge to be surgeons rather than hacks and make this era of crisis into a season of fresh starts.

— *With reporting by Hilary Hylton / Austin, Texas; Bonnie Rochman / Charlotte, N.C.; Christopher Maag / Cleveland; Karen Ball / Kansas City, Mo.; and Elizabeth Dias and Katy Steinmetz / Washington*

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