

**City of Swartz Creek
AGENDA**

**Regular Council Meeting, Monday, June 25, 2018, 7:00 P.M.
Paul D. Bueche Municipal Building, 8083 Civic Drive Swartz Creek, Michigan 48473**

1. **CALL TO ORDER**
2. **INVOCATION AND PLEDGE OF ALLEGIANCE:**
3. **ROLL CALL:**
4. **MOTION TO APPROVE MINUTES:**
 - 4A. Council Meeting of June 11, 2018 MOTION Pg. 25
5. **APPROVE AGENDA:**
 - 5A. Proposed / Amended Agenda MOTION Pg. 1
6. **REPORTS & COMMUNICATIONS:**
 - 6A. City Manager's Report MOTION Pg. 3
 - 6B. Heritage Unit Sale Instruments (Units 89 & 90) Pg. 41
 - 6C. Tax Reverted Property Information – 2018 Acquisition Pg. 47
 - 6E. MERS Liability Renewal Statement Pg. 53
 - 6E. Tax Reverted Property Sale Instrument (5157 Morrish) Pg. 68
 - 6F. Tax Reverted Property Sale Instrument (Wade & Second) Pg. 71
 - 6G. Other Post Employment Benefit (OPEB) Actuarial Pg. 74
 - 6H. Road Crack Sealant Bids Pg. 102
 - 6I. AFSCME Letter of Agreement Pg. 105
 - 6J. Fortino Drive Concepts Pg. 106
 - 6K. Monthly Reports (Budget & Engineering) Pg. 127
7. **MEETING OPENED TO THE PUBLIC:**
 - 7A. General Public Comments
8. **COUNCIL BUSINESS:**
 - 8A. Heritage Unit Sale Approvals RESO Pg. 16
 - 8B. MERS Insurance Renewal Approval RESO Pg. 18
 - 8C. Acquisition of Tax Reverted Property RESO Pg. 18
 - 8D. Road Crack Sealant Bid Approval RESO Pg. 20
 - 8E. Fortino Drive Property Use RESO Pg. 21
 - 8F. Tax Reverted Property Sale Instrument (5157 Morrish) RESO Pg. 22
 - 8G. Tax Reverted Property Sale Instrument (Wade & Second) RESO Pg. 23
 - 8H. AFSCME Letter of Agreement RESO Pg. 24
9. **MEETING OPENED TO THE PUBLIC:**
10. **REMARKS BY COUNCILMEMBERS:**
11. **ADJOURNMENT:** MOTION

Next Month Calendar

City Council:	Monday June 25, 2018, 7:00 p.m., PDBMB
Metro Police:	Wednesday, June 27, 2018, 10:00 a.m., Metro PD
Planning Commission:	Tuesday, July 10, 2018, 7:00 p.m., PDBMB One Week Later
City Council:	Monday, July 9, 2018, 7:00 p.m., PDBMB
Park Board:	Wednesday, July 11, 2018, 5:30 p.m., PDBMB One Week Later
Fire Board:	Monday, July 16, 2018, 6:00 p.m., Public Safety Bldg
ZBA:	Wednesday, July 18, 2018, 6:00 p.m., PDBMB
Downtown Development Authority:	Thursday, July 19, 2018, 6:00 p.m., PDBMB One Week Later

City of Swartz Creek Mission Statement

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

City of Swartz Creek Values

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

Honesty, Integrity and Fairness

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

Fiscal Responsibility

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

Public Service

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

Embrace Employee Diversity and Employee Contribution, Development and Safety

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

Expect Excellence

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

Respect the Dignity of Others

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

Promote Protective Thinking and Innovative Suggestions

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

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

Regular Council Meeting of Monday, June 25, 2018 - 7:00 P.M.

TO: *Honorable Mayor, Mayor Pro-Tem & Council Members*
FROM: Adam Zettel, City Manager
DATE: June 21, 2018

ROUTINE BUSINESS – REVISITED ISSUES / PROJECTS

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

The 2017 Huizinga appeal has a hearing date for November. The 2016 for this office appeal was very unusual in terms of value sought by petitioner and because of procedural abnormalities by the petitioner and MTT. Heather recommends that we attempt one round of good faith negotiation for settlement prior to an appraisal. If this is not successful by mid-summer we will seek funds for a third party professional appraisal.

The golf appraisal continues. They do not appear to be cooperating. The allocation of value between the city and Flint Township is as much an issue as the establishment of a total true cash value for the entire course. While all the road frontage, structures, and much acreage is in the city, there is more land area for the course in the township. This circumstance is problematic for us.

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

✓ **2017-2020 TRAFFIC IMPROVEMENT PROGRAM (TIP)** (*No Change of Status*)

We are moving forward with our project that was approved in this three year federal funding cycle. The next step is completion of preliminary engineering and design, with the intention of bidding Fairchild Street this coming winter for 2019 construction. A resolution approved in April to engage engineering through the state contract. This is a required state instrument that will enable design and bidding to occur, with 80% of the cost picked up by the MDOT. A resolution is included.

In speaking with the engineer, the city still has the ability to add a sidewalk to the east side of Fairchild. We were informed that the sidewalk would not be an eligible expense so could not get federal funds. However, if it was done at the same time, the city would need to pay 'prevailing wages', which would increase the cost substantially. As such, it was recommended that, should the city decide to add sidewalks, we do so at a later time with another project that is ongoing in the Village.

After this three year cycle is complete, we hope that Miller, west of Morrish will be in the 2020-2022 cycle. Seymour is not on the radar at this point, though we may try to put it on the next cycle as well.

✓ **STREET PROJECT UPDATES** (*Update*)

This is a standing section of the report on the status of streets as it relates to our dedicated levy, 20 year plan, ongoing projects, state funding, and committee work. Information from previous reports can be found in prior city council packets.

Daval should be substantially complete by June 29th, with final paving beginning before our meeting.

Consumers Energy pulled permits for street light installation on last years project. The start date on the permit was May 12th, with completion in September.

Yard restoration from last year's projects has been redone and is in much better condition.

Helmsley and Chelmsford are up next for reconstruction in the Village, and we must begin choosing between those reconstructions and projects like Birchcrest that share the same priority. We may be able to perform some limited crush and shape in 2019, with a larger reconstruction effort in 2020. We will know more as expenses are detailed for existing projects, making future budget projections more accurate.

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

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

Lining work is complete for Chelmsford and Valleyview Drives. Inspection of Winshall has also been completed. There were no unexpected abnormalities, work items, or damages reported. Mr. Svrcek will be debriefing with Liqui-Force and Rowe PSC about this project and future work soon.

This multi-year program is on schedule and budget. Based upon current rates and existing fund balance, staff may recommend expending more in the next year or two on the sewer rehabilitation plan in order to get some higher risk assets completed more quickly. This could include Winshall Drive and Miller Road sections.

✓ **WATER MAIN REPLACEMENT** *(No Change of Status)*

The city has held its public meeting on the proposed USDA Rural Development grant/loan application and related investment plan. The engineer is nearly ready with the grant/loan submission. Most of the unpleasant work has been completed, and the Mayor has begun authorizing submission of various documents to the feds. We are hopeful that the city will qualify for grant funds, and that we will be notified of such by fall. If (when) that occurs, the real planning for cost apportionment, scheduling, and design will begin.

In addition, the Genesee County Drain Commission - Water and Waste Services still intends to update its 2003 Water Master Plan this year. During this process, they are going to analyze the Swartz Creek area to ascertain what current and future needs are. This information will then be used by their consultant to make determinations concerning additional water feeds into the area and the sizing of the water main, including Miller Road.

Their plan is to rely less on Miller Road and more on secondary feeds that could approach the city from the north, south, and west. This would be good for us in the

long run and negates the concern that Miller Road would need to be increased in size and/or used as an intercommunity transmission line.

As observed with the break that was experienced on December 18th, additional feeds from other directions are essential for the west end of the county.

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

✓ **POLICE SERVICE** *(No Change of Status)*

The Metro PD met on May 23rd. The Authority Board approved the building use agreement that applies to the Metro PD occupied areas of 8100 Civic Drive. The council subsequently approved this on May 29th.

The authority board is planning to host a visioning session in the month of July. Chemical Bank is offering to facilitate the board discussion with staff regarding how to focus MPA resources in the short and long term. I do not have the dates yet, but it is expected to be 1.5 to 2 days in duration.

The chief contract is being worked on by committee and should be finalized by the June meeting, pending standard reviews and background checks.

✓ **HERITAGE VACANT LOTS** *(Business Item)*

The developer is requesting the final two of six lots that were held by the city prior to the summer of 2017. I have included the standard instruments. Sale proceeds will be paid to the Heritage Village of Swartz Creek Home Owners Association unless otherwise encumbered or owed to the Genesee County Treasurer (Land Bank). If there is no objection, I will look to prepare instruments for the two units acquired in 2017 at new, negotiated pricing if requested by the buyer at some point in the future.

✓ **NEWSLETTER** *(Update)*

The newsletter has been finished and has been mailed.

✓ **HOLLAND SQUARE** *(Update)*

Two alternatives for use are being actively reviewed by the steering committee and the DDA. I am working with the adjacent land owners again to see if a degree of cooperation can be achieved. To this end, we have discovered that the Assenmacher Building will have vacancies at both ends and is for sale! This includes, Lovegroves, the H&R Block and the parking lot. We are now looking to work with the seller and potential buyers on integrated design of the successful concepts (parking/event space with fixed public space). I realize any delay will drive folks nuts.

However, this investment is being made to improve the appearance and function of downtown, as well as to benefit adjacent businesses. As such, we MUST work with this

potential new owner/tenant to make sure we get this right. Such an opportunity has never presented itself before and may not for decades.

There is a total of \$200,000 in the DDA and city budgets for fiscal year 2019 that is related to this project.

✓ **TRAILS** *(No Change of Status)*

The MDOT Enhancement application is submitted! We hope this covers 65% of the investment. Work with Consumers Energy and CN Rail is positive for those project components that require their engagement. We are still working with the MTA and GM on some easements and permissions.

By the time this packet reaches you, the DNR match portion for the remainder of the project will probably also be submitted. This entails an application for the Department of Natural Resources Trust Fund Grant for construction. This grant can fund up to 50% of a project, up to \$300,000. We will be seeking an amount close to that to offset the 35% that the city must cover to match the Enhancement grant.

Note that that the city will still be heavily invested in this, even if both grants are awarded. Count on a general fund outlay of \$200,000 for all engineering, construction, and inspection services. This outlay will be required because the DNR requires that the city match 25% of the 'ask' from the DNR. So, the actual 'ask' will be 75% of what MDOT does not fund, leaving us with 25% of the DNR match of 35%.

Since this will get us close to the \$300,000 cap, we can expect to self-fund any overages, add-ons, and engineering that exceeds the limit. Again, the city WILL be using general fund dollars to make this connection happen.

The project timeline is as follows:

- September 2017: Intercommunity Project Resolutions (Complete)
- October 2017: Draft MDOT Application (Complete)
- November 2017: Submit Application for MDOT Funds (Complete)
- December 2017: Review and Revise MDOT Application (Complete)
- March 2018: Submit Final MDOT Application (Complete)
- March 2018: Draft DNR Application: (Complete)
- April 2018: Submit DNR Application: (Complete)
- October 2018: Final Trail Design
- December 2018: Bid Trail Project
- April 2019: Commence Trail Construction

✓ **REDEVELOPMENT READY COMMUNITIES** *(Update)*

The zoning ordinance technical review is complete and the council approved the work related to the economic development strategy. The planning commission will look to proceed with some immediate zoning changes, however, a large scale zoning code revision is recommended to be done by a third party in the future.

I ask council members and other officers of the city to make every effort to engage themselves in the economic development strategy process and to encourage the engagement of our affiliates, such as the chamber, senior center, schools, etc.

The following RRC components are also at the forefront of our improvement and certification efforts:

- Development review flowchart and checklist **(In Progress)**
- Integrated community development webpage for city/DDA processes and programs **(Complete)**
- Economic Development Strategy for the city and its partners (chamber of commerce, schools, etc.) **(In Progress)**
- Public participation plan and tracking methods **(In Progress)**
- Consolidated capital improvement plan (compiled list of street, water, sewer, park and other investment for the next six years) **(Complete)**

Additional details from the previous report follow:

The area in which we will make new progress in the next quarter is in the zoning ordinance. There are a number of provisions that are not consistent with our master plan and/or RRC best practice. The state is offering a technical assistance grant to fund half of a professional service to align our code with RRC expectations. This will keep the planning commission busy for a little while, but it will be worth it. As of writing, there appears to be no local cost! As such, I will have the planning commission engage in the audit as soon as possible.

✓ **BRANDING** *(Update)*

The logo/image has been selected, and the city also has adopted an official tagline: Where Friendships Last Forever.

Allow some time to make the transition on our official materials. Once the graphic artist creates various digital copies of the image in the proper formats, we should be able to convert our digital presence quickly. This will include social media, the webpage, & SeeClickFix. We will make new orders for letter head, business cards, and other forms of media as needed. I don't expect there is a need to waste existing paper.

The DDA discussed the marketing strategy at their meeting on June 14th. In tandem with the economic development strategy, more work will be done this summer to push our brand out in the form of imagery, narratives, and events.

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

The Eagle Scout candidates are back on the case. There is now a fundraising platform set up to make this happen (GoFundMe), and they are about 25% of the way to their goal. The park board has designated their annual slip and slide fundraiser for this purpose this year! That will probably work out well for all parties! If you are interested in contributing or know of another person or entity that might be, feel free to contact me.

✓ **CONSUMERS CONSERVATION PILOT PROGRAM** *(No Change of Status)*

The city will be participating in this program more directly. We anticipate an energy audit of our primary facilities in the near future. Upgrades to electric and gas features may be possible with a short return on investment and/or support funds. CE did not show any inclination to move our street lights to LED's at this time.

The webpage for this program is now up and running. By all accounts, their kickoff was very successful, and the community is getting engaged. I have noticed some radio ads, as well as a billboard on I-69. Please check this program out and register if you have not already!

Part of the program includes a \$15,000 donation to one of two local projects. These projects include the future "Holland Square" and the trail system that is proposed. Obviously, these resources would be put to good use!

✓ **DURAND AREA INDUSTRY - PROJECT TIM** *(No Change of Status)*

There is some editorialized chatter about the steel and coal industries future in the US. Some of this press includes the Durand project as the poster child of what a rejuvenated coal/steel industry in the Midwest would look like. Others believe it is a pipe dream of a dead or dying pair of industries. I have included another Crains Detroit article. We can only speculate. Since there has not been any new information in some time, I will remove this from future reports until something more objective is announced or apparent. The previous report follows.

It's a steel mill. The announcement was distributed at the December 4th meeting. I don't have any additional details at this point. As noted, this has the potential to be one of the most monumental influences on our community since the initial investments by GM and Winchester Village.

To be clear, the project has not been affirmed in terms of the federal loan application, local approvals, and developer commitment. However, the massive scale of the investment and its impact as "clean coal" appears to be reliable information. If the project is affirmed for development, I recommend the city reengage its master plan, establish a compatible vision, and heavily invest in making that vision a reality. The next decade could be very transformational, and I am certain the community will want to be in the driver's seat for this change, whatever that change may be.

At this point, we find ourselves as a stakeholder in this project without much information to respond. I will do my best to learn more and report to the city council. This is something that, if it proceeds, will have a tremendously positive impact on our town, or a mixed impact (economic/environmental). Since various state and federal agencies are involved, we should be prepared to inform ourselves and use our formal and collective voice to promote the best interest to the Swartz Creek community.

✓ **TAX REVERTED PROPERTY USE** *(Business Item)*

At the regular meeting of June 11, the council agreed with the findings of the planning commission recommendation for use of vacant land on Wade and Second Street and 5157 Morrish Road (also vacant).

I have negotiated and created instruments of sale for both parcels in accordance with the city council directive. 5157 Morrish is to be sold to the adjacent land owner for \$12,000, per originally bid. The owner will waive rights to the curb cut and be expected to combine this parcel with the parent parcel (5151 Morrish).

The Wade Street property was negotiated at \$7,500, with the condition that a home be built in conformance with plans submitted by Woodside Builders.

✓ **DON SHENK HOME REHABILITATION** (*Update*)

Landscaping and some concrete work are being finalized prior to inviting final walkthroughs for the sale. We are still working with the attorney to provide a warranty deed, but I am told the process is moving along well. Once this is done, we will begin the home sale process. As of writing, we appear to be in a good financial position to sell the home and return some funds to the county.

The expectation is that we sell the home in as-is condition (which is outstanding) to a pre-qualified buyer via a warranty deed. The city will invite the public to make offers that cover the city's investment. Once offers are received, a 'final and best' may be requested by those participating buyers if interest is high enough. This will ensure that all parties can bid, but it will ensure that the offer received is based upon a sealed bid instead of subjective seller preference.

I suspect a purchase agreement could be negotiated and brought back in July. Because our sale process takes a bit longer, we may need to find a patient buyer so that we can observe our required waiting and review period. With that being said, I have the attorney working to provide clear title for a warranty deed so we won't have any problem providing proper title insurance to buyers that might have a lender interest (mortgage). We should be in a position to execute all of our required processes by mid-August. Again, we have a 30 day waiting period between council approval of a sale instrument and final approval of that instrument.

✓ **MILLER ROAD DRAIN** (*No Change of Status*)

We have a proposal to complete repairs from a local contractor. The amount is \$13,100. Rowe has created proper easement instruments to give the city access to the site. It appears that they have been able to secure those easements from the owners of record. Mr. Wheatley is doing a great job moving this along. I will have the city council take a look at the quotes or competitive bids, depending upon the circumstances. I am still awaiting pricing from the Department of Public Works.

✓ **GROUNDWATER WITHDRAWAL ORDINANCE** (*No Change of Status*)

The groundwater withdrawal ordinance for the Holland Square project is in the final phase. As noted previously, the practical impact of this is small, since wells are no longer permitted in the city and there are no known 'grandfathered' wells in the impacted area.

The council held a public hearing at our meeting on April 23rd. ExxonMobil, the Michigan DEQ, and other representatives will now be reaching out to property owners to research if there are any well impacts. Once this is done, we should be able to proceed with the ordinance. Representatives of Exxon indicated a fall timeline for approval.

✓ **CGI PROMOTIONAL VIDEO** *(No Change of Status)*

The videos have been filmed and are being edited. I believe this process will take about a month.

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

The school board commissioned a comprehensive study of all buildings and grounds. The study makes many recommendations based on various priority levels for maintenance, security upgrades, educational facility investments, and other improvements. There is a figure of \$48 million floating around that is tied to an apparent preferred investment need. This is unofficial. The board has not indicated any level of investment or scope at this time.

The report, in eleven sections, is available on the schools webpage. I was going to include it, but it is absolutely massive in scale. Please consider taking a look, especially at those facility components that are in the city.

I encourage all members of council, planning commission, park board, DDA, and other boards to make an effort to review the study and related news as it is released. I will continue reporting to the various boards and committees what changes might be expected and how the city might partner.

The future of our community is very much tied to the real and perceived condition and function of the school's various buildings and related educational amenities. The city is a vested stakeholder in ways too numerous to list.

✓ **ABRAMS PARK RENAMING AND DEDICATION** *(No Change of Status)*

The name of the park, formally known as Winshall Park, has officially been changed to "Abrams Park". The park board agreed to the manner of sign changes at their meeting on April 4th. They are opting to update the existing wooden signs and repaint them. I have attempted to notify the online mapping companies, like Google, of the change but have not received their response.

There will not be a formal dedication coinciding with a city council meeting. Due to the request of the family, they will look to hold their own dedication outside of official city business on July 19th.

✓ **OTHER COMMUNICATIONS & HAPPENINGS** *(Update)*

✓ **MONTHLY REPORTS** *(Update)*

The budget report is included.

✓ **OPEB AUDIT** *(Update)*

The OPEB Audit is in. This represents the current value of all future post-retirement medical benefits. In short, we are found to be in agreeable territory given the annualized cost of said benefits and our applicable revenues to cover such liabilities. More to the point, the city no longer offers post-employment health care to new employees, including most active employees. Instead, the city contributes a percentage of wages to a health savings program. This functions like a 401 in place of a defined benefit pension.

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

✓ **PLANNING COMMISSION** *(No Change of Status)*

The commission met on June 5th. The commission discussed upcoming initiatives related to the Redevelopment Ready Communities certification, specifically the Economic Development Strategy and the Zoning Audit. They also reviewed proposals for the potential use and purchase of vacant land on Second Street and on Morrish Road. They made recommendations for both lots. For Morrish Road, they recommend that the property be sold to the neighbor. They found that the neighbor's lot was unusually small, and the owners were able to demonstrate a long-standing and compelling desire to acquire this lot.

For the vacant land on Second and Wade, the commission recommend sale to Woodside Builders to build another infill house. The representatives from the adjacent site were not at the meeting, and the commission found that interest was not as compelling for the addition of side yard to this residence.

I have included the request for proposals and the responses. Resolutions are prepared to begin the creation of sale instruments for these properties. Since the city has charter requirements, the council will need subsequent votes on the specific sale instruments and affirmation after a 30 day review period.

Robert Florine has resigned from the commission. A citizen has been asked to serve on this commission and has affirmed their desire to do so after observing the commission meeting of June 5th. Mr. Dennis Novak, a Winchester Village resident and member of the street committee has been nominated by the Mayor and a resolution for this appointment is included.

The south west corner of Miller and Elms has sold. We have also been getting design calls about the reconstruction of Sharp Funeral Home. As such, I expect a site plan or two this summer.

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

The DDA met on June 14th. In addition to the branding (logo) and Holland Square discussion above, the DDA also approved their budget and selected officers. They opted for Mayor Krueger as chair, Mr. Beedy as vice-chair, and Ms. King as secretary. These officers are the same as the current year. The budget approved is in line with the version approved by the city council.

In addition, the DDA entertained a proposal for Fortino Drive (see New Business). This is a project discussed much over the years that has not had economic potential until recently.

Family Movie Night is on track for a wonderful season! We need some good weather, but as far as the attributes that we can control, things are looking good. The lineup includes:

June 8: Jumanji: Welcome to the Jungle - 125 min
June 22: Despicable Me 3 - 90 min
July 6: Lego Ninjago - 90 min
July 20: Coco - 109 min
August 3: Willow - 119 min
August 17: Star Wars Episode 8 - 152 min

Once again, Funtastic Inflatables will provide bounce house activities prior to show time. If anyone wants to engage in promoting a movie or conducting some other onsite activity to draw crowds, please let me know! Ideas could include sponsoring a show or a culture visit for Coco. Please help make this the best year ever! This could be a great way to include local businesses while creating more activities and interest!

✓ **ZONING BOARD OF APPEALS** *(No Change of Status)*

They held their annual meeting on March 21, 2018. This was their organizational meeting in which they selected officers. Mr. Packer remains Chair, Mr. Plumb remains Vice-Chair, and Mr. Smith remains the Secretary. There are no pending or expected variances, appeals, or interpretations at this time.

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

They met on June 6th. They took care of some routine business and set a date for the slip and slide, Saturday, July 28th! The slip and slide will run from 11am to 4pm and will be dedicated and promoted as a dog park fundraiser. If you know of any sponsors or folks that would like to be involved, please let myself or Councilmember Hicks know.

The park board addressed many issues, including final touches on the tot lot sign, fence, and benches. Staff will be working to address these needs. Mr. Svrcek will also be looking to make a recommendation regarding the baseball backstop at Elms, the flagpole at Abrams, and the new swing for the Abrams tot lot.

The board also reviewed the park rules. In doing so, it was decided that vehicles in the parks were creating safety issues, especially in Elms. Staff was directed to install new signs and to communicate with Metro a desire to have a zero tolerance policy on vehicles off the designated road/parking areas.

The board also reviewed a recommended change related to park hours. The state requires 24 hour, seven 7 day access to non-motorized paths that are grant funded. We have amended the park rules to enable permissible non-motorized path use after hours as a park closure exception. This means folks can travel through the

park in the early morning or late night, but they will not be allowed off the path or to misuse the path in any event. The park rules and a resolution are included.

✓ **BOARD OF REVIEW** (*No Change of Status*)

The March Board of Review heard appeals on 2018 assessed and taxable valuations, as well as classification challenges on the following dates:

Monday, March 19, 9am-12pm; 6pm-9pm

Tuesday, March 20, 9am-12pm

Wednesday, March 21, 9am-12pm

They reviewed 27 petitions, including:

Nine petitioners for thirteen parcel valuations

Nine petitions disabled veterans' exemptions

Five personal property statement/exemptions

The BoR is scheduled to meet in July. An alternate position to this board is vacant and candidates are being sought to fill it.

NEW BUSINESS / PROJECTED ISSUES & PROJECTS

✓ **MML INSURANCE RENEWAL** (*Business Item*)

The standard renewal is included. The renewal policy is up a bit over last year due to some ongoing litigation regarding the police department prior to transfer, as well as appreciation in municipal asset value.

I see no reason to shop this service around. Meadowbrook (MML) is not only very reasonable in their pricing, often rebating the city funds, they have exemplary staff for claims and training purposes.

✓ **TAX REVERTED PROPERTY ACQUISITION** (*Business Item*)

There is one property available to the city through the county tax reversion process. 8002 Miller Road, the building that houses Lasers Flower shop downtown, is available for \$27,318. The building is two levels, with an apartment on the second floor. The condition of the building is fair and functional, but I was able to take a look at it this week and noted many areas in which updates and upgrades are required.

Note that the flower shop is a tenant and this foreclosure in no way reflects the status or fiscal health of that business. They do have an interest in working with the city on the condition of the building. They also have an interest in potentially taking ownership prior to or after improvements.

The county indicates that they need a response from the city by July 9. The city council showed interest at the June 11 meeting. I have included a resolution to proceed with acquisition. Note that the county did indicate that the city would not be able to sell this parcel to the DDA to avoid returning eligible proceeds. The public purpose must be satisfied by the city.

✓ **ROAD OVERBAND CRACK SEALANT BIDS** (*Business Item*)

We intend to continue with preventative maintenance for streets that can benefit from it. We solicited total project and unit cost bids for crack sealant. The engineer and Mr. Svrcek compiled a list of streets as follows:

Jennie Lane (Bristol Road to Abbey Lane)
Miller Road (Dye Road to Morrish Road)
Parkridge Subdivision (All Streets)
Church Street (Morrish to Frederick)

We also included the parking lots downtown. These will be funded by the general fund. Four bids were received, with the lowest being Highway Maintenance and Construction (\$43,062.50). They have worked on similar projects in the past. The bid tally sheet and letter from the engineer are included in the packet. This is a budgeted item. As preventative maintenance, it is arguably more crucial in its application and timing than reconstruction, though clearly quite less expensive per lane mile. We hope to keep our street asset management program that way! A resolution is included to approve the low bid.

✓ **PAUL FORTINO PROPERTY PROPOSAL** (*Business Item*)

I am including some information that I find extremely exciting as it relates to the property owned by the city on Paul Fortino Drive. For years, the community has been looking to provide a viable use for this site. The DDA led the effort a couple years ago with visioning that eventually led to concept plans. I have included those concept plans.

The idea was to add an economic use that would establish a stronger 'sense of place' in downtown through the addition of traditional buildings. With retail and office markets weak for a side street, the addition of housing that matches the blossoming downtown markets was sought. There was also a desire to accommodate potential parking (for events like concerts, the car show, and future businesses on Morrish/Miller).

The project was not initially able to gain traction with local builders/developers. However, with the general housing market and prospects for downtown improving, we finally appear to have interest. A local homebuilder, RBF construction, approached the DDA at their regular meeting on June 14th with housing that matched the concept plans established by the DDA. In fact, the developer is proposing changes that appear to substantially improve the site. To make a long story short, we have an offer to work with the city and DDA to plan and build the site to accomplish the objectives of the previous planning effort.

I am excited to bring this to the council's attention because the abilities and vision of the developer appear to be in line with the plans. I am hopeful that the council will approve a cooperative planning effort with possible land transfer and development under agreeable terms. I am including information submitted by the developer and encourage moving forward. I expect to have more details in writing by the meeting. In short, they are proposing 15 condo units of about 1,300 square feet, with two-car garages.

There are many plans and ideas that numerous groups have for our community. Creating housing for the 'missing middle' at a small but very visible scale in our

downtown will advance many of our strategic objectives, and I believe we need to take action when the private sector is able and willing.

✓ **LETTER OF AGREEMENT (AFSCME) (*Business Item*)**

I have negotiated some changes to the bargaining agreement for the AFSCME employees. This group is non-exempt (hourly) staff in the office and Department of Public Works, including full time and part time. As part of our initiative to have one of the best trained workforces as it relates to water system distribution, we are seeking to encourage licensure by the state Department of Environmental Quality. Our current agreement does not provide for this. Most that I am aware of do provide incentives.

There are many good reasons to do this. Water distribution is a fundamental and essential service of government that is a high priority for health and welfare. Given circumstances in Michigan, the expectation for performance and level of regulatory scrutiny is rapidly changing and increasing. As a city, we are required to have an Operator in Charge and multiple licenses. Achieving certification can take much time, study, and effort. It also brings added responsibility. Since the license is not a job requirement like the motor vehicle license, we believe incentives are warranted. As such, the letter focuses on providing those financial incentives. The goal is to have two S-3 operators, with one able to obtain an S-2 license in 2-3 years.

In addition, we negotiated an additional 1% raise for staff, excluding the 'tier one' employees. They will receive a one-time stipend, but the raise will impact other employees and advance the cause of pay parity in the DPW.

Council Questions, Inquiries, Requests, Comments, and Notes

July 23rd Council Meeting: I hope that council recognizes that I place an extremely high priority on attending city council meetings and have been able to attend all such meetings during my tenure here as the manager. However, I have a commitment to the scout camp for Pack 122 and must be away at their annual camp during the meeting of July 23rd. I will look to manage business around this meeting and find someone to cover in my place. I do not take this absence lightly.

Worcester Damage: A resident informed the city of damage on Worcester that appears to be caused by the storage of equipment on the asphalt, resulting in 'rings.' The engineer indicated that the contractor is aware of this and will/has surface milled the problem area and apply new asphalt.

General Motors: The news coverage regarding the new facility in Burton indicates that employees will be moved from the current Customer Care and Aftersales facility. This is NOT the Swartz Creek facility. The employees noted work at the current Burton facility.

**City of Swartz Creek
RESOLUTIONS
Regular Council Meeting, Monday, June 25, 2018, 7:00 P.M.**

Resolution No. 180625-4A MINUTES – June 11, 2018

Motion by Councilmember: _____

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday, June 11, 2018, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 180625-5A 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 25, 2018, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 180625-6A CITY MANAGER’S REPORT

Motion by Councilmember: _____

I Move the Swartz Creek City Council accept the City Manager’s Report of June 25, 2018, including reports and communications, to be circulated and placed on file.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**Resolution No. 180625-8A RESOLUTION TO APPROVE THE SALE AND USE OF
VACANT UNITS IN HERITAGE VILLAGE
CONDOMINIUM**

Motion by Councilmember: _____

WHEREAS, the city acquired a total of six vacant units in Heritage Village Condominium, including the following units:

3284 Heritage Blvd	58-30-651-091
3278 Heritage Blvd	58-30-651-092
3270 Heritage Blvd	58-30-651-093
3264 Heritage Blvd	58-30-651-094
3323 Heritage Blvd	58-30-651-106
3329 Heritage Blvd	58-30-651-107

WHEREAS, the city determined that a public purpose existed for obtaining the lots, being control and guarantee for the collection of the special assessment fees, the preservation of property values for the existing homes in the subdivision and the control over the quality of housing constructed on said units; and

WHEREAS, the city previously found that the long term intent is to sell the lots to recover assessment costs and other administrative costs that may occur and to preserve property values consistent with the findings within this resolution; and

WHEREAS, the city permitted a negotiation between the Heritage Village of Swartz Creek Homeowners Association (HoA), local builders, and city staff to occur with the intent to develop these units in a manner that ensures quality and timely development of housing at a market sale price of each unit; and

WHEREAS, the HoA requested sale of the units to J.W. Morgan Construction, LLC., with certain conditions, as outlined in their statement from July 6, 2017 and the city subsequently resolved to sell two lots to J.W. Morgan Construction, with proceeds to be paid to the HoA; and

WHEREAS, J.W. Morgan Construction has commenced construction on four purchased units and is requesting to purchase two more at the same cost.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council hereby approves the sale of two additional units (89 & 90) in Heritage Village to J.W. Morgan Construction, LLC., in accordance with the purchase agreements and quit claim deeds attached.

BE IT FURTHER RESOLVED, that the council directs staff to make said sale instruments available for public inspection and comment for no less than 30 days, in accordance with city charter, at which point the sales shall be reviewed by the city council.

BE IT FURTHER RESOLVED, that the council directs staff to account the surplus proceeds from said sales with the expectation that such proceeds are allocated and paid to the Heritage Village of Swartz Creek Homeowners Association or the Genesee County Treasurer/Genesee County Land Bank in accordance with applicable law.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 180625-8B

RESOLUTION TO APPROVE ANNUAL COVERAGE AND PAYMENT FOR GENERAL AND LIABILITY INSURANCE OF THE CITY TO MEADOWBROOK

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek has a need to insure property, equipment, and services that it owns and provides; and

WHEREAS, the City of Swartz Creek has been engaged in risk management with the Michigan Municipal League Liability and Property Pool, as serviced by Meadowbrook Insurance Group since 1985; and

WHEREAS, the City of Swartz Creek finds this professional service to meet or exceed financial expectations, as well as the staffing and service needs of the city.

NOW, THEREFORE, BE IT RESOLVED, the City of Swartz Creek appropriate and approve payment for an amount not to exceed \$42,084 to Michigan Municipal League Meadow Brook Insurance, payment of the City's annual 2018-2019 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. 180625-8C

RESOLUTION TO ACQUIRE TAX REVERTED PROPERTY FROM GENESEE COUNTY TREASURER

Motion by Councilmember: _____

WHEREAS, on June 11 and June 25, 2018 at public meetings, the Swartz Creek City Council reviewed the staff recommendation to acquire a specific parcel listed as Genesee County Treasurers' tax reverted property currently under foreclosure; and,

WHEREAS, the property for which there is a public purpose includes:

8002 Miller Road, Parcel ID Number 58-35-576-049; and,

WHEREAS, the City Council finds that a public purpose exists for the acquisition of the property, located at 8002 Miller Road, that purpose being the prevention of blight and neighborhood enhancement through the addition of a private and/or public improvement or through property improvement; and,

WHEREAS, the County Treasurers' Office requires certain conditions and stipulations relative to the acquisition of tax reverted properties by local units of government,

NOW, THEREFORE, I Move the City of Swartz Creek enter into an agreement with the Genesee County Treasurers' Office, and further, direct the Mayor Dave Krueger and City Clerk Connie Eskew to execute the agreement on behalf of the City, agreement as follows:

NOTICE TO GENESEE COUNTY TREASURER DEBORAH L. CHERRY, THE FORECLOSING GOVERNMENTAL UNIT, OF ELECTION TO PURCHASE FORECLOSED PROPERTY

The City of Swartz Creek hereby notifies Deborah L. Cherry, Genesee County Treasurer and Genesee County Foreclosing Governmental Unit, that it intends to purchase property described as SEE ATTACHED LISTING, also known as SEE ATTACHED LISTING, which property is located in Swartz Creek, Michigan, for a public purpose. The purchase price is \$27,239.39, 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:

Blight prevention and neighborhood enhancement thus advancing neighborhood stabilization.

The City of Swartz Creek agrees that this Notice will be filed with the Genesee County Register of Deeds and that the City of Swartz Creek 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 of Swartz Creek 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 of Swartz Creek.

Upon the request of the Foreclosing Governmental Unit the City of Swartz Creek 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 of Swartz Creek is made subject to any prior right of election vested in the State of Michigan.

The City of Swartz Creek understands that neither Genesee County nor Deborah L. Cherry, 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 of Swartz Creek and will not indemnify, defend, save nor hold harmless the City of Swartz Creek 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 of Swartz Creek because of or related to its election to purchase the property above described.

The City of Swartz Creek agrees to indemnify, defend, save and hold harmless Genesee County and Deborah L. Cherry, 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 Deborah L. Cherry, individually and/or as Genesee County Treasurer and/or as Foreclosing Governmental Unit incurred because of or related to the election of the City of Swartz Creek 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 Deborah L. Cherry.

Date: _____

David A. Krueger, Mayor

Date: _____

Connie Eskew, Clerk

BE IF FURTHER RESOLVED, the cost to purchase such property, being \$27,318 as well as the addition of the current year taxes, fees, and assessments, shall be appropriated to the unencumbered, unreserved General Fund (101) fund balance.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 180625-8D

RESOLUTION TO APPROVE CRACK SEALING BIDS FOR CITY STREETS

Motion by Councilmember: _____

WHEREAS, the city’s streets are in need of surface treatments as part of the recognized need to apply proper asset management practices to infrastructure assets; and

WHEREAS, one of the fundamental and affordable forms of surface treatment is overband crack sealing, which is generally applied to those street segments that are not in need of more intensive forms of rehabilitation; and

WHEREAS, the city conducted a sealed bid process for the application of overband sealant for select major and local streets, as well as two parking areas downtown; and

WHEREAS, the lowest qualified bid, as submitted by Highway maintenance and Construction., includes a cost-per-lane mile proposal, traffic control cost, parking lot cost, and total cost for the application of this treatment.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek hereby approves the proposal submitted by Highway Maintenance and Construction in the amount of \$43,062.50, with a 15% contingency, to perform overband crack sealing as outlined in the bidding specifications prepared by OHM Advisors.

BE IT FURTHER RESOLVED the City of Swartz Creek directs the City Manager to execute a standard contractor agreement with the bidder and further directs the Treasurer to appropriate funds to the general fund, local street fund, and major street fund as appropriated and prorated by the engineer.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

RESOLUTION TO APPROVE THE CONCEPT USE AND NEGOTIATED SALE OF VACANT LAND ON PAUL FORTINO DRIVE

Motion by Councilmember: _____

WHEREAS, the City acquired two pieces of property on Morrish Road, immediately north of Paul Fortino Drive, with the understanding that such property could be put to a direct public and/or economic development use; and

WHEREAS, the City, utilizing the planning commission and downtown development authority, engaged in numerous workshops and planning sessions in recent years to determine how these properties could be put to productive use in a manner that advances the city’s master plan and downtown plan; and

WHEREAS, based upon circumstances and consultant recommendations, single family housing/condominiums resembling a traditional style were chosen as the preferred land use; and

WHEREAS, the DDA, with the city council’s approval, engaged design services to ascertain specifics of how the site could be put to use for this purpose; and

WHEREAS, a developer has been sought to act as a partner to effect this change since 2016; and

WHEREAS, a contractor and home builder, RBF Construction, has presented themselves as an able and willing partner to realize the concept plan, including the initial presentation of improved design plans for the site layout; and

WHEREAS, the Swartz Creek Downtown Development Authority, at their regular meeting on June 14, 2018, unanimously voted to encourage the city council to enable cooperative planning and potential sale of this property to RBF Construction based upon the existing concepts.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council hereby approves the conceptual sale of vacant land, identified as PID 58-35-576-001 and 58-35-576-002, pending the development and approval of a site plan for use, property transfer instruments, and a development agreement or similar instrument to convey terms and conditions of transfer, use, and performance.

BE IT FURTHER RESOLVED, that the council authorizes the DDA and staff to cooperate with RBF Construction on the creation and review of a site plan, along with related zoning, special land use and/or variance needs that might arise as it pertains to proceeding with advancing the concepts included in the June 25, 2018 city council packet.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

Resolution No. 180625-8F

**RESOLUTION TO APPROVE THE SALE AND USE OF
5157 MORRISH ROAD**

Motion by Councilmember: _____

WHEREAS, the City acquired a blighted house located at 5157 Morrish Road, PID 58-01-100-013, through the tax reversion process with the intent of eliminating and preventing blight; and

WHEREAS, the City has found no short or long term public, direct use for this property; and

WHEREAS, the city can recover invested costs for this property but cannot financially gain from the sale of this property; and

WHEREAS, the planning commission directed staff to solicit proposals for use from the general public and adjacent land owners; and

WHEREAS, an adjacent land owner and local home builder submitted proposals for use and purchase of this property; and

WHEREAS, the planning commission recommended that the preferred use is to be the sale to the adjacent home owner as proposed by Michael Vozar, and the city council affirmed this at their regular meeting on June 11, 2018; and

WHEREAS, the city council directed the city manager to engage in negotiations for a sale to Michael Vozar as outlined in the proposal as included in the June 11, 2018 city council packet, with final approval to be by the Swartz Creek City Council, in accordance with the city’s land sale policy and city charter.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council hereby approves the sale of 5157 Morrish Road, identified with PID 58-01-100-013., in accordance with the purchase agreements and quit claim deeds attached.

BE IT FURTHER RESOLVED, that the council directs staff to make said sale instruments available for public inspection and comment for no less than 30 days, in accordance with city charter, at which point the sales shall be reviewed by the city council.

BE IT FURTHER RESOLVED, that the council directs staff to account the surplus proceeds from said sales with the expectation that such proceeds are allocated and paid to the Genesee County Treasurer in accordance with applicable law.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

RESOLUTION TO APPROVE THE SALE AND USE OF VACANT LAND ON WADE STREET

Motion by Councilmember: _____

WHEREAS, the City acquired vacant property located at Wade and Second Street, PID 58-01-502-036, through the tax reversion process with the intent of eliminating and preventing blight; and

WHEREAS, the City has found no short or long term public, direct use for this property; and

WHEREAS, the city can recover invested costs for this property but cannot financially gain from the sale of this property; and

WHEREAS, the planning commission directed staff to solicit proposals for use from the general public and adjacent land owners; and

WHEREAS, an adjacent land owner and local home builder submitted proposals for use and purchase of this property; and

WHEREAS, the planning commission recommended that the preferred use is to be residential infill housing as proposed by Woodside Builders, and the city council affirmed this at their regular meeting on June 11, 2018; and

WHEREAS, the city council directed the city manager to engage in negotiations for a sale to Woodside Builders as outlined in the proposal as included in the June 11, 2018 city council packet, with final approval to be by the Swartz Creek City Council, in accordance with the city’s land sale policy and city charter.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council hereby approves the sale of vacant land on Wade Street, identified with PID 58-01-502-036., in accordance with the purchase agreements and quit claim deeds attached.

BE IT FURTHER RESOLVED, that the council directs staff to make said sale instruments available for public inspection and comment for no less than 30 days, in accordance with city charter, at which point the sales shall be reviewed by the city council.

BE IT FURTHER RESOLVED, that the council directs staff to account the surplus proceeds from said sales with the expectation that such proceeds are allocated and paid to the Genesee County Treasurer in accordance with applicable law.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

RESOLUTION TO APPROVE A LETTER OF AGREEMENT WITH AFSCME

Motion by Councilmember: _____

WHEREAS, the City of Swartz Creek entered into agreement with the American Federation of State, County and Municipal Employees (AFL-CIO) on June 29, 2016 to provide for conditions and provisions of employment; and

WHEREAS, the collective bargaining agreement is set to expire on June 30, 2019 and both parties desire to amend it one year prior to its expiration to advance common objectives of incentivizing water licensing among some members, as well as to increase pay parity between employees with matching job descriptions; and

WHEREAS, both parties are desirous of a continuing working agreement.

NOW, THEREFORE BE IT RESOLVED that the City of Swartz Creek City Council hereby approve the Letter of Agreement Between the City of Swartz Creek and the AFSCME bargaining unit, as recorded in the City Council Packet of June 25, 2018, and further, authorize and direct the Mayor and City Clerk to execute the letter on behalf of the City.

Second by Councilmember: _____

Voting For: _____

Voting Against: _____

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE REGULAR COUNCIL MEETING
DATE 06/11/2018**

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

Invocation and Pledge of Allegiance.

Councilmembers Present: Cramer, Florence, Krueger, Pinkston, Porath.

Councilmembers Absent: Gilbert & Hicks.

Staff Present: City Manager Adam Zettel, Clerk Connie Eskew, Treasurer Deanna Korth.

Others Present: Lania Rocha, Bob Plumb, Fay Porath, Steve Shumaker, Elaine Tucker, Joni Ward, Carol Chappel, Tommy Butler, Andy Harris, Steve Long, Matt Bade, Terry O'Brien, Dennis Novak, Boots & Dick Abrams, Wanda Tyler, Penny Messer.

EXCUSE COUNCILMEMBER GILBERT & HICKS

Resolution No. 180611-01

(Carried)

Motion by Councilmember Cramer
Second by Councilmember Florence

I Move the Swartz Creek City Council excuse councilmembers Gilbert & Hicks.

Unanimous Voice Vote
Motion Declared Carried

APPROVAL OF MINUTES

Resolution No. 180611-02

(Carried)

Motion by Councilmember Porath
Second by Councilmember Florence

I Move the Swartz Creek City Council approve the Minutes of the Regular Council Meeting held Monday May 29, 2018, to be circulated and placed on file.

YES Krueger, Pinkston, Porath, Cramer, Florence.
NO: None. Motion Declared Carried.

APPROVAL OF BUDGET WORKSHOP MINUTES

Resolution No. 180611-03

(Carried)

Motion by Councilmember Cramer
Second by Mayor Pro Tem Pinkston

I Move the Swartz Creek City Council approve the Minutes of the Budget Workshop held Monday May 29, 2018, to be circulated and placed on file.

YES Krueger, Pinkston, Porath, Cramer, Florence.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

(Carried)

Resolution No. 180611-04

Motion by Councilmember Cramer
Second by Councilmember Florence

I Move the Swartz Creek City Council approve the Agenda as, amended for the Regular Council Meeting of June 11, 2018, to be circulated and placed on file.

YES: Krueger, Pinkston, Porath, Cramer, Florence.
NO: None. Motion Declared Carried.

CITY MANAGER’S REPORT

Resolution No. 180611-05

(Carried)

Motion by Councilmember Florence
Second by Councilmember Cramer

I Move the Swartz Creek City Council accept the City Manager’s Report of June 11, 2018, including reports and communications to be circulated and placed on file.

YES: Pinkston, Porath, Cramer, Florence, Krueger.
NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Swartz Creek Women’s Club presented a check in the amount of \$3,259.10 to be given as follows: \$1433.00 for purchase of an expression swing for the tot lot at Abrams Park, \$500.00 to the Metro PD for the youth programs, \$1326.10 to the Metro PD for the K9 program. The Rock-a-thon brought in the donation for the K9 which was the largest amount the Rock-a-thon ever raised.

Chief Bade thanked the ladies for their hard work.

Steve Long, 5356 Worchester Drive, wanted to let everyone know that the lawns have been sprayed and wanted to thank them for that.

COUNCIL BUSINESS:

RESOLUTION TO APPROVE THE FISCAL YEAR 2018-2019 CITY BUDGET

Resolution No. 180611-06

(Carried)

Motion by Mayor Pro Tem Pinkston
Second by Councilmember Porath

WHEREAS, the Swartz Creek City Council is required to approve a budget in accordance with the General Appropriations Act and Uniform Budgeting and Accounting Act; and

WHEREAS, a public hearing was posted and held in accordance with the city charter on May 29, 2018; and

WHEREAS, the Swartz Creek City Council finds the following Fund-based budget to be an accurate and desirable instrument to appropriate funds to serve the needs of the City of Swartz Creek.

THEREFORE BE IT RESOLVED, the Swartz Creek City Council hereby adopt the following 2018-2019 fiscal budget based upon the following tax mills:

General Operating Levy	4.8289 mills
Public Safety SAD	4.9000 mills
Street Levy	4.2200 mills
Sanitation Levy	2.6270 mills

101 GENERAL FUND	Estimated Beginning Fund Balance	\$	1,385,656
	<u>Estimated Revenues</u>	Adopted	
	General Fund Estimated Operating Revenues	2,396,377	
	Total General Fund Estimated Revenues	2,396,377	
	<u>Appropriations</u>	Adopted	
	General Government Activities 000-299	363,820	
	Public Safety Activities 301-399	1,249,032	
	Public Works Activities 400-799	680,524	
	Other Government Activities 800-999	195,640	
	Total General Fund Operating Appropriations	2,489,017	
	Effect on General Fund's Fund Balance		(92,640)
	Estimated Ending Fund Balance June 30, 2019	\$	1,293,016

202 MAJOR STREETS Estimated Beginning Fund Balance	\$	443,320
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<u>Estimated Revenues</u>	Adopted
Major Streets Fund Estimated Operating Revenues	425,000
Major Streets Fund Estimated Project Revenues	230,601
Total Major Streets Fund Estimated Revenues	655,601

<u>Appropriations</u>	Adopted
General Government Activities 000-299	825
Public Safety Activities 301-399	0
Public Works Activities 400-799	538,339
Other Government Activities 800-999	85,000
Total Major Streets Fund Appropriations	624,164

Effect on Major Street's Fund Balance		31,437
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Estimated Ending Fund Balance June 30, 2019	\$	474,757
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203 LOCAL STREETS FUND Estimated Beginning Fund Balance	\$	18,066
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<u>Estimated Revenues</u>	Adopted
Local Streets Fund Estimated Operating Revenue	745 ,400
Local Streets Fund Estimated Project Revenue	0
Total Local Streets Fund Estimated Revenue	745 ,400

<u>Appropriations</u>	Adopted
General Government Activities 000-299	825
Public Safety Activities 301-399	0
Public Works Activities 400-799	454 ,032
Other Government Activities 800-999	
Total Local Streets Fund Appropriations	454 ,857

Effect on Local Streets Fund's Fund Balance		290,543
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Estimated Ending Fund Balance June 30, 2019	\$	308,609
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204 MUNICIPAL STREET FUND Estimated Beginning Fund Balance	\$	19,154
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<u>Estimated Revenues</u>	Adopted
Municipal Street Fund Estimated Revenue	628 ,290
Total Municipal Street Fund Estimated Revenue	628 ,290

<u>Appropriations</u>	Adopted
Other Government Activities 800-999	626 ,444
Total Municipal Street Fund Appropriations	626 ,444

Effect on Municipal Street Fund's Fund Balance		1,846
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Estimated Ending Fund Balance June 30, 2019	\$	21,000
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226 GARBAGE FUND Estimated Beginning Fund Balance	\$	308,612
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<u>Estimated Revenues</u>	<u>Adopted</u>
Garbage Fund Estimated Operating Revenue	393 ,465
Total Garbage Fund Estimated Revenue	393 ,465

<u>Appropriations</u>	<u>Adopted</u>
General Government Activities 000-299	49 ,453
Public Works Activities 400-799	337 ,555
Total Garbage Fund Appropriations	387 ,008

Effect on Garbage Fund's Fund Balance		6,457
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Estimated Ending Fund Balance June 30, 2019	\$	315,069
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248 DDA FUND Estimated Beginning Fund Balance	\$	100,469
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<u>Estimated Revenues</u>	<u>Adopted</u>
DDA Fund Estimated Operating Revenue	50,600
Total DDA Fund Estimated Revenue	50,600

<u>Appropriations</u>	<u>Adopted</u>
General Government Activities 000-299	3,365
Public Works Activities 400-799	125,225
Other Government Activities 800-999	0
Total DDA Fund Appropriations	128,590

Effect on Local Streets Fund's Fund Balance		(77,990)
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Estimated Ending Fund Balance June 30, 2019	\$	22,479
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350 CITY HALL DEBT FUND Estimated Beginning Fund Balance	\$	4,190
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<u>Estimated Revenues</u>	<u>Adopted</u>
City Hall Debt Fund Estimated Revenue	88,745
Total City Hall Debt Fund Estimated Revenue	88,745

<u>Appropriations</u>	<u>Adopted</u>
Other Government Activities 800-999	89,480
Total City Hall Debt Fund Appropriations	89,480

Effect on City Hall Debt Fund's Fund Balance		(735)
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Estimated Ending Fund Balance June 30, 2019	\$	3,455
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402 FIRE EQUIPMENT FUND	Estimated Beginning Fund Balance	\$	110,314
	<u>Estimated Revenues</u>	Adopted	
Fire Equipment Replacement Fund Est Operating Rev.		30,070	
Total Fire Equip Replacement Fund Est Revenue		30,070	
	<u>Appropriations</u>	Adopted	
Public Safety Activities 301-399		0	
Total Fire Equip Replacement Fund Approp		0	
Effect on Fire Equip Replacement Fund's Fund Balance			30,070
Estimated Ending Fund Balance June 30, 2019		\$	140,384

590 WATER FUND	Estimated Beginning Fund Balance	\$	5,440,210
	<u>Estimated Revenues</u>	Adopted	
Water Supply Fund Estimated Operating Revenue		2,165,650	
Total Water Supply Fund Estimated Revenue		2,165,650	
	<u>Appropriations</u>	Adopted	
General Government Activities 000-299		182,216	
Public Safety Activities 301-399		0	
Public Works Activities 400-799		2,037,447	
Other Government Activities 800-999		61,116	
Total Water Supply Fund Appropriations		2,280,778	
Effect on Water Supply Fund's Fund Balance			(115,128)
Estimated Ending Fund Balance June 30, 2019		\$	5,325,082
WATER FUND EXPENSES INCLUDE \$189,000 IN DEPRECIATION			

591 SEWER FUND	Estimated Beginning Fund Balance	\$	7,333,521
	<u>Estimated Revenues</u>	Adopted	
Sanitary Sewer Fund Estimated Operating Revenue		1,288,565	
Total Sanitary Sewer Fund Estimated Revenue		1,288,565	
	<u>Appropriations</u>	Adopted	
General Government Activities 000-299		133,255	
Public Safety Activities 301-399		0	
Public Works Activities 400-799		1,286,149	
Other Government Activities 800-999		10,000	
Total Sanitary Sewer Fund Appropriations		1,429,404	
Effect on Sanitary Sewer Fund's Fund Balance			(140,839)

Estimated Ending Fund Balance June 30, 2019	\$	7,192,682
SEWER FUND EXPENSES INCLUDE \$248,000 IN DEPRECIATION		

661 MOTOR POOL FUND Estimated Beginning Fund Balance	\$	410,104
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<u>Estimated Revenues</u>		Adopted
Motor Pool Fund Estimated Operating Revenue		161,750
Total Motor Pool Fund Estimated Revenue		161,750
<u>Appropriations</u>		Adopted
General Government Activities 000-299		19,891
Public Safety Activities 301-399		0
Public Works Activities 400-799		153,877
Total Motor Pool Fund Appropriations		173,768
Effect on Motor Pool Fund's Fund Balance		(12,018)

Estimated Ending Fund Balance June 30, 2019	\$	398,086
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865 SIDEWALKS FUND Estimated Beginning Fund Balance	\$	949
--	-----------	------------

<u>Estimated Revenues</u>		Adopted
Sidewalk Fund Estimated Operating Revenue		1,400
Total Side Walk Fund Estimated Revenue		1,400
<u>Appropriations</u>		Adopted
Public Works Activities 400-799		1,950
Other Government Activities 800-999		0
Total Side Walk Fund Appropriations		1,950
Effect on Side Walk Fund's Fund Balance		(550)

Estimated Ending Fund Balance June 30, 2019	\$	399
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866 WEED FUND Estimated Beginning Fund Balance	\$	33,625
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<u>Estimated Revenues</u>		Adopted
Weed Fund Estimated Operating Revenue		7,000
Total Weed Fund Estimated Revenue		7,000
<u>Appropriations</u>		Adopted
General Government Activities 000-299		1,000
Total Weed Fund Appropriations		1,000

Effect on Weed Fund Fund's Fund Balance		6,000
--	--	--------------

Estimated Ending Fund Balance June 30, 2019	\$	39,625
--	-----------	---------------

Total Estimated Revenues	\$	8,612,913
Total All Funds Appropriations	\$	8,686,461

Discussion Ensued.

YES: Porath, Cramer, Florence, Krueger, Pinkston.
 NO: None. Motion Declared Carried.

RESOLUTION TO APPROVE ANNUAL DUES FOR THE GENESEE AUTO-THEFT INVESTIGATION NETWORK

Resolution No. 180611-07 **(Carried)**

Motion by Councilmember Porath
 Second by Councilmember Cramer

WHEREAS, the city maintains numerous public safety and law enforcement affiliations with regional entities in order to better address specialized issues, such as narcotics, auto theft, and communication; and

WHEREAS, the city maintains membership and representation with the Genesee Auto-Theft Investigation Network; and

WHEREAS, annual dues for GAIN are \$500 per year and the city finds the service provided by GAIN to hold value.

NOW, THEREFORE, BE IT RESOLVED the City of Swartz Creek City Council hereby approves membership and payment of dues to GAIN in the amount of \$500.

Discussion Ensued.

YES: Cramer, Florence, Krueger, Pinkston, Porath.
 NO: None. Motion Declared Carried.

RESOLUTION TO APPROVE A CITY TAGLINE

Resolution No. 180611-08 **(Denied)**

Motion by Councilmember Cramer
 Second by Councilmember Florence

WHEREAS, the City Council, in the pursuit of standard Redevelopment Ready Communities guidelines and to further the proactive stance of the city as it relates to economic development, directed the Swartz Creek Downtown Development Authority to lead a community branding and imaging initiative; and

WHEREAS, the DDA has been working with the community for many months, in consultation with a professional branding and design company, to develop and refine images and taglines that represent the community; and

WHEREAS, at its regular meeting on March 26, 2018, the city council adopted an image without an accompanying tagline; and

WHEREAS, a tagline or slogan is found to be an essential component of successfully associating the city and its imagery with a recognizable identity or brand.

NOW, THEREFORE, BE IT RESOLVED, the City of Swartz Creek City Council hereby approves the tagline: Come Home to Swartz Creek as part of a larger branding and marketing campaign.

BE IT FURTHER RESOLVED, the City of Swartz Creek City Council authorizes the departments of the City of Swartz Creek, including the Swartz Creek DDA, use of the tagline for professional purposes.

YES: Florence, Krueger, Cramer.

NO: Pinkston, Porath. Motion Declared Denied.

RESOLUTION TO APPROVE A CITY TAGLINE

Resolution No. 180611-09

(Carried)

Motion by Councilmember Porath

Second by Mayor Pro Tem Pinkston

WHEREAS, the City Council, in the pursuit of standard Redevelopment Ready Communities guidelines and to further the proactive stance of the city as it relates to economic development, directed the Swartz Creek Downtown Development Authority to lead a community branding and imaging initiative; and

WHEREAS, the DDA has been working with the community for many months, in consultation with a professional branding and design company, to develop and refine images and taglines that represent the community; and

WHEREAS, at its regular meeting on March 26, 2018, the city council adopted an image without an accompanying tagline; and

WHEREAS, a tagline or slogan is found to be an essential component of successfully associating the city and its imagery with a recognizable identity or brand.

NOW, THEREFORE, BE IT RESOLVED, the City of Swartz Creek City Council hereby approves the tagline: Where Friendships Last Forever as part of a larger branding and marketing campaign.

BE IT FURTHER RESOLVED, the City of Swartz Creek City Council authorizes the departments of the City of Swartz Creek, including the Swartz Creek DDA, use of the tagline for professional purposes.

YES: Krueger, Pinkston, Porath, Florence
NO: Cramer. Motion Declared Carried.

RESOLUTION TO APPOINTMENT A PLANNING COMMISSION MEMBER

Resolution No. 180611-10

(Carried)

Motion by Councilmember Florence
Second by Councilmember Cramer

WHEREAS, the laws of the State of Michigan, the Charter and Ordinances of the City of Swartz Creek, interlocal agreements in which the City of Swartz Creek is a member, and previous resolutions of the city council require and set terms of offices for various appointments to city boards and commissions, as well as appointments to non-city boards and commissions seeking representation by city officials; and

WHEREAS, there exists a vacancy in the planning commission; and

WHEREAS, said appointments are Mayoral appointments, subject to affirmation of the city council.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council concur with the Mayor and City Council appointment as follows:

#180611-10 **MAYORAL APPOINTMENT:** Dennis Novak
Planning Commissioner, Citizen
Remainder of a three year term, expiring June 30, 2021

YES: Krueger, Pinkston, Porath, Cramer, Florence.
NO: None. Motion Declared Carried.

RESOLUTION TO SET THE 2018-2019 COUNCIL MEETING SCHEDULE

Resolution No. 180611-11

(Carried)

Motion by Mayor Pro Tem Pinkston
Second by Councilmember Cramer

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 2018-2019 shall be held twice each month, and further, that all meetings shall be held in the Paul D. Bueche Municipal Building 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 2018:	Monday – 9th Monday – 23rd	
August 2018:	Monday – 13th Monday – 27th	
September 2018:	Monday – 10th Monday – 24th	
October 2018:	Monday – 8th Monday – 22nd	
November 2018:	Monday– 12th Monday – 26th	
December 2018:	Monday – 3rd Monday – 10th	(One Week Earlier) (Two Weeks Earlier)
January 2019:	Monday – 14th Monday – 28th	
February 2019:	Monday – 11th Monday – 25th	
March 2019:	Monday – 11th Monday – 25th	
April 2019:	Monday – 8th Monday – 22nd	
May 2019:	Monday – 13th Tuesday – 28th Memorial Day)	(Monday 27th is
June 2019:	Monday – 10th Monday – 24th	

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.

Discussion Ensued.

YES: Krueger, Pinkston, Porath, Cramer, Florence.

NO: None. Motion Declared Carried.

RESOLUTION TO AUTHORIZE A NEGOTIATED SALE OF 5157 MORRISH ROAD

Resolution No. 180611-12

(Carried)

Motion by Councilmember Porath
Second by Councilmember Florence

WHEREAS, the City acquired a blighted residential property located at 5157 Morrish Road, PID 58-01-100-013, through the tax reversion process with the intent of eliminating and preventing blight; and

WHEREAS, the City has found no short or long term public, direct use for this property; and

WHEREAS, the city can recover invested costs for this property but cannot financially gain from the sale of this property; and

WHEREAS, the planning commission directed staff to solicit proposals for use from the general public and adjacent land owners; and

WHEREAS, an adjacent land owner and local home builder submitted proposals for use and purchase of this property; and

WHEREAS, the planning commission recommended that the preferred use is to be residential side yard as proposed by Mr. and Mrs. Vozar.

NOW, THEREFORE, BE IT RESOLVED that the Swartz Creek City Council hereby directs the city manager to engage in negotiations for a sale to Mr. and Mrs. Vozar as outlined in their proposal as included in the June 11, 2018 city council packet, with final approval to be by the Swartz Creek City Council, in accordance with the city's land sale policy and city charter.

YES: Pinkston, Porath, Cramer, Florence, Krueger.

NO: None. Motion Declared Carried.

RESOLUTION TO AUTHORIZE A NEGOTIATED SALE OF VACANT LAND AT THE INTERSECTION OF WADE AND SECOND STREET

Resolution No. 180611-13

(Carried)

Motion by Councilmember Cramer
Second by Councilmember Florence

WHEREAS, the City acquired vacant property located at Wade and Second Street, PID 58-01-502-036, through the tax reversion process with the intent of eliminating and preventing blight; and

WHEREAS, the City has found no short or long term public, direct use for this property; and

WHEREAS, the city can recover invested costs for this property but cannot financially gain from the sale of this property; and

WHEREAS, the planning commission directed staff to solicit proposals for use from the general public and adjacent land owners; and

WHEREAS, an adjacent land owner and local home builder submitted proposals for use and purchase of this property; and

WHEREAS, the planning commission recommended that the preferred use is to be residential infill housing as proposed by Woodside Builders.

NOW, THEREFORE, BE IT RESOLVED that the Swartz Creek City Council hereby directs the city manager to engage in negotiations for a sale to Woodside Builders as outlined in the proposal as included in the June 11, 2018 city council packet, with final approval to be by the Swartz Creek City Council, in accordance with the city's land sale policy and city charter.

YES: Porath, Cramer, Florence, Krueger, Pinkston.

NO: None. Motion Declared Carried.

RESOLUTION TO AMEND THE PARK RULES FOR THE PURPOSE OF ALLOWING PARK CLOSURE EXEMPTIONS TO THE NEW TRAIL

Resolution No. 180611-14

(Carried)

Motion by Councilmember Florence
Second by Councilmember Cramer

WHEREAS, the City of Swartz Creek owns, operates, and maintains public park and recreation facilities and desires to promote safe and equitable use of those facilities; and

WHEREAS, the city regulates use of city parks through the adoption of “Park Rules and Regulations” as enabled by City Ordinance Section 11-47, Park Rules and Regulations, which reads as follows: the City Council may by resolution adopt rules and regulations governing the use of parks, including prohibitions or restrictions on uses and acts within parks; and

WHEREAS, the city park and recreation commission recommends amending of the attached Park Rules and Regulations to enable use of the non-motorized paths 24 hours a day, seven days a week, as requested by the State of Michigan Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED, the Swartz Creek City Council hereby approve the amended park rules as attached.

Discussion Ensued.

YES: Cramer, Florence, Krueger, Pinkston, Porath.
NO: None. Motion Declared Carried.

**TAX REVERTED PROPERTY POTENTIAL ACQUISITION
(8002 MILLER)**

DISCUSSION

City Manager, Adam Zettel, informed the council property commonly known as Laser’s Flowers at 8002 Miller Rd. is in tax foreclosure and is available to the city for \$27,318. It is extremely time sensitive, He would like the council to direct him on the direction we would like to go. A decision would have to be made by the next council meeting. The Mayor requested that Mr. Zettel bring up this purchase to the DDA and see if they would be interested in the purchase.

Steve Shumaker, 7446 Country Meadow, commented on the possibilities of the purchase.

RESOLUTION TO APPROVE CONSUMERS ENERGY LIGHTING REMOVAL AND REPLACEMENT WORK ORDER

Resolution No. 1806118-15

(Carried)

Motion by Mayor Pro Tem Pinkston
Second by Councilmember Cramer

WHEREAS, the street lights in the city are owned and operated by Consumers Energy Company (CE), a Michigan utility with principle offices located at One Energy Plaza, Jackson MI, 49201; and

WHEREAS, CE is the sole provider of street lights, electrical delivery, and maintenance on said lights in the County of Genesee, including Swartz Creek City; and

WHEREAS, CE supplies street lighting services to the city under a current standard street lighting contract which outlines specific fixture counts and types, said contract

restated on November 1, 2014 and revised and approved by the city council as recently as April 24, 2017; and

WHEREAS, the City approved additional changes to the street lighting services agreement that include changes to lighting types and subsequent billing for LED and decorative lighting; and

WHEREAS, Consumers Energy now seeks affirmation of the work orders to remove the existing lighting and install new lighting in accordance with the restated and amended lighting contract, as well as engineered plans for the reconstruction of Daval Drive.

NOW THEREFORE, BE IT RESOLVED, it is hereby deemed advisable to authorize Consumers Energy Company to make changes in the lighting service as provided in the Standard Lighting Contract between the Company and the City of Swartz Creek, dated November 1, 2014, updated June 6, 2018, in accordance with the Authorization for Change in Standard Lighting Contract dated June 6, 2018.

BE IT FURTHER RESOLVED, the Treasurer is authorized and directed to make payment to Consumers Energy in the amount invoiced, \$23,760.

BE IT FURTHER RESOLVED, that the city agrees to the terms and conditions of forms 547 and others as included in the city council packet of June 11, 2018 and further directs the Clerk to execute said forms, resolutions, and agreements that represent the aforementioned terms and conditions.

YES: Florence, Krueger, Pinkston, Porath, Cramer.

NO: None. Motion Declared Carried.

MEETING OPENED TO THE PUBLIC:

Steve Shumaker, 7446 Country Meadow, commented on the Elms Park parking issues, the change of park rules for the trail and the tax reverted property.

REMARKS BY COUNCILMEMBERS:

Councilmember Porath personally he feels the DDA is in no position to be a landlord. A week from tomorrow our summer concerts start.

Councilmember Cramer congratulated Dennis Novak on his nomination tonight. He is glad the tagline was picked.

Councilmember Florence good to see Mason St. construction started. Nice to see the hanging baskets downtown and they are able to be watered. Good to see KFC starting work.

Mayor Pro Tem Pinkston commented on the Laser's Flower Shop.

Mayor Krueger thinks the Miller Road property would be a good investment for Mayor Pro Tem Pinkston. Happy to announce Consumers Energy is returning money to customers due to recently passed tax reform. He is glad the tagline was adopted tonight.

ADJOURNMENT

Resolution No. 180611-16

(Carried)

Motion by Councilmember Porath
Second by Councilmember Cramer

I Move the Swartz Creek City Council adjourn the regular meeting at 8:23 p.m.

Unanimous Voice Vote.

David A. Krueger, Mayor

Connie Eskew, City Clerk

REAL ESTATE PURCHASE AGREEMENT

This Agreement is made this ____ day of _____, 2018, by and between **J.W. MORGAN CONSTRUCTION, LLC.**, a Michigan limited liability company, with principal offices at 7152 Seymour Road, Swartz Creek, Michigan 48473 (“Buyer”) and the **CITY OF SWARTZ CREEK**, a Michigan Municipal Corporation, with principal offices at 8083 Civic Drive, Swartz Creek, Michigan 48473 (“Seller”).

WHEREAS, Seller is the owner of certain property described herein and desires to sell that property to Buyer under the terms and conditions which follow.

NOW, THEREFORE, Seller and Buyer hereby agree as follows:

1. **Property Description.** Buyer agrees to buy from Seller the property legally described as UNIT 89 HERITAGE VILLAGE (06) FR 5830300007
2. **Sales Price.** Buyer shall pay the sum of Eleven Thousand Dollars (\$11,000.00) to Seller no later than September 30, 2018.
3. **Title Evidence.** The Seller agrees to quit claim the property to Buyer.
4. **Taxes and Assessments.** There are no unpaid real estate taxes or assessments on the property.
5. **Building Conditions and Restrictions.**
 - (a) all construction shall take place within the building envelope and consistent with the architectural style approved by the Heritage Village Condominium Association;
 - (b) buyer shall complete construction and obtain a final Certificate of Occupancy no later than December 31, 2018;
6. **Default.** If Buyer defaults, all right, title and interest in the property shall revert to Seller in addition to any other legal remedies that Seller may pursue.
7. **Heirs and Successors.** This contract binds Buyer, Seller, their personal representatives and heirs, and anyone succeeding to their interest in the property. Buyer shall not assign this contract without Seller’s prior written permission.
8. **Contingency.** The sale is contingent upon approval by resolution of the Swartz Creek City Council.

BUYER:

SELLER:

JEREMY MORGAN

CITY OF SWARTZ CREEK, a Michigan
Municipal Corporation,

By: _____

By: _____

Its Mayor

By: _____

By: _____

Its City Clerk

Witness:

Witness:

Approved as to form:

Michael J. Gildner, City Attorney

QUITCLAIM DEED

On _____, 2018, the City of Swartz Creek, a home rule city, whose address is 8083 Civic Drive, Swartz Creek, Michigan 48473 ("Grantor"), quitclaims to J.W. MORGAN CONSTRUCTION, LLC., whose address is 7152 Seymour Road, Swartz Creek, Michigan 48473, ("Grantee"), the real property commonly known as Unit 89 of Heritage Village, in the City of Swartz Creek, County of Genesee, Michigan, and described as:

UNIT 89 HERITAGE VILLAGE (06) FR 5830300007

("the Property"), Parcel No. 58-30-651-091

For a sum of Eleven Thousand Dollars (\$11,000.00),

subject to any easements and building and use restrictions of record and the lien of taxes not yet due and payable.

Grantor grants to Grantee the right to make all divisions of record under Section 108 of the Land Division Act, PA 228 of 1967.

This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

This transfer is exempt from real estate transfer taxes under MCL 207.505(h)(i) & 207.526(h)(i).

This transfer is being made to Grantee with the understanding and agreement that Grantee will use and develop the Property as specified in the Purchase Agreement executed by the parties and on file at City Offices and, in the event that the Property is not used and developed as such, all right, title and interest in the Property will revert to the City.

City of Swartz Creek

Dated: _____

By: Adam Zettel

STATE OF MICHIGAN}
COUNTY OF GENESEE}

The foregoing instrument was acknowledged before me this ____ day of _____ 2018, by the City of Swartz Creek, by _____, Its _____.

Notary Public, Genesee County, Michigan
Acting in Genesee County, Michigan
My commission expires:

When Recorded Return to
and send subsequent tax bills to:
J.W. MORGAN CONSTRUCTION, LLC.,
7152 Seymour Road
Swartz Creek, Michigan 48473

Prepared By:
Michael J. Gildner
Simen, Figura & Parker, P.L.C
5206 Gateway Centre, Suite 200
Flint, Michigan 48507
(810) 235-9000

Tax Parcel No. _____ Recording Fee \$ _____ Revenue Stamps

REAL ESTATE PURCHASE AGREEMENT

This Agreement is made this ____ day of _____, 2018, by and between **J.W. MORGAN CONSTRUCTION, LLC.**, a Michigan limited liability company, with principal offices at 7152 Seymour Road, Swartz Creek, Michigan 48473 (“Buyer”) and the **CITY OF SWARTZ CREEK**, a Michigan Municipal Corporation, with principal offices at 8083 Civic Drive, Swartz Creek, Michigan 48473 (“Seller”).

WHEREAS, Seller is the owner of certain property described herein and desires to sell that property to Buyer under the terms and conditions which follow.

NOW, THEREFORE, Seller and Buyer hereby agree as follows:

1. **Property Description.** Buyer agrees to buy from Seller the property legally described as UNIT 90 HERITAGE VILLAGE (06) FR 5830300007
2. **Sales Price.** Buyer shall pay the sum of Eleven Thousand Dollars (\$11,000.00) to Seller no later than September 30, 2018.
3. **Title Evidence.** The Seller agrees to quit claim the property to Buyer.
4. **Taxes and Assessments.** There are no unpaid real estate taxes or assessments on the property.
5. **Building Conditions and Restrictions.**
 - (a) all construction shall take place within the building envelope and consistent with the architectural style approved by the Heritage Village Condominium Association;
 - (b) buyer shall complete construction and obtain a final Certificate of Occupancy no later than December 31, 2018;
6. **Default.** If Buyer defaults, all right, title and interest in the property shall revert to Seller in addition to any other legal remedies that Seller may pursue.
7. **Heirs and Successors.** This contract binds Buyer, Seller, their personal representatives and heirs, and anyone succeeding to their interest in the property. Buyer shall not assign this contract without Seller’s prior written permission.
8. **Contingency.** The sale is contingent upon approval by resolution of the Swartz Creek City Council.

BUYER:

SELLER:

JEREMY MORGAN

CITY OF SWARTZ CREEK, a Michigan
Municipal Corporation,

By: _____

By: _____

Its Mayor

By: _____

By: _____

Its City Clerk

Witness:

Witness:

Approved as to form:

Michael J. Gildner, City Attorney

QUITCLAIM DEED

On _____, 2018, the City of Swartz Creek, a home rule city, whose address is 8083 Civic Drive, Swartz Creek, Michigan 48473 ("Grantor"), quitclaims to J.W. MORGAN CONSTRUCTION, LLC., whose address is 7152 Seymour Road, Swartz Creek, Michigan 48473, ("Grantee"), the real property commonly known as Unit 90 of Heritage Village, in the City of Swartz Creek, County of Genesee, Michigan, and described as:

UNIT 90 HERITAGE VILLAGE (06) FR 5830300007

("the Property"), Parcel No. 58-30-651-092

For a sum of Eleven Thousand Dollars (\$11,000.00),

subject to any easements and building and use restrictions of record and the lien of taxes not yet due and payable.

Grantor grants to Grantee the right to make all divisions of record under Section 108 of the Land Division Act, PA 228 of 1967.

This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

This transfer is exempt from real estate transfer taxes under MCL 207.505(h)(i) & 207.526(h)(i).

This transfer is being made to Grantee with the understanding and agreement that Grantee will use and develop the Property as specified in the Purchase Agreement executed by the parties and on file at City Offices and, in the event that the Property is not used and developed as such, all right, title and interest in the Property will revert to the City.

City of Swartz Creek

Dated: _____

By: Adam Zettel

STATE OF MICHIGAN}
COUNTY OF GENESEE}

The foregoing instrument was acknowledged before me this ____ day of _____ 2018, by the City of Swartz Creek, by _____, Its _____.

Notary Public, Genesee County, Michigan
Acting in Genesee County, Michigan
My commission expires:

When Recorded Return to
and send subsequent tax bills to:
J.W. MORGAN CONSTRUCTION, LLC.,
7152 Seymour Road
Swartz Creek, Michigan 48473

Prepared By:
Michael J. Gildner
Simen, Figura & Parker, P.L.C
5206 Gateway Centre, Suite 200
Flint, Michigan 48507
(810) 235-9000

Tax Parcel No. _____ Recording Fee \$ _____ Revenue Stamps



**GENESEE COUNTY
OFFICE OF THE TREASURER**

1101 Beach Street, Suite 144
Flint, Michigan 48502-1475
Telephone (810) 257-3054
Fax (810) 257-3885

Deborah L. Cherry

DATE: May 31, 2018
TO: Local Unit Clerks
FROM: Deborah L. Cherry, Treasurer
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. If property purchased by a city, village township or county under this subsection 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 for the year in which the property was purchased by the city, village, township, or county or, if this state is the foreclosing governmental unit within a county, to the land reutilization fund created under section 78n.

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. (Any reversals are noted in the last column of the schedule.)

If you are interested in acquiring any of the parcels in your unit, contact Carla Vandefifer and the required agreement will be forwarded to you for signatures.

The deadline to acquire property from the 2018 foreclosures is July 9, 2018.

If you have any questions, please feel free to call Carla at (810) 257-2243 or email at cvandefifer@co.genesee.mi.us.

cc: Unit Treasurer
Unit Assessor

C/V/T	UNIT NAME	Property Number	Property Address	Minimum Bid
City	Swartz Creek	58-35-576-049	8002 MILLER RD SWARTZ CREEK	27,318

Grantor	Grantee	Sale Price	Sale Date	Inst. Type	Terms of Sale	Liber & Page	Verified By	Prcnt. Trans.
KETZLER INVESTMENTS LLC	BUSH ENTERPRISES LLC	169,200	04/06/2005	WD	ARMS-LENGTH	20050413003		100.0
KETZLER, TONYA	KETZLER INVESTMENTS LC	0	03/24/2005	QC	INVALID SALE	20050413003		0.0
KETZLER, DAVID C & PEGGY	KETZLER, TONYA L	0	01/08/1999	QC	INVALID SALE	4063/655		0.0

Property Address	Class: COMMERCIAL IMPROV	Zoning: CBD (Building Permit(s)	Date	Number	Status
8002 MILLER RD	School: SWARTZ CREEK		SIGN	09/29/2009	09-052	COMPLETED

Owner's Name/Address	MAP #:
BUSH ENTERPRISES LLC PO BOX 282 SWARTZ CREEK MI 48473-0282	2018 Est TCV 142,358 TCV/TFA: 55.52

X	Improved	Vacant	Land Value Estimates for Land Table COM.COMMERCIAL-MILLER RD

Tax Description	Public Improvements	* Factors *	Description	Frontage	Depth	Front	Depth	Rate	%Adj.	Reason	Value	
LOT 58 SUPERVISORS PLAT OF SWARTZ CREEK ISLER REV TRUST, DONALD K	Dirt Road		\$700/FF	30.00	77.00	1.8257	0.6205	700	100		23,790	
	Gravel Road		30 Actual Front Feet, 0.05 Total Acres								Total Est. Land Value =	23,790

Comments/Influences	Land Improvement Cost Estimates

Description	Rate	CountyMult.	Size	%Good	Cash Value	
Commercial/Industrial Local Cost Land Improvements						
Description	Rate	CountyMult.	Size	%Good	%Arch.Mult	Cash Value
CONCRETE PAVING	2.10	1.00	476.0	70	100	700
Total Estimated Land Improvements True Cash Value =						700

Topography of Site

Level	Year	Land Value	Building Value	Assessed Value	Board of Review	Tribunal/Other	Taxable Value
Rolling	2018	11,900	59,300	71,200			71,200S
Low	2017	11,900	77,200	89,100			81,228C
High	2016	11,900	75,600	87,500			80,504C
Landscaped	2015	7,400	74,700	82,100			80,264C
Swamp							
Wooded							
Pond							
Waterfront							
Ravine							
Wetland							
Flood Plain							



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*** Information herein deemed reliable but not guaranteed***

Desc. of Bldg/Section: INTERIOR DESIGN WORKSHOP/OFFIC
 Calculator Occupancy: Office Building

Class: D
 Floor Area: 1,619
 Gross Bldg Area: 2,564
 Stories Above Grd: 1
 Average Sty Hght : 10
 Bsmnt Wall Hght : 7

Depr. Table : 1.5%
 Effective Age : 24
 Physical %Good: 70
 Func. %Good : 100
 Economic %Good: 100

Year Built
 Remodeled

Overall Bldg
 Height

Comments:

Construction Cost

High	Above Ave.	Ave.	X	Low
------	------------	------	---	-----

** ** Calculator Cost Data ** **
 Quality: Average Adj: %+0 \$/SqFt:0.00
 Heat#1: Package Heating & Cooling 100
 Heat#2: Package Heating & Cooling 0%
 Ave. SqFt/Story: 1619
 Ave. Perimeter: 189
 Has Elevators:

*** Basement Info ***
 Area: 238
 Perimeter: 68
 Type: Storage
 Heat: Hot Water, Radiant Floor

* Mezzanine Info *
 Area #1:
 Type #1:
 Area #2:
 Type #2:

* Sprinkler Info *
 Area:
 Type: Average

<<<<< Calculator Cost Computations >>>>>

Class: D Quality: Average Percent Adj: +0

Base Rate for Upper Floors = 73.65
 Storage Basement, Base Rate for Basement = 23.25

(10) Heating system: Package Heating & Cooling Cost/SqFt: 2.30 100%
 Bsmnt Heating system: Hot Water, Radiant Floor Cost/SqFt: 9.35
 Elevator Adjustment (Applied to upper floors rate) Cost/Sq.Ft.: -1.50
 Adjusted Square Foot Cost for Upper Floors = 74.45
 Adjusted Square Foot Cost for Basement = 32.60

1 Stories Number of Stories Multiplier: 1.000
 Average Height per Story: 10 Height per Story Multiplier: 0.950
 Ave. Floor Area: 1,619 Perimeter: 189 Perim. Multiplier: 1.168
 Basement Area: 238 Perimeter: 68 Basement Perim. Multiplier: 1.654
 Basement Height: 7 Basement Height Multiplier: 0.900
 Refined Square Foot Cost for Upper Floors: 82.61
 Refined Square Foot Cost for Basement: 48.53

County Multiplier: 1.49, Final Square Foot Cost for Upper Floors = 123.088
 for Basement = 72.307

Total Floor Area: 1,619 Base Cost New of Upper Floors = 199,280
 Basement Area: 238 Base Cost New of Basement = 17,209

Reproduction/Replacement Cost = 216,489

<<<<< Calculations too long. See Valuation printout for complete pricing. >>>>>

(1) Excavation/Site Prep:				(7) Interior:				(11) Electric and Lighting:				(39) Miscellaneous:			
(2) Foundation:				(8) Plumbing:				Outlets:				Fixtures:			
X	Poured Conc	Brick/Stone	Block	Many Above Ave.	Average Typical	Few None					Few Average	Many Average	Unfinished Typical	Unfinished Typical	
(3) Frame:				Total Fixtures				Flex Conduit				Incandescent			
				3-Piece Baths				Rigid Conduit				Fluorescent			
				2-Piece Baths				Armored Cable				Mercury			
				Shower Stalls				Non-Metallic				Sodium Vapor			
				Toilets				Bus Duct				Transformer			
(4) Floor Structure:				(9) Sprinklers:				(13) Roof Structure:				(40) Exterior Wall:			
								Slope=0				Thickness			
(5) Floor Cover:				(10) Heating and Cooling:				(14) Roof Cover:				Bsmnt Insul.			
				Gas Oil											
(6) Ceiling:				Coal Stoker											
				Hand Fired Boiler											

*** Information herein deemed reliable but not guaranteed***

Desc. of Bldg/Section: 2ND FLOOR Calculator Occupancy: Apartment		<<<< Calculator Cost Computations >>>> Class: D,Siding Quality: Low Cost Percent Adj: +0						
Class: D,Siding Floor Area: 945 Gross Bldg Area: 2,564 Stories Above Grd: 1 Average Sty Hght : 10 Bsmnt Wall Hght		Construction Cost <table border="1"> <tr> <td>High</td> <td>Above Ave.</td> <td>Ave.</td> <td>X</td> <td>Low</td> </tr> </table> Base Rate for Upper Floors = 44.45		High	Above Ave.	Ave.	X	Low
High	Above Ave.	Ave.	X	Low				
Depr. Table : 1.5% Effective Age : 24 Physical %Good: 70 Func. %Good : 75 Economic %Good: 100		** ** Calculator Cost Data ** ** Quality: Low Cost Adj: %+0 \$/SqFt:0.00 Heat#1: Package Heating & Cooling 100 Heat#2: Heat Pump System 0% Ave. SqFt/Story: 945 Ave. Perimeter: 124 Has Elevators:						
Year Built Remodeled Overall Bldg Height		Area: Perimeter: Type: Heat: Hot Water, Radiant Floor						
Comments:		*** Basement Info *** Area #1: Type #1: Area #2: Type #2: * Mezzanine Info * Area: Type: Low						
		(10) Heating system: Package Heating & Cooling Cost/SqFt: 3.50 100% Adjusted Square Foot Cost for Upper Floors = 47.95 1 Stories Number of Stories Multiplier: 1.000 Average Height per Story: 10 Height per Story Multiplier: 1.000 Ave. Floor Area: 945 Perimeter: 124 Perim. Multiplier: 1.176 Refined Square Foot Cost for Upper Floors: 56.39 County Multiplier: 1.49, Final Square Foot Cost for Upper Floors = 84.020 Total Floor Area: 945 Base Cost New of Upper Floors = 79,399 Reproduction/Replacement Cost = 79,399 Eff.Age:24 Phy.%Good/Abnr.Phy./Func./Econ./Overall %Good: 70 /100/75 /100/52.5 Total Depreciated Cost = 41,684 ECF (COMMERCIAL) 0.610 => TCV of Bldg: 2 = 25,427 Replacement Cost/Floor Area= 84.02 Est. TCV/Floor Area= 26.91						

(1) Excavation/Site Prep:		(7) Interior:		(11) Electric and Lighting:		(39) Miscellaneous:			
(2) Foundation:		(8) Plumbing:		Outlets:					
X Poured Conc	Brick/Stone	Block	Many Above Ave.	Average Typical	Few None	Few Average Many Unfinished Typical	Few Average Many Unfinished Typical		
(3) Frame:		Total Fixtures 3-Piece Baths 2-Piece Baths Shower Stalls Toilets		Urinals Wash Bowls Water Heaters Wash Fountains Water Softeners		Flex Conduit Rigid Conduit Armored Cable Non-Metalic Bus Duct		Incandescent Fluorescent Mercury Sodium Vapor Transformer	
(4) Floor Structure:								(40) Exterior Wall:	
(5) Floor Cover:				(9) Sprinklers:				Thickness	
(6) Ceiling:						(13) Roof Structure: Slope=0		Bsmnt Insul.	
				(10) Heating and Cooling:					
		Gas Oil		Coal Stoker		Hand Fired Boiler			
						(14) Roof Cover:			

*** Information herein deemed reliable but not guaranteed***



michigan municipal league

Liability & Property Pool

Proposal

for the

City of Swartz Creek

Presented By:

Brian Steckroth
Service Provider: Meadowbrook, Inc.
(248) 204-8283

June 22, 2018

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This proposal is intended to be only a summary of coverages and services. For specific details on coverage terms and conditions, please refer to the Michigan Municipal League Liability and Property Pool coverage document.

Executive Overview

The Michigan Municipal League Liability and Property Pool is administered by the Risk Management staff of the Michigan Municipal League, and serviced by Meadowbrook, Inc. Since 1982, the Pool has been a stable source of comprehensive municipal insurance and risk management services. It is financially secure and positioned for long-term stability.

The **City of Swartz Creek** has been a Pool member since **1985**.

The League administrative staff and the dedicated Pool staff at Meadowbrook, Inc. are municipal insurance experts. Municipal risk management is our only business, and we're proud of it!

The Pool provides insurance coverage designed specifically for Michigan municipal exposures, combined with a package of loss control programs, claims administration, legal defense and membership services that you won't find anywhere else in Michigan.

This quotation is based on the limits of coverage requested by the **City of Swartz Creek**. Higher limits may be available, subject to underwriting review by Pool Management. Please submit requests for higher limits in writing to your Account Executive. Your request will be considered by Pool Management.

The insurance and related services described more fully in this proposal are being offered to the **City of Swartz Creek** for an annual premium of **\$42,084**. When compared to last year's cost of \$40,422, it represents a premium increase of \$1,662. (In addition, the MML Liability & Property Pool Board of Trustees voted to return another post-renewal dividend for Members renewing in 2018. The **City of Swartz Creek's** portion of the dividend return is \$4,082. The **City of Swartz Creek** will receive this dividend in the month following payment of your 2018 renewal premium.)

We encourage you to compare the Pool with our competition. Compare us based on price, coverage, service, financial security, experience and commitment to municipal risk management. When you do, the advantages of Pool membership become clear.

Thank you for being a Pool member. We look forward to servicing your risk management program for many years to come.

Our Mission

To be a long-term, stable, cost-effective risk management alternative for members of the Michigan Municipal League Liability and Property Pool.

Introduction

What You Can Expect Of Us

- ✓ A commitment to learn, understand and respond to your insurance needs;
- ✓ Continuous planning and innovation in product development and service delivery;
- ✓ Products that meet your needs in terms of price, coverage and service;
- ✓ Prompt, accurate, and courteous response to your questions, problems and claims; and
- ✓ Knowledgeable and professional staff serving your needs consistently and with integrity.

Your Pool Insures More Than . . .

- ✓ 425 Public Entity Members
- ✓ 141 Fire Departments
- ✓ 172 Law Enforcement Agencies
- ✓ 2,217 Police Officers
- ✓ 5,772 Miles of Streets/Roads
- ✓ 6,617 Vehicles
- ✓ 16 Electric Utilities
- ✓ 24 Municipal Marinas
- ✓ \$5 Billion of Property Values
- ✓ 195 Water Service Operations
- ✓ 215 Sewer Plant Operations

Coverage and Cost Summary City Of Swartz Creek

Effective 07-01-2018 to 07-01-2019

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Municipal General Liability (Coverage A)	\$10,000,000	N/A	\$0
Mundy Township	\$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
Mundy Township	\$10,000,000	N/A	\$0
Law Enforcement Liability (Coverages A, B, and D)	No Coverage	N/A	N/A
Employee Benefit Liability	\$1,000,000	\$1,000,000	\$0
Fire Legal Liability	\$100,000	N/A	N/A
Cyber Liability & Data Breach Response	\$100,000	\$100,000	See Declaration
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>	
10	\$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.

Property

Property - Blanket Basis	\$10,190,692	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 - Actual Cash Value	N/A	N/A	N/A
Property - Limited Replacement Cost	N/A	N/A	N/A
Property - No Coverage	See Schedule	N/A	N/A
Property - Replacement Cost	See Schedule	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

Coverage and Cost Summary City Of Swartz Creek

Effective 07-01-2018 to 07-01-2019

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Debris Removal - the lesser of 25% of physical damage loss or	\$5,000,000	\$5,000,000	N/A
Demolition & Increased Costs of Construction Limit	\$100,000	N/A	N/A
Earth Movement	\$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
Fungal Pathogens	\$25,000	\$25,000	\$250
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
Radio Equipment	\$42,448	N/A	\$250
Valuable Papers	\$100,000	N/A	\$250
<u>Comprehensive Crime Coverage</u>			
Employee Dishonesty Blanket/Faithful Performance	\$100,000	N/A	N/A
Computer Fraud	\$100,000	N/A	N/A
Depositors Forgery	\$100,000	N/A	N/A
Funds Transfer Fraud	\$100,000	N/A	N/A
Impersonation Fraud	\$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
<u>Bonds</u>			
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 \$42,084.

Your Team of Experts



Brian Steckroth
Account Executive
(248) 204-8283



Michael J. Forster
Pool Administrator
(734) 669-6340



Ellen Skender
248-204-8582



Joan Opett
248-204-8579

Customer Service Representatives



Mark Ott
Claims Supervisor
(616) 942-0311, ext. 4123



Rod Pearson
Loss Control Supervisor
(248) 204-8036

Benefits of Pooling with the MML

- ✓ Proven long-term availability and stability
- ✓ Broad coverage document written specifically for Michigan municipalities
- ✓ Services tailored to unique needs of Michigan municipalities
- ✓ Member assets controlled by an elected Board of municipal officials
- ✓ Equitable rating based on Pool experience in Michigan
- ✓ Aggressive defense strategy – positive impact on case law
- ✓ Professional, dedicated, and experienced local management, oversight and service
- ✓ Decisions made and problems resolved by a group of your peers
- ✓ Investment income and underwriting surplus used to benefit members
- ✓ Lower expenses through tax-exempt and non-profit status
- ✓ Special loss avoidance training sessions including:
 - ✓ Safety aspects of emergency vehicle operations
 - ✓ Accident investigation for supervisors
 - ✓ Confined spaces training

The advantages of pooling can be summarized by:

Service + Control + Value

City of Swartz Creek Has . . .

- ✓ \$663,629 Annual Payroll
- ✓ \$10,190,692 of total values for real and personal property
- ✓ 0 Law enforcement officers
- ✓ 10 Vehicles

Increased Liability Limits

We cannot guarantee the adequacy of any limit of liability. Due to the following factors, it may be prudent to consider higher limits:

- ✓ Increased jury awards in your jurisdiction
- ✓ Increased litigation trends
- ✓ Protection of tax base against judgments in excess of your policy limits

If you are interested in increasing your liability limits, please contact your Account Executive.

Highlights of Coverages Provided

Who Is Insured?

The Pool member entity, elected and appointed officials, employees and authorized volunteers, and any person officially appointed to a Board or Commission

General Liability

In addition to standard liability coverages (bodily injury, property damage, products and completed operations) the Pool provides coverages that municipalities need on an **occurrence basis with no aggregate liability limits**:

- ✓ Liability resulting from mutual aid agreements
- ✓ Premises medical payments
- ✓ Host liquor liability
- ✓ Watercraft liability, owned less than 26' and non-owned less than 50'
- ✓ Special events **excluding** -
 - Fireworks (unless endorsed)
 - Liquor Liability
 - Mechanical Amusement Rides
- ✓ Fire legal liability for real property
- ✓ Ambulance and EMT malpractice

Fireworks Coverage Options: (Fireworks application must be completed before coverage is endorsed)

1. The MML Liability & Property Pool is primary (the Member is not added as an additional insured on a pyrotechnician's coverage):

Annual Aggregate Sublimit	Additional Premium
\$500,000	Yes
\$1,000,000	Yes
2. The MML Liability & Property Pool is excess (the Member is added as an additional insured on a pyrotechnician's coverage):

NO ADDITIONAL PREMIUM

- ✓ Athletic participation liability
- ✓ Employee benefit liability
- ✓ Cemetery operations coverage
- ✓ Marina Operators coverage available
- ✓ Up to \$10 million in liability limits available
- ✓ Pollution coverage for Hazardous Response Teams
- ✓ Cyber Liability and Data Breach Response Coverage – as described on MMLCYD (09/17)

General Liability Exclusions . . .

The following is a partial list of general liability coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Pollution (except for Hazmat operations).
- ✓ Nuclear energy / nuclear material hazards
- ✓ Expected or intended injury
- ✓ Breach of contract
- ✓ Failure of dams (unless endorsed)
- ✓ Backup of Sewers and Drains (**exception -- \$100,000 Annual Aggregate Sublimit for Sewer and Drain Liability**)
- ✓ Aircraft Liability – (Unless Endorsed -- Limited Coverage for Unmanned Aircraft—MML236)
- ✓ Contractual Liability
- ✓ Failure to supply utilities
- ✓ Electromagnetic radiation
- ✓ Medical malpractice for doctors and physicians
- ✓ Criminal activity--Intentional acts w/knowledge of wrongdoing

Cyber Liability and Data Breach Response Coverage

- ✓ Information Security and Privacy Liability
- ✓ Privacy Breach Response Services
- ✓ Regulatory Defense and Penalties
- ✓ Website Media Content Liability
- ✓ PCI Fines, Expenses and Costs
- ✓ Cyber Extortion
- ✓ First Party Data Protection
- ✓ First Party Business Interruption

Public Officials Liability Coverage

“Wrongful Acts”, including intentional acts, defined as any actual or alleged error, misstatement, act of omission, neglect or breach of duty including:

- ✓ Neglect of duty
- ✓ Zoning defense and land use litigation
- ✓ Malfeasance
- ✓ Violation of civil rights
- ✓ Discrimination
- ✓ Employment practices
- ✓ Misfeasance
- ✓ Cable TV broadcasting

Public Officials Liability Exclusions

The following is a partial list of public officials’ liability coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Pollution and Nuclear Energy
- ✓ Fraud, dishonesty, intentional and criminal acts
- ✓ Failure to purchase coverage or adequate coverage
- ✓ Return of governmental grants or subsidies
- ✓ Intentional acts with knowledge of wrongdoing
- ✓ Eminent domain / takings
- ✓ Illegal profit
- ✓ Labor union actions
- ✓ ERISA violations
- ✓ Backup of Sewers and Drains

Personal Injury & Advertising / Broadcasters Liability Coverage

- ✓ Mental anguish and stress
- ✓ Libel, slander or defamation of character; violation of an individual’s right of privacy
- ✓ Proactive services for non-monetary damage claims

Police Professional Liability Coverage

Police Professional Liability coverage is contained within the General Liability and Public Official Liability Coverage Parts

- ✓ Discrimination
- ✓ Violation of civil rights
- ✓ Jail operations
- ✓ False arrest, detention or imprisonment, or malicious prosecution
- ✓ Wrongful entry or eviction or other invasion of the right of private occupancy
- ✓ Assault or battery
- ✓ Improper service of suit
- ✓ Coverage assumes officers act with intent

Property Coverage

In addition to covering buildings, contents and personal property, the Pool provides:

- ✓ Blanket coverage -- All member-owned property insured (unless specifically excluded)
- ✓ Coverage based on ownership rather than on a "schedule on file" avoids coverage gaps due to errors or oversight
- ✓ Property of others in custody of the Member for which the Member has an obligation to provide coverage
- ✓ Boiler & Machinery coverage, including Boiler certification inspections
- ✓ Replacement Cost or Actual Cash Value available
- ✓ Fungal Pathogens (Mold) Limited Coverage
- ✓ Demolition/increased cost of construction
- ✓ No coinsurance
- ✓ Valuable papers
- ✓ Loss of Rents
- ✓ Property in the open
- ✓ Extra expense
- ✓ Expediting expense

Property Exclusions

The following is a partial list of property coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Nuclear reaction/ contamination
- ✓ War
- ✓ Cyber Risk
- ✓ Fungal Pathogens (Mold) excess of sub-limit
- ✓ Failure to supply utilities
- ✓ Transmission Lines and Poles
- ✓ Dishonest acts
- ✓ Acts of Terrorism excess of Pool's Aggregate Sublimit -- MMLC TR (9/1/10)
- ✓ Wear and tear
- ✓ Computer failures/ viruses

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

Comprehensive Crime Coverage

- ✓ Employee Dishonesty/ Faithful Performance of Duty coverage provided on a blanket basis
- ✓ Loss Inside the Premises
- ✓ Loss Outside the Premises
- ✓ Money Orders/ Counterfeit Currency
- ✓ Depositors Forgery
- ✓ Position Fidelity Bonds
- ✓ Computer Fraud
- ✓ Funds Transfer Fraud

Automobile Coverage Highlights

What Is Covered?

Coverage is afforded while operating land motor vehicles, trailers or semi-trailers designed for travel on public roads.

Auto Coverages Provided

- ✓ Michigan No-Fault Coverage, includes mini-tort coverage for no extra charge
- ✓ Excess protection for use of personal automobile for municipal business
- ✓ Uninsured motorist for municipally owned vehicles
- ✓ Underinsured motorists
- ✓ Non-owned and hired auto
- ✓ Comprehensive - actual cash value basis
- ✓ Collision - actual cash value basis
- ✓ Volunteer firefighter auto accident liability coverage
- ✓ Agreed value coverage for emergency vehicles is available
- ✓ Fire or Rescue Vehicle Rental Reimbursement Coverage

Pool Risk Management Services

- ✓ Review and service of all municipal insurance matters
- ✓ Public entity experts address various liability issues
- ✓ Aggressive, member-oriented defense strategy
- ✓ Former police officials address law enforcement risks
- ✓ Physical inspection by municipal loss control consultants
- ✓ Law enforcement risk control programs (LEAF and LERC)
- ✓ Property appraisal services available

Online Services

www.mml.org (click on the *Insurance* button) – offers Pool members an outstanding resource for municipal risk management information and self-help tools in one attractive, simple-to-navigate location. File a claim on line. Download your renewal application. Request a loss control service visit. E-mail us a question. Other services available online:

- ✓ Online Forms (including Sewer Backup Sample Documents)
- ✓ Risk Resources:
 - ✓ Risk Control Solutions
 - ✓ Safety & Health Manual
 - ✓ Risk Management is Good Management Program
 - ✓ Law Enforcement Newsletters
 - ✓ Access to Safetysurance website -- <http://www.safetysurance.com/>
- ✓ MML Pool Audited Financial Statements
- ✓ Intergovernmental Contract
- ✓ Board of Directors, Pool Administrator and Staff Profiles and Contact Information

Membership Responsibilities

Membership in the Michigan Municipal League Liability and Property Pool provides numerous benefits. Likewise, individual members have certain responsibilities to the other members, which are detailed in the Intergovernmental Contract. The following is a summary of the membership responsibilities. Please refer to the Intergovernmental Contract, Articles 5 and 6, for more information.

- ✓ If a Member intends to leave the Pool, the Member must send a written notice to the Pool at least 60 days prior to its next renewal date.
- ✓ A Member must pay its premium when due. The Pool must give each member 20 days written notice of intent to terminate membership for nonpayment of premium. Payment of premium before the 20 days notice is effective will entitle the Member to reinstatement.
- ✓ Members must maintain membership or associate membership status in the Michigan Municipal League.
- ✓ A Member will allow attorneys employed by the Pool to represent the Member in defense of any claim made against the Member within the scope of coverage provided by the Pool. A Member will cooperate with the assigned attorneys, claims adjusters, service company or other agents of the Pool relating to the defense of claims for which the Pool is providing coverage.
- ✓ A Member will follow loss reduction and prevention measures established by the Pool.
- ✓ A Member will report to the Pool as promptly as possible all incidents that the Member reasonably believes may result in a claim against the Member.

REAL ESTATE PURCHASE AGREEMENT

This Agreement is made this ____ day of _____, 2018, by and between **MICHAEL VOZAR.**, a married man, with principal residence at 5151 Morrish Road, Swartz Creek, Michigan 48473 (“Buyer”) and the **CITY OF SWARTZ CREEK**, a Michigan Municipal Corporation, with principal offices at 8083 Civic Drive, Swartz Creek, Michigan 48473 (“Seller”).

WHEREAS, Seller is the owner of certain property described herein and desires to sell that property to Buyer under the terms and conditions which follow.

NOW, THEREFORE, Seller and Buyer hereby agree as follows:

1. **Property Description.** Buyer agrees to buy from Seller the property legally described as A PARCEL OF LAND BEG AT SW COR OF NW ¼ OF NW FR ¼ TH E 10 RDS TH N 5 RDS TH W 10 RDS TH S 5 RDS TO PLACE OF BEG SEC 01 T6N R5E .31 A; Parcel ID: 58-01-100-013
2. **Sales Price.** Buyer shall pay the sum of Twelve Thousand Dollars (\$12,000.00) to Seller no later than September 30, 2018.
3. **Title Evidence.** The Seller agrees to quit claim the property to Buyer.
4. **Taxes and Assessments.** There are no unpaid real estate taxes or assessments on the property.
5. **Conditions and Restrictions.**
 - (a) parcel shall be combined with 5151 Morrish Road prior to December 31, 2018;
 - (b) buyer agrees to waive any current or future rights to curb cuts for parcel;
 - (c) seller shall afford buyer the first right of refusal for sale of parcel at the price of Twelve Thousand Dollars (\$12,000) for a period of five years from date of sale;
6. **Default.** If Buyer defaults, all right, title and interest in the property shall revert to Seller in addition to any other legal remedies that Seller may pursue.
7. **Heirs and Successors.** This contract binds Buyer, Seller, their personal representatives and heirs, and anyone succeeding to their interest in the property. Buyer shall not assign this contract without Seller’s prior written permission.
8. **Contingency.** The sale is contingent upon approval by resolution of the Swartz

Creek City Council.

BUYER:

MICHAEL VOZAR

By: _____

By: _____

Witness:

SELLER:

CITY OF SWARTZ CREEK, a Michigan
Municipal Corporation,

By: _____

Its Mayor

By: _____

Its City Clerk

Witness:

Approved as to form:

Michael J. Gildner, City Attorney

QUITCLAIM DEED

On _____, 2018, the City of Swartz Creek, a home rule city, whose address is 8083 Civic Drive, Swartz Creek, Michigan 48473 ("Grantor"), quitclaims to Michael Vozar, whose address is 5151 Morrish Road, Swartz Creek, Michigan 48473, ("Grantee"), the real property commonly known 5157 Morrish Road, in the City of Swartz Creek, County of Genesee, Michigan, and described as:

A PARCEL OF LAND BEG AT SW COR OF NW ¼ OF NW FR ¼ TH E 10 RDS TH N 5 RDS TH W 10 RDS TH S 5 RDS TO PLACE OF BEG SEC 01 T6N R5E .31 A

("the Property"), Parcel No. 58-01-100-013

For a sum of Twelve Thousand Dollars (\$12,000.00),

subject to any easements and building and use restrictions of record and the lien of taxes not yet due and payable.

Grantor grants to Grantee the right to make all divisions of record under Section 108 of the Land Division Act, PA 228 of 1967.

This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

This transfer is exempt from real estate transfer taxes under MCL 207.505(h)(i) & 207.526(h)(i).

This transfer is being made to Grantee with the understanding and agreement that Grantee will use and develop the Property as specified in the Purchase Agreement executed by the parties and on file at City Offices and, in the event that the Property is not used and developed as such, all right, title and interest in the Property will revert to the City.

City of Swartz Creek

Dated: _____

By: Adam Zettel

STATE OF MICHIGAN}
COUNTY OF GENESEE}

The foregoing instrument was acknowledged before me this ____ day of _____ 2018, by the City of Swartz Creek, by _____, Its _____.

Notary Public, Genesee County, Michigan
Acting in Genesee County, Michigan
My commission expires:

When Recorded Return to
and send subsequent tax bills to:
J.W. MORGAN CONSTRUCTION, LLC.,
7152 Seymour Road
Swartz Creek, Michigan 48473

Prepared By:
Michael J. Gildner
Simen, Figura & Parker, P.L.C
5206 Gateway Centre, Suite 200
Flint, Michigan 48507
(810) 235-9000

Tax Parcel No. _____ Recording Fee \$ _____ Revenue Stamps _____

REAL ESTATE PURCHASE AGREEMENT

This Agreement is made this ____ day of _____, 2018, by and between **WOODSIDE BUILDERS**, a Michigan Corporation, with principal residence at 6007 Miller Road, Suite 9, Swartz Creek, Michigan 48473 (“Buyer”) and the **CITY OF SWARTZ CREEK**, a Michigan Municipal Corporation, with principal offices at 8083 Civic Drive, Swartz Creek, Michigan 48473 (“Seller”).

WHEREAS, Seller is the owner of certain property described herein and desires to sell that property to Buyer under the terms and conditions which follow.

NOW, THEREFORE, Seller and Buyer hereby agree as follows:

1. **Property Description.** Buyer agrees to buy from Seller the property legally described as LOT 36 HOUSTON MILLER CHAMBERS PLAT NO 1; Parcel ID: 58-01-502-036
2. **Sales Price.** Buyer shall pay the sum of Eleven Thousand Dollars (\$11,000.00) to Seller no later than September 30, 2018.
3. **Title Evidence.** The Seller agrees to quit claim the property to Buyer.
4. **Taxes and Assessments.** There are no unpaid real estate taxes or assessments on the property.
5. **Conditions and Restrictions.**
 - (a) buyer shall construct a single family home substantially matching plans included in the June 25, 2018 city council packet, being a “Cape Cod style house consisting of 1310 square feet” by June 30, 2019;
 - (b) seller shall afford buyer the first right of refusal for sale of the vacant parcel at the price of Eleven Thousand Dollars (\$11,000) for a period of five years from date of sale;
6. **Default.** If Buyer defaults, all right, title and interest in the property shall revert to Seller in addition to any other legal remedies that Seller may pursue.
7. **Heirs and Successors.** This contract binds Buyer, Seller, their personal representatives and heirs, and anyone succeeding to their interest in the property. Buyer shall not assign this contract without Seller’s prior written permission.
8. **Contingency.** The sale is contingent upon approval by resolution of the Swartz Creek City Council.

BUYER:

WOODSIDE BUILDERS INC

By: _____

By: _____

Witness:

Approved as to form:

Michael J. Gildner, City Attorney

SELLER:

CITY OF SWARTZ CREEK, a Michigan
Municipal Corporation,

By: _____

Its Mayor

By: _____

Its City Clerk

Witness:

QUITCLAIM DEED

On _____, 2018, the City of Swartz Creek, a home rule city, whose address is 8083 Civic Drive, Swartz Creek, Michigan 48473 ("Grantor"), quitclaims to **WOODSIDE BUILDERS**, a Michigan Corporation, with principal residence at 6007 Miller Road, Suite 9, Swartz Creek, Michigan 48473, ("Grantee"), the real property commonly known Wade Street Vacant Land, in the City of Swartz Creek, County of Genesee, Michigan, and described as:

LOT 36 HOUSTON MILLER CHAMBERS PLAT NO 1

("the Property"), Parcel No. 58-01-502-036

For a sum of Eleven Thousand Dollars (\$11,000.00),

subject to any easements and building and use restrictions of record and the lien of taxes not yet due and payable.

Grantor grants to Grantee the right to make all divisions of record under Section 108 of the Land Division Act, PA 228 of 1967.

This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

This transfer is exempt from real estate transfer taxes under MCL 207.505(h)(i) & 207.526(h)(i).

This transfer is being made to Grantee with the understanding and agreement that Grantee will use and develop the Property as specified in the Purchase Agreement executed by the parties and on file at City Offices and, in the event that the Property is not used and developed as such, all right, title and interest in the Property will revert to the City.

City of Swartz Creek

Dated: _____

By: Adam Zettel

STATE OF MICHIGAN}
COUNTY OF GENESEE}

The foregoing instrument was acknowledged before me this ____ day of _____ 2018, by the City of Swartz Creek, by _____, Its _____.

Notary Public, Genesee County, Michigan
Acting in Genesee County, Michigan
My commission expires:

When Recorded Return to
and send subsequent tax bills to:
J.W. MORGAN CONSTRUCTION, LLC.,
7152 Seymour Road
Swartz Creek, Michigan 48473

Prepared By:
Michael J. Gildner
Simen, Figura & Parker, P.L.C
5206 Gateway Centre, Suite 200
Flint, Michigan 48507
(810) 235-9000

Tax Parcel No. _____ Recording Fee \$ _____ Revenue Stamps



**Actuarial Valuation
of
Other Post Employment Benefits (OPEBs)
as of June 30, 2017
and
GASB Statement No. 75**

City of Swartz Creek

Report Prepared June 4, 2018

The information provided herein is the confidential and proprietary work product of CBIZ and cannot be disclosed, copied or distributed to outside third parties without the prior written consent of CBIZ. This information can be expressly used only for the intended purpose and recipient.





City of Swartz Creek

Actuarial Valuation as of June 30, 2017

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City of Swartz Creek Actuarial Valuation as of June 30, 2017

Actuarial Certification

We, the undersigned, are consulting actuaries associated with the firm CBIZ Retirement Plan Services. We are members of the American Academy of Actuaries and meet its qualification standards to provide statements of actuarial opinion for actuarial valuations of Other Postemployment Benefits (OPEBs). We have completed an actuarial valuation of the OPEB plan for the City of Swartz Creek as of June 30, 2017. This report contains the results of the valuation.

To the best of our knowledge, the information supplied in this report is complete and accurate. In our opinion, the methods and assumptions used in the valuation comply with the Governmental Accounting Standards Board (GASB), particularly GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pension". The assumptions are related reasonably to the past experience of the Plan, and they represent our best estimate of anticipated experience under the Plan. Nevertheless, the actual costs of the plan in the future will differ from the results of the valuation, as the emerging experience varies from the assumptions projected in the valuation.

We have relied on the City for the accuracy and completeness of the benefit plans, assets, claims and premium data, and the employee census. While we have not audited the data, we have reviewed it for reasonableness and consistency. A summary of our understanding of the plan features is provided in this report.

This report has been prepared for the use and benefit of the City in assessing the effect of GASB Statement No. 75 on accounting for OPEB plans. It should not be relied upon for other purposes, and it is not intended to benefit any other party. It may be shared in its entirety with all auditors and the general public.

Neither CBIZ nor any of the employees working on this engagement has any relationship with the City of Swartz Creek that may impair, or appear to impair, the independence and objectivity of our work.

This actuarial valuation was prepared in accordance with the applicable Statements of the Governmental Accounting Standards Board and the Actuarial Standards of Practice issued by the American Academy of Actuaries.

Frank T. Vedegys, FSA, EA, MAAA
Senior Consulting Actuary

June 4, 2018

Date





City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Summary of Valuation Results

Division	Supervisors	AFSCME	FOP	TOTAL
Participant Data				
Active Employees	4	6	6	16
Retirees and Covered Spouses	4	1	1	6
Total	8	7	7	22
Present Value of Future Benefits (PVFB)				
Active Employees	\$ 181,919	90,340	211,817	\$ 484,076
Retirees and Covered Spouses	270,917	10,344	8,536	289,797
Present Value of Future Benefits	\$ 452,836	100,684	220,353	\$ 773,873
Total OPEB Liability (TOL)				
Active Employees	\$ 113,769	77,819	153,597	\$ 345,185
Retirees and Covered Spouses	270,917	10,344	8,536	289,797
Total OPEB Liability	\$ 384,686	88,163	162,133	\$ 634,982
Fiduciary Net Position (FNP)				
	-	-	-	-
Net OPEB Liability (NOL)	\$ 384,686	88,163	162,133	\$ 634,982
FNP as a Percentage of TOL				
	0.00%	0.00%	0.00%	0.00%
Actuarial Determined Contribution (ADC) for Year Ending:				
June 30, 2018	\$ 18,675	5,856	2,999	\$ 27,530
June 30, 2019	20,433	7,229	2,978	30,640





City of Swartz Creek Actuarial Valuation as of June 30, 2017

Development of Fiduciary Net Position at Valuation Date

Statement of Changes in Fiduciary Net Position

	<u>7/1/2016 - 6/30/2017</u>		
	<u>OPEB Trust</u>	<u>Pay-as-you-go</u>	<u>Total</u>
Balance as of Beginning of Year	\$ -	\$ -	\$ -
Employer Contributions	-	34,861	34,861
Participant Contributions	-	-	-
Implicit Subsidy	-	-	-
Investment Income, net of investment expenses	-	-	-
Total Additions	\$ -	\$ 34,861	\$ 34,861
Benefit Payments	-	(34,861)	(34,861)
Non-Investment Expenses	-	-	-
Total Deductions	\$ -	\$ (34,861)	\$ (34,861)
Net Change	\$ -	\$ -	\$ -
Balance as of End of Year	\$ -	\$ -	\$ -
Money-Weighted Rate of Return	0.00%	0.00%	0.00%



City of Swartz Creek Actuarial Valuation as of June 30, 2017

Development of Actuarially Determined Contribution (ADC)

The Actuarially Determined Contribution (ADC) is calculated in accordance with the Employer's funding and investment policy. Under GASB Nos. 74 and 75, if the Employer does not have a formal, written funding policy, the ADC is calculated based on the 5-year average historical contributions as a percentage of either the ADC or the Covered Payroll.

The employer does not have a qualified, irrevocable OPEB Trust, per GASB Standards. As such, the employer's policy is to pay its share of retiree benefits as they come due ("pay-as-you-go").

Actuarially Determined Contribution for Year Ending June 30, 2018	\$	27,530
Expected Covered Payroll for Year Ending June 30, 2018		844,436
ADC as a % of Covered Payroll		3%
Actuarially Determined Contribution for Year Ending June 30, 2019	\$	30,640
Expected Covered Payroll for Year Ending June 30, 2019		828,578
ADC as a % of Covered Payroll		4%



City of Swartz Creek Actuarial Valuation as of June 30, 2017

10-Year Schedule of Funding Progress

Actuarial Valuation Date	Fiduciary Net Position (a)	Total OPEB Liability (b)	Net OPEB Liability (Asset) (b - a)	Funded Ratio (a / b)	Annual Covered Payroll** (c)	Net OPEB Liability as a Percent of Payroll (b - a) / c
6/30/2010*	\$ -	\$ 1,609,417	\$ 1,609,417	0.0%	\$ -	0.0%
6/30/2011*	-	1,355,675	1,355,675	0.0%	-	0.0%
6/30/2012*	-	747,638	747,638	0.0%	-	0.0%
6/30/2013*	-	619,620	619,620	0.0%	-	0.0%
6/30/2014*	-	1,196,994	1,196,994	0.0%	-	0.0%
6/30/2015*	-	1,888,248	1,888,248	0.0%	-	0.0%
6/30/2016*	-	1,542,003	1,542,003	0.0%	-	0.0%
6/30/2016	-	529,374	529,374	0.0%	-	0.0%
6/30/2017	-	634,982	634,982	0.0%	815,880	77.8%

*Calculated under the Alternative Measurement Method allowed by GASB No. 45

**Historical payroll information was not disclosed in Comprehensive Annual Financial Reports



City of Swartz Creek Actuarial Valuation as of June 30, 2017

10-Year Schedule of Employer Contributions

Fiscal Year Ended	Actuarially Determined Contribution (a)	Historical Contribution (b)	Contribution Deficiency (Excess) (a) - (b)	Covered Payroll* (c)	Contributions as a Percentage of Covered Payroll (b) / (c)
6/30/2010	\$ 161,604	\$ 23,013	\$ 138,591	\$ -	0.00%
6/30/2011	69,297	35,935	33,362	-	0.00%
6/30/2012	58,254	34,849	23,405	-	0.00%
6/30/2013	46,706	36,029	10,677	-	0.00%
6/30/2014	112,056	34,950	77,106	-	0.00%
6/30/2015	149,407	49,969	99,438	-	0.00%
6/30/2016	128,394	43,768	84,626	-	0.00%
6/30/2017	66,041	34,861	31,180	-	0.00%
6/30/2018	27,530	27,530	-	844,436	3.26%
6/30/2019	30,640	30,640	-	828,578	3.70%

Beginning Fiscal Year Ending 2018, the ADC is calculated in accordance with the Employer's funding policy, if one exists. Prior to Fiscal Year Ending 2018, the ADC is equal to the Annual Required Contribution (ARC) as calculated under GASB No. 45.

*Historical payroll information was not disclosed in Comprehensive Annual Financial Reports



City of Swartz Creek Actuarial Valuation as of June 30, 2017

Projected Retiree Benefit Payments

Exhibit A is a graph that shows the projection of expected benefit payments under the OPEB plan. These payments only reflect those participants who have already been hired or who are retired. Expected benefit payments are equal to the number of retirees each year times the per retiree cost to the employer. The first year's projected benefit payments total \$27,530. As the last participants retire and then reach the end of their benefit period, the benefit payments decline and eventually would reach zero. Exhibit B is a table showing the first 10 years of expected benefit payments.

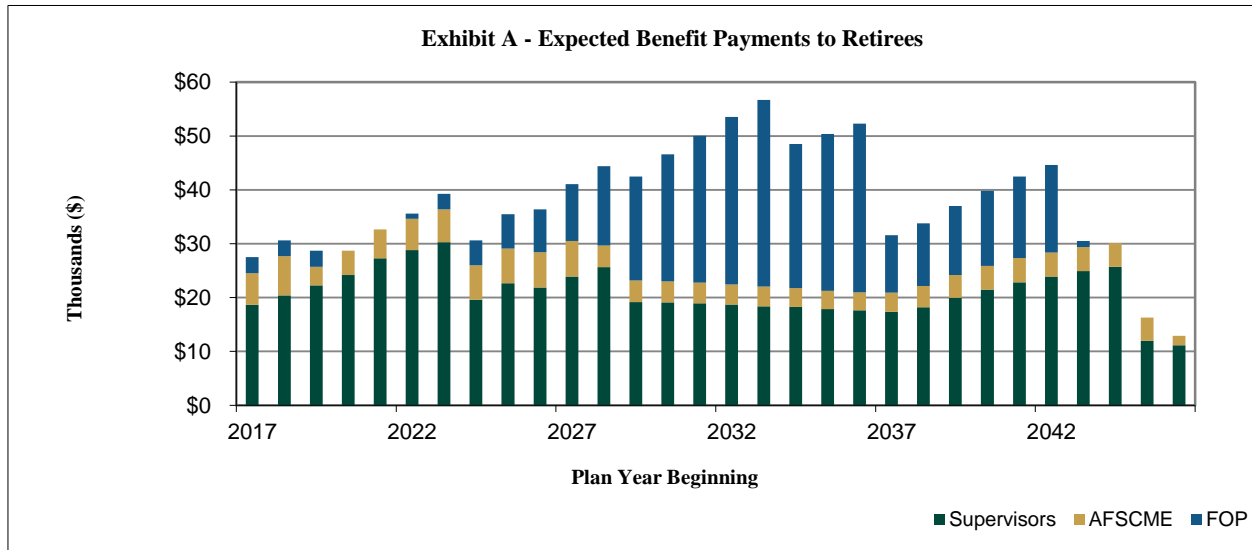


Exhibit B: First 10 Years of Expected Benefit Payments

Plan Year Beginning July 1,	Supervisors	AFSCME	FOP	Total
2017	\$ 18,675	\$ 5,856	\$ 2,999	\$ 27,530
2018	20,433	7,229	2,978	30,640
2019	22,277	3,455	2,955	28,687
2020	24,189	4,512	-	28,701
2021	27,271	5,391	-	32,663
2022	28,817	5,814	947	35,578
2023	30,283	6,118	2,866	39,268
2024	19,641	6,331	4,659	30,630
2025	22,653	6,474	6,346	35,474
2026	21,866	6,557	7,971	36,394



City of Swartz Creek GASB Statement No. 75

OPEB Expense (Income)

	Fiscal Year Ending	
	6/30/2019	6/30/2018
OPEB Expense (Income)		
1. Service Cost	\$ 16,225	\$ 15,676
2. Interest Cost	19,439	19,258
3. Expected Return On Plan Assets	0	0
4. Recognition of Deferred Outflows/(Inflows) related to:		
Net difference between projected and actual earnings	0	0
Differences between expected and actual experience	0	0
Changes in assumptions	0	0
5. OPEB Expense (Income)	\$ 35,664	\$ 34,934

Key Assumptions for OPEB Expense (Income)

Discount Rate	3.10%	3.10%
Salary Scale	3.50%	3.50%
Expected Return on Assets	N/A	N/A

Deferred Outflows/(Inflows) - Amortization Schedules

Fiscal Year Established	Original Amount	Amortization Amount	Original Amortization Period	Outstanding Balance at End of Year	Outstanding Balance at End of Year
<u>Net difference between projected and actual earnings</u>					
2019	\$ 0	\$ 0	5.00	\$ 0	N/A
2018	0	0	5.00	0	0
<u>Differences between expected and actual experience</u>					
2019	\$ 0	\$ 0	6.33	\$ 0	N/A
2018	0	0	6.33	0	0
<u>Changes in assumptions</u>					
2019	\$ 0	\$ 0	6.33	\$ 0	N/A
2018	0	0	6.33	0	0



City of Swartz Creek GASB Statement No. 75

Net OPEB Liability

	Fiscal Year Ending	
	6/30/2019	6/30/2018
Reconciliation of Total OPEB Liability		
1. Total OPEB Liability at Beginning of Year	\$ 642,386	\$ 634,982
2. Service Cost	16,225	15,676
3. Interest Cost	19,439	19,258
4. Net Benefits Paid by Employer	(30,640)	(27,530)
5. Differences between expected and actual experience	0	0
6. Changes in assumptions	0	0
7. Total OPEB Liability at End of Year	\$ 647,410	\$ 642,386
Reconciliation of Fiduciary Net Position		
1. Fiduciary Net Position at Beginning of Year	\$ 0	\$ 0
2. Projected Earnings on Fiduciary Net Position	0	0
3. Net Difference Between Projected and Actual Earnings	0	0
4. Employer Contributions	30,640	27,530
5. Total Benefits Paid	(30,640)	(27,530)
6. Expenses	0	0
7. Participant Contributions	0	0
8. Fiduciary Net Position at End of Year	\$ 0	\$ 0
Money-Weighted Rate of Return	0.00%	0.00%
Net OPEB Liability (Asset)		
1. Total OPEB Liability	\$ 647,410	\$ 642,386
2. Fiduciary Net Position	0	0
3. Net OPEB Liability (Asset)	\$ 647,410	\$ 642,386
Fiduciary Net Position as % of Total OPEB Liability	0.00%	0.00%
Net OPEB Liability: 1% increase in the discount rate	\$ 573,948	\$ 574,323
Net OPEB Liability: 1% decrease in the discount rate	733,589	721,941
Net OPEB Liability: 1% increase in healthcare trend	\$ 683,509	\$ 675,906
Net OPEB Liability: 1% decrease in healthcare trend	615,970	613,150
Key Assumptions for Net OPEB Liability		
Discount Rate	3.10%	3.10%
Salary Scale	3.50%	3.50%
Expected Return on Assets	N/A	N/A



City of Swartz Creek GASB Statement No. 75

Deferred Outflows (Inflows)

	Fiscal Year Ending	
	6/30/2019	6/30/2018
Deferred Inflows of Resources Related to OPEB		
1. Net difference between projected and actual earnings	\$ 0	\$ 0
2. Differences between expected and actual experience	0	0
3. Changes in assumptions	0	0
4. Total	\$ 0	\$ 0
Deferred Outflows of Resources Related to OPEB		
1. Net difference between projected and actual earnings	\$ 0	\$ 0
2. Differences between expected and actual experience	0	0
3. Changes in assumptions	0	0
4. Total	\$ 0	\$ 0

Schedule of Deferred Outflows (Inflows)

Amounts reported as deferred outflows or deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

FYE 6/30/2019			FYE 6/30/2018		
2020	\$	-	2019	\$	-
2021		-	2020		-
2022		-	2021		-
2023		-	2022		-
2024		-	2023		-
2025+		-	2024+		-



City of Swartz Creek Actuarial Valuation as of June 30, 2017

Participant Summary

Participant Summary

Metric	Active Employees	Retirees and Spouses
Covered Participants	16	6
Average Age	48.1	58.3
Average Service	13.9	N/A
Percentage Male	68.8	50.0

Age and Service Chart

Attained Age	Years of Credited Service										Total
	<1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40+	
Under 25	0	1	0	0	0	0	0	0	0	0	1
25 to 29	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	2	0	2	0	0	0	0	0	0	4
40 to 44	0	0	0	0	0	0	0	0	0	0	0
45 to 49	0	1	0	1	0	1	0	0	0	0	3
50 to 54	0	0	2	0	1	0	0	1	0	0	4
55 to 59	0	1	0	0	1	0	0	0	0	0	2
60 to 64	0	0	0	0	0	0	0	0	0	0	0
65 to 70	0	0	0	0	1	0	0	0	0	1	2
70+	0	0	0	0	0	0	0	0	0	0	0
Total	0	5	2	3	3	1	0	1	0	1	16



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Plan Provisions

Retiree Benefits and Eligibility

The Employer provides medical, pharmacy, dental, vision, and life insurance benefits for eligible retired Fraternal Order of Police (FOP), Supervisors, and AFSCME employees and their spouses. Benefits are provided through fully-insured plans administered by Blue Cross Blue Shield of Michigan.

Supervisors

Hired prior to April 7, 2014, and
Age 50 with 15 years of service upon retirement/duty-related disablement

AFSCME

Age 55 with 25 years of full-time service

FOP

Age 55 with 25 years of full-time service

Current Retirees

Specific benefits for current retirees that differ from those listed below were detailed in the participant data provided by the Employer.

Length of Benefits

Supervisors

Retiree: Life
Spouse: Until age 65

AFSCME

Retiree: Life, if hired prior to January 1, 2006, and retired on or after July 1, 2016. Otherwise, benefits end at age 65.

FOP

Retiree: Until age 65
Spouse: Until age 65

Retiree Contributions

Supervisors

Pre-65: retirees and spouses pay a percentage of the fully-insured medical and pharmacy premium equivalent rates below, based on years of service at retirement:

Service	Percent
15 - 19	60%
20 - 24	45
25+	30

Post-65: retirees receive a monthly stipend of \$325 to pay for healthcare expenses in lieu of coverage through the Employer's plan.



City of Swartz Creek Actuarial Valuation as of June 30, 2017

Plan Provisions

Retiree

AFSCME

**Contributions
(cont.)**

Pre-65: the Employer contributes \$446 per month toward the cost of healthcare coverage. The retiree is responsible for the remaining premium cost for self and spouse.

Post-65: retirees receive a monthly stipend of \$200 to pay for healthcare expenses in lieu of coverage through the Employer's plan.

FOP

Pre-65: the retiree and covered spouse contribute nothing toward medical and pharmacy premium equivalent rates. The City is only responsible for a percentage equal to the employee's service with the City divided by the employee's combined service with the City and Metro Police Authority. The Metro Police Authority is responsible for the remaining cost.

Post-65: no benefits are offered after Medicare age 65.

All retirees and spouses are required to pay 100% of dental, vision, and life insurance premium equivalent rates. As these costs do not vary materially by age, no liability is assumed for these benefits.

**Annual Premium
Equivalent Rates
per Person**

Age	Suffix 0002	Suffix 0005
50	\$ 5,406	\$ 6,321
51	5,645	6,601
52	5,908	6,909
53	6,175	7,220
54	6,462	7,557
55	6,750	7,893
56	7,061	8,257
57	7,376	8,625
58	7,712	9,018
59	7,879	9,213
60	8,215	9,606
61	8,505	9,946
62	8,696	10,169
63	8,935	10,448
64	9,080	10,618



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Plan Provisions

**Changes Since
Prior Valuation**

1. Premium equivalent rates were updated to reflect current rates.
2. Police are now contracted through the Metro Police Authority as of February 1, 2017. The City's responsibility for FOP benefits are limited to the employees' service the with City, as described above.



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Actuarial Methods and Assumptions

Actuarial Valuation Date	June 30, 2017
Actuarial Cost Method	Individual Entry Age Normal as a level percentage of payroll
Discount Rate	3.10%
Annual Wage Increases	3.50%
Price Inflation	2.50%
Investment Rate of Return	N/A
Actuarial Value of Assets	N/A
Annual Per-Capita Claims Costs	Starting pre-Medicare per capita costs were set equal to the per-person annual premium equivalent rates as listed in the Summary of Plan Provisions. These costs are age-specific by covered individual and, thus, require no further adjustment.
Annual Public Act 152 Hard Caps	Single: \$ 6,345 Couple: 13,269 Family: 17,304

Annual Healthcare Trend

Years after Valuation	Medical & Pharmacy	PA 152 Hard Caps
1	9.00%	3.00%
2	8.50	3.00
3	8.00	3.00
4	7.50	3.00
5	7.00	3.00
6	6.50	3.00
7	6.00	3.00
8	5.50	3.00
9	5.00	3.00
10+	4.50	3.00

Claims costs and premium equivalent rates are assumed to increase according to the above healthcare trend. Fixed-dollar stipends are not assumed to increase in the future.





City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Actuarial Methods and Assumptions

Participation

Future Retirees: 100% of future retirees are assumed to elect coverage at retirement, and 70% of participating retirees will cover a spouse, if married. All future retirees are assumed to elect Suffix 0002 for pre-Medicare benefits. It is assumed that no one will opt in or opt out of coverage once initial retirement election is made.

Current Retirees: Based on current coverage election. It is assumed that no one will opt in or opt out of coverage once initial retirement election is made.

Marriage

Future Retirees: 70% of retirees are assumed to be married.

Current Retirees: Based on current coverage election.

Spouse Age

Male spouses are assumed to be 3 years older, and female spouses are assumed to be 3 years younger. Actual age is used for spouses of current retirees, if provided.

Mortality

Healthy:

50% Male-50% Female blend of the following tables:

1. The RP-2014 Health Annuitant Mortality Tables, with rates multiplied by 105%
2. The RP-2014 Employee Mortality Tables
2. The RP-2014 Juvenile Mortality Tables

For ages 0-17 use the rates in Table 3, for ages 18-49 use the rates in Table 2, for ages 70 and older use the rates in Table 1, and for ages 50-69 blend Table 2 and Table 1 as follows:

- a. Age 50, use 60% of Table 2 and 40% of Table 1
- b. Age 51, use 57% of Table 2 and 43% of Table 1
- c. Etc. ...
- d. Age 69, use 3% of Table 2 and 97% of Table 1

Disabled:

50% Male-50% Female blend of the RP-2014 Disabled Retiree Mortality Tables.

The mortality assumptions include a 10% margin for future mortality improvements, relative to the actual mortality experience seen in the 2000-2013 Experience Study.

Ninety percent (90%) of active member deaths are assumed to be non-duty deaths, and 10% of the deaths are assumed to be duty related.



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Actuarial Methods and Assumptions

Withdrawal

Participants are assumed to terminate employment for reasons other than death, disability or retirement in accordance with annual rates varying by service. Sample rates are as follows:

Service	Rate
0	19.60%
1	16.30
2	13.30
3	10.50
4	8.60
5	6.90
10	4.60
15	3.40
20	2.60
25+	2.20

Disability

Participants are assumed to become disabled in accordance with annual rates varying by age. Sample rates are as follows:

Age	Rate
25	0.02%
30	0.02
35	0.05
40	0.08
45	0.20
50	0.29
55	0.38
60+	0.39

Eighty percent (80%) of the disabilities are assumed to be non-duty and 20% of the disabilities are assumed to be duty related.



City of Swartz Creek Actuarial Valuation as of June 30, 2017

Actuarial Methods and Assumptions

Retirement

Participants are assumed to retire in accordance with annual rates varying by service, age, division, and retirement type. Rates are based the Retirement rates used in the most recent MERS pension valuation. Sample rates are as follows:

Normal or Unreduced Early			Reduced Early	
Service	AFSCME	Supervisors & FOP	Age	Rate
10	19.0%	19.5%	50	2.0%
11-14	20.0	19.5	51	2.0
15-16	20.0	20.0	52	3.3
17-22	20.0	21.0	53	3.8
23	21.0	22.0	54	5.6
24-26	21.0	24.0	55	4.3
27-28	21.0	25.0	56	4.2
29	21.0	27.0	57	4.1
30	22.0	29.0	58	5.0
31	24.0	32.0	59	6.2
32-35	24.0	33.0		
36-37	25.0	33.0		
38	27.0	33.0		
39	28.0	33.0		
40	30.0	33.0		
41	32.0	33.0		
42	33.0	33.0		
43	34.0	33.0		
44	36.0	33.0		
45	38.0	33.0		
46	40.0	33.0		
47	42.0	33.0		
48	43.0	33.0		
49	45.0	33.0		
50	47.0	33.0		
51	49.0	33.0		
52+	50.0	33.0		

100% Retirement at age 70



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Actuarial Methods and Assumptions

Changes Since Prior Valuation

1. Discount rate was decreased from 3.50% to 3.10%.
2. Per-capita costs were updated to reflect experience since the previous valuation.
3. Mortality, Withdrawal, Retirement, and Disability assumptions were updated to reflect changes in the most recent MERS actuarial valuation.



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Rationale for Key Assumptions

Discount Rate

The discount rate is the single rate that reflects (1) the long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and OPEB plan assets are expected to be invested using a strategy to achieve that return, and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another scale), to the extent that the conditions for use of the long-term expected rate of return are not met.

Single Equivalent Interest Rate (SEIR)

Long-Term Expected Rate of Return	0.00%
Municipal Bond Index Rate*	3.10%
Fiscal Year in which Fiduciary Net Position is Projected to be Depleted	2017
Single Equivalent Interest Rate	3.10%

* Source: S&P Municipal Bond 20 Year High Grade Rate Index

Expected Long-Term Rate of Return on Assets Selection

The investment policy of the Employer is determined based on the goals and objectives of the Plan and the risk tolerance of the Employer. As new information regarding the economic environment becomes available the investment policy may need to be revised. Asset allocations fluctuate due to market performance, however, the targeted OPEB asset allocation is as described below. The Employer's objective in selecting the Expected Long-Term rate of return on Assets is to estimate the single rate of return that reflects the historical returns, future expectations for each asset class, and the asset mix of the plan assets.

Asset Classes	Actual Allocation (a)	Target Allocation (b)	Expected Return (c)	Arithmetic Mean (b) x (c)
Domestic Fixed Income	0%	0%	0.0%	0.0%
International Fixed Income	0%	0%	0.0%	0.0%
Domestic Equity	0%	0%	0.0%	0.0%
International Equity	0%	0%	0.0%	0.0%
Private Equity	0%	0%	0.0%	0.0%
Real Estate	0%	0%	0.0%	0.0%
Cash	0%	0%	0.0%	0.0%
Other	0%	0%	0.0%	0.0%
				0.0%



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Rationale for Key Assumptions

Annual Healthcare Trend

Trend rates are based on plan experience, historical trends, and industry norms. The immediate trend rates are assumed to decrease to an ultimate trend rate over a period of 5 to 10 years. Healthcare costs are currently approximately 17% of the Gross Domestic Product (GDP). The ultimate rate is decreased over time to maintain this relationship.

Healthcare Reform

Excise taxes on Cadillac plan benefits, if any, were not included in this valuation due to significant uncertainties regarding the tax. Other legislative changes related to the Affordable Care Act were included in the valuation only to the extent they have already been implemented in the plan.

Mortality, Withdrawal, Disability, Retirement

Because the Employer does not have enough data to conduct a fully credible experience analysis with respect to these assumptions, the current assumptions are based on those used in the most recent actuarial valuation of pension benefits through MERS. Said assumptions are based on an experience study conducted using actual MERS experience from 2009 - 2013. MERS retirement rates are based on pension replacement ratio; for purposes of this valuation, they have been converted to service-related rates to reflect similar expectations.

Participation

The assumed rate of participation incorporated into these measurements is based on observations of the plan's past experience, the actuary's experience with plans of a similar size, plan design and retiree contribution level.

Spousal Participation and Age

Because the employer does not have enough data to conduct a fully credible experience analysis with respect to spousal information, the current assumption has been selected based on observations of the past experience, the actuary's experience with plans of a similar size and plan design.



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Public Act 530 of 2016 - Compliance Guide

Sec. 13(1)(d):

(i)	Name of system	City of Swartz Creek
(ii)	Names Investment fiduciaries	Not provided
(iii)	System's service providers	Blue Cross Blue Shield of Michigan - Insurer
(iv)	System's assets and liabilities	See Summary of Valuation Results, page 2
(v)	System's funded ratio	See Summary of Valuation Results, page 2
(vi)	Investment performance, net of fees	Most recent year is provided on page 3. For historical performance, contact investment advisors.
(vii)	System admin & invest expenses	Non-investment expenses = 0% For investment expenses, contact investment advisors
(viii)	System's budget	Not applicable
(ix)		
	(A) Number of actives	See Participant Summary, page 14
	(B) Number of retirees/beneficiaries	See Participant Summary, page 14
	(C) Average annual retirement allowance	See Projected Retiree Benefit Payments, page 7 <i>Divide by number of retirees and spouses in Participant Summary</i>
	(D) Total annual retirement allowance	See Projected Retiree Benefit Payments, page 7
	(E) Valuation Payroll at Valuation Date	\$815,880
	(F) Normal Cost as a % of payroll	1.17%
	(G) ADC as a % of payroll	0.00%
	(H) Weighted average member contributions	Member premium cost sharing is described in the Plan Provisions beginning on page 11
	(I) Actuarial expected investment return	N/A
	(J) Actuarial long-term inflation rate	2.50%
	(K) Asset smoothing method	None
	(L) Amortization Method	Not applicable
	(M) Actuarial Cost Method	Individual Entry Age Normal as a level percentage of payroll
	(N) Open or Closed membership	Supervisors and FOP - Closed AFSCME - Open
	(O) Healthcare inflation	See Actuarial Methods and Assumptions, beginning on page 15
(x)	Travel report	Not applicable

Sec. 20(h)(1):

(7)	If below 60% funded, actions taken to reduce the system's Unfunded Liability	<ul style="list-style-type: none"> - FOP benefits are no longer contracted through the City effectively closing participation to those hired after February 1, 2017 - Participation for Supervisors has been closed to new hires - Most of the City's share of benefits are either capped or based on a fixed-dollar stipend
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City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Definitions

Actuarial Present Value of Projected Benefits	Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.
Actuarial Valuation Date	The date as of which the service cost, total OPEB liability, and related actuarial present value of projected benefit payments is determined in conformity with Actuarial Standards of Practice unless otherwise specified by the GASB.
Actuarially Determined Contribution (ADC)	A target or recommended contribution to a defined benefit plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.
Closed Period	A specific number of years that is counted from one date and declines to zero with the passage of time. For example, if the recognition period initially is five years on a closed basis, four years remain after the first year, three years after the second year, and so forth.
Contributions	Additions to a OPEB plan's fiduciary net position for amounts from employers, nonemployer contributing entities (for example, state government contributions to a local government plan), or employees. Contributions can result from cash receipts by the OPEB plan or from recognition by the OPEB plan of a receivable from one of these sources.
Cost-of-Living Adjustments	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
Covered Employee Payroll	The payroll of employees that are provided with OPEBs through the OPEB plan.
Deferred Outflows and Inflows of Resources Related to OPEBs	Deferred outflows of resources and deferred inflows of resources related to OPEBs arising from certain changes in the net OPEB liability.



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Definitions

- Defined Benefit OPEB** OPEB for which the benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The OPEB may be stated as (a) a specified dollar amount; (b) an amount that is calculated based on one or more factors such as age, years of service, and compensation; or (c) a type or level of coverage such as prescription drug coverage or a percentage of health insurance premiums.
- Defined Contribution OPEB** OPEB having terms that (a) provide an individual account for each employee; (b) define the contributions that an employer or nonemployer contributing entity is required to make (or the credits that it is required to provide) to an active employee's account for periods in which that employee renders service; and (c) provide that the OPEB an employee will receive will depend only on the contributions (or credits) to the employee's account, actual earning on investments of those contributions (or credits), and the effects of forfeitures of contributions (or credits) made for other employees, as well as OPEB plan administrative costs, that are allocated to the employee's account.
- Discount Rate** The single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:
1. The actuarial present value of benefit payments projected to be made in future periods in which (1) the amount of the OPEB plan's fiduciary net position is projected (under the requirements of Statement 75) to be greater than the benefit payments that are projected to be made in that period and (2) OPEB plan assets up to that point are expected to be invested using a strategy to achieve the long-term expected rate of return, calculated using the long-term expected rate of return on OPEB plan investments.
 2. The actuarial present value of projected benefit payments not included in (a), calculated using a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).



City of Swartz Creek

Actuarial Valuation as of June 30, 2017

Definitions

Entry Age Actuarial Cost Method	A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the <i>normal cost</i> . The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the <i>actuarial accrued liability</i> .
Healthcare Cost Trend Rates	The rates of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.
Money-Weighted Rate of Return	A method of calculating period-by-period returns on OPEB plan investments that adjusts for the changing amounts actually invested. For purposes of Statement 74, money-weighted rate of return is calculated as the internal rate of return on OPEB plan investments, net of OPEB plan investment expense.
Net OPEB Liability	The liability of employers and nonemployer contributing entities to employees for benefits provided through a defined benefit OPEB plan.
OPEB Expense	OPEB expense arising from certain changes in the net OPEB liability.
Other Postemployment Benefits (OPEB)	Benefits (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payments for sick leave.
Postemployment Healthcare Benefits	Medical, dental, vision, and other health-related benefits paid subsequent to the termination of employment.



City of Swartz Creek Actuarial Valuation as of June 30, 2017

Definitions

Projected Benefit Payments	All benefits (including refunds of employee contributions) estimated to be payable through the OPEB plan (including amounts to be paid by employers or nonemployer contributing entities as the benefits come due) to current active and inactive employees as a result of their past service and their expected future service.
Real Rate of Return	The rate of return on an investment after adjustment to eliminate inflation.
Service Costs	The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.
Termination Benefits	Inducements offered by employers to active employees to hasten the termination of services, or payments made in consequence of the early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits.
Total OPEB Liability	The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of Statement 75. The total OPEB liability is the liability of employers and nonemployer contributing entities to employees for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria of paragraph 4 of Statement 75.

June 12, 2018

Mr. Adam Zettel, AICP
City Manager
City of Swartz Creek
8083 Civic Drive
Swartz Creek, MI 48473

RE: City of Swartz Creek 2018 PM Contract

Dear Mr. Zettel:

The bids were received and opened on Friday, June 8, 2018, at 10:00 a.m. for the City of Swartz Creek 2018 PM Contract at the Paul D. Bueche Municipal Building, 8083 Civic Drive, Swartz Creek, MI.

Bids were received from Highway Maintenance & Construction Co, C & D Hughes, Inc., KMI Road Maintenance, and Scodeller Construction. The apparent low bidder is Highway Maintenance & Construction Co. with a bid amount of \$43,062.50.

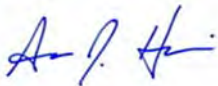
We contacted Jeff Demek from Highway Maintenance & Construction Co. on June 11, 2018 to review the project schedule. At that time he assured us that the work would be completed within the required timeframe.

OHM Advisors recommends that the City enter into a contract with Highway Maintenance & Construction Co. for a contract price of \$43,062.50.

Please contact me if you have any questions or need additional information.

Sincerely,

Orchard, Hiltz & McCliment, Inc.



Andy Harris, PE
Project Manager

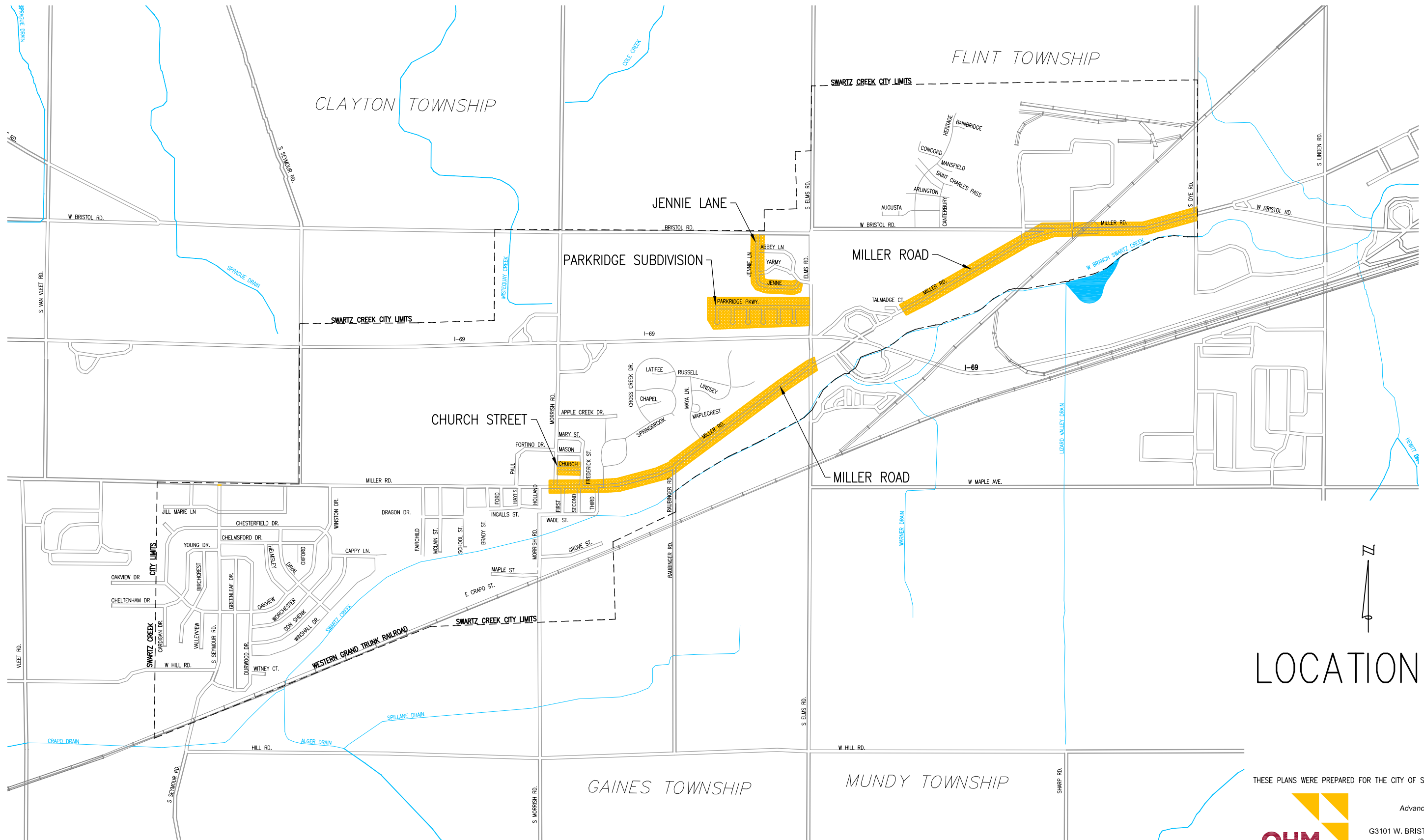
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**City of Swartz Creek 2018
PM Contract**

BASE BID				ENGINEER'S ESTIMATE		Highway Maintenance and Cons		Scodeller Construction		KMI Road Maintenance		C & D Hughes	
LINE	PAY ITEM	UNIT	QTY.	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	Overband Crack Fill, Parking Lot	LSUM	1	\$ 5,000.00	\$ 5,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00	\$ 6,000.00	\$ 3,000.00	\$ 3,000.00	\$ 10,000.00	\$ 10,000.00
2	Overband Crack Fill, Roadbed, Modified	Lnmi	12.5	\$ 3,000.00	\$ 37,500.00	\$ 3,125.00	\$ 39,062.50	\$ 3,200.00	\$ 40,000.00	\$ 4,472.16	\$ 55,902.00	\$ 6,800.00	\$ 85,000.00
3	Traffic Maintenance and Control	LSUM	1	\$ 2,000.00	\$ 2,000.00	\$ 3,000.00	\$ 3,000.00	\$ 500.00	\$ 500.00	\$ 5,000.00	\$ 5,000.00	\$ 8,000.00	\$ 8,000.00
TOTAL OF ALL BID ITEMS (AUDITED):				\$	44,500.00	\$	43,062.50	\$	46,500.00	\$	63,902.00	\$	103,000.00
TOTAL OF ALL BID ITEMS (AS-READ):						\$	43,062.50	\$	46,500.00	\$	63,902.00	\$	103,000.00

SWARTZ CREEK 2018 PREVENTATIVE MAINTENANCE PROJECT



LOCATION MAP

THESE PLANS WERE PREPARED FOR THE CITY OF SWARTZ CREEK BY:

OHM

Advancing Communities
 G3101 W. BRISTOL ROAD | Flint, MI 48507
 p (810) 369-4015
 June 25, 2018

LETTER OF UNDERSTANDING

By and Between the City of Swartz Creek and AFSCME Local 1918.23 affiliated with MI AFSCME Council 25 affiliated with the AFL-CIO

The City of Swartz Creek and AFSCME Local 1918.23 are parties to a collective bargaining agreement which expires June 30, 2019.

The Parties met and agreed upon a modification to be effective July 1, 2018. The following was agreed upon:

Employees with water treatment certifications will receive a stipend the first regular payroll following July 1, 2018. The Stipend will be based upon the level of certification as follows:

- S-4 Stipend amount \$1,000.00
- S-3 Stipend amount \$2,500.00
- S-2 Stipend amount \$4,000.00
- S-1 or S-1 as the Official DEQ Operator in Charge \$6,000.00

Other certifications and licenses are still being discussed and may be added to this list either prior to, or following July 1, 2018.

In addition, effective July 1, 2018, all employees in the bargaining unit, except Rod Gardner and Dave Wright, will receive an additional one (1%) percent increase in their wage scale to be included with the two (2%) percent increase in their wage scale that was previously agreed upon in the collective bargaining agreement.

Rod Gardner and Dave Wright will receive a one (1%) percent lump sum amount based on hours worked in the previous twelve (12) months, payable in the first regular payroll following July 1, 2018.

This Letter of Understanding will remain in effect until expiration of the contract June 30, 2019 or upon ratification of a new agreement, in which all subject matter will be open by the parties to negotiate further.

Union:

Date _____

Employer:

Date _____

SWARTZ CREEK DDA

FORTINO DRIVE PRELIMINARY DEVELOPMENT STUDY

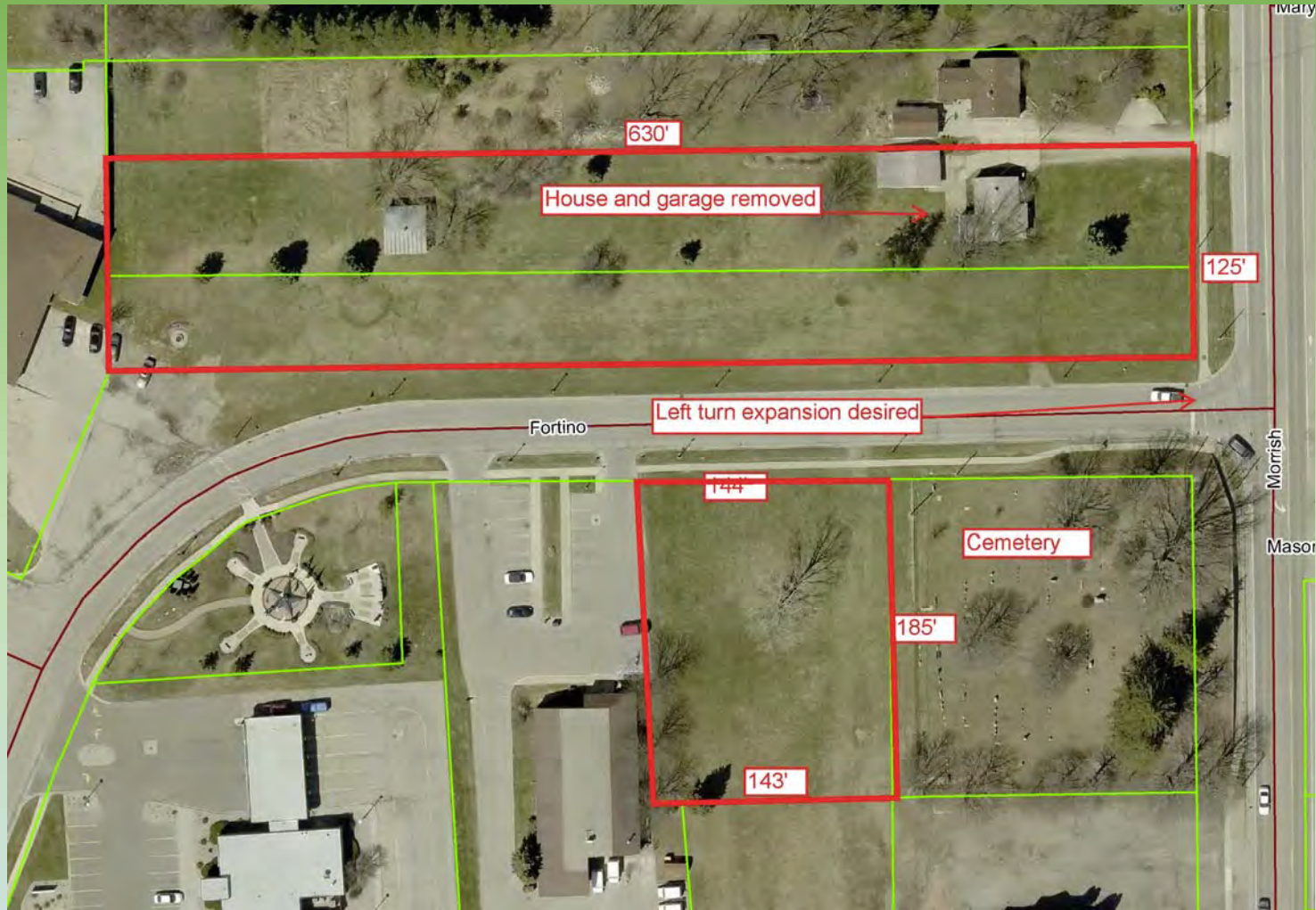
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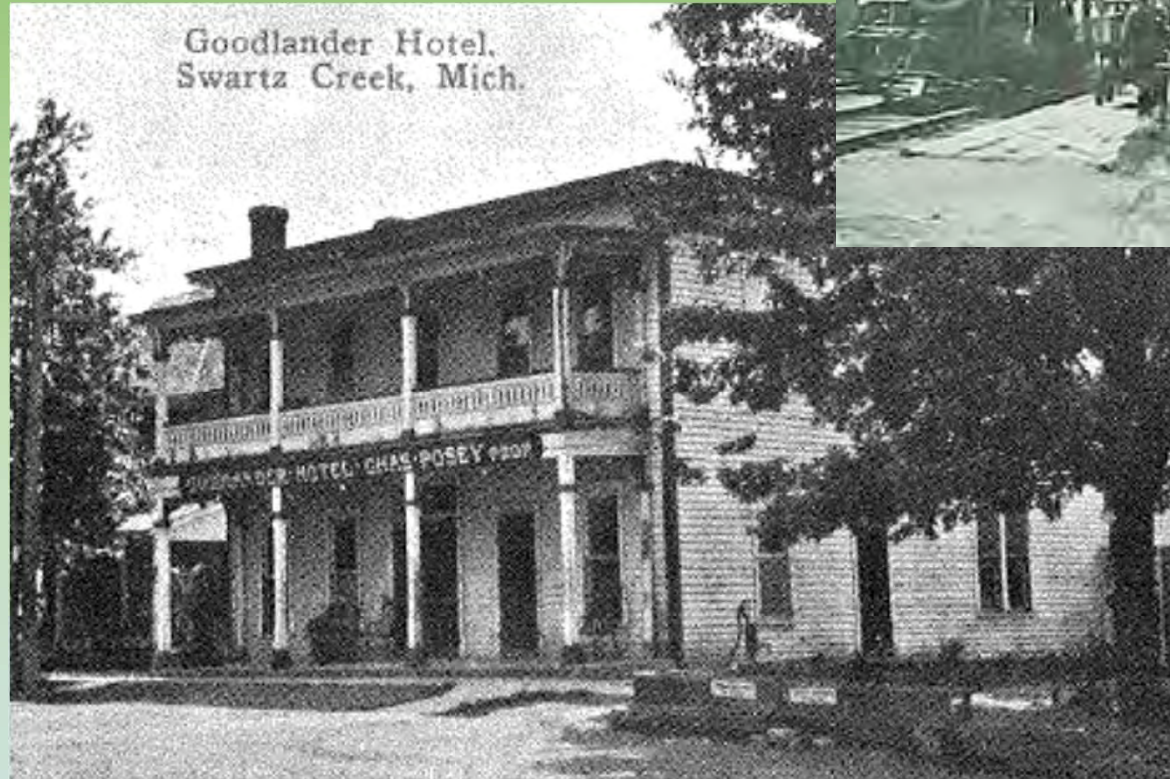
SWARTZ CREEK CENTRAL BUSINESS DISTRICT





PROJECT SITE





Goodlander Hotel,
Swartz Creek, Mich.



Swartz Creek Station, Swartz Creek, Mich.

SWARTZ CREEK HISTORIC PHOTOGRAPHS





SWARTZ CREEK HISTORIC PHOTOGRAPHS





DEVELOPMENT EXAMPLES - ROW HOUSES/TOWNHOMES





DEVELOPMENT EXAMPLES – SINGLE FAMILY RESIDENTIAL





DEVELOPMENT EXAMPLES - SMALL-SCALE MIXED-USE





PRELIM. MASTER PLAN
OPTION 4
 1" = 40'
 #14.17B

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CONSTRUCTION

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 02/11/2016

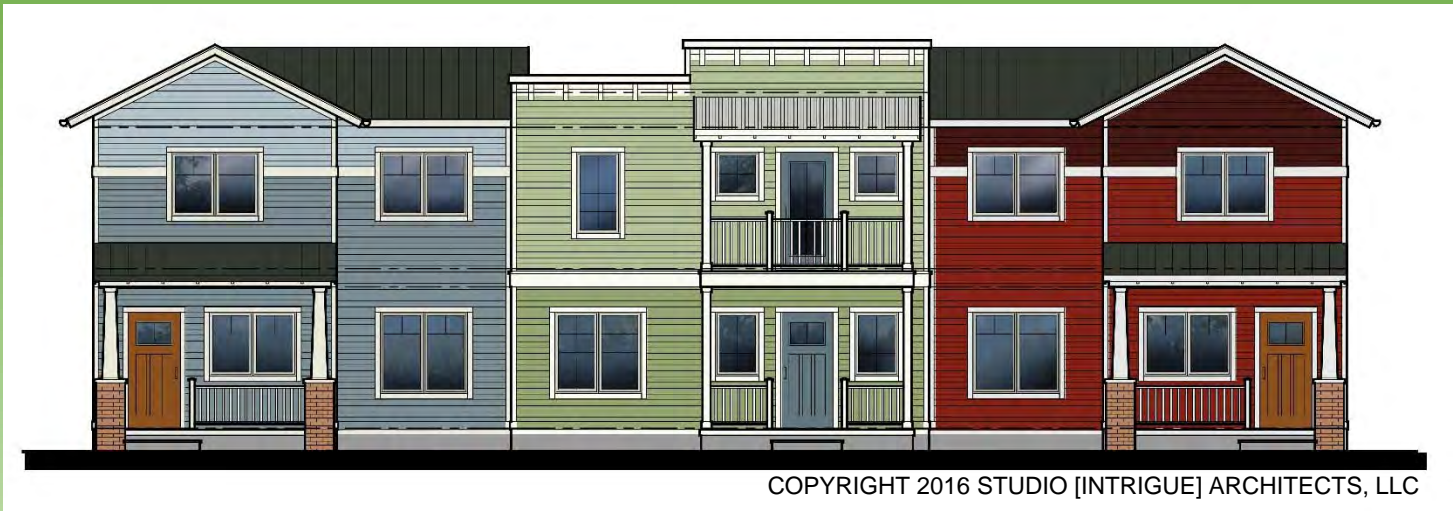




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MASSING CONCEPTS - SINGLE FAMILY RESIDENTIAL





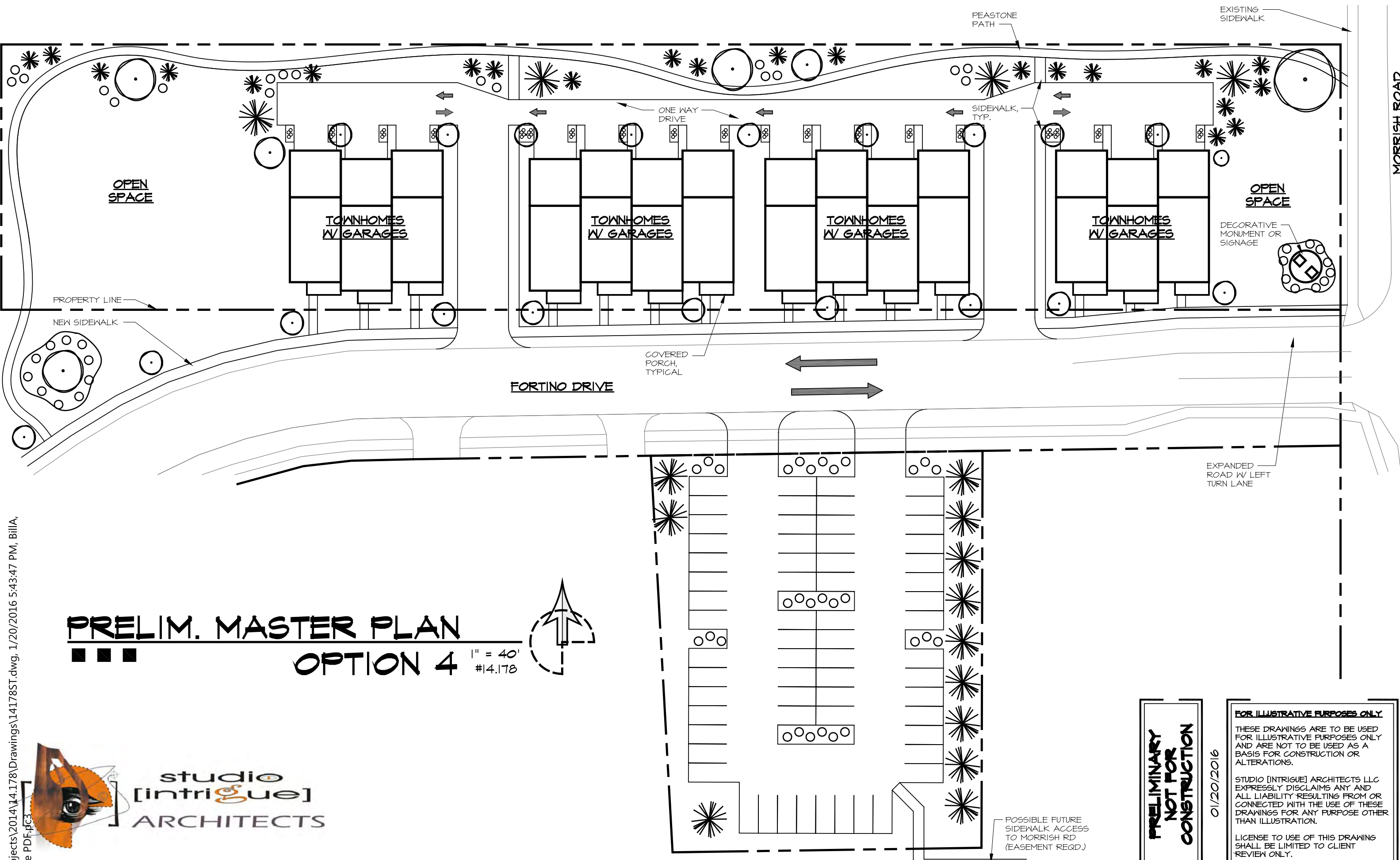
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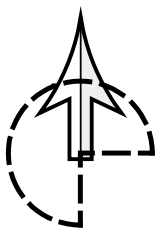
MASSING CONCEPTS - TOWNHOMES





PRELIM. MASTER PLAN
OPTION 4

1" = 40'
 #14.178



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**PRELIMINARY
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01/20/2016

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Paul Fortino Dr

Morrish Rd

PRELIMINARY SITE PLAN

NO.	REVISION	DATE

RBF HOLDINGS LLC PHONE 810.516.4405
 A "Rather Be Fishing" Company 4140 MORRISH ROAD,
 SWARTZ CREEK MI, 48473

Scale: AS SHOWN Date: 06-21-18 By: BAJ Chkd: Sh. 1 of 1
 Project: June 25, 2018
 For: EXAMPLE Job No.: 18-004

















REVENUE AND EXPENDITURE REPORT FOR CITY OF SWARTZ CREEK
PERIOD ENDING 05/31/2018

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
Fund 101 - General Fund					
000.000 - General	2,157,936.00	2,349,890.11	2,164,840.94	185,049.17	92.13
215.000 - Administration and Clerk	165.00	165.00	50.90	114.10	30.85
253.000 - Treasurer	980.00	1,270.00	1,360.00	(90.00)	107.09
301.000 - Police Dept	5,400.00	47,266.67	47,888.57	(621.90)	101.32
345.000 - PUBLIC SAFETY BUILDING	24,200.00	25,804.39	16,184.27	9,620.12	62.72
410.000 - Building & Zoning & Planning	41,120.00	67,144.78	73,375.58	(6,230.80)	109.28
410.025 - 2017 CDBG 5157 Morrish L	0.00	12,000.00	0.00	12,000.00	0.00
448.000 - Lighting	8,921.52	8,921.52	7,078.06	1,843.46	79.34
782.000 - Facilities - Abrams Park	140.00	195.00	300.00	(105.00)	153.85
783.000 - Facilities - Elms Rd Park	28,552.25	28,552.25	8,180.00	20,372.25	28.65
783.016 - Elms Park Brm-Trail Reno R	45,000.00	45,000.00	26,869.87	18,130.13	59.71
790.000 - Facilities-Senior Center/Lib	7,900.00	7,900.00	7,159.21	740.79	90.62
790.012 - CDBG Senior Center Opera	1,724.00	1,724.00	492.90	1,231.10	28.59
797.000 - Facilities - City Parking Lots	115,000.00	115,000.00	115,000.00	0.00	100.00
TOTAL REVENUES	2,437,038.77	2,710,833.72	2,468,780.30	242,053.42	91.07
000.000 - General	1,500.00	1,500.00	0.00	1,500.00	0.00
101.000 - Council	17,444.34	19,326.34	15,815.59	3,510.75	81.83
172.000 - Executive	109,122.71	121,214.71	84,696.07	36,518.64	69.87
201.000 - Finance,Budgeting,Account	41,961.15	44,271.46	39,583.66	4,687.80	89.41
215.000 - Administration and Clerk	23,369.31	27,294.26	20,975.88	6,318.38	76.85
228.000 - Information Technology	12,850.00	15,610.00	16,432.60	(822.60)	105.27

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
247.000 - Board of Review	3,665.00	3,665.00	1,615.65	2,049.35	44.08
253.000 - Treasurer	41,933.86	41,933.86	34,609.31	7,324.55	82.53
257.000 - Assessor	67,412.15	76,862.15	34,196.31	42,665.84	44.49
262.000 - Elections	35,435.69	35,517.69	14,825.81	20,691.88	41.74
266.000 - Legal Council	20,000.00	20,000.00	11,874.00	8,126.00	59.37
301.000 - Police Dept	0.00	665,914.00	665,914.00	0.00	100.00
301.851 - Retiree Employer Health C	26,750.00	26,750.00	18,900.71	7,849.29	70.66
334.000 - Metro Police Authority	1,005,000.00	1,005,000.00	941,099.50	63,900.50	93.64
336.000 - Fire Department	156,530.00	189,885.25	136,354.55	53,530.70	71.81
345.000 - PUBLIC SAFETY BUILDING	54,707.15	57,707.15	52,577.93	5,129.22	91.11
410.000 - Building & Zoning & Planni	72,496.81	89,172.81	69,502.39	19,670.42	77.94
410.025 - 2017 CDBG 5157 Morrish E	0.00	12,925.00	12,550.00	375.00	97.10
448.000 - Lighting	160,000.00	160,000.00	138,088.53	21,911.47	86.31
463.000 - Routine Maint - Streets	0.00	21,917.10	41,293.38	(19,376.28)	188.41
728.000 - Economic Development	0.00	81,905.27	64,501.67	17,403.60	78.75
780.000 - Parks & Recreation	5,500.00	5,500.00	4,913.05	586.95	89.33
781.000 - Facilities - Pajtas Amphithe	1,876.45	1,876.45	976.01	900.44	52.01
782.000 - Facilities - Abrams Park	36,256.52	34,402.52	18,233.12	16,169.40	53.00
783.000 - Facilities - Elms Rd Park	60,324.31	115,316.81	71,854.47	43,462.34	62.31
783.016 - Elms Park Brm-Trail Reno R	55,622.57	48,947.62	46,237.12	2,710.50	94.46
784.000 - Facilities - Bicentennial Par	6,264.40	5,766.90	429.46	5,337.44	7.45
786.000 - Non-Motorized Trailway	0.00	4,497.50	4,497.50	0.00	100.00
787.000 - Veterans Memorial Park	3,691.00	3,691.00	2,311.56	1,379.44	62.63

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
790.000 - Facilities-Senior Center/Lib	36,410.58	37,918.29	29,780.62	8,137.67	78.54
790.012 - CDBG Senior Center Opera	1,724.00	1,724.00	1,724.00	0.00	100.00
793.000 - Facilities - New City Hall	27,084.35	27,284.35	13,959.54	13,324.81	51.16
794.000 - Community Promotions Pr	25,469.60	30,508.85	24,566.16	5,942.69	80.52
796.000 - Facilities - Cemetary	6,930.82	6,950.82	2,032.17	4,918.65	29.24
797.000 - Facilities - City Parking Lots	101,856.00	85,656.00	7,130.28	78,525.72	8.32
851.000 - Retired Employee Health C	38,000.00	38,000.00	16,277.58	21,722.42	42.84
852.000 - Insurance Claims Assessme	150.00	150.00	98.20	51.80	65.47
965.000 - Transfers Out	123,655.00	323,655.00	173,655.00	150,000.00	53.65
TOTAL EXPENDITURES	2,380,993.77	3,490,218.16	2,834,083.38	656,134.78	81.20
Fund 101 - General Fund:					
TOTAL REVENUES	2,437,038.77	2,710,833.72	2,468,780.30	242,053.42	91.07
TOTAL EXPENDITURES	2,380,993.77	3,490,218.16	2,834,083.38	656,134.78	81.20
NET OF REVENUES & EXPENDITURES	56,045.00	(779,384.44)	(365,303.08)	(414,081.36)	
Fund 202 - Major Street Fund					
000.000 - General	400,200.00	445,924.96	344,794.11	101,130.85	77.32
441.000 - Miller Rd Park & Ride	5,000.00	6,800.00	5,751.31	1,048.69	84.58
449.500 - Right of Way - General	0.00	1,050.00	1,050.00	0.00	100.00
478.000 - Snow & Ice Removal	5,000.00	240.30	240.30	0.00	100.00
TOTAL REVENUES	410,200.00	454,015.26	351,835.72	102,179.54	77.49
228.000 - Information Technology	575.00	950.37	867.63	82.74	91.29
429.000 - Occupational Safety	43.06	0.00	0.00	0.00	0.00
441.000 - Miller Rd Park & Ride	5,256.20	5,650.62	5,063.72	586.90	89.61
449.500 - Right of Way - General	10,000.00	10,000.00	5,115.96	4,884.04	51.16
449.501 - Right of Way - Storms	200.00	100.00	0.00	100.00	0.00

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
453.103 - Miller Rd - Morrish Rd to El	0.00	708.93	708.93	0.00	100.00
453.105 - Fairchild-Cappy to Miller TI	0.00	23,959.82	0.00	23,959.82	0.00
463.000 - Routine Maint - Streets	366,178.90	424,673.87	393,388.75	31,285.12	92.63
463.104 - Winston Drive Reconstruct	168,837.00	141,837.00	141,058.67	778.33	99.45
473.000 - Routine Maint - Bridges	495.00	495.00	369.00	126.00	74.55
474.000 - Traffic Services	19,130.00	34,851.46	35,384.97	(533.51)	101.53
478.000 - Snow & Ice Removal	58,569.40	69,449.12	47,479.26	21,969.86	68.37
482.000 - Administrative	18,241.00	18,242.80	11,692.91	6,549.89	64.10
538.500 - Intercommunity storm drai	10,000.00	10,000.00	5,039.88	4,960.12	50.40
786.000 - Non-Motorized Trailway	3,000.00	3,000.00	0.00	3,000.00	0.00
TOTAL EXPENDITURES	660,525.56	743,918.99	646,169.68	97,749.31	86.86
Fund 202 - Major Street Fund:					
TOTAL REVENUES	410,200.00	454,015.26	351,835.72	102,179.54	77.49
TOTAL EXPENDITURES	660,525.56	743,918.99	646,169.68	97,749.31	86.86
NET OF REVENUES & EXPENDITURES	(250,325.56)	(289,903.73)	(294,333.96)	4,430.23	
Fund 203 - Local Street Fund					
000.000 - General	125,020.00	151,562.21	121,637.36	29,924.85	80.26
449.000 - Right of Way Telecomm	15,000.00	15,000.00	0.00	15,000.00	0.00
449.500 - Right of Way - General	0.00	1,050.00	1,050.00	0.00	100.00
463.000 - Routine Maint - Streets	0.00	441.42	441.42	0.00	100.00
478.000 - Snow & Ice Removal	2,200.00	240.30	240.30	0.00	100.00
931.000 - Transfers IN	394,850.00	1,604,850.00	1,645,000.00	(40,150.00)	102.50
TOTAL REVENUES	537,070.00	1,773,143.93	1,768,369.08	4,774.85	99.73
228.000 - Information Technology	575.00	930.00	867.64	62.36	93.29
449.000 - Right of Way Telecomm	3,500.00	3,500.00	0.00	3,500.00	0.00

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
449.500 - Right of Way - General	4,675.00	8,645.00	8,885.76	(240.76)	102.78
449.501 - Right of Way - Storms	1,500.00	1,500.00	0.00	1,500.00	0.00
463.000 - Routine Maint - Streets	491,184.19	420,248.44	320,233.65	100,014.79	76.20
463.103 - Worchester/Chesterfield R	1,536,996.02	1,465,996.02	1,465,578.46	417.56	99.97
463.105 - Daval Reconstruction	97,797.60	808,757.36	395,288.00	413,469.36	48.88
474.000 - Traffic Services	12,130.00	13,136.99	9,141.93	3,995.06	69.59
478.000 - Snow & Ice Removal	50,275.20	54,322.60	50,903.54	3,419.06	93.71
482.000 - Administrative	18,003.00	21,346.63	19,804.38	1,542.25	92.78
538.500 - Intercommunity storm drai	6,500.00	6,031.50	5,039.88	991.62	83.56
TOTAL EXPENDITURES	2,223,136.01	2,804,414.54	2,275,743.24	528,671.30	81.15
Fund 203 - Local Street Fund:					
TOTAL REVENUES	537,070.00	1,773,143.93	1,768,369.08	4,774.85	99.73
TOTAL EXPENDITURES	2,223,136.01	2,804,414.54	2,275,743.24	528,671.30	81.15
NET OF REVENUES & EXPENDITURES	(1,686,066.01)	(1,031,270.61)	(507,374.16)	(523,896.45)	
Fund 204 - MUNICIPAL STREET FUND					
000.000 - General	610,535.00	614,316.38	600,473.10	13,843.28	97.75
TOTAL REVENUES	610,535.00	614,316.38	600,473.10	13,843.28	97.75
905.000 - Debt Service	165,666.66	165,666.66	165,409.90	256.76	99.85
965.000 - Transfers Out	394,850.00	1,404,850.00	1,595,000.00	(190,150.00)	113.54
TOTAL EXPENDITURES	560,516.66	1,570,516.66	1,760,409.90	(189,893.24)	112.09
Fund 204 - MUNICIPAL STREET FUND:					
TOTAL REVENUES	610,535.00	614,316.38	600,473.10	13,843.28	97.75
TOTAL EXPENDITURES	560,516.66	1,570,516.66	1,760,409.90	(189,893.24)	112.09
NET OF REVENUES & EXPENDITURES	50,018.34	(956,200.28)	(1,159,936.80)	203,736.52	
Fund 226 - Garbage Fund					
000.000 - General	374,771.00	377,930.74	369,913.58	8,017.16	97.88
TOTAL REVENUES	374,771.00	377,930.74	369,913.58	8,017.16	97.88

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
000.000 - General	10,865.50	9,365.50	9,365.50	0.00	100.00
101.000 - Council	6,176.87	4,111.51	2,707.76	1,403.75	65.86
172.000 - Executive	9,354.66	8,334.62	6,586.23	1,748.39	79.02
201.000 - Finance,Budgeting,Account	6,106.00	6,399.30	6,051.73	347.57	94.57
215.000 - Aministration and Clerk	4,492.15	4,174.78	3,324.02	850.76	79.62
228.000 - Information Technology	1,500.00	1,747.45	2,089.72	(342.27)	119.59
253.000 - Treasurer	8,040.29	7,646.17	6,501.37	1,144.80	85.03
257.000 - Assessor	3,000.00	0.00	0.00	0.00	0.00
528.000 - Sanitation Collection	287,719.20	281,509.75	230,786.64	50,723.11	81.98
529.000 - Hazardous Waste Pickup	360.00	0.00	0.00	0.00	0.00
530.000 - Wood Chipping	44,107.38	36,832.87	27,488.38	9,344.49	74.63
782.000 - Facilities - Abrams Park	3,153.60	4,612.41	4,360.38	252.03	94.54
783.000 - Facilities - Elms Rd Park	4,443.20	8,304.19	5,404.02	2,900.17	65.08
793.000 - Facilities - New City Hall	4,251.25	4,368.80	3,405.29	963.51	77.95
TOTAL EXPENDITURES	393,570.10	377,407.35	308,071.04	69,336.31	81.63
Fund 226 - Garbage Fund:					
TOTAL REVENUES	374,771.00	377,930.74	369,913.58	8,017.16	97.88
TOTAL EXPENDITURES	393,570.10	377,407.35	308,071.04	69,336.31	81.63
NET OF REVENUES & EXPENDITURES	(18,799.10)	523.39	61,842.54	(61,319.15)	
Fund 248 - Downtown Development Fund					
000.000 - General	61,050.00	58,700.84	58,694.79	6.05	99.99
728.004 - Family Movie Night	1,000.00	1,000.00	1,000.00	0.00	100.00
TOTAL REVENUES	62,050.00	59,700.84	59,694.79	6.05	99.99
173.000 - DDA Administration	3,670.00	2,835.00	2,822.96	12.04	99.58
728.000 - Economic Development	15,000.00	25,912.00	19,683.15	6,228.85	75.96

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
728.002 - Streetscape	90,000.00	14,400.00	4,649.08	9,750.92	32.29
728.003 - Facade Program	10,000.00	10,000.00	0.00	10,000.00	0.00
728.004 - Family Movie Night	3,900.00	3,850.00	2,676.68	1,173.32	69.52
TOTAL EXPENDITURES	122,570.00	56,997.00	29,831.87	27,165.13	52.34
Fund 248 - Downtown Development Fund:					
TOTAL REVENUES	62,050.00	59,700.84	59,694.79	6.05	99.99
TOTAL EXPENDITURES	122,570.00	56,997.00	29,831.87	27,165.13	52.34
NET OF REVENUES & EXPENDITURES	(60,520.00)	2,703.84	29,862.92	(27,159.08)	
Fund 350 - City Hall Debt Fund					
000.000 - General	15.00	21.40	15.95	5.45	74.53
931.000 - Transfers IN	93,605.00	93,655.00	93,655.00	0.00	100.00
TOTAL REVENUES	93,620.00	93,676.40	93,670.95	5.45	99.99
905.000 - Debt Service	93,605.00	93,605.00	93,605.00	0.00	100.00
TOTAL EXPENDITURES	93,605.00	93,605.00	93,605.00	0.00	100.00
Fund 350 - City Hall Debt Fund:					
TOTAL REVENUES	93,620.00	93,676.40	93,670.95	5.45	99.99
TOTAL EXPENDITURES	93,605.00	93,605.00	93,605.00	0.00	100.00
NET OF REVENUES & EXPENDITURES	15.00	71.40	65.95	5.45	
Fund 402 - Fire Equip Replacement Fund					
000.000 - General	70.00	25.72	22.68	3.04	88.18
931.000 - Transfers IN	30,000.00	30,000.00	30,000.00	0.00	100.00
TOTAL REVENUES	30,070.00	30,025.72	30,022.68	3.04	99.99
Fund 402 - Fire Equip Replacement Fund:					
TOTAL REVENUES	30,070.00	30,025.72	30,022.68	3.04	99.99
TOTAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00
NET OF REVENUES & EXPENDITURES	30,070.00	30,025.72	30,022.68	3.04	
Fund 590 - Water Supply Fund					
000.000 - General	1,100.00	4,520.00	5,651.17	(1,131.17)	125.03
540.000 - Water System	2,149,590.00	2,153,460.00	1,594,373.24	559,086.76	74.04

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
TOTAL REVENUES	2,150,690.00	2,157,980.00	1,600,024.41	557,955.59	74.14
000.000 - General	35,403.57	35,403.57	23,413.75	11,989.82	66.13
101.000 - Council	9,106.87	8,821.87	6,845.75	1,976.12	77.60
172.000 - Executive	40,705.19	41,809.19	24,715.97	17,093.22	59.12
201.000 - Finance,Budgeting,Account	19,243.00	20,867.50	18,544.80	2,322.70	88.87
215.000 - Aministration and Clerk	15,169.87	15,169.87	12,505.21	2,664.66	82.43
228.000 - Information Technology	5,590.00	5,730.00	5,728.37	1.63	99.97
253.000 - Treasurer	29,737.57	29,737.57	24,869.60	4,867.97	83.63
540.000 - Water System	2,372,407.74	2,844,126.16	2,308,538.96	535,587.20	81.17
542.000 - Read and Bill	59,602.40	59,097.90	40,190.48	18,907.42	68.01
793.000 - Facilities - New City Hall	10,252.93	11,109.93	8,009.62	3,100.31	72.09
850.000 - Other Functions	12,000.00	12,000.00	0.00	12,000.00	0.00
905.000 - Debt Service	49,484.84	49,484.84	49,408.17	76.67	99.85
TOTAL EXPENDITURES	2,658,703.98	3,133,358.40	2,522,770.68	610,587.72	80.51
Fund 590 - Water Supply Fund:					
TOTAL REVENUES	2,150,690.00	2,157,980.00	1,600,024.41	557,955.59	74.14
TOTAL EXPENDITURES	2,658,703.98	3,133,358.40	2,522,770.68	610,587.72	80.51
NET OF REVENUES & EXPENDITURES	(508,013.98)	(975,378.40)	(922,746.27)	(52,632.13)	
Fund 591 - Sanitary Sewer Fund					
000.000 - General	1,080.00	2,776.00	3,334.94	(558.94)	120.13
536.000 - Sewer System	1,290,040.00	1,316,240.00	947,755.09	368,484.91	72.00
TOTAL REVENUES	1,291,120.00	1,319,016.00	951,090.03	367,925.97	72.11
000.000 - General	24,913.75	24,913.75	23,413.75	1,500.00	93.98
101.000 - Council	9,206.87	9,206.87	6,846.26	2,360.61	74.36
172.000 - Executive	33,513.99	34,617.99	24,737.75	9,880.24	71.46

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
201.000 - Finance,Budgeting,Account	19,198.00	20,788.50	18,540.10	2,248.40	89.18
215.000 - Aministration and Clerk	15,056.87	15,056.87	12,505.21	2,551.66	83.05
228.000 - Information Technology	5,590.00	5,730.00	5,728.35	1.65	99.97
253.000 - Treasurer	29,608.57	29,608.57	24,894.80	4,713.77	84.08
536.000 - Sewer System	957,820.70	969,249.70	519,641.83	449,607.87	53.61
537.000 - Sewer Lift Stations	23,053.60	23,180.60	12,257.40	10,923.20	52.88
542.000 - Read and Bill	62,439.04	62,631.54	48,871.35	13,760.19	78.03
543.401 - Flush & TV Sewers	30,904.00	30,904.00	27,238.50	3,665.50	88.14
543.407 - Sewer Rehab Phase 7	179,958.00	179,958.00	132,931.00	47,027.00	73.87
793.000 - Facilities - New City Hall	10,742.93	11,582.93	7,969.04	3,613.89	68.80
850.000 - Other Functions	10,000.00	10,000.00	0.00	10,000.00	0.00
TOTAL EXPENDITURES	1,412,006.32	1,427,429.32	865,575.34	561,853.98	60.64
Fund 591 - Sanitary Sewer Fund:					
TOTAL REVENUES	1,291,120.00	1,319,016.00	951,090.03	367,925.97	72.11
TOTAL EXPENDITURES	1,412,006.32	1,427,429.32	865,575.34	561,853.98	60.64
NET OF REVENUES & EXPENDITURES	(120,886.32)	(108,413.32)	85,514.69	(193,928.01)	
Fund 661 - Motor Pool Fund					
000.000 - General	160,270.00	160,862.00	142,981.63	17,880.37	88.88
TOTAL REVENUES	160,270.00	160,862.00	142,981.63	17,880.37	88.88
172.000 - Executive	13,606.00	10,856.00	10,856.00	0.00	100.00
201.000 - Finance,Budgeting,Account	7,591.00	7,593.79	6,491.51	1,102.28	85.48
228.000 - Information Technology	450.00	706.94	765.94	(59.00)	108.35
795.000 - Facilities - City Garage	178,335.20	199,305.70	108,756.12	90,549.58	54.57
TOTAL EXPENDITURES	199,982.20	218,462.43	126,869.57	91,592.86	58.07
Fund 661 - Motor Pool Fund:					

GL NUMBER	2017-18 ORIGINAL BUDGET	2017-18 AMENDED BUDGET	YTD BALANCE 05/31/2018	AVAILABLE BALANCE	% BDGT USED
TOTAL REVENUES	160,270.00	160,862.00	142,981.63	17,880.37	88.88
TOTAL EXPENDITURES	199,982.20	218,462.43	126,869.57	91,592.86	58.07
NET OF REVENUES & EXPENDITURES	(39,712.20)	(57,600.43)	16,112.06	(73,712.49)	
Fund 865 - Sidewalks					
478.000 - Snow & Ice Removal	1,820.00	1,395.00	1,395.00	0.00	100.00
TOTAL REVENUES	1,820.00	1,395.00	1,395.00	0.00	100.00
478.000 - Snow & Ice Removal	3,200.00	1,755.00	1,755.00	0.00	100.00
TOTAL EXPENDITURES	3,200.00	1,755.00	1,755.00	0.00	100.00
Fund 865 - Sidewalks:					
TOTAL REVENUES	1,820.00	1,395.00	1,395.00	0.00	100.00
TOTAL EXPENDITURES	3,200.00	1,755.00	1,755.00	0.00	100.00
NET OF REVENUES & EXPENDITURES	(1,380.00)	(360.00)	(360.00)	0.00	
Fund 866 - Weed Fund					
000.000 - General	7,800.00	4,950.00	2,550.00	2,400.00	51.52
TOTAL REVENUES	7,800.00	4,950.00	2,550.00	2,400.00	51.52
000.000 - General	1,840.00	660.00	455.00	205.00	68.94
TOTAL EXPENDITURES	1,840.00	660.00	455.00	205.00	68.94
Fund 866 - Weed Fund:					
TOTAL REVENUES	7,800.00	4,950.00	2,550.00	2,400.00	51.52
TOTAL EXPENDITURES	1,840.00	660.00	455.00	205.00	68.94
NET OF REVENUES & EXPENDITURES	5,960.00	4,290.00	2,095.00	2,195.00	

City of Swartz Creek

Project Report – City Council



June 25, 2018

ROWE Professional Services Company provides the following report that summarizes the status of the projects where we are assisting with. Representatives of ROWE attend the Council meetings pro bono to provide engineering assistance if needed and to keep up with issues with the City.

Active projects status reports:

1. 2018 Daval Drive Reconstruction (Winshall to Chesterfield):

The contractor has installed everything but the top layer of asphalt which will happen this week (possibly today). We are working with Consumers Energy to get the ornamental light poles installed. The costs and schedule are shown below:

Construction Cost: \$1,086,000

The project is significantly ahead of schedule and we will have the final costs for the next Council Report

2. 2017 Street Project (Worcester, Chesterfield, Winston, Abbey Lane, Ingalls, Elms Park Trail):

The project is complete with the exception of some lighting, ornamental stop signs and street name poles. The turf establishment has been reworked throughout the project and is coming in much better. The cracked concrete driveways were all replaced.

As Bid Construction Cost: \$2,906,845

Current Construction Cost with Change Orders: \$4,002,825 (increase due to adding Daval Drive reconstruction, more sidewalk added, and more pavement repair on Abbey and Ingalls).

3. Fairchild Street Design (Cappy to Miller):

The survey work has been completed and we have started the design process. We are currently targeting a bid opening (through MDOT) in January or February of 2019. This is funded through the Transportation Improvement Program (TIP) for 2019 construction.

Current Construction Cost Estimate: \$290,000

Design Engineering Budget: \$24,000

4. Miller Road Storm Sewer Repair:

The easements and agreements have been obtained. The city needs to select a contractor to complete the storm sewer outlet repair.

5. Civic Dr. Watermain Repair:

The construction is complete and is ready for use.

Prepared By:

Jack Wheatley, P.E., ROWE Professional Services Company