<i>City of Swartz Creek</i> AGENDA Regular Council Meeting, Monday, June 23, 2014, 7:00 P.M. City Hall Building, 8083 Civic Drive Swartz Creek, Michigan 48473				
1.	CALL TO ORDER:			
2.	INVOCATION AND PLEDGE OF ALLEGIANCE:			
3.	ROLL CALL:			
4.	<b>MOTION TO APPROVE MINUTES:</b> 4A. Council Meeting of June 9, 2014	MOTION	Pg. 13	
5.	APPROVE AGENDA: 5A. Proposed / Amended Agenda	MOTION	Pg. 1	
6.	<ul> <li>REPORTS &amp; COMMUNICATIONS:</li> <li>6A. City Manager's Report (Agenda Item)</li> <li>6B Police Vehicle Purchase Information</li> <li>6C. Liability Insurance Invoice</li> <li>6D. CDBG Agreement</li> <li>6E. Capital Asset Policy</li> <li>6F. Fund Revenue and Expense Report</li> <li>6G. FANG Report</li> </ul>	MOTION	Pg. 2 Forthcoming Pg. 22 Pg. 24 Pg. 26 Pg. 27 Pg. 29	
7.	MEETING OPENED TO THE PUBLIC:7A.General Public Comments			
8.	<ul> <li>COUNCIL BUSINESS:</li> <li>8A. Police Vehicle Purchase</li> <li>8B. Liability Insurance Payment</li> <li>8C. CDBG Agreement</li> <li>8D. Street Repairs</li> <li>8E. Capital Asset Policy Adoption</li> <li>8F. Fiscal Adjustments</li> <li>8G. Appointments</li> <li>8H. Executive Session – Michigan Tax Tribunal</li> </ul>	RESO RESO. RESO HEARING RESO RESO RESO RESO	Pg. 9 Pg. 10 Pg. 10 NA. Pg. 10 Pg. 11 Pg. 11 Pg. 12	
9.	MEETING OPENED TO THE PUBLIC:		-	

### 10. REMARKS BY COUNCILMEMBERS:

### 11. ADJOURNMENT:

MOTION

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

Regular Council Meeting of Monday, June 23, 2014 - 7:00 P.M.

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

FROM: Adam Zettel, City Manager

**DATE:** June 17, 2014

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

### ✓ GENERAL MOTORS TAX APPEAL (No Change of Status)

I have been talking to a couple corporate folks with GM about how to address our impasse on the valuation of this site. I will know more soon. There is reason to believe that we need not panic. No decision or direction is needed at this time.

### ✓ DOWNTOWN PARKING LOTS (Update)

Work should begin on July 7 on all lots. We have an arrangement with a downtown business owner to allow for public parking during construction, which could extend into August. We will be meeting with owners this week and posting flyers on what interruption is expected.

### ✓ MAJOR STREET FUND, TRAFFIC IMPROVEMENTS (See Individual Category)

### MILLER ROAD RESURFACING PROJECT (Update)

OHM is conducting the traffic study to ascertain whether a road diet is feasible. We should know more in mid-July.

### □ MORRISH ROAD BRIDGE (Update)

The two lane bridge over I-69 has been a problem from a pedestrian and future capacity standpoint. Unfortunately, the state has not agreed. However, the most recent 2040 long range plan does include this segment! The comments below came from Linda Burchell with the MDOT"

I am attaching a copy of the updated Capacity Deficiency Corridors excel table and the Capacity Deficiency Map. The Morrish Road segment was added at a level of D after comments were received from the City of Swartz Creek (see below).

Swartz Creek "did a TIS in 2006 that indicated the Morrish Road bridge over I-69 is nearing capacity. This is a two lane bridge, without pedestrian amenities. There are three lanes with an off street path north of the bridge. There are three lanes with sidewalk and bike lanes south of the bridge. Given the planning and development practices of Clayton Township to the north and the highest-and-best use plans for Morrish Road in the city, it is likely this bridge will be a capacity concern and due for a look in the 2040 LRP. "

Due to comments received from Swartz Creek we are adding the Morrish road segment back to the map from I69 to Bristol Rd.

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

### SEWER REHABILITATION PROGRAM (Update)

Liqui Force is working the village as we speak. They should be done this month

### **BEAR CREEK SANITARY SEWER AGREEMENT** (*No Change of Status*)

WWS advises that now that we have cleared the sanitary sewer concerns as it relates to the main that crosses the creek at the bridge, they'll begin preparing agreements for transfer of the main to the County. As soon as I get a draft of the agreement, I'll set the matter up for discussion on the terms.

### **KWA** (No Change of Status)

The city enacted a pass-along increase beginning after the first of the year for the first phase of the debt retirement for the KWA. Costs for future service are very uncertain and will undoubtedly rise much. Despite that, I believe that we need to look at local increases to support a local capital improvement program for aging infrastructure. This may not amount to much, but we need to start somewhere. If we simply pass along increase from the other authorities, we will not even be able to keep up with inflationary increases for operating.

On the bright side, those continuing to purchase Detroit water may find rates tripling! This could encourage Oakland County to join the KWA or make rates in Genesee County even more competitive. I have attached an interesting Free Press Article on the matter.

### □ **STORM SEWER** (No Change of Status)

Mr. Svrcek has been working with the Michigan Department of Environmental Equality on some permitting issues that every city in the urban area of the county is dealing with. We are not thrilled with the expectations. What appears to be the heavy hand of the DEQ may put us out of the business of providing many basic services, or at least radically changing the way we do business. This could result in many new ordinances and expenses regulating a variety of practices including how we store road salt, where we can dump street sweepings, and how residents can discharge a pool. We will likely be addressing this in mid-summer, but we want to take our time due to the wide reaching effect that this could have on the community.

### ✓ **PERSONNEL: POLICIES & PROCEDURES** (No Change of Status)

I have a couple templates that I am looking at with some of the supervisors. The police department has an extensive handbook that is updated regularly. We expect to adopt a similar (but different) set of policies to cover all other employees.

### CITY PROPERTY, 4438 MORRISH ROAD & 5017 THIRD STREET (Update) The notice for bids went out this week with a due date of July 3.

### LABOR CONTRACTS, SHARED SERVICES, BUILDING DEPARTMENT (No Change of Status)

We are operating with a reduction of clerical staff. The city has been functioning with four such positions, down substantially compared to prior years. With the temporary leave of the staff position at the public safety building, the inefficiencies of operating two offices with three staff were problematic. The clerical duties of the police have

been moved to city hall as indicated in the last report. We will report on how this works out as time goes on.

### ✓ SPRINGBROOK EAST & HERITAGE S.A.D. – VACANT LOTS (Update)

Following are issues pending for the three Associations:

SPRINGBROOK COLONY	SPRINGBROOK EAST	HERITAGE VILLAGE
No outstanding issues	Seek method of sale for 12 lots owned by the city	Transfer water, sanitary sewer, storm sewer, streets to city and seek solution for 5 vacant lots owned by city.

The committee has approved specifications for a request for proposals. Notice was published this week, and bids are due on July 3.

### ✓ MEIJER COMMUNITY DONATION (Status)

Regarding the Meijer Community Donation, we are still looking at several options for consideration, one of which is a sidewalk segment that would accompany the parking lot tire grant work we are looking to do. The costs for this may be a burden. I will be looking at options with Mr. Svrcek and bouncing those off the council and Meijer.

### ✓ EVIP COMPETITIVE GRANT ASSISTANCE PROGRAM (Update)

EVIP category III was submitted at the end of May. It appears the entire EVIP system was disbanded by the state legislature this month though.

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

I suggest we delay any sales or negotiations until and land sale policy is adopted. Prior to the last meeting, staff notified the interested parties that a sale will not be forthcoming anytime soon. They do not appear to be in a hurry and will await the council's decision.

I want to take a harder look at the development of this area. Previously, the city considered an assessment that would provide drainage, curbs, gutters, road construction, street lights and sidewalks. The price per lot was absurd. I think the goal should be to make these lots buildable for quality homes. The city could probably achieve this with less intensive ditching and surfacing of the roads, sans the underground drainage system, lights, curbs, and sidewalks. This would drastically reduce the scope of the project.

A sale of lots to an adjacent property owner could compromise the success of any special assessment for improvements and the ability to use these lots for single family homes.

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

The newsletter has been mailed. The next is scheduled for November or late October.

### ✓ **SEWER RATES** (No Change of Status)

They are going up. I suggest we look at increasing ours to cover our costs and any projected deficit that is apparent. Unless there is such an objection, staff will plan to do so as the anticipated budget progresses.

### ✓ **RENTAL REGISTRATION AND INSPECTIONS** (No Change of Status)

The city has an intern working on this project with the building official. We expect to have a proposal, including an ordinance and plan of execution, to the council in June or July.

### ✓ WINSHALL PAVILION (No Change of Status)

We met with the new contractor, Belfor, at the end of May. A permit is expected to be pulled very soon.

- ✓ OTHER COMMUNICATIONS & HAPPENINGS (Update) No comments.
- ✓ BOARDS & COMMISSIONS (See Individual Category)
  - PLANNING COMMISSION (Update) A new appointment is expected for the commission at this meeting. There will not be a meeting in June.
  - DOWNTOWN DEVELOPMENT AUTHORITY (No Change of Status) A new member is needed for the DDA.
  - **ZONING BOARD OF APPEALS** (No Change of Status)

I spent some time with Mr. Plumb to orient him on the purpose and processes of the ZBA. He appears to have a very good understanding of the board and city issues, and I believe he will do well.

PARKS AND RECREATION COMMISSION (No Change of Status) A meeting was held on May 21, 2014. I presented a draft set of rules and regulations for the parks. They will take another look at this in July.

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

### ✓ POLICE VEHICLE PURCHASE (*Resolution*)

The police department had funds budgeted for the purchase of a police vehicle in the current fiscal year. The chief is ready to move on this, and I recommend approval. This is a standard purchase using the Macomb County competitive bid. It is worth noting that the auditors may prefer to see the purchase appropriated upon delivery, which will almost certainly be after July 1. If that is the case, I will ask the council to permit allocation of the current budget year funds to the next fiscal year.

### ✓ LIABILITY INSURANCE PAYMENT (*Resolution*)

Our insurance premium is due for general property and liability insurance. This coverage applies to incidents such as the Winshall pavilion roof, as well as liability related to injuries and professional conduct. We have been with this carrier for a long time, and I see no reason to change. The 2012-2013 policy's yearly cost was \$61,955, and the cost for the FY 2013-2014 was \$62,399. This year's premium is \$63,832, an increase of \$1,433 (2.29%).

### ✓ CDBG AGREEMENT (*Resolution*)

At a previous meeting, the council opted to continue with the CDBG program in Genesee County. An addendum with recitals that accomplishes that is attached and requested for approval.

### ✓ LOCAL STREETS REPAIRS (*Hearing*)

The following is a repeat of the last report:

Tom and I have been working with the engineer on some very conceptual numbers for a range of fixes to streets in the village.

There are three general fixes that are available and a couple different ways to approach revenues. Obviously, any combination of fixes is possible on a block-by-block basis, but we need to start somewhere.

### Fix Option One: Do nothing - \$0 Construction Cost

The roads continue to deteriorate, resulting in higher maintenance costs and damage to vehicles. The failing infrastructure will also lead to a diminishing of property values and the slew of financial and social aliments that could accompany that decrease.

### Fix Option Two: Mill & Resurface - \$3.7 Million Construction Cost

This level of repair was applied to Winshall Drive about 15 years ago, Don Shenk 14 years ago, as well as subsequent applications to Winston Drive and Oakview Drive. The life and integrity of each application has varied due to circumstance, but it has held up well on those streets without much bus traffic (Winshall and Don Shenk). This is a 5-7 year fix, but I would argue the results are better on those latter streets.

This is not a bad value option, especially if the concrete base holds up in most areas like it did for Winshall. This could provide half of the life of a reconstruct for 40% of the cost. Of course, there is risk that the fix may not last beyond five years due to the inability to address fundamental drainage issues or to guarantee a good sub-base.

### **Fix Option Three: Reconstruction - \$9.4 Million Construction Cost**

This is the premier option. This option would address the surface issues, as well as drainage and sub-base concerns. The impact on the neighborhood would be profound and long-lasting. Obviously, the cost is the highest.

### Funding Option One: Find a Rich Uncle

If no issues arise from the use of recycled tire material elsewhere, the city would plan to apply to the DEQ for recycled tire funds. This will be assumed for all other options. However, this amount is likely limited to \$500,000. As indicated in some of the attached materials, there is a state wide funding gap for street infrastructure, especially local streets. The funding system is broke. Though the state may raise taxes, tolls, or other revenues that COULD eventually impact us, I don't see a rescue for local streets in the timeframe we are working in. We are going to need local funds to cover most of this project.

### **Funding Option Two: Special Assessment**

This option is used most widely by the county, townships, and cities. In fact, Gaines Township just carried out such an assessment in Oakwood Village. The upsides

include: fairness in payment for benefit received (you get what you pay for), high transparency (each property will pay a predictable amount towards actual construction costs observed), and it's a quick process. The downside is that the assessment will not provide a solution for on-going maintenance or city-wide asset management in the way that a levy would. It also does not spread the burden out to tax payers that are on major streets.

Initial estimates for full assessment of fix options, based on 688 units (assuming 634 residential lots, 38 city supported units for Winshall Park and 16 units for Syring School):

Option Two: \$791/year for seven years Option Three: \$704/year for twenty years

### Funding Option Three: City-wide Levy

This option is used in a few places (Durand and Flushing to name a couple). The upside is that the revenues received can be incorporated into a more encompassing asset management plan that includes all streets and on-going maintenance. More funds can ultimately be collected as well, while distributing the burden to all tax payers. The downside features: this option would take a lot more resources and time to plan, it is less transparent (dollars paid support the construction and maintenance programs less directly than assessments), needs of some neighborhoods may not reflect needs in others, and revenues can fluctuate too much.

### Funding Option Four: Combination of a Levy and Assessment

This option could provide for ongoing maintenance and some rehabilitation through a levy, while assessing lower amounts for larger reconstruction or rehabilitation projects. For example, instead of an \$800/year assessment in the Village, a property might pay \$250/year in tax and \$550/year in an assessment.

This would be the most complex option, taking the most time to develop and engage the public. It would provide a total solution for the streets in the community, but the number of moving variables might make buy-in and implementation very problematic.

### Initial Staff Thoughts and the Process Moving Forward

Aside from avoiding fix option one, there is not a staff recommendation on which level of repair to use in the Village. To get to the bottom of this, a series of informational sessions should be held, perhaps at Syring, to allow residents to learn about the options and express their opinion on what repair they desire, as well as how to fund it.

Before such a process begins, there does need to be a consensus on what level of project the council desires to undertake. From this standpoint, we basically can chose from one of two paths. The first path involves repairing just the Village streets and doing so with a special assessment. If a city-wide street plan and/or city-wide levy is desired, then we need to take our efforts up a notch and prepare a city-wide asset management plan. Ultimately, the city should probably do this. The downside is that it will cost a pretty penny \$10,000 just to get the plan created. The further risk involves the timeliness of such an effort. We could spend many months preparing a plan and taking it to the voters, only to have a levy fail. Then what?

This brings us to our discussion Monday evening. We have the ability to grab the 'low hanging fruit' and approach the Village residents this summer with the intention of repairing the streets in some form next year. Or we can hold off on that effort and create a city-wide plan. There is no right or wrong answer, but the risks and rewards vary quite a bit.

### ✓ CAPITAL ASSET POLICY ADOPTION (*Discussion*)

Capital assets, aka fixed assets, are tracked by the city for a number of great reasons. Such assets include buildings, vehicles, and large equipment. In tracking these assets, the city attempts to balance sound accounting and transparency with common sense as it relates to the booking and depreciating of these assets.

The system, since it is based upon a dollar amount of \$1,000, has been tipping out of balance as inflation has driven up the price of such goods. At this point, we are tracking a plethora of assets that we did not used to based upon this dollar amount, including software. We spoke to the auditors, and they indicated that most cities now have this amount set at \$2,000 to \$3,000, with some as high as \$5,000. We recommend we increase ours to \$2,500. This will allow us to track our valuable assets while removing the burden that the amortization of smaller purchases places on staff.

### ✓ **FISCAL ADJUSTMENTS** (*Resolution*)

In previous years, Paul would request a blanket resolution to ensure that minor adjustments within funds could occur. We are close enough to the end of the year to be comfortable approving this process with the understanding that our fund totals will remain the same. In the future, we may handle this a bit differently so there is more predictability to the changes. Juanita is working with Deanna and the auditors on options.

### ✓ APPOINTMENTS (*Resolution*)

There is a vacancy on the planning commission. Mr. Craig Culinski, who lives in Winchester Village and manages a local business, is very interested in this. The mayor would like the council to affirm this transfer/appointment.

It has also come to my attention that Paul represented the city on the 911 Consortium Board. Most municipalities place their chief administrative officer in this role. It looks like I am it.

### ✓ EXECUTIVE SESSION (*Resolution*)

There is a Michigan Tax Tribunal case that I would like to discuss with the city council in executive session.

### Council Questions, Inquiries, Requests and Comments

• As far as I know, there is nothing to report.

### City of Swartz Creek RESOLUTIONS Regular Council Meeting, Monday, June 23, 2014, 7:00 P.M.

**Resolution No. 140623-4A** MINUTES – June 9, 2014

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

**I Move** the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Tuesday, June 9, 2014, to be circulated and placed on file.

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

### Resolution No. 140623-5A 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 23, 2014, to be circulated and placed on file.

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

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

### Resolution No. 140623-6A CITY MANAGER'S REPORT

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

**I Move** the Swartz Creek City Council approve the City Manager's Report of June 23, 2014, to be circulated and placed on file.

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

Voting For:		
Voting Against:		

### Resolution No. 140623–8A POLICE VEHICLE PURCHASE

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

**WHEREAS**, the City of Swartz Creek Purchasing Ordinance encourages the use of cooperative extended purchasing programs, and;

**WHEREAS**, the City of Swartz Creek desires to purchase one 2014 Dodge Charger police package vehicle and by virtue of the size of the city, we cannot purchase such vehicles in a sufficient quantity to allow for a maximum discounted price, and;

**WHEREAS**, the County of Macomb has an extended cooperative purchasing program that is open for use by any governmental agency and has let for bid the specified vehicle, said bid awarded to Sterling Heights Dodge, 40111 Van Dyke, Sterling Heights Michigan, base price of \$21,694.00, and;

WHEREAS, with options and delivery, the total cost of the vehicle is \$21,457.

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Swartz Creek recognize Macomb County's Extended Purchasing Program and accept the bid award to Sterling Heights Dodge, 40111 Van Dyke, Sterling Heights Michigan, and further, appropriate an amount not to exceed \$21,457 for the purchase of a 2013 Dodge Charger Police Package Vehicle, funds to be appropriated from 661 Motor Pool.

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

### **Resolution No. 140623-8B** LIABILITY INSURANCE PAYMENT

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

**I Move** the City of Swartz Creek appropriate an amount not to exceed \$63,832 to Michigan Municipal League Meadow Brook Insurance, payment of the City's annual 2014-2015 premiums for property and liability insurance, funds to be apportioned to reflect departmental coverage as noted in the invoice.

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

Voting For:	
Voting Against:	

### Resolution No. 140623-8C CDBG ADDENDUM

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

**I** Move the City of Swartz Creek approve the addendum to the Community Development Block Grant Co-operative Agreement of June 28, 1993 and direct the city manager to execute said addendum.

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

Voting For:	
Voting Against: _	

Resolution No. 140623-8E CAPITAL ASSET POLICY

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

**I Move** the Swartz Creek City Council approve and place on file the capital asset policy as attached, said policy to apply to all future assets of the city as defined.

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

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

### **Resolution No. 140623-8F** YEAR END FISCAL ADJUSTMENTS

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

**WHEREAS**, Act 621 of P.A. 1978 provides for a uniform budgeting system for local units of government; and

**WHEREAS**, Act 275 of P.A. of 1980 further prohibits deficit spending by local units of government; and

**WHEREAS**, the City Council has reviewed the City's 2013 - 2014 Fiscal Year Budget and comparative year-to-date balance sheet of expenses and revenues, and finds that it is not in deficit; however, certain department activity line items may be in deficit.

**THEREFORE BE IT RESOLVED**, the Swartz Creek City Council hereby authorizes and directs the City Manager to make all necessary year-end budget adjustment amendments.

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

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

### **Resolution No. 140623-8G** COMMISSION APPOINTMENTS

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

**I Move** the Swartz Creek City Council, affirm the nominations of the Mayor and appoint Mr. Craig Culinski to the Swartz Creek Planning Commission and Mr. Zettel to the 911 Consortium for the duration of existing vacant terms ending on November 10, 2014.

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

Voting For:	
Voting Against: _	_

### Resolution No. 140623-8H

### CLOSED SESSION TO DELIBERATE ON MICHIGAN TAX TRIBUNAL LITIGATION (ROLL CALL VOTE)

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

**I MOVE** the City of Swartz Creek City Council exit the regular session of the city council and enter into a closed session for the purpose of discussing pending litigation.

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

Voting For:	
Voting Against: _	

## DATE 6/9/2014 The meeting was called to order at 7:00 p.m. by Mayor Krueger in the Swartz Creek City

Council Chambers, 8083 Civic Drive.

CITY OF SWARTZ CREEK SWARTZ CREEK, MICHIGAN MINUTES OF THE SPECIAL COUNCIL MEETING

Invocation and Pledge of Allegiance to the Flag.

Councilmembers Present:	Abrams, Gilbert, Shumaker.	Hicks, I	Hurt,	Krueger,	Porath,
Councilmembers Absent:	None.				
Staff Present:	City Manager Adam DPS Director Tom S	•			<b>U</b> .
Others Present:	Boots Abrams, Bo Warren, Jim Florence			my Butler	Steve

### **APPROVAL OF MINUTES**

### Resolution No. 140609-01

(Carried)

Motion Councilmember Porath Second by Councilmember Hurt

**I Move** the Swartz Creek City Council hereby approve the Minutes of the Regular Council Meeting, held Tuesday, May 27, 2014 to be circulated and placed on file.

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

### APPROVAL OF AGENDA

### Resolution No. 140609-02

### (Carried)

Motion by Mayor Pro-Tem Abrams Second by Councilmember Hurt

**I Move** the Swartz Creek City Council approve the Agenda as amended, for the Regular Council Meeting of June 9, 2014, to be circulated and placed on file.

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

### **REPORTS AND COMMUNICATIONS:**

### City Manager's Report

### Resolution No. 140609-03

(Carried)

Motion by Councilmember Shumaker Second by Councilmember Hurt

**I Move** the Swartz Creek City Council approve the City Manager's Report of June 9, 2014, to be circulated and placed on file.

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

Discussion Ensued.

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

Tommy Butler, 40 Somerset, spoke about a previous discussion about blocking the streets for the homecoming parade. Mr. Butler talked about the problems with traffic on the previous Saturday due to the Hazardous Waste drop off at the High School.

### COUNCIL BUSINESS

### **Delegation of Election Commission Duties to the Clerk's Office**

#### Resolution No. 140609-04a

Motion by Councilmember Hicks Second by Councilmember Hurt

**WHEREAS,** Michigan Election Law allows the Board of Election Commissioners of a City to delegate certain duties to the local clerk or authorized assistant.

**NOW THEREFORE BE IT RESOLVED**, the City of Swartz Creek hereby delegates the following duties to the City of Swartz Creek Clerk and other administrative staff under her supervision:

- 1) Preparing meeting materials for the Election Commission (ballot proof for approval, list of election inspectors for appointments, etc.)
  - 2) Preparing, printing and delivering ballots
  - 3) Providing candidates and the Secretary of State with proof copies of ballots.
  - 4) Providing notice to voters in the case of precinct changes/consolidations

- 5) Providing election supplies and ballot containers
- 6) Preliminary logic and accuracy testing
- 7) Notifying major political parties of certified precinct inspector appointment (federal and state elections only)

**BE IT FURTHER RESOLVED**, the City Election Commission hereby delegates the miscellaneous duties to the City Clerk or authorized assistant reserving the right to return the duties back to the Commission whenever deemed fit.

### Resolution No. 140609-04b

### (Carried)

Motion by Councilmember Hurt Second by Councilmember Shumaker

**I Move** to change the wording from "the City Election Commission" to "the City Council" hereby delegates the miscellaneous duties to the City Clerk or authorized assistant.

Discussion Ensued.

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

### Resolution No. 140609-04c

### (Amended)

Motion by Councilmember Hicks Second by Councilmember Hurt

**WHEREAS,** Michigan Election Law allows the Board of Election Commissioners of a City to delegate certain duties to the local clerk or authorized assistant.

**NOW THEREFORE BE IT RESOLVED**, the City of Swartz Creek hereby delegates the following duties to the City of Swartz Creek Clerk and other administrative staff under her supervision:

- 1) Preparing meeting materials for the Election Commission (ballot proof for approval, list of election inspectors for appointments, etc.)
  - 2) Preparing, printing and delivering ballots
  - 3) Providing candidates and the Secretary of State with proof copies of ballots.
  - 4) Providing notice to voters in the case of precinct changes/consolidations
  - 5) Providing election supplies and ballot containers

- 6) Preliminary logic and accuracy testing
- 7) Notifying major political parties of certified precinct inspector appointment (federal and state elections only)

**BE IT FURTHER RESOLVED**, the City Council hereby delegates the miscellaneous duties to the City Clerk or authorized assistant reserving the right to return the duties back to the Commission whenever deemed fit.

Discussion Took Place.

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

### Burn Permit

### Resolution No. 140609-05

(Carried)

Motion by Councilmember Gilbert Second by Mayor Pro-Tem Abrams

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

WHEREAS, a burning permit is sought by the resident at 7297 Bristol Road; and

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

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

Discussion Ensued.

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

### Fire Apparatus Purchase Adjustment

#### Resolution No. 140609-06

(Carried)

Motion by Councilmember Hurt Second by Councilmember Gilbert

**WHEREAS**, the city council, on May 27, 2014 moved to acquire a Pierce PUC pumper on a Pierce Mfg. Saber custom cab, priced at \$470,176.00; and

**WHEREAS**, the City of Swartz Creek approved its portion of the payment in the amount of \$170,284 towards the purchase of a Pierce PUC pumper with the understanding that a portion of this cost would be borrowed from Fund 591, Sewer, and repaid over a period of three years; and

**WHEREAS**, the fund allocation and annual interest payments were not properly noted for each repayment year in the resolution.

**NOW, THEREFORE, I Move**, the payment for the apparatus shall be made in accordance with the following schedule:

Fund 402: \$81,750 Fund 591: \$88,534; 0.40% loan; annual payments to Fund 591 from Fund 402 with funding from the General Fund 101, with annual installments of:

- A. \$29,865.47 in year one
- B. \$29,747.42 in year two
- C. \$29,629.39 in year three

Discussion Took Place.

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

### Miller Road Design

### (Discussion)

City Manager Zettel spoke about the upcoming decision to possibly change the lane configuration on Miller Road when the road repairs are done next year. Mr. Zettel introduced Steve Warren from OHM to give more details to the council on the engineering side of it. Councilmembers agreed a study is needed.

### Underbody Scraper Purchase

### Resolution No. 140609-07

### (Carried)

Motion by Mayor Pro Tem Abrams Second by Councilmember Hurt

**I** Move the City of Swartz Creek approve the low bid submitted by Shults Equipment, Inc. in the amount of \$10,326 for an underbody scraper and direct the finance director to complete this purchase in the 2013-2014 fiscal year, charges to be applied to the Motor Pool Fund 661-795.000-976.000.

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

Motion by Councilmember Shumaker Second by Councilmember Hurt

I Move the City of Swartz Creek approve distribution of \$13.95 to the Swartz Creek Senior Center, funds being delinguent and collected pursuant to the City's Senior Citizens Levy which was terminated in 2006 (circa).

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

### 2013-2014 Fiscal Year Adjustments

### **Resolution No. 140609–09**

Motion by Councilmember Hicks Second by Councilmember Hurt

WHEREAS, Act 621 of P.A. 1978 provides for a uniform budgeting system for local units of government; and

WHEREAS, Act 275 of P.A. of 1980 further prohibits deficit spending by local units of government; and

WHEREAS, the City Council has reviewed the City's 2013 - 2014 Fiscal Year Budget and comparative year-to-date balance sheet of expenses and revenues, and finds that it is not in deficit; however, certain department activity line items may be in deficit.

**THEREFORE BE IT RESOLVED**, the Swartz Creek City Council hereby authorizes and directs the city manager to make all necessary year-end budget adjustment amendments to Fund 101 (General), 202 (Major Streets), 350 (City Hall Debt), 591 (Sewer), 865 (Sidewalk), and 866 (Weed) in accordance with the budget draft attached.

YES: Hurt, Krueger, Porath, Shumaker, Abrams, Gilbert, Hicks.

18

NO: None. Motion Declared Carried.

**City Council Packet** 

### **Local Street Repairs**

City Manager Adam Zettel stated that there is lots of information included in the packet on local street repair. He is looking for council feedback on these options, special assessment, city-wide levy or combination of levy and assessment. Councilmembers agree with City Manager that we need to get the public's input at meetings on what we need to do with the streets.

### **Senior Center Delinguent Tax Payment**

### Resolution No. 140609-08

June 23, 2014

(Carried)

(Carried)

(Discussion)

### Set 2014-2015 Council Meeting Schedule

### Resolution No. 140609-10

Motion by Councilmember Gilbert Second by Councilmember Hurt

WHEREAS, Act 261 of the Public Acts of the State of Michigan of 1968, as amended, requires a public notice of the schedule of regular meetings of the Swartz Creek City Council be given once each calendar year or fiscal year and that said notice shall show the regular dates and times for the meeting and the place at which meetings are held; and

**WHEREAS**, the Act directs that notice be posted prominently at the principle office of the City of Swartz Creek or at the public building at which meetings are held or published in the newspaper of general circulation in Swartz Creek.

**NOW, THEREFORE**, pursuant to the Act, public notice is hereby given that regular meetings for fiscal year 2014-2015 shall be held twice each month, and further, that all meetings shall be held in the City Hall Council Chambers located at 8083 Civic Drive, Swartz Creek, Michigan, unless otherwise provided in advance by the City Council, and further, meetings shall commence at 7:00 P.M. on the following dates:

July 2014:	Monday – 14 <sup>th</sup> Monday – 28 <sup>th</sup>	
August 2014:	Monday – 11 <sup>th</sup> Monday – 25 <sup>th</sup>	
September 2014:	Monday – 8 <sup>th</sup> Monday – 22 <sup>nd</sup>	
October 2014:	Monday – 13 <sup>th</sup> Monday – 27 <sup>th</sup>	(Columbus Day)
November 2014:	Monday – 10 <sup>th</sup> Monday – 24 <sup>th</sup>	
December 2014:	Monday – 8 <sup>th</sup> Monday – 15 <sup>th</sup>	(One Week Earlier)
January 2015:	Monday – 12 <sup>th</sup> Monday – 26 <sup>th</sup>	
February 2015:	Monday – 9 <sup>th</sup> Monday – 23 <sup>rd</sup>	
March 2015:	Monday – 9 <sup>th</sup> Monday – 23 <sup>rd</sup>	

April 2015:	Monday – 13 <sup>th</sup> Monday – 27 <sup>th</sup>
May 2015:	Monday – 11 <sup>th</sup> Tuesday - 26 <sup>th</sup> (Monday 25 <sup>th</sup> is Memorial Day)
June 2015:	Monday — 8 <sup>th</sup> Monday — 22 <sup>nd</sup>

**BE IT FURTHER RESOLVED** that the Clerk is hereby directed to post a copy of this resolution in a prominent place in the City Offices of the City of Swartz Creek.

**BE IT FURTHER RESOLVED** that the City Clerk is hereby directed to supply forthwith, upon request, a copy of this resolution to any newspaper of general circulation in the political subdivision in which the meeting will be held and/or to any radio or television station that regularly broadcasts into the City of Swartz Creek.

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

### MEETING OPEN TO PUBLIC:

Boots Abrams, 5352 Greenleaf Drive, informed the council that the Women's Club planted the flowers in town and they turned out really nice.

Tommy Butler, 40 Somerset, inquired with the council who does the property assessing of city properties. City Manager Adam Zettel responded that we have a contract with Landmark who does all our property assessing. Mr. Butler also commented about a comment in The View about Meijer versus General Motors property assessment.

### **REMARKS BY COUNCILMEMBERS:**

Councilmember Hurt commented about the lights at Miller/Bristol.

Councilmember Gilbert wanted to know if the City has been mowing any of the lawns in the city. City Manager Adam Zettel responded that we are mowing some of them. Mr. Gilbert commented about a tall lawn on Miller Rd.

City Manager Adam Zettel wanted to let the council know that the steel for the repair on one of the pavilions at Winshall Park may have a six week wait time.

Councilmember Hicks commented about the back up of traffic at the Hazardous Waste Drop off and the protection of sewer/waste lines from possible spill.

Councilmember Shumaker also commented about the traffic at the Waste Program but feels it's a good program.

Councilmember Porath asked if we would update the city precinct maps before the next election. Mr. Porath reminded everyone about the concert series starting next Tuesday.

Mayor Pro-Tem Abrams talked about D Day and wanted to thank the Veterans.

Mayor Krueger spoke about the Waste Program and that he thinks they need to have the drop off more often and at more locations. Mr. Krueger commented about the mosquitoes.

### <u>Adjournment</u>

### Resolution No. 140609-11

(Carried)

Motion by Mayor Pro Tem Abrams Second by Councilmember Porath

**I Move** the City of Swartz Creek adjourn the Regular Session of the City Council meeting at 9:04 p.m.

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

David A. Krueger, Mayor

Juanita Aguilar, City Clerk

michigan municipal league Liability & Property Pool
Liability & Property Pool
<b>Coverage and Cost Summary</b>
City Of Swartz Creek

Effective 07-01-2014 to 07-01-2015

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Municipal General Liability (Coverage A)	\$10,000,000	N/A	\$0
Leon Buning-Electrical Inspector, Code Official and Plan Review	\$10,000,000	N/A	\$0
Robert Davis-Plumbing and Mechanical Inspection and Plan Review	\$10,000,000	N/A	\$0
Sewer Back-Up Sublimit	\$100,000	\$100,000	\$0
Personal Injury Liability (Coverage B)	\$10,000,000	N/A	\$0
Medical Payments (Coverage C)	\$10,000	N/A	N/A
Public Officials Liability (Coverage D)	\$10,000,000	N/A	\$0
Leon Buning-Electrical Inspector, Code Official and Plan Review	\$10,000,000	N/A	\$0
Robert Davis-Plumbing, Mechanical Inspector and Plan Review	\$10,000,000	N/A	\$0
Law Enforcement Liability (Coverages A, B, and D)	\$10,000,000	N/A	\$0
Employee Benefit Liability	\$1,000,000	\$1,000,000	\$0
Fire Legal Liability	\$100,000	N/A	N/A
Dam Liability	No Coverage	N/A	N/A
Marina Operator Liability	No Coverage	N/A	N/A
Automobile Liability (Coverages A and B)	\$10,000,000	N/A	\$0
<u># Vehicles</u> <u>Comp</u> <u>Coll</u>			
17 \$250 \$1,000			

Coverages A, B, and D are provided with a combined single limit of liability. The most the Pool will pay for any one occurrence is \$10,000,000 regardless of the number of coverages involved in the occurrence.

Ī	Property			
	Property - Blanket Basis	\$9,523,110	N/A	\$250
	Boiler and Machinery	Included	N/A	\$250
	Building(s)	Included	N/A	\$250
	Contents	Included	N/A	\$250
	Property in the Open	Included	N/A	\$250
	Protection & Preservation	Included	N/A	N/A
	Property - Limited Replacement Cost, if applicable	\$0	N/A	\$0
	Accounts Receivable	\$100,000	N/A	\$250
	Consequential Damage	\$100,000	N/A	N/A
	Contractor's Equipment	\$265,302	N/A	\$250
	Debris Removal - the lesser of 25% of physical damage loss or	\$5,000,000	\$5,000,000	N/A

michigan municipal league
Coverage and Cost Summary
City Of Swartz Creek

Effective 07-01-2014 to 07-01-2015

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Demolition & Increased Costs of Construction Limit	\$100,000	N/A	N/A
Earthquake	\$2,000,000	\$2,000,000	\$5,000
Electronic Data Processing Equip	\$100,000	N/A	\$250
Expediting Expense	\$100,000	N/A	N/A
Extra Expense	\$100,000	N/A	N/A
Fine Arts	\$100,000	N/A	\$250
Flood (Except for Members located in Flood Zone A, AO, AH, A1-A999, AE, or AR)	\$1,000,000	\$1,000,000	\$5,000
Loss of Income	\$100,000	N/A	N/A
Loss of Rents	\$100,000	N/A	N/A
Ornamental Trees, Shrubs, Plants or Lawn	\$5,000	\$10,000	\$250
Personal Effects & Property of Others	\$500	\$2,500	\$250
Police Dog-IKE born 2005 black and tan German Shepard	\$15,000	N/A	\$250
Radio Equipment	\$42,448	N/A	\$250
Valuable Papers	\$100,000	N/A	\$250
Comprehensive Crime Coverage			
Employee Dishonesty Blanket/Faithful Performance	\$100,000	N/A	N/A
Depositors Forgery	\$100,000	N/A	N/A
Money and Securities Inside	\$100,000	N/A	N/A
Money and Securities Outside	\$100,000	N/A	N/A
Money Orders and Counterfeit Paper	\$100,000	N/A	N/A
Bonds			
Bond #: A Treasurer	\$100,000	N/A	N/A

Only one deductible applies to claims involving two or more property coverages.

# The Michigan Municipal League Liability and Property Pool is pleased to offer all coverages and services described in this proposal for an annual premium of \$63,832.

### ADDENDUM TO COOPERATIVE AGREEMENT

This Addendum is effective \_\_\_\_\_\_ 2014, and is between Genesee County, Michigan, a Michigan municipal corporation whose principal place of business is located at 1101 Beach Street, Flint, Michigan, 48502 (the "County"), and the **City of Swartz Creek**, a Michigan municipal corporation whose principal place of business is located at 8083 Civic Drive, Swartz Creek, Michigan, 48473 (the "Community") (the Community and the County together, the "Parties").

WHEREAS, the Parties executed a Cooperative Agreement effective June 28, 1993 (the "Agreement"), pursuant to which the Community participates in the Community Development Block Grant ("CDBG") Entitlement Program and, where applicable, the HOME Investment Partnerships Program and Emergency Solutions Grant (ESG) Program; and

WHEREAS, the Parties wish to amend the Agreement to include clear fair housing and civil rights obligations, as well as provision preventing selling, trading, or transferring CDBG funds.

NOW THEREFORE, the Parties agree as follows:

- The County and all cooperating units of general local government must take all actions necessary to assure compliance with the urban county's certification under section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, regarding Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and affirmatively furthering fair housing. The County and all cooperating units of general local government are obligated to comply with section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, and other applicable laws.
- 2. The County and all cooperating units of general local government agree to cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities.
- 3. The general local government may not sell, trade, or otherwise transfer all or any portion of such funds to another such metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under Title I of the Act.
- 4. The remaining terms of the agreement remain unchanged and in full effect.

CITY OF SWARTZ CREEK

### COUNTY OF GENESEE

By:\_\_\_\_\_ Adam Zettel City Manager By:\_\_\_\_\_ Jamie Curtis, Chairperson Board of County Commissioners

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

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

It is my opinion that the terms and provisions of the Agreement and all amendments thereto are authorized under Michigan law and that the Agreement and all amendments thereto have been approved in accordance with Michigan law and established County procedures. It is further my opinion that the Agreement and amendments provide full legal authority for the County to participate in Community Development Block Grant programs.

Office of Corporation Counsel

### City of Swartz Creek Capital Assets Policy June 23, 2014

Capital assets are defined by the City of Swartz Creek with an initial individual cost of more than \$ 2,500 and an estimated useful life in excess of one year. Such assets will be recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets include property, equipment, and infrastructures assets (e.g., roads, bridges, sidewalks, and similar items) and will be reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Infrastructure, intangibles, buildings, equipment, and vehicles acquired after July 1, 2014 will be depreciated using the straight-line method using the schedule below. Current fixed assets will continue to be depreciated based on method and term of life of assets recorded at time of purchase or acquisition by the City of Swartz Creek.

Buildings39 yearsImprovements10 to 40 yearsMachinery and equipment 5 to 7 yearsInfrastructure15-25 yearsSewer and Water systems 40 yearsVehicles3 - 5 yearsOffice furnishings5 to 7 yearsOther tools and equipment 3 to 7 years

### 06/16/2014

### REVENUE AND EXPENDITURE REPORT FOR CITY OF SWARTZ CREEK PERIOD ENDING 06/30/2014

	2013-14 AMENDED	YTD BALANCE 06/30/2014	AVAILABLE BALANCE	% BDGT
GL NUMBER	BUDGET	NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	USED
Fund 101 - General Fund				
TOTAL REVENUES	1,719,973.26	1,471,062.88	248,910.38	85.53
TOTAL EXPENDITURES	1,977,741.32	1,649,646.82	328,094.50	83.41
NET OF REVENUES & EXPENDITURES	(257,768.06)			
Fund 202 - Major Street Fund				
TOTAL REVENUES	388,872.99	440,158.43	(51,285.44)	113.19
TOTAL EXPENDITURES	351,977.70	262,645.69	89,332.01	74.62
NET OF REVENUES & EXPENDITURES	36,895.29			
Fund 203 - Local Street Fund				
TOTAL REVENUES	98,945.00	102,232.11	(3,287.11)	103.32
TOTAL EXPENDITURES	153,527.00	109,568.11	43,958.89	71.37
NET OF REVENUES & EXPENDITURES	(54,582.00)			
Fund 226 - Garbage Fund				
TOTAL REVENUES	344,631.00	320,587.27	24,043.73	93.02
TOTAL EXPENDITURES	477,655.00	383,342.18	94,312.82	80.26
NET OF REVENUES & EXPENDITURES	(133,024.00)			
Fund 248 - Downtown Development Fund				
TOTAL REVENUES	1,280.00	1,523.86	(243.86)	119.05
TOTAL EXPENDITURES	13,550.00	6,238.34	7,311.66	46.04
NET OF REVENUES & EXPENDITURES	(12,270.00)			
Fund 265 - Drug Enforcement Fund				
TOTAL REVENUES	0.00	9,275.36	(9,275.36)	100.00
TOTAL EXPENDITURES	11,966.00	19816.88**	(7,850.88)	165.61
NET OF REVENUES & EXPENDITURES	(11,966.00)			
Fund 275 - Senior Citizens Fund	uitors on journal entri	es made in earlier part of	year.	
TOTAL REVENUES	0.00	11.40	(11.40)	100.00
TOTAL EXPENDITURES	3.00	0.00	3.00	0.00
NET OF REVENUES & EXPENDITURES	(3.00)			
Fund 350 - City Hall Debt Fund				
TOTAL REVENUES	81,353.41	81,344.15	9.26	99.99

06/16/2014

### REVENUE AND EXPENDITURE REPORT FOR CITY OF SWARTZ CREEK PERIOD ENDING 06/30/2014

GLNUMBER	2013-14 AMENDED BUDGET	YTD BALANCE 06/30/2014 NORMAL (ABNORMAL)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDGT USED
GLINOMBER	BODGET			USED
TOTAL EXPENDITURES	81,545.50	81,542.50	3.00	100.00
NET OF REVENUES & EXPENDITURES	(192.09)	(198.35)	6.26	
Fund 402 - Fire Equip Replacement Fund				
TOTAL REVENUES	150.00	96.82	53.18	64.55
TOTAL EXPENDITURES	170,283.50	170,283.50	0.00	100.00
NET OF REVENUES & EXPENDITURES	150.00			
Fund 590 - Water Supply Fund				
TOTAL REVENUES	1,510,592.00	1,170,343.39	340,248.61	77.48
TOTAL EXPENDITURES	1,485,570.00	1,259,024.66	226,545.34	84.75
NET OF REVENUES & EXPENDITURES	25,022.00			
Fund 591 - Sanitary Sewer Fund				
TOTAL REVENUES	1,098,165.53	857,342.10	240,823.43	78.07
TOTAL EXPENDITURES	1,175,649.26	768,327.97	407,321.29	65.35
NET OF REVENUES & EXPENDITURES	(77,483.73)			
Fund 661 - Motor Pool Fund				
TOTAL REVENUES	147,260.00	168,217.20	(20,957.20)	114.23
TOTAL EXPENDITURES	216,824.00	128,199.73	88,624.27	59.13
NET OF REVENUES & EXPENDITURES	(69,564.00)			
Fund 865 - Sidewalks				
TOTAL REVENUES	8,652.19	8,652.19	0.00	100.00
TOTAL EXPENDITURES	9,148.74	9,148.74	0.00	100.00
NET OF REVENUES & EXPENDITURES	(496.55)			
Fund 866 - Weed Fund				
TOTAL REVENUES	3,300.00	5,100.00	(1,800.00)	154.55
TOTAL EXPENDITURES	30,567.00	30,447.00	120.00	99.61
NET OF REVENUES & EXPENDITURES	(27,267.00)			

To all,

Please see below for the FANG activity report for the month of May 2014,

On 5-1-14, FANG officers were called to a residence in Grand Blanc Township. Grand Blanc Twp PD was at the house arresting a man on a warrant when they discovered a marijuana grow operation. The man signed consent to search. Seized from the home were 86 marijuana plants and approximately 146 grams of processed marijuana. The man was lodged on his warrant, and the investigation is still ongoing.

On 5-1-14, FANG officers conducted a search warrant at a residence in Grand Blanc Township. Officers located a large marijuana grow operation in the basement of the home. Officers seized 64 marijuana plants, approximately 1530 grams of processed marijuana, a handgun and a shotgun. The investigation is still on going.

On 5-2-14, FANG officers were conducting surveillance on a suspected drug house in the City of Flint. Officers observed a male and female arrive at the house by vehicle. They entered the home and were back out to their vehicle within 2 minutes. Officers surveyed the two to a nearby business parking lot. Officers believed they may be attempting to use narcotics and approached the vehicle. The man and woman were both in possession syringes loaded with suspected heroin ready to use. They were both arrested for possession of heroin, and the investigation is still on going.

On 5-5-14, FANG officers conducted a controlled purchase of heroin from a known drug house in the City of Flint. Officers used a Confidential Informant to enter the home and purchase heroin from a male resident. The investigation is still on going.

On 5-5-14, FANG officers were in the south end of Flint assisting MSP units in the area. A male suspect on a stolen motorcycle fled from marked units and was outstanding. FANG officers observed a male matching the description run from a house and get into a vehicle. Contact was made with the vehicle and the male was unrelated to the stolen motorcycle. The driver was found to be in possession of marijuana and prescription pills. The male was arrested and lodged in the Flint City lock up.

On 5-5-14, FANG officers conducted a controlled purchase of crack cocaine from a known drug house in the City of Flint. Officers used a Confidential Informant to enter the home and purchase crack cocaine from a male resident. The investigation is still on going.

On 5-7-14, FANG officers executed a search warrant on a residence in the City of Flint. Officers seized 18.7 grams of crack cocaine, 1 rifle and 3 handguns. One of the handguns was stolen out of Flint, and another had the serial number destroyed and was unreadable. Two males were lodged in the Flint City lock up. The investigation is still on going.

On 5-8-14, FANG officers executed a search warrant on a residence in the City of Flint. Officers seized approximately 2.1 grams of heroin and a small amount of crack cocaine. Forfeiture was initiated on \$495.00 in US currency. Two males were arrested for PWID heroin and lodged in the Flint City lock up. The investigation is still on going.

On 5-12-14, FANG officers conducted a controlled purchase of heroin from a known drug house in the City of Flint. Officers used a Confidential Informant to enter the home and purchase heroin from a male resident. Intelligence on the dealer was gathered. The investigation is still on going.

On 5-13-14, FANG officers conducted a controlled purchase of marijuana from a known drug house in the City of Flint. Officers used a Confidential Informant to enter the home and purchase marijuana from a male resident. Intelligence on the dealer was gathered. The investigation is still on going.

On 5-13-14, FANG officers conducted a controlled purchase of heroin from a known drug house in Mt. Morris Township. Officers used a Confidential Informant to enter the home and purchase heroin from a male resident. Intelligence on the dealer and the home was gathered. The investigation is still on going.

On 5-14-14, FANG officers executed a search warrant on a residence in the City of Flint. Seized from the home was approximately 9 grams of cocaine, .2 grams of heroin and a stolen handgun out of Flint. The male resident was arrested and later lodged in the Flint City lock up. The investigation is still on going.

On 5-14-14, FANG officers arrested a female at her home on the east side of Flint. She had two outstanding Felony warrants, a misdemeanor warrant and a civil warrant for child neglect. She was lodged in the Genesee County Jail.

On 5-14-14, FANG officers conducted a controlled purchase of crack cocaine from a known drug house in the City of Flint. Officers used a Confidential Informant to enter the home and purchase crack cocaine from a male resident. The investigation is still on going.

On 5-14-14, FANG officers executed a search warrant on a residence in the City of Flint. Seized from the home was drug paraphernalia showing probable cause of delivery. No drugs were located, and forfeiture was initiated on \$1457.00 in US currency. Three males were lodged in the Flint City lock up. The investigation is still on going.

On 5-15-14, FANG officers executed a search warrant on a residence in the City of Flint. Seized from the home was approximately 12.2 grams of crack cocaine and 2 grams of powder cocaine. Two stolen handguns were recovered, one out of Flint and the other out of Flint Township. Forfeiture was initiated on \$2880.00 in US currency. The male resident was arrested and lodged in the Flint City lock up. The investigation is still on going.

On 5-15-14, FANG officers executed a search warrant on a residence in Mt. Morris Township. Seized from the home were 6.1 grams of crack cocaine, 1.4 grams of powder cocaine, 99 Ecstasy pills, 43 unknown pills, 15grams of Marijuana and 1 handgun. One male was arrested for PWID crack and pills. Two other males were lodged at the Flint City lock up on outstanding warrants. The investigation is still on going.

On 5-19-14, FANG officers conducted a controlled purchase of heroin from a male in the City of Burton. Officers used a Confidential Informant to meet a male in a parking lot and purchase heroin. Officers used the purchase to gather intelligence on the drug dealer. The investigation is still on going.

On 5-20-14, as a result of a controlled purchase, FANG officers executed a search warrant at residence in the city of Flint. Officers seized approx. 18 grams of heroin, vicodin pills, and a SKS Rifle. Forfeiture proceedings were initiated on \$3000.00. The suspect was lodged in the Flint City Jail.

On 5-20-14, FANG officers executed a search warrant at a large indoor marijuana grow located in a commercial building in Mundy Twp. Officers seized 332 marijuana plants, and approx. 14 lbs. of processed marijuana. The suspect in this case also operates several commercial businesses in the area. Officers obtained and executed several other search warrants to include the suspect's home in Fenton and a business owned by the suspect in Mundy Twp. The suspect has been indicted in federal court. The case is on-going with additional federal charges anticipated. Asset Forfeiture proceedings are being initiated on over \$700,000.00 cash, and other items including cars, boats, snowmobiles, etc.

On 5-27-14, FANG officers conducted surveillance on a residence in Genesee Twp. where it was believed the occupants were cooking methamphetamine. The suspects were known to officers and known to have felony warrants for their arrest. Officers observed the suspects and made contact with them at the residence, arresting 3 subjects on felony warrants. Officers conducted a consent search locating methamphetamine components. FANG officers trained in clandestine lab investigation and members of the MSP 3<sup>rd</sup> District Methamphetamine team responded. A "One Pot" methamphetamine cook and related components were seized from the house. All three subjects were lodged at the Genesee County Jail.

On 5-28-14, FANG officers conducted a controlled purchase of cocaine from a suspect in the city of Flint. The investigation is on-going.

Thanks to all of you for your continued support, if anyone has any questions or concerns, please do not hesitate to contact me.

Pat

D/F/Lt. Patrick Richard Section Commander-Flint Area Narcotics Group Third District Headquarters Michigan State Police Mailing Address: F.A.N.G. PO Box 614 Grand Blanc,Mi 48480 Office: 810-233-3689 Cell: 616-260-8583 FAX: 810-233-7119 richardp@michigan.gov

"A PROUD tradition of SERVICE through EXCELLENCE, INTEGRITY, and COURTESY"