



City Council Meeting

March 19, 2018

6:00 p.m.

Cadillac Municipal Complex

Council Chambers

200 N. Lake St.

Cadillac, MI 49601



March 19, 2018 City Council Meeting Agenda
6 p.m. at City Hall – 200 N. Lake St. – Cadillac, MI 49601

We are continuous learners

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

I. APPROVAL OF AGENDA

II. PUBLIC COMMENTS

It is requested that comment time be limited to three (3) minutes.

III. CONSENT AGENDA

All items listed on the consent agenda are considered routine and will be enacted by one motion with roll call vote. There will be no separate discussion of these items unless a Council Member so requests it, in which event the items will be removed from the consent agenda and discussed separately.

A. Minutes from the regular meeting held on March 5, 2018.

Support Document III-A

B. Minutes from the closed session held on March 5, 2018.

IV. PUBLIC HEARINGS

A. Public hearing regarding the adoption of a Combined Brownfield Plan for the 412 Cadillac Redevelopment.

Support Document IV-A

V. PROCLAMATION

A. Month of the Young Child.

Cadillac City Council Agenda

March 19, 2018

Page 2

VI. COMMUNICATIONS

- A. Display of banner for Month of the Young Child.
Support Document VI-A
- B. Display of banner for National Library Week.
Support Document VI-B
- C. Street closure for Community Easter Egg Hunt.
Support Document VI-C

VII. CITY MANAGER'S REPORT

- A. Request from Cadillac Rotary Club regarding Cadillac Veterans' Memorial Walkway.
Support Document VII-A
- B. Recommendation regarding Curbside Recycling Program extension.
Support Document VII-B
- C. Recommendation regarding 2018-2019 Road Salt.
Support Document VII-C

VIII. INTRODUCTION OF ORDINANCES AND RESOLUTIONS

- A. Adopt resolution to introduce Ordinance to Amend Sections 42-201 and 42-202(3) of Chapter 42 of the City Code to Increase Water Rates in the City of Cadillac 3% and set a public hearing for April 2, 2018.
Support Document VIII-A
- B. Adopt resolution to introduce Ordinance to Amend Section 42-374 of Chapter 42 of the City Code to Increase Sewer Rates in the City of Cadillac 3% and set a public hearing for April 2, 2018.
Support Document VIII-B

IX. ADOPTION OF ORDINANCES AND RESOLUTIONS

- A. Adopt Resolution Supporting Water Asset Management Plan.
Support Document IX-A
- B. Approve Resolution to Adopt Ordinance Amending Chapters 8 and 18 of the City of Cadillac Code.
Support Document IX-B

Cadillac City Council Agenda

March 19, 2018

Page 3

- C. Adopt Resolution to Set Fee Schedule for Condemned Buildings (Section 108.8 of Property Maintenance Code) and Failure to Obtain Contractor Registration/Permit (Section 113.3 of Fire Code).

Support Document IX-C

- D. Adopt Resolution for Addition to Local Street System (Warren Street).

Support Document IX-D

- E. Adopt Resolution for Addition to Local Street System (Lincoln Street).

Support Document IX-E

X. PUBLIC COMMENTS

It is requested that comment time be limited to three (3) minutes.

XI. GOOD OF THE ORDER

XII. CLOSED SESSION

Adjourn to closed session to consult with the City Attorney regarding trial or settlement strategy in connection with Wexford County Circuit Court Consolidated Case Nos. 13-24803-CH and 17-27610-CZ, *TeriDee LLC et al. v Clam Lake Township and Haring Charter Township v City of Cadillac and HOP Family, LLC and City of Cadillac v Haring Charter Township and Clam Lake Township*.

XIII. ADJOURNMENT

Core Values (R.I.T.E.)

Respect

Integrity

Trust

Excellence

Guiding Behaviors

We support each other in serving our community

We communicate openly, honestly, respectfully, and directly

We are fully present

We are all accountable

We trust and assume goodness in intentions

We are continuous learners

CITY COUNCIL MEETING MINUTES

6:00 PM – March 5, 2018
Cadillac City Hall – 200 N. Lake St. - Cadillac, Michigan 49601

CALL TO ORDER

Mayor Filkins called the City Council meeting to order at approximately 6:00 pm.

PLEDGE OF ALLEGIANCE

ROLL CALL

Council Present: Spoelman, Schippers, Engels, King, Mayor Filkins
Council Absent: None
Staff Present: Peccia, Roberts, Dietlin, Keway, Crawford, Coy, Homier, Wasson

APPROVAL OF AGENDA

2018-031 Approve agenda as presented.

Motion was made by Schippers and supported by King to approve the agenda as presented.

Motion unanimously approved.

PUBLIC COMMENTS

There were no public comments.

CONSENT AGENDA

2018-032 Approve consent agenda as presented.

Motion was made by Spoelman and supported by Schippers to approve the consent agenda as presented.

Motion unanimously approved.

COMMUNICATIONS

A. Child Protection Council - Pinwheels for Prevention.

Mike Coy, Zoning Administrator, noted the event has been held for a number of years. He stated the pinwheels that will be placed in the planters will be removed prior to the downtown landscaping.

Karen Staub, Prevention Coordinator, Child Protection Council, noted the Child Protection Council is the local council of the State of Michigan's Children's Trust Fund and National Prevent Child Abuse America. She stated the Pinwheels for Prevention campaign falls under Prevent Child Abuse America and is held nationwide to raise awareness about child abuse and neglect. She added the pinwheels will be placed in the four (4) planter boxes at the

intersection of Harris and Mitchell Streets. She stated the procession will begin at Toy Town starting at 4:00 pm on April 3, 2018.

2018-033 Approve Child Protection Council - Pinwheels for Prevention.

Motion was made by Schippers and supported by Spoelman to approve the request from the Child Protection Council for the “Pinwheels for Prevention Program” in Downtown Cadillac subject to the conditions noted.

Motion unanimously approved.

B. Downtown Sidewalk Cafes.

Coy noted Clam Lake Brewery, Hermann’s European Cafe, and Raven BBQ and Brewery have requested permission to have sidewalk cafes in front of their businesses. He stated the sidewalks between the buildings and the curbs average sixteen (16) feet wide so meeting the sixty inch clearance required by the City Code and the State of Michigan is easily accomplished.

Engels asked if lamp posts or trees change the clearance.

Coy noted they factor into the clearance areas so positioning of the eating area is important.

Spoelman asked if the temporary outdoor seating areas are removed in the evenings.

Coy stated they are only allowed during business hours.

Peccia stated the permit for the Raven BBQ and Brewery also includes the elevated outdoor seating area that will be located on the balcony. He noted MDOT requires a permit even though it is not located at the street level.

2018-034 Approve Downtown Sidewalk Cafés.

Motion was made by King and supported by Engels to approve the request from Clam Lake Brewery, Hermann’s European Cafe, and the Raven BBQ and Brewery to have sidewalk cafés in front of their businesses during the 2018 season subject to the conditions noted.

Motion unanimously approved.

CITY MANAGER’S REPORT

A. Bids and recommendation regarding Valve Exercising Equipment.

Peccia noted the FY2018 Annual Operating Budget includes an appropriation of \$100,000 for the purchase of a sewer jetter. He stated after reviewing the Water Asset Management Plan and the Water Reliability Study, the water department would like to reallocate the budgeted funds to purchase valve exercising equipment that includes the sewer jetter and the valve exercising component. He stated one (1) bid was received from E.H. Wachs located in Lincolnshire, Illinois in the amount of \$72,550.

Spoelman asked for an explanation of the equipment.

Jeff Dietlin, Director of Utilities, noted the new equipment will aid in the process of opening and closing water main valves.

Mayor Filkins noted that \$100,000 was budgeted just for the jetter and we are able to acquire the jetter and the vacuum system combination for \$72,000. She asked if the specifications are any different on the jetter because it is in combination with the vacuum system.

Dietlin stated the jetter that is currently in operation is a more robust unit that can still be utilized. He noted the jetter being purchased is smaller but is more versatile.

2018-035 Award purchase of Valve Exercising Equipment.

Motion was made by Spoelman and supported by Engels to award the purchase of Valve Exercising Equipment to E.H. Wachs of Lincolnshire, Illinois in the amount of \$72,550.

Motion unanimously approved.

B. Bids and recommendation regarding Household Hazardous Waste Collection.

Peccia noted two (2) bids were received, Environmental Resource Group and Drug and Laboratory Disposal, Inc. He stated that based on historical data the recommendation is to award the contract to Environmental Resource Group.

Peccia stated the County's level of participation is unknown at this time. He added if the County participates financially then it would be open to all County residents. He added if the County elects not to participate financially then the City will develop a voucher or coupon program for non-City residents. He stated once the contract for collection services has been awarded, City staff will communicate with County officials to invite their participation in this service.

Mayor Filkins asked if it will be open to individuals outside of Wexford County.

Peccia stated opening it up to individuals outside Wexford County has not been considered.

Spoelman noted the projected cost is based on having two (2) collection events.

Owen Roberts, Director of Finance, stated from experience and also from a desire to achieve the most collection possible it was determined that it is beneficial to hold two (2) collection events, May and October.

Schippers stated that holding two (2) collection events, spring and fall, allows people to dispose of any materials collected over the summer.

Engels asked what impact not having a collection event for the past four (4) years has had on the water treatment facility

Dietlin stated that based on the large volume that is processed daily it would be difficult to determine the impact.

Roberts noted that nearly 12,500 pounds of the average amount of 16,118 pounds collected were liquid materials.

2018-036 Award contract for Household Hazardous Waste Collection.

Motion was made by Schippers and supported by Engels to award the contract for Household Hazardous Waste Collection Services to Environmental Recycling Group of Livonia, Michigan through December 31, 2020 in accordance with their bid.

Motion unanimously approved.

C. Bids and recommendation regarding Tandem Axle Plow Truck Chassis.

Peccia noted three (3) bids were received and it is being recommended to award the purchase to the lowest bidder, GT Diesel Service located in Traverse City, Michigan. He stated the vehicle is a 2019 Wester Star in the amount of \$114,500.

Mayor Filkins asked if the City is going to trade-in a vehicle.

Roberts stated one (1) of the current vehicles will be sold.

2018-037 Award purchase of Tandem Axle Plow Truck Chassis.

Motion was made by Spoelman and supported by Engels to award the purchase of one (1) Tandem Axle Plow Truck to GT Diesel Service of Traverse City Michigan in accordance with their bid amount of \$114,500.

Motion unanimously approved.

D. Bids and recommendation regarding Dump Body and Snow Maintenance Equipment.

Peccia stated the Dump Body and Snow Maintenance Equipment will be installed on the new plow truck that was approved for purchase. He noted two (2) bids were received and the difference between the bids was approximately \$3,600. He stated the recommendation to award the purchase to the higher bidder, Truck and Trailer Specialties.

Peccia stated in reviewing the bids, the Department of Public Works (DPW) is recommending the higher bid for the following reasons:

- Most of the department's existing equipment carries Monroe snow maintenance products and Monroe is the manufacturer used by Truck and Trailer Specialties.
- The firm has very fast turn-around and reliability of parts when needed.
- This is a proven vendor for the City on this critical equipment.

Spoelman asked if a lot of municipalities in this area utilize Truck and Trailer Specialties out of Boyne Falls, Michigan.

Roberts stated that according to the DPW many municipalities in the area utilize Truck and Trailer Specialties so the network available for parts is a significant advantage.

Spoelman stated the availability of parts and uniformity amongst all of the trucks are good reasons to utilize Truck and Trailer Specialties.

2018-038 Award purchase of Dump Body and Snow Maintenance Equipment.

Motion was made by Schippers and supported by Spoelman to award the purchase of a Dump Body and Snow Maintenance Equipment for a tandem axle plow truck to Truck and Trailer Specialties in accordance with their bid.

Motion unanimously approved.

E. City Council meeting schedule.

Peccia noted a Special Election will be held on May 8, 2018. He stated it is being recommended that the Council meeting scheduled for May 7, 2018 be cancelled to allow for election preparation activities. He noted a special meeting of the City Council will be scheduled if the need arises.

Spoelman asked if cancellation of the meeting will interfere with the budget approval process.

Roberts stated at the April 2, 2018 meeting the Charter required public hearing on the budget will be scheduled for April 16, 2018. Also during the April 16, 2018 meeting, the ordinance to adopt the budget will be introduced along with scheduling of the second public hearing to be held on May 21, 2018.

2018-039 Cancel May 7, 2018 City Council Meeting.

Motion was made by King and supported by Engels to approve the cancellation of the May 7, 2018 City Council meeting due to the May 8, 2018 Special Election.

Motion unanimously approved.

INTRODUCTION OF ORDINANCES AND RESOLUTIONS

A. Adopt resolution to introduce Ordinance Amending the City Zoning Map and set a public hearing.

King noted the owner of the property seeking the zoning change is not connected to his law firm but the individual purchasing the property who will benefit from a zoning change is a client of his law firm so he is requesting to be recused from the vote.

2018-040 Recuse Council Member King.

Motion was made by Schippers and supported by Engels to rescue Council Member King for the reason stated.

Motion unanimously approved.

Peccia noted the Planning Commission recommended that the City Council amend the City Zoning Map to rezone the parcel to B-3 General Business District. He stated this is the future location of Ace Hardware. He noted the total square footage of the three (3) combined lots is just under 31,000 square feet. He mentioned the DDA and two (2) immediate neighbors did express support for the project. He noted there were no objections expressed from any of the surrounding neighbors.

Peccia stated it is being recommended to set the public hearing for April 2, 2018.

2018-041 Set public hearing for Ordinance 2018-02.

Motion was made by Schippers and supported by Engels to adopt the resolution to introduce Ordinance Amending the City Zoning Map and set a public hearing for April 2, 2018.

Motion unanimously approved.

ADOPTION OF ORDINANCES AND RESOLUTIONS

A. Adopt Resolution to Approve Record Retention Policy.

Roberts noted Foster Swift conducted record retention training for City personnel. He stated it was pointed out that the City had adopted the State's Record Retention Schedule in the past so the City's policy was not up-to-date with the latest version from the State. He noted the proposed resolution adopts the Record Retention Policy in reference to the State's policy.

2018-042 Adopt Resolution to Approve Record Retention Policy.

Motion was made by King and supported by Engels to adopt the Resolution to Approve the Record Retention Policy as presented.

Motion unanimously approved.

B. Adopt resolution regarding the Combined Brownfield Plan for the 412 Cadillac Redevelopment and set a public hearing.

Peccia stated 412 Cadillac is currently the project name that has been assigned to the former Better Bodies property. He noted the property was acquired by Robb Munger through a salvage auction held by the Wexford County Treasurer's Office. He stated environmental studies have been conducted on the property. He mentioned there are going to be both environmental and non-environmental eligible expenses. He stated the DDA and the Brownfield Authority are in full support of utilizing brownfield as a tool for this project. He noted the DDA has already executed an interlocal agreement with the Brownfield Authority. He stated the developer and the brownfield consultant will be present at the public hearing.

Peccia stated it is being recommended to set the public hearing for March 19, 2018.

2018-043 Set public hearing for Combined Brownfield Plan for the 412 Cadillac Redevelopment.

Motion was made by Schippers and supported by King to adopt the resolution regarding the Combined Brownfield Plan for the 412 Cadillac Redevelopment and set a public hearing for March 19, 2018.

Motion unanimously approved.

MINUTES AND REPORTS OF BOARDS AND COMMISSIONS

- A. Cadillac Arts Council
- B. Zoning Board of Appeals
- C. Planning Commission
- D. Downtown Development Authority

PUBLIC COMMENTS

There were no public comments.

GOOD OF THE ORDER

There were no comments.

CLOSED SESSION

Adjourn to closed session for a strategy and negotiation session connected with a collective bargaining agreement.

2018-044 Adjourn to closed session.

Motion was made by Engels and supported by Schippers to adjourn to closed session for a strategy and negotiation session connected with a collective bargaining agreement; invite Todd Keway, Human Resources Generalist.

Motion unanimously approved.

2018-045 Return to open session.

Motion was made by Schippers and supported by King to return to open session.

Motion unanimously approved.

Peccia stated it would be appropriate for Council to consider a motion authorizing the Letter of Agreement between the City of Cadillac and the Cadillac Fire Fighters Association regarding the Collective Bargaining Agreement.

2018-046 Approve Cadillac Fire Fighters Association Letter of Agreement.

Motion was made by King and supported by Schippers to authorize the Letter of Agreement as presented.

Motion unanimously approved.

ADJOURNMENT

Respectfully submitted,

Carla J. Filkins, Mayor

Sandra L. Wasson, City Clerk

March 19, 2018

Council Communication

RE: 412 Cadillac Brownfield Plan

Robb Munger acquired the former Better Bodies property from the Wexford County Treasurer's Office under tax foreclosure, and is proposing to demolish a portion of the building, remodel the balance and subsequently lease for commercial/retail space.

A Phase II Environmental Site Assessment (ESA) conducted in December 2017 identified the presence of metals in soils exceeding MDEQ Criteria and is a Part 201 Facility, qualifying it as a Brownfield Eligible Property. Anticipated Brownfield Eligible Activities include environmental due diligence and due care, lead and asbestos abatement, and selective demolition. Recent amendments to Act 381 provide for the combination of a Brownfield Plan and an Act 381 Work Plan for State tax capture into a Combined Brownfield Plan.

A Combined Brownfield Plan has been prepared to facilitate the development by reimbursing extraordinary environmental, lead and asbestos abatement, and demolition cost through the capture of increased taxes generated by an estimated private investment of \$200,000. The Combined Brownfield Plan was reviewed and approved by the Cadillac Brownfield Redevelopment Authority at their February 26, 2018 meeting and recommended for approval to the Cadillac City Council.

The Combined Brownfield will also be presented for approval of State Tax Capture to the MDEQ for Environmental Eligible Activities and the Michigan Strategic Fund for Non-Environmental Eligible Activities. As part of the approval process, Act 381 requires that a public hearing be held by the governing body to consider public input on the Combined Brownfield Plan.

The following is a proposed schedule for considering the Brownfield Plan:

Action	Entity	Date
Approve Combined Brownfield Plan	Cadillac Brownfield Redevelopment Authority	February 26, 2018
Set Public Hearing	City Council	March 5, 2018
Hold Public Hearing & Approve Brownfield Plan	City Council	March 19, 2018

Recommended Action:

Adopt Resolution Approving Combined Brownfield Redevelopment Plan for 412 Cadillac Redevelopment.

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Robert J. Engels
Tiyi Schippers
Stephen King

RESOLUTION NO. _____

**RESOLUTION APPROVING COMBINED BROWNFIELD REDEVELOPMENT PLAN FOR
412 CADILLAC REDEVELOPMENT**

At a meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of March, 2018, at 6:00 p.m.

PRESENT: _____

ABSENT: _____

The following preamble and resolution was offered by _____ and
seconded by _____.

WHEREAS, the Michigan Brownfield Redevelopment Financing Act, Act 381, P.A. 1996 as amended ("Act 381"), authorizes municipalities to create a brownfield redevelopment authority to promote the revitalization, redevelopment, and reuse of contaminated, blighted, functionally obsolete, or historically designated property through tax increment financing of eligible activities approved in a Brownfield Plan; and

WHEREAS, the City Council established the Cadillac Brownfield Redevelopment Authority ("CBRA") under the procedures in Act 381 on December 6, 1996, to facilitate the redevelopment of brownfield properties within the City of Cadillac; and

WHEREAS, Act 381 was recently amended to provide for Combined Brownfield Plans that combine the elements of a Brownfield Plan (which identifies the Brownfield Eligible Property and Activities and estimates the impacts to taxing jurisdictions, among other things) with the elements of an Act 381 Work Plan (which details the proposed project, the specific eligible activities that will be undertaken to alleviate Brownfield

conditions, and the costs and time frame of the project, and which is necessary for state tax capture); and

WHEREAS, the City understands that certain property located at 412 S. Mitchell Street ("412 Cadillac Redevelopment") qualifies as a Brownfield Eligible Property and that the owner desires to undertake various remediation activities, including environmental due diligence and due care, lead and asbestos abatement, and selective demolition, to redevelop the property; and

WHEREAS, a Combined Brownfield Plan was submitted to the CBRA for the 412 Cadillac Redevelopment that: (1) establishes the property at 412 S. Mitchell Street as Eligible Property, (2) outlines Environmental and Non-Environmental Eligible Activities, and (3) reimburses the Eligible Activity expenses from taxes generated by increased private investment on the property; and

WHEREAS, on February 26, 2018, the CBRA reviewed and recommended approval of the Combined Brownfield Plan to the City Council, finding the Plan met the requirements of Act 381 and constitutes a public purpose of job creation, increased private investment and economic development, and increased property tax value; and

WHEREAS, pursuant to Act 381, the City set a public hearing for March 19, 2018 regarding the City Council's proposed adoption of the Plan and transmitted notice of the public hearing to the applicable taxing authorities and published notice of the public hearing in the manner required by Act 381; and

WHEREAS, the City Council conducted a public hearing on March 19, 2018, at which all interested persons had an opportunity to be heard and any written communications regarding the Plan were received and considered, as required by Act 381; and

WHEREAS, the City Council has made the following determinations and findings:

1. The Plan constitutes a public purpose under Act 381; and
2. The Plan meets all of the requirements for a Combined Brownfield Plan set forth in Act 381; and
3. The proposed method of financing the costs of eligible activities by private financing arranged by the developer, is feasible and the CBRA will not arrange financing; and
4. The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of Act 381; and
5. The amount of captured taxable value estimated to result from adoption of the Plan is reasonable; and

WHEREAS, the City has determined that the 412 Cadillac Redevelopment as set forth in the Plan will be beneficial to the City and that approving the Plan is in the best interest of the health, safety, and welfare of the City's residents.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. The City hereby approves and adopts the Plan, attached hereto as Exhibit A.
2. This Resolution shall be maintained in the files of the City Clerk.
3. Should any section, clause or phrase of this Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof, other than the part so declared to be invalid.
4. Any and all resolutions that are in conflict with this Resolution are hereby repealed, but only to the extent to give this Resolution full force and effect.

YEAS: _____

NAYS: _____

STATE OF MICHIGAN)
)
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. ____, duly adopted at a regular meeting of the City Council held on the 19th day of March, 2018.

Sandra Wasson, Clerk
Cadillac Municipal Complex
200 Lake Street
Cadillac, Michigan 49601
Telephone No: (231) 775-0181

**ACT 381 COMBINED
BROWNFIELD AND WORK PLAN
TO CONDUCT
ELIGIBLE
MDEQ ENVIRONMENTAL AND
MSF NON-ENVIRONMENTAL
ACTIVITIES**

**412 Cadillac
412 S. Mitchell Street
Cadillac, Michigan 49601
City of Cadillac
Wexford County, Michigan**

Cadillac Brownfield Redevelopment Authority

**Approved by Cadillac Brownfield
Redevelopment Authority: February 26, 2018**

Public Hearing: March 19, 2018

**Approved by Cadillac
City Council: March 19, 2018**

Prepared by:

**Mac McClelland, Manager – Brownfield Redevelopment
Otwell Mawby, P.C.
309 E. Front Street
Traverse City, Michigan 49684
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231.633.6303**

www.otwellmawby.com

Environmental ▪ Brownfield ▪ Asbestos ▪ Geotechnical ▪ Materials Testing

TABLE OF CONTENTS

PROJECT SUMMARY.....	1
1.0 INTRODUCTION	2
1.1 PROPOSED REDEVELOPMENT AND FUTURE USE - MCL 125.2663(1)(A).....	2
1.2 ELIGIBLE PROPERTY INFORMATION - MCL 125.2663(1)(H).....	2
1.2.1 <i>Property Eligibility and Location</i>	<i>2</i>
1.2.2 <i>Current Ownership</i>	<i>3</i>
1.2.3 <i>Proposed Future Ownership</i>	<i>3</i>
1.2.4 <i>Delinquent Taxes, Interest & Penalties</i>	<i>3</i>
1.2.5 <i>Existing & Proposed Future Zoning for Eligible Property.....</i>	<i>3</i>
1.3 HISTORICAL, PREVIOUS USE AND OWNERSHIP OF EACH ELIGIBLE PROPERTY	3
1.3.1 <i>Historic Use</i>	<i>3</i>
1.3.2 <i>Previous Ownership</i>	<i>4</i>
1.4 CURRENT USE OF ELIGIBLE PROPERTY.....	4
1.5 SITE CONDITIONS AND KNOWN ENVIRONMENTAL CONTAMINATION	
SUMMARY	4
1.5.1 <i>Site Conditions</i>	<i>4</i>
1.5.1 <i>Known Environmental Contamination Summary</i>	<i>4</i>
1.6 FUNCTIONALLY OBSOLETE, BLIGHTED AND/OR HISTORIC CONDITIONS	6
1.7 INFORMATION REQUIRED BY SECTION 15(15) OF THE STATUTE	6
1.7.1 <i>MSF Eligible Activity Sufficiency</i>	<i>6</i>
1.7.2 <i>MSF Eligible Activity Need.....</i>	<i>7</i>
1.7.3 <i>MSF Eligible Activity Cost Determination</i>	<i>7</i>
1.7.4 <i>Public Purpose - MCL 125.2664(1)</i>	<i>7</i>
1.7.5 <i>Reuse of Vacant Buildings and the Redevelopment of Blighted Property.....</i>	<i>8</i>
1.7.6 <i>Job Creation.....</i>	<i>8</i>
1.7.6 <i>Area of High Unemployment.....</i>	<i>8</i>
1.7.8 <i>Level and Extent of Contamination Alleviated in Connection with the Eligible Activities ...</i>	<i>8</i>
1.7.9 <i>Level of Private Sector Contribution to the Project</i>	<i>8</i>
1.7.10 <i>Greenfield Comparison</i>	<i>8</i>
1.7.11 <i>Creation of New Brownfields.....</i>	<i>8</i>
1.7.12 <i>Project Pro forma</i>	<i>8</i>
2.0 SCOPE OF WORK - MCL 125.2663(1)(B).....	9
2.1 MDEQ ELIGIBLE ACTIVITIES.....	9
2.1.1 <i>Baseline Environmental Assessment</i>	<i>9</i>
2.1.2 <i>Due Care Investigation and Activities.....</i>	<i>9</i>
2.1.3 <i>Additional Response Activities</i>	<i>10</i>
2.1.3 <i>Environmental Insurance</i>	<i>10</i>
2.1.4 <i>Interest</i>	<i>10</i>
2.1.5 <i>Combined Brownfield Plan</i>	<i>10</i>
2.2 MSF NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES	11
2.2.1 <i>Demolition.....</i>	<i>11</i>
2.2.2 <i>Lead and Asbestos Abatement.....</i>	<i>11</i>
2.2.3 <i>Infrastructure Improvements</i>	<i>12</i>
2.2.4 <i>Site Preparation</i>	<i>12</i>
2.2.5 <i>Interest</i>	<i>12</i>
2.2.6 <i>Assistance to Land Bank Fast Track Authority</i>	<i>12</i>

2.2.7	<i>Relocation of Public Facilities or Service for Economic Development Purposes</i>	12
2.2.8	<i>Develop/Prepare/Implement Combined Brownfield Plan</i>	12
2.3	LOCAL ONLY ELIGIBLE ACTIVITIES	13
2.4	SCHEDULE AND COSTS	13
2.4.1	<i>Schedule of Activities</i>	13
2.4.2	<i>Summary of Total Project Costs</i>	14
3.0	TAX INCREMENT REVENUE ANALYSIS	14
3.1	ESTIMATE OF CAPTURED TAXABLE VALUE AND TAX INCREMENT REVENUES - MCL 125.2663(1)(c)	14
3.2	<i>Method of Financing Plan Costs - MCL 125.2663(1)(d)</i>	16
3.3	<i>Maximum Amount of Indebtedness - MCL 125.2663(1)(e)</i>	16
3.4	<i>Duration of Brownfield Plan - MCL 125.2663(1)(f)</i>	16
3.5	<i>Estimate of Impact of Tax Increment Financing on Taxing Jurisdictions - MCL 125.2663(1)(g):</i> 17	
3.6	<i>Description of Proposed Use of the Local Site Remediation Revolving Fund - MCL 125.2663(1)(m)</i>	17
4.0	SUMMARY OF RELOCATION ACTIVITIES	17
4.1	<i>Estimate of Number of Persons Residing on Eligible Property - MCL 125.2663(1)(i)</i>	17
4.2	<i>Plan for Residential Relocation - MCL 125.2663(1)(j)</i>	17
4.3	<i>Provision of Costs of Relocation - MCL 125.2663(1)(k):</i>	17
4.4	<i>Strategy to Comply with Relocation Assistance Act, 1972 PA 227 - MCL 213.321 to 213.332 - MCL 125.2663(1)(l)</i>	17
5.0	OTHER MATERIAL REQUIRED BY THE AUTHORITY OR GOVERNING BODY - MCL 125.2663(1)(N):	17

LIST OF EXHIBITS

FIGURES

Figure 1	Site Location Map
Figure 2	Eligible Property Boundaries
Figure 3	Site Photos

TABLES

Table 1.1	Environmental Eligible Activities
Table 1.2	Non-Environmental Eligible Activities
Table 2.1	Annual Revenue and Brownfield Capture Estimates
Table 2.2	Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

Attachment A	Resolutions Approving Combined Brownfield Plan
Attachment B	Development Reimbursement Agreement

PROJECT SUMMARY

The former blighted and tax reverted building at 412 S. Mitchell Street, the former Better Bodies Health and Fitness Property, has been purchased and will be remodeled into commercial retail space.

The proposed project will demolish a portion of the building and remodel the balance of the building. There are extraordinary costs, including environmental due diligence, lead and asbestos abatement, and demotion, that challenge the economic viability of the development.

The redevelopment is consistent with the City of Cadillac Master Plan and zoning ordinance. Initial work is anticipated to begin in Spring 2018, with tax increment capture beginning in 2019. The estimated investment is \$200,000.

Project Name:	412 Cadillac
Project Location:	The eligible property is located in at 412 S. Mitchell Street in the City of Cadillac, Wexford County, Michigan with the Parcel Identification Number 83-10-086-00-512-00.
Type of Eligible Property:	Part 201 Facility as defined by Part 201 of Michigan Act 451, as amended
Eligible Activities:	Environmental, Lead and Asbestos Abatement, Demolition
Eligible Activity Costs: (excluding interest)	\$96,735
Years to Complete Eligible Activities Payback:	19 Years for Local Capture and 20 Years for State Capture
Estimated Eligible Investment:	\$225,000
Annual Tax Revenue Before Project:	\$3,718
Estimated Annual Tax Revenue in First Year After Project:	\$13,774

**ACT 381 COMBINED BROWNFIELD PLAN
TO CONDUCT ELIGIBLE
MDEQ ENVIRONMENTAL AND
MSF NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES**

**UNDER THE AUTHORITY OF THE
BROWNFIELD REDEVELOPMENT FINANCING ACT,
1996 PA 381, AS AMENDED**

1.0 INTRODUCTION

The Cadillac Brownfield Redevelopment Authority (“CBRA”) is submitting this Act 381 Combined Brownfield Plan for MDEQ Environmental and MSF Non-Environmental Eligible Activities for the proposed Former Better Bodies Property in the City of Cadillac, Wexford County, Michigan (herein referred to as the “Eligible Property”).

This Combined Brownfield Plan is submitted under the auspices of Act 381, P.A. 1996, as amended.

1.1 PROPOSED REDEVELOPMENT AND FUTURE USE - MCL 125.2663(1)(A)

The proposed project includes the acquisition of the former Better Bodies Health and Fitness Property and selective demolition, remodeling, and construction for the use of the building for use as a rental income property the operation of a commercial business.

The estimated investment is \$200,000.

1.2 ELIGIBLE PROPERTY INFORMATION - MCL 125.2663(1)(h)

1.2.1 Property Eligibility and Location

Property Eligibility – The former Better Bodies Health and Fitness property is a Part 201 Facility, based on Phase II Environmental investigation activities conducted on the property. As a result, the parcel qualifies as Eligible Property under Act 381, P.A. 1996 as amended. The property owned by 412 Cadillac, LLC, with Mr. Robert Munger, Managing Member. 412 Cadillac, LLC purchased the property on November 15, 2017 as tax reverted property from the County Treasurer’s Office.

Location - The Eligible Property is located at 412 S. Mitchell Street in Cadillac with the Parcel Identification Number 83-10-086-00-512-00 with a total area of approximately 0.52 acres, with one building, the former Better Bodies Health and Fitness.

The legal description of the parcel is provided below. A Project Location Map and Eligible Property Map are included in the Appendix as Figures 1 and 2, respectively.

<u>Site Name</u>	<u>Parcel</u>	<u>Legal Description</u>
412 Cadillac	83-10-086-00-512-00	PART OF OUT LOT 7 - COM ON W LINE OF MITCHELL ST AT INT OF S LINE OF STIMSON ST EXTENDED: N PAR TO MITCHELL ST 50 FT WLY AT RIGHT ANGLE TO MITCHELL ST 150 FT SELY PAR MITCHELL ST, 151.3 FT ELY TO MITCHELL ST 150 FT; NWLY 100.10 FT TO POB MITCHELLS REVISED PLAT OF THE VILLAGE OF CLAM LAKE CITY OF CADILLAC

1.2.2 Current Ownership

The Eligible Property is owned by the 412 Cadillac, LLC. Contact: Mr. Robert Munger, Managing Member, 616-550-8090, robb@robbmunger.com

1.2.3 Proposed Future Ownership

The Eligible Property will remain owned by 412 Cadillac, LLC. Contact: Mr. Robert Munger, Managing Member, 616-550-8090, robb@robbmunger.com

1.2.4 Delinquent Taxes, Interest & Penalties

There are currently no delinquent taxes, interest or penalties due on the subject property.

1.2.5 Existing & Proposed Future Zoning for Eligible Property

The property is zoned General Business District (B-3), and governed by the provisions of the City of Cadillac Zoning Ordinance.

1.3 HISTORICAL, PREVIOUS USE AND OWNERSHIP OF EACH ELIGIBLE PROPERTY

1.3.1 Historic Use

According to the Phase I ESA, the subject property apparently remained undeveloped until the late 1800s or early 1900s. The 1906 Sanborn Fire Insurance Map depicted the subject property as developed with a residence and bicycle shop, which appears to be the first developed use of the subject property. Between 1906 and 1914, the subject property had remained developed, with the commercial building now being utilized as a livery. Additional development between these years also took place and was indicated as a delivery company with stables. This development was the eastern portion of the existing commercial building. A hide warehouse had also been constructed. The subject property remained developed over the years with the existing building being identified as auto sales and service business in the early 1920s. Between the early 1920s and the 1950 Sanborn Map, the subject property had remained developed with the existing commercial building which had been expanded to the west. The former residence had also been removed during these years. Several of the other buildings had remained on the property (hide warehouse small store). The subject property remained developed with the existing building in the 1960s and was identified as an auto sales and service operation. All of the other structures had been removed from the property. The subject property has remained

developed with the existing building since this time to the present. The building remained an automobile sales and service operation until the mid-1960s.

In the mid-1960s the subject property was converted to use as a Wick's Lumber Yard. These activities continued on the subject property until the mid to late 1980s. At this time, the subject property was renovated for use as a health and fitness gym. The subject property remained a gym until approximately the beginning of 2016 at which time the business closed. Since the closure of the business, the building has sat unoccupied.

The property was acquired by the Wexford County Treasurer's Office through tax foreclosure on April 1, 2017 and purchased by 412 Cadillac, LLC, on November 15, 2017 and has since remained vacant.

1.3.2 Previous Ownership

Wexford County acquired the property through tax foreclosure on April 1, 2017.

1.4 CURRENT USE OF ELIGIBLE PROPERTY

The former Better Bodies Health and Fitness property is developed with the existing commercial building and associated asphalt parking lot. The building was unoccupied and had most recently been used for a health and fitness gym.

1.5 SITE CONDITIONS AND KNOWN ENVIRONMENTAL CONTAMINATION SUMMARY

1.5.1 Site Conditions

The subject site has a 10,044-square foot, single story building with partial basement. The building exterior is finished, with painted brick and block, wood siding and metal exterior trim and siding, with rubber membrane roof, and a slab on grade poured concrete floors that is constructed of brick with flat roof. The drive way into the site enters the eastern portion of the property, into a parking area on the north side of the building. Figure 2 shows the pertinent features of the building and property.

Major utilities are present within the right-of-way along South Mitchell Street. Electrical service is overhead along South Mitchell Street, and appeared to connect to the west side of the building. Natural gas enters the property at the northwest corner of the building. The site is also served by the City of Cadillac water and sewer services. Communication lines are also overhead and enter the south side of the building. Storm water is handled through direct surface water runoff from across the property.

1.5.1 Known Environmental Contamination Summary

A Phase I Environmental Site Assessment was conducted in December 2017 on behalf of 412 Cadillac, LLC and identified the historical use of the subject property for automobile sales and service operations, and the potential existed for former in-ground hydraulic hoist systems and floor drains within the northern portion of the building. This portion of the building has been assumed to have been the location of the former service operations. A Phase II ESA was also

conducted in December 2017 to sample soil and groundwater within the interior of the building. Soil samples were submitted for laboratory analysis for volatile organic compounds (VOCs), polynuclear aromatics (PNAs), semi-volatile organic compounds (SVOCs) Michigan 10 metals, Diesel Range Organics (DRO), Gasoline Range Organics (GRO) and Oil Range Organic (ORO).

The Phase II ESA activities identified the presence of the following contaminants in soil and groundwater samples, collected from the subject property at concentrations exceeding MDEQ Part 201 risk-based screening level. The criteria exceedances identified are summarized in the following three tables:

Summary of Soil Concentrations Above MDEQ GCC

Sample Number	Sample Depth (ft.)	Parameter Exceeding Criteria / CAS#	Parameter Analytical Result (ug/Kg, ppb)	GCC Exceeded (ug/Kg, ppb)
HA-2	2.0'	Selenium CAS #: 7782492	1,400	GSI – 400
HA-4	6.0'	Arsenic CAS #: 7440382	7,300	DWP – 4,600 GSI – 4,600
		Barium CAS #: 7440393	380,000	GSI – 290,000
		Selenium CAS #: 7782492	2,100	GSI – 400
		Zinc CAS #: 7440666	260,000	GSI – 180,000
DWP – MDEQ Part 201 Drinking Water Protection Criteria GSI - MDEQ Part 201 Groundwater Surface Water Interface Protection Criteria GCC – MDEQ Part 201 Generic Cleanup Criteria CAS # - Chemical Abstracts Service ppb – Parts per billion ug/Kg – Micrograms per kilogram or ppb				

Summary of Groundwater Concentrations Above MDEQ GCC

Sample ID	Sample Depth (Ft.)	Parameter Exceeding Criteria / CAS #	Parameter Analytical Result (ug/L, ppb)	GCC Exceeded (ug/L, ppb)
HA-3	7.00'	Lead CAS #: 16065831	12	DWC – 4.0
HA-4	7.00'	Lead CAS #: 16887006	14	DWC – 4.0
DWC – MDEQ Part 201 Drinking Water Criteria GCC – MDEQ Part 201 Generic Cleanup Criteria CAS # - Chemical Abstracts Service ppb – Parts per billion ug/L – Micrograms per Liter (i.e., parts per billion)				

Summary of Soil Concentrations – Aesthetic

Sample ID	DRO Analytical Result (ppm)*	GRO Analytical Result (ppm)*	ORO Analytical Result (ppm)*	DRO Screening Values	GRO Screening Values	Type of Impact Present
HA-4 @ 6.0'	1,100	19	54,000	SVIA - <500 SDC - <1,050	SVIA - <350 SDC - <900	Aesthetic
DRO – Diesel Range Organics GRO – Gasoline Range Organics ORO – Oil Range Organics GCC – MDEQ Part 201 Generic Cleanup Criteria / There are currently no GCC criteria established for DRO, GRO and ORO. SVIA – Soil Volatilization to Indoor Air Criteria SDC – <0.5% Saturation for Direct Contact Criteria ug/Kg – Micrograms per Kilogram (i.e., parts per billion) * = The DRO, GRO and ORO methods are generally used for evaluating impact to a site from releases of products such as oils, fuel oils, diesel, hydraulic oil and lubricating oils. Results presented in PPM. The method detection limit is 4 mg/Kg and the generally accepted aesthetic criteria is 100 mg/kg. There are currently no screening values for ORO.						

Based on the presence of contamination identified above in the two soil (HA-2 and HA-4) and the two groundwater (HA-3 and HA-4) samples collected from the subject property in excess of the MDEQ GCC for Drinking Water Protection Criteria, Groundwater Surface Water Interface Protection Criteria in soils, and the Groundwater Surface Water Interface Criteria for groundwater and aesthetic impacts (to soil and groundwater) with elevated concentrations of DRO, GRO and ORO; the subject property is classified as a “Facility” as defined by Part 201 of Michigan Act 451, as amended.

1.6 **FUNCTIONALLY OBSOLETE, BLIGHTED AND/OR HISTORIC CONDITIONS**

The property was tax reverted and, as such, meets the definition of blighted under Act 381, P.A. 1996 as amended. The property also meets qualifying Eligible Property under Act 381 as a Part 201 Facility.

1.7 **INFORMATION REQUIRED BY SECTION 15(15) OF THE STATUTE**

1.7.1 **MSF Eligible Activity Sufficiency**

The MSF Eligible Activities proposed under this Combined Brownfield Plan include: Lead and Asbestos Abatement and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of sufficiency for each Eligible Activity:

1.7.1.1 Lead and Asbestos Abatement: Lead and asbestos abatement will result in the appropriate management of lead and cadmium-based paint with appropriate training, materials handling, and air monitoring to ensure work safety, and removal of asbestos

containing materials (ACMs) by a certified asbestos contractor. The appropriate management of lead and cadmium-based paint and removal of asbestos prior to demolition will be sufficient to alleviate the brownfield conditions of the Eligible Property.

1.7.1.2 Demolition: The selective demolition of a portion of the existing building will provide for the redevelopment to meet code, space, and finish requirements. The selective demolition that would inhibit future development are sufficient to alleviate brownfield conditions on the Eligible Property.

1.7.2 MSF Eligible Activity Need

The MSF Eligible Activities proposed under this Combined Brownfield Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

1.7.2.1 Lead Asbestos Abatement: State and federal regulations require an assessment of the presence of lead and cadmium-based paint and asbestos prior to demolition of commercial buildings. If identified, precautions must be taken to protect human health and the environment, including worker training, air monitoring, and in the case of asbestos, abatement must be conducted by a certified asbestos abatement company.

1.7.2.2 Demolition: Selective demolition of the building must be conducted in order to meet code, space, and finish needs for the commercial leasing.

1.7.3 MSF Eligible Activity Cost Determination

The MSF Eligible Activities proposed under this Combined Brownfield Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

1.7.3.1 Lead Asbestos Abatement: Costs for the lead/cadmium paint and asbestos surveys are based on proposals from certified asbestos inspectors and abatement costs are based on a walkthrough of the buildings by a certified lead and asbestos inspector.

1.7.3.2 Demolition: Costs for demolition are based on internal company estimates and preliminary consultations with reputable local firms, net of recycling material revenues.

1.7.4 Public Purpose - MCL 125.2664(1)

The proposed Better Bodies - 412 S. Mitchell will convert a vacant commercial building into a retail commercial space for a future tenant.

The total projected investment is expected to be approximately \$225,000.

The project will significantly add to the local and state tax base. When completed, property taxes are estimated at **\$13,774** per year (following the retirement of Brownfield obligations) with 39.90% of these revenues going to the State of Michigan and 60.10% to local taxing jurisdictions. The property currently generates \$3,718 and without redevelopment, the property value and property taxes will likely decline.

1.75 Reuse of Vacant Buildings and the Redevelopment of Blighted Property

The former Better Bodies Health and Fitness building is vacant and formerly tax-reverted and blighted.

1.7.6 Job Creation

The lessee has not yet been identified and therefore, specific job creation estimates cannot be provided. However, job creation is anticipated for any commercial or retail enterprise which leases the property.

1.7.6 Area of High Unemployment

The unemployment rate for Wexford County in 2016 was 5.6 percent, as compared to the State unemployment rate at 4.9 percent, according to the USDA Economic Research Service.

1.7.8 Level and Extent of Contamination Alleviated in Connection with the Eligible Activities

There is evidence of environmental impact to soil and groundwater on the property and the site is a Part 201 Facility as defined by Part 201 of Michigan Act 451, as amended.

1.7.9 Level of Private Sector Contribution to the Project

The private sector contribution to this project is expected to be approximately \$200,000.

1.7.10 Greenfield Comparison

A Greenfield site was not considered for the project. All Eligible Activities under this Combined Brownfield Plan would not be required on a Greenfield site.

1.7.11 Creation of New Brownfields

There is no anticipated creation of a new brownfield from the project.

1.7.12 Project Pro forma

A project pro forma has not been prepared for the project.

1.7.13 Other Incentives

No other incentives are anticipated for the project.

1.7.14 Other Information

None

2.0 SCOPE OF WORK - MCL 125.2663(1)(B)

The purpose of the proposed eligible activities proposed under this Combined Brownfield Plan is to conduct MDEQ Environmental Eligible Activities, including Phase I and Phase II Environmental Site Assessments, a Baseline Environmental Assessment and a Due Care Plan, and MSF Eligible Activities, including Lead and Asbestos Abatement, and Site and Selective Building Demolition.

2.1 MDEQ ELIGIBLE ACTIVITIES

Section 13(16), Act 381, PA 1996 as amended provides for State tax capture for site investigation activities and associated reports for a baseline environmental assessment and due care plan without Department approval. These MDEQ Eligible Activities are listed for qualification under the Brownfield Plan and are not part of the Act 381 Work Plan request to the Department.

2.1.1 Baseline Environmental Assessment

The work scope is to conduct a Phase I Environmental Site Assessments (ESAs) and Phase II ESA to meet environmental due diligence and All Appropriate Inquiry for 412 Cadillac, LLC.

- A. Phase I ESA: A Phase I ESA has been conducted for the parcels proposed for acquisition by 412 Cadillac, LLC, consistent with ASTM Standard E1527-13. The Phase I ESA included a review of historical and current information, including regulatory agency files, historical maps, and past uses to evaluate the potential for contamination, a site inspection of the property, and interviews with individuals knowledgeable about the past use of the property to identify any Recognized Environmental Conditions (RECs). A Phase I report was prepared with full documentation of the research and identified the historical use of the subject property for automobile sales and service operations, and the potential existed for former in-ground hydraulic hoist systems and floor drains within the northern portion of the building was identified as a Recognized Environmental Condition (REC).
- B. Phase II ESA: A Phase II ESA was conducted which included soil and groundwater samples within the northern interior portion of the building to determine whether a release had occurred. There were visual and olfactory evidence of a release. Soil and groundwater samples were submitted for laboratory analysis for volatile organic compounds (VOCs), polynuclear aromatics (PNAs), semi-volatile organic compounds (SVOCs) Michigan 10 metals, Diesel Range Organics (DRO), Gasoline Range Organics (GRO) and Oil Range Organic (ORO). Results did show the presence of metals in the soil and groundwater above MDEQ Generic Cleanup Criteria. As a result, the site is a Part 201 Facility, environmental due diligence was completed, and a Baseline Environmental Assessment was prepared on behalf of the owner.

2.1.2 Due Care Investigation and Activities

While the BEA provides an exemption from environmental liability for pre-existing contamination, new purchasers have due care obligations to prevent exposure to or exacerbation of pre-existing contamination. There are three primary due care activities proposed under this Brownfield Plan:

- A. Phase II ESA Investigation: Due to the historical presence of contaminated soil and groundwater on the Eligible Property, additional investigation may be required to determine if exposure pathways are complete and if mitigation measures are required.
- B. Due Care Plan Preparation: Following the completion of the Phase II ESA and determination of the redevelopment details of each future land use, the data summary and recommendations for meeting due care obligations will be included in a Due Care Plan. The Due Care Plan will describe the known contamination, proposed redevelopment activities, plans for mitigating unacceptable exposures and preventing exacerbation, recommendations for filing abandon container notices, notices to third parties who may be exposed to contamination (e.g., utility workers), and filing of Notices of Migration of Contamination, if necessary. In addition, an Environmental Construction Management Plan will be prepared to detail measures to protect on-site workers and construction measures to meet due care obligations.

2.1.3 Additional Response Activities

Not applicable.

2.1.3 Environmental Insurance

Not applicable.

2.1.4 Interest

Interest is included as an Eligible Activity. The Brownfield Eligible Activities of environmental due diligence have been privately financed by the Developer. Interest is calculated at 5.0% for 15 years for the purposes of this Combined Brownfield Plan.

2.1.5 Combined Brownfield Plan

The preparation, approval, and implementation of the Combined Brownfield Plan is included as Eligible Activities.

The following tables estimate the costs for Environmental Eligible Activities to be funded by tax increment revenues.

Estimated Cost of MDEQ Environmental Eligible Activities

MDEQ Environmental Eligible Activities	Estimated Cost
Baseline Environmental Assessment	\$10,200
Due Care Activities	\$4,700
Contingency (15%)	\$2,235
Eligible Activities Subtotal	\$17,135
Interest	\$7,627

MDEQ Environmental Eligible Activities	Estimated Cost
Combined Brownfield Plan Development, Approval, Implementation	\$5,000
Brownfield Authority Administrative and Operating Cost	\$3,500
MDEQ Environmental Eligible Activities Total	\$33,262

2.2 MSF NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES

MSF Eligible Activities are requested under this plan under the auspices of Act 381. The City of Cadillac is a Qualified Local Government; however, MSF Non-Environmental Eligible Activities include only lead and asbestos abatement and demolition.

2.2.1. Demolition

Demolition will include site demolition and selective demolition of a portion of the building.

The following is a cost estimate for Site and Selective Demolition:

Site and Selective Demolition	Total
Site Demolition	\$3,000
Selective Demolition	\$45,000
Contingency (15%)	<u>\$7,200</u>
TOTAL	\$55,200

2.2.2. Lead and Asbestos Abatement

Demolition or remodeling buildings that contain lead, cadmium and/or asbestos is subject to regulations to protect the health of the persons that may be affected. In addition, demolition can impact the concentration of lead, cadmium and/or asbestos in the soils that are in close proximity to the building. A lead/cadmium paint and asbestos survey has been conducted for all buildings on the site and identified the presence of lead/cadmium paint and asbestos. The presence of lead and cadmium-based paint in areas of disturbance and demolition which requires specific precautions, including personal protective equipment, worker training, and air monitoring to ensure levels of lead and cadmium are less than required levels. Asbestos in areas of disturbance or demolition must be abated by a certified asbestos contractor, with air monitoring to ensure a safe working environment. The scope of work includes the required surveys prior to demolition under State and Federal law, and lead and asbestos abatement.

The following is a cost estimate for lead and asbestos survey, monitoring, and abatement:

Lead and Asbestos Abatement	Total
Survey	\$2,000
Monitoring	\$1,000
Abatement	\$3,000
Contingency (15%)	\$900
TOTAL	\$6,900

2.2.3 Infrastructure Improvements

Better Bodies - 412 S. Mitchell is located in City of Cadillac, which is designated as a Qualified Local Unit of Government, or Core Community. However, no infrastructure improvements are anticipated as part of the Combined Brownfield Plan.

2.2.4 Site Preparation

Better Bodies - 412 S. Mitchell is located in the City of Cadillac, which is designated as a Qualified Local Unit of Government, or Core Community. However, no infrastructure improvements are anticipated as part of the Combined Brownfield Plan.

2.2.5 Interest

Interest is included as an Eligible Activity. The Brownfield Eligible Activities of lead and asbestos abatement and demolition will be privately financed by the Developer. Interest is calculated at 5.0% for 15 years for the purposes of this Combined Brownfield Plan.

2.2.6 Assistance to Land Bank Fast Track Authority

Not Applicable.

2.2.7 Relocation of Public Facilities or Service for Economic Development Purposes

Not Applicable.

2.2.8 Develop/Prepare/Implement Combined Brownfield Plan

The preparation, approval and implementation of the Combined Brownfield Plan is included as Eligible Activities.

Estimated Cost of MSF Non-Environmental Eligible Activities

MSF Environmental Eligible Activities	Estimated Cost
Lead and Asbestos Abatement	\$6,000
Demolition	\$48,000
Contingency (15%)	\$8,100
Eligible Activities Subtotal	\$62,100

MSF Environmental Eligible Activities	Estimated Cost
Interest	\$27,643
Combined Brownfield Plan Development, Approval, Implementation	\$12,500
Brownfield Authority Administrative and Operating Cost	\$3,500
MDEQ Environmental Eligible Activities Total	\$105,743

2.3 LOCAL ONLY ELIGIBLE ACTIVITIES

With the exception of Administrative and Operating Costs, there are no Eligible Activities that are specifically designated as “Local Only.”

2.4 SCHEDULE AND COSTS

2.4.1 Schedule of Activities

The following is an estimated schedule of Eligible Activities:

Activity	Completion
Demolition	Second Qtr 2018
Initiate Renovation	Third Qtr 2017
Complete Renovation	Third Qtr 2018

2.4.2 Summary of Total Project Costs

SUMMARY OF MAXIMUM ELIGIBLE COSTS	
412 CADILLAC	
MDEQ Environmental Eligible Activity Costs Maximum	
Baseline Environmental Activities	\$ 10,200
Due Care Activities	\$ 4,700
Contingency	\$ 2,235
Subtotal	\$ 17,135
Interest (5% at 15 years)	\$ 7,627
Combined Brownfield Plan Review/Approval/Implementation	\$ 5,000
CBRA Admin/Operating Costs	\$ 3,500
MDEQ ENVIRONMENTAL ELIGIBLE ACTIVITY TOTAL	\$ 33,262
MSF Developmental Eligible Activity Cost Maximum	
Lead/Asbestos Abatement	\$ 6,000
Demolition	\$ 48,000
Contingency	\$ 8,100
Subtotal	\$ 62,100
Interest (5% at 15 years)	\$ 27,643
Combined Brownfield Plan Review/Approval/Implementation	\$ 12,500
CBRA Admin/Operating Costs	\$ 3,500
MSF DEVELOPMENTAL ELIGIBLE ACTIVITY TOTAL	\$ 105,743
LOCAL SITE REMEDIATION REVOLVING FUND	\$ -
Maximum Eligible Costs	\$ 139,005
STATE BROWNFIELD FUND	\$ 8,621

All Eligible Activities identified above will be allocated between the State and Local taxes in a proportional share, after the capture of the 3 mils for the State Brownfield Fund.

Eligible Activity Cost Tables and Tax Capture Tables are presented in the Exhibits.

3.0 TAX INCREMENT REVENUE ANALYSIS

3.1 Estimate of Captured Taxable Value and Tax Increment Revenues - MCL 125.2663(1)(c)

The initial taxable value for the Eligible Property will be set at the taxable value as of the approval date of this Combined Brownfield Plan, anticipated on March 19, 2018.

Act 381 defines initial taxable value as the taxable value at the time the Brownfield Plan is adopted (in this case, anticipated on March 19, 2018), as shown by either the most recent

assessment roll for which equalization has been completed (in May) at the time the resolution is adopted (as of December 31, 2016) or, if provided by the brownfield plan, by the next assessment roll for which equalization will be completed (as of December 31, 2017) following the date the resolution adding that eligible property in the brownfield plan is adopted .

The initial taxable value established by this Brownfield Plan is based on the taxable value as of December 31, 2017 and is \$61,800 for real property.

The MDEQ Environmental and MSF Non-Environmental Eligible Activity cost is \$79,235 plus an estimated \$35,270 in interest, for a total of \$114,505. The Combined Brownfield Plan also includes \$17,500 in Combined Brownfield Plan Development, Approval, and Implementation and \$8,500 in CBRA Administrative and Operating Costs, and \$8,621 for the State Brownfield Fund, bringing the Maximum Eligible Activity Cost to \$147,627. The Combined Brownfield Plan does not provide for additional State tax capture in an amount equal to State tax capture for MDEQ Environmental Eligible Activities and additional Local tax capture for a period of *five years* for the Local Brownfield Revolving Fund. The overall investment for the Project is estimated at \$225,000.

Table 2 identifies taxable values for real and personal property, including tax increment revenues for the Eligible Property. In addition, 3 mils are captured and distributed to the State for the State Brownfield Redevelopment Fund. In accordance with Act 381, this share does not affect the State and local ratio.

The cash flow analysis for the project indicates payoff of the obligation in *nineteen (19) years* for Local Capture and *twenty (20) years* for State Capture from 2018. ***Brownfield capture under this Combined Brownfield Plan is limited to twenty (20) years to 2038, or less.***

Redevelopment of the property is anticipated to be initiated in Spring 2018, with site and building demolition. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions. The estimated tax increment captured by the Authority is summarized in the table below and detailed in Table 2.

Estimated Tax Increment Capture by the Authority

Year	Total Tax Revenues	Captured Taxes	Year	Total Tax Revenues	Captured Taxes
2019	\$10,485	\$6,441	2034	\$12,826	\$8,669
2020	\$10,621	\$6,570	2035	\$13,008	\$8,843
2021	\$10,759	\$6,702	2036	\$13,194	\$9,020
2022	\$10,900	\$6,836	2037	\$13,384	\$7,417 (1)
2023	\$11,043	\$6,972	2038	\$13,577	\$2,283 (2)
2024	\$11,190	\$7,112	2039	\$13,774	\$0
2025	\$11,339	\$7,254	2040	\$13,975	\$0
2026	\$11,492	\$7,399	2041	\$14,180	\$0
2027	\$11,647	\$7,547	2042	\$14,390	\$0
2028	\$11,806	\$7,698	2043	\$14,603	\$0
2029	\$11,968	\$7,852	2044	\$14,821	\$0
2030	\$12,133	\$8,009	2045	\$15,043	\$0
2031	\$12,301	\$8,169	2046	\$15,269	\$0
2032	\$12,472	\$8,333	2047	\$15,500	\$0
2033	\$12,648	\$8,499	2048	\$15,736	\$0

(1) Local Tax Capture Ends -----

(2) State Tax Capture Ends -----

Total	\$386,085	\$139,128
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State Brownfield Fund \$8,621

Balance \$147,749

3.2 Method of Financing Plan Costs - MCL 125.2663(1)(d):

The Brownfield Eligible Activities of environmental due diligence, lead and asbestos abatement and demolition will be privately financed by the Developer, and the Combined Brownfield Plan Development, Approval, and Implementation will be financed by the Authority, with capture of Local and State taxes to reimburse Eligible Activities.

3.3 Maximum Amount of Indebtedness - MCL 125.2663(1)(e)

The maximum amount of indebtedness will be \$105,235 plus an estimated \$35,270 in interest costs.

3.4 Duration of Brownfield Plan - MCL 125.2663(1)(f)

The duration of the Plan will be the time to capture taxes in an amount equal to the Eligible Activity obligation, **but no longer than twenty (20) years, with capture ending in 2038**. As shown on Table 2, total costs of all Eligible Activities on the property redevelopment is

expected to be repaid through tax increment financing within *19 years* for Local Capture and *20 years* for State Capture.

3.5 Estimate of Impact of Tax Increment Financing on Taxing Jurisdictions - MCL 125.2663(1)(g):

Tables 2.1 and 2.2 identify annual and total tax revenues projected for capture from the increase in property tax valuations. Individual tax levies within each taxing jurisdiction are also presented on Table 2. Taxing jurisdictions will continue to receive their attendant tax allocation for the project beyond the duration of the plan.

The total tax capture is estimated at \$61,985 for Eligible Activities, \$27,592 in interest, \$15,000 for Combined Brownfield Plan Development, Approval, and Implementation, \$8,500 in CBRA Administration and Operation, and \$6,705 for a total capture of \$118,282. After the Brownfield obligation is met, tax revenues will accrue to the taxing jurisdictions in an amount estimated at almost \$11,540 per year on into the future.

3.6 Description of Proposed Use of the Local Site Remediation Revolving Fund - MCL 125.2663(1)(m)

Use of the Local Site Remediation Revolving Fund will be consistent with the requirements of Act 381, including expenses for Eligible Activities on Eligible Property.

4.0 SUMMARY OF RELOCATION ACTIVITIES

4.1 Estimate of Number of Persons Residing on Eligible Property - MCL 125.2663(1)(i)

There are currently no residential dwellings or residences that occupy the Eligible Property.

4.2 Plan for Residential Relocation - MCL 125.2663(1)(j)

The Eligible Property does not currently contain any residential dwellings; therefore, a plan for residential relocation is not applicable.

4.3 Provision of Costs of Relocation - MCL 125.2663(1)(k):

The Eligible Property does not currently contain any residential dwellings; therefore, a provision for residential relocation has not been allocated.

4.4 Strategy to Comply with Relocation Assistance Act, 1972 PA 227 - MCL 213.321 to 213.332 - MCL 125.2663(1)(l)

The Eligible Property does not currently contain any residential dwellings; therefore, relocation is not necessary.

5.0 OTHER MATERIAL REQUIRED BY THE AUTHORITY OR GOVERNING BODY - MCL 125.2663(1)(N):

None

EXHIBITS

FIGURES

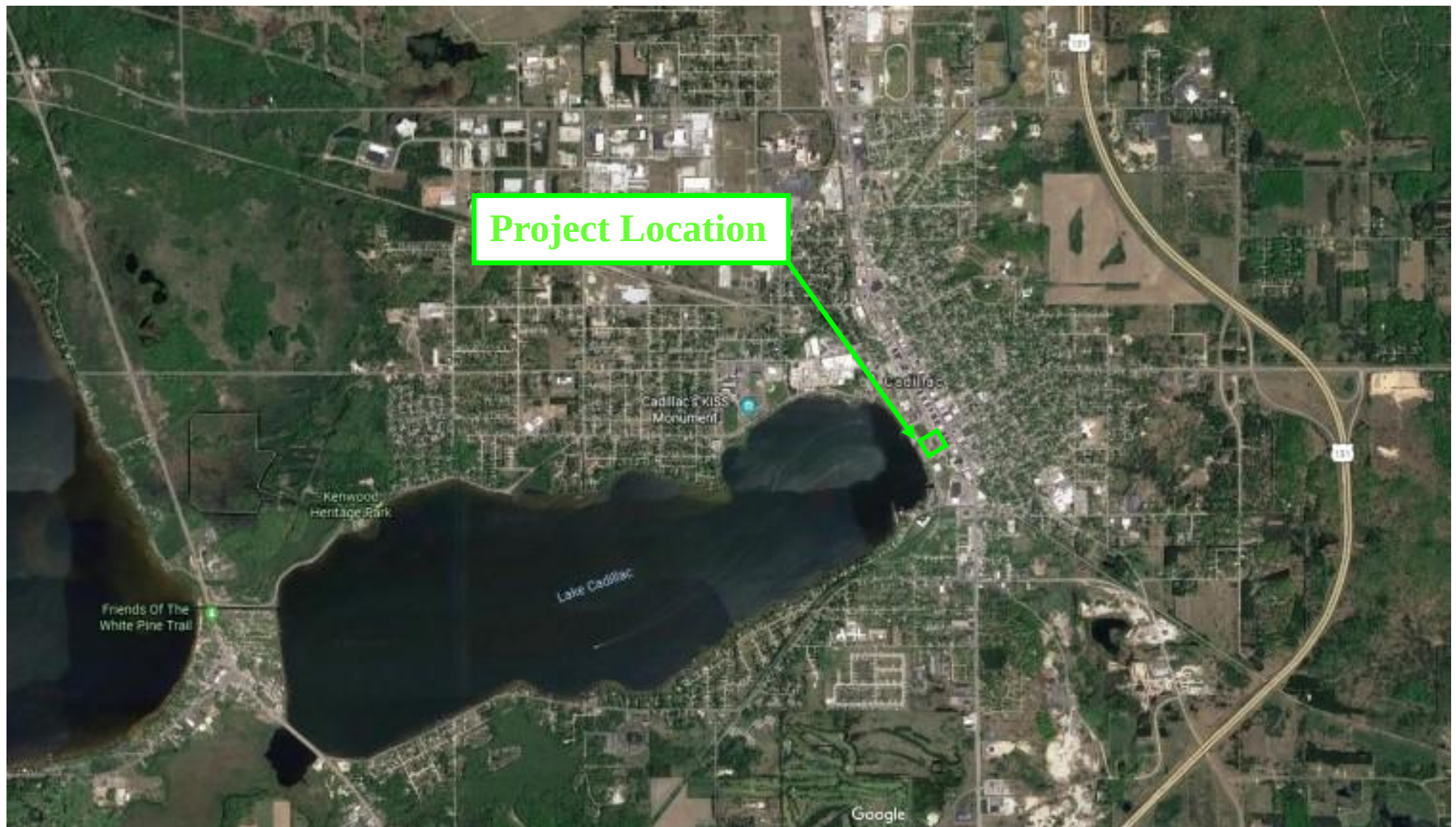
Figure 1	Property Location Map
Figure 2	Eligible Property Boundaries
Figure 3	Site Photos

TABLES

Table 1.1	Environmental Eligible Activities
Table 1.2	Non-Environmental Eligible Activities
Table 2.1	Annual Revenue and Brownfield Capture Estimates
Table 2.2	Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

Attachment A Resolutions Approving Combined Brownfield Plan
Attachment B Development Reimbursement Agreement



412 Cadillac Combined Brownfield Plan	Figure 1: Site Location
Cadillac Brownfield Redevelopment Authority	Date: February 2018



412 Cadillac Combined Brownfield Plan	Figure 2: Eligible Property
Cadillac Brownfield Redevelopment Authority	Date: February 2018



North Elevation



West Elevation

412 Cadillac Combined Brownfield Plan	Figure 3: Site Photos
Cadillac Brownfield Redevelopment Authority	Date: February 2018



Interior View – Main Floor



Interior View – Basement

412 Cadillac Combined Brownfield Plan	Figure 3: Site Photos
Cadillac Brownfield Redevelopment Authority	Date: February 2018

TABLE 1.1
MDEQ ELIGIBLE ACTIVITIES COSTS
412 CADILLAC - 412 S MITCHELL
CADILLAC BROWNFIELD REDEVELOPMENT AUTHORITY
CADILLAC, MICHIGAN

Eligible Activity Description	TOTAL ELIGIBLE ACTIVITIES
<i>Baseline Environmental Assessment Activities</i>	
Phase I ESA	\$2,000
Phase II ESA	\$7,000
Baseline Environmental Assessment	\$1,200
<i>Subtotal</i>	\$10,200
<i>Due Care (7a) Obligation Compliance Activities</i>	
Phase II Investigation to Support Due Care	\$3,500
Section 7A Compliance Analyses (Due Care Plans)	\$1,200
<i>Subtotal</i>	\$4,700
<i>Subtotal Totals</i>	\$14,900
<i>Contingencies (15%)</i>	\$2,235
ELIGIBLE ACTIVITIES SUBTOTAL	\$17,135
INTEREST	\$7,627
<i>Work Plan Development and Approval Costs</i>	
Brownfield Plan and Work Plan Development and Approval	\$5,000
Administrative and Operation Costs*	\$3,500
<i>Subtotal</i>	\$8,500
ELIGIBLE ACTIVITIES SUBTOTAL	\$33,262

*Local Tax Capture Only

TABLE 1.2
MSF ELIGIBLE ACTIVITIES COSTS
412 CADILLAC - 412 S MITCHELL
CADILLAC BROWNFIELD REDEVELOPMENT AUTHORITY
CADILLAC, MICHIGAN

Eligible Activity Description	TOTAL ELIGIBLE ACTIVITIES
<i>Lead and Asbestos Abatement</i>	
Survey	\$2,000
Monitoring	\$1,000
Abatement	<u>\$3,000</u>
<i>Subtotal</i>	\$6,000
<i>Demolition</i>	
Site Demolition	\$3,000
Selective Building Demolition	<u>\$45,000</u>
<i>Subtotal</i>	\$48,000
<i>Subtotal Totals</i>	\$54,000
<i>Contingencies (15%)</i>	<u>\$8,100</u>
MSF ELIGIBLE ACTIVITIES SUBTOTAL	<u>\$62,100</u>
INTEREST	\$27,643
<i>Work Plan Development and Approval Costs</i>	
Brownfield Plan and Work Plan Development and Approval	\$7,500
Brownfield Plan and Work Plan Implementation	\$5,000
Administrative and Operation Costs*	<u>\$3,500</u>
<i>Subtotal</i>	<u>\$16,000</u>
MSF ELIGIBLE ACTIVITIES SUBTOTAL	\$105,743

*Local Tax Capture Only

Table 2.1 - Annual Revenue and Brownfield Capture Estimates

412 Cadillac Combined Brownfield Plan

Cadillac Brownfield Redevelopment Authority

Estimated Taxable Value (TV) Increase Rate: 2.00%																			
Plan Year			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
Revenue Year		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
*Base Taxable Value		\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	
Annual Value Additions			\$ 225,000		\$ -														
Cumulative Value Additions			\$ 225,000	\$ 229,500	\$ 234,090	\$ 238,772	\$ 243,547	\$ 248,418	\$ 253,387	\$ 258,454	\$ 263,623	\$ 268,896	\$ 274,274	\$ 279,759	\$ 285,354	\$ 291,061	\$ 296,883		
Estimated New TV		\$ 61,800	\$ 174,300	\$ 176,550	\$ 178,845	\$ 181,186	\$ 183,574	\$ 186,009	\$ 188,493	\$ 191,027	\$ 193,612	\$ 196,248	\$ 198,937	\$ 201,680	\$ 204,477	\$ 207,331	\$ 210,241		
Incremental Difference (New TV - Base TV)			\$ 112,500	\$ 114,750	\$ 117,045	\$ 119,386	\$ 121,774	\$ 124,209	\$ 126,693	\$ 129,227	\$ 131,812	\$ 134,448	\$ 137,137	\$ 139,880	\$ 142,677	\$ 145,531	\$ 148,441		
Total School Revenue		Millage Rate																	
		39.90% 24.0000	\$ 1,483	\$ 4,183	\$ 4,237	\$ 4,292	\$ 4,348	\$ 4,406	\$ 4,464	\$ 4,524	\$ 4,585	\$ 4,647	\$ 4,710	\$ 4,774	\$ 4,840	\$ 4,907	\$ 4,976	\$ 5,046	
Total Local Revenue		Millage Rate																	
		60.10% 36.1574	\$ 2,235	\$ 6,302	\$ 6,384	\$ 6,467	\$ 6,551	\$ 6,638	\$ 6,726	\$ 6,815	\$ 6,907	\$ 7,000	\$ 7,096	\$ 7,193	\$ 7,292	\$ 7,393	\$ 7,497	\$ 7,602	
Total Revenue		Millage Rate																	
		60.1574	\$ 3,718	\$ 10,485	\$ 10,621	\$ 10,759	\$ 10,900	\$ 11,043	\$ 11,190	\$ 11,339	\$ 11,492	\$ 11,647	\$ 11,806	\$ 11,968	\$ 12,133	\$ 12,301	\$ 12,472	\$ 12,648	
School Revenue		Millage Rate	41.92%																
State Education Tax (SET)		6.0000	\$ -	\$ 675	\$ 689	\$ 702	\$ 716	\$ 731	\$ 745	\$ 760	\$ 775	\$ 791	\$ 807	\$ 823	\$ 839	\$ 856	\$ 873	\$ 891	
School Operating Tax		18.0000	\$ -	\$ 2,025	\$ 2,066	\$ 2,107	\$ 2,149	\$ 2,192	\$ 2,236	\$ 2,280	\$ 2,326	\$ 2,373	\$ 2,420	\$ 2,468	\$ 2,518	\$ 2,568	\$ 2,620	\$ 2,672	
School Total			24.0000	\$ -	\$ 2,700	\$ 2,754	\$ 2,809	\$ 2,865	\$ 2,923	\$ 2,981	\$ 3,041	\$ 3,101	\$ 3,163	\$ 3,227	\$ 3,291	\$ 3,357	\$ 3,424	\$ 3,493	\$ 3,563
Local Revenue		Millage Rate	58.08%																
City Operating		13.9473	\$ -	\$ 1,569	\$ 1,600	\$ 1,632	\$ 1,665	\$ 1,698	\$ 1,732	\$ 1,767	\$ 1,802	\$ 1,838	\$ 1,875	\$ 1,913	\$ 1,951	\$ 1,990	\$ 2,030	\$ 2,070	
Police and Fire Retirement		2.6000	\$ -	\$ 293	\$ 298	\$ 304	\$ 310	\$ 317	\$ 323	\$ 329	\$ 336	\$ 343	\$ 350	\$ 357	\$ 364	\$ 371	\$ 378	\$ 386	
County		6.7797	\$ -	\$ 763	\$ 778	\$ 794	\$ 809	\$ 826	\$ 842	\$ 859	\$ 876	\$ 894	\$ 912	\$ 930	\$ 948	\$ 967	\$ 987	\$ 1,006	
County Extra		1.4200	\$ -	\$ 160	\$ 163	\$ 166	\$ 170	\$ 173	\$ 176	\$ 180	\$ 184	\$ 187	\$ 191	\$ 195	\$ 199	\$ 203	\$ 207	\$ 211	
CWTA		0.6000	\$ -	\$ 68	\$ 69	\$ 70	\$ 72	\$ 73	\$ 75	\$ 76	\$ 78	\$ 79	\$ 81	\$ 82	\$ 84	\$ 86	\$ 87	\$ 89	
Community on Aging		1.0000	\$ -	\$ 113	\$ 115	\$ 117	\$ 119	\$ 122	\$ 124	\$ 127	\$ 129	\$ 132	\$ 134	\$ 137	\$ 140	\$ 143	\$ 146	\$ 148	
Library		0.7500	\$ -	\$ 84	\$ 86	\$ 88	\$ 90	\$ 91	\$ 93	\$ 95	\$ 97	\$ 99	\$ 101	\$ 103	\$ 105	\$ 107	\$ 109	\$ 111	
ISD		6.1604	\$ -	\$ 693	\$ 707	\$ 721	\$ 735	\$ 750	\$ 765	\$ 780	\$ 796	\$ 812	\$ 828	\$ 845	\$ 862	\$ 879	\$ 897	\$ 914	
Milfoil		0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Local Total			33.2574	\$ -	\$ 3,741	\$ 3,816	\$ 3,893	\$ 3,970	\$ 4,050	\$ 4,131	\$ 4,213	\$ 4,298	\$ 4,384	\$ 4,471	\$ 4,561	\$ 4,652	\$ 4,745	\$ 4,840	\$ 4,937
Local Capture		Millage Rate																	
TOTAL		57.2574	\$ -	\$ 6,441	\$ 6,570	\$ 6,702	\$ 6,836	\$ 6,972	\$ 7,112	\$ 7,254	\$ 7,399	\$ 7,547	\$ 7,698	\$ 7,852	\$ 8,009	\$ 8,169	\$ 8,333	\$ 8,499	
Non-Capturable Millages		Millage Rate																	
xxx		0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CAPS Debt		2.9000	\$ -	\$ 326	\$ 333	\$ 339	\$ 346	\$ 353	\$ 360	\$ 367	\$ 375	\$ 382	\$ 390	\$ 398	\$ 406	\$ 414	\$ 422	\$ 430	
			\$ -	\$ 326	\$ 333	\$ 339	\$ 346	\$ 353	\$ 360	\$ 367	\$ 375	\$ 382	\$ 390	\$ 398	\$ 406	\$ 414	\$ 422	\$ 430	

Estimated Taxable Value (TV) Increase Rate: 2.50%																			
Plan Year		16	17	18	19	20	21	22	23	24	25	26	27	28	29	30			
Revenue Year		2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048			
*Base Taxable Value		\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800			
Annual Value Additions																			
Cumulative Value Additions		\$ 302,820	\$ 308,877	\$ 315,054	\$ 321,355	\$ 327,783	\$ 334,338	\$ 341,025	\$ 347,845	\$ 354,802	\$ 361,898	\$ 369,136	\$ 376,519	\$ 384,049	\$ 391,730	\$ 399,565			
Estimated New TV		\$ 213,210	\$ 216,238	\$ 219,327	\$ 222,478	\$ 225,691	\$ 228,969	\$ 232,312	\$ 235,723	\$ 239,201	\$ 242,749	\$ 246,368	\$ 250,060	\$ 253,825	\$ 257,665	\$ 261,583			
Incremental Difference (New TV - Base TV)		\$ 151,410	\$ 154,438	\$ 157,527	\$ 160,678	\$ 163,891	\$ 167,169	\$ 170,512	\$ 173,923	\$ 177,401	\$ 180,949	\$ 184,568	\$ 188,260	\$ 192,025	\$ 195,865	\$ 199,783			
Total School Revenue		Millage Rate																	
		\$ 5,117	\$ 5,190	\$ 5,264	\$ 5,339	\$ 5,417	\$ 5,495	\$ 5,575	\$ 5,657	\$ 5,741	\$ 5,826	\$ 5,913	\$ 6,001	\$ 6,092	\$ 6,184	\$ 6,278			
Total Local Revenue		Millage Rate																	
		\$ 7,709	\$ 7,819	\$ 7,930	\$ 8,044	\$ 8,160	\$ 8,279	\$ 8,400	\$ 8,523	\$ 8,649	\$ 8,777	\$ 8,908	\$ 9,042	\$ 9,178	\$ 9,317	\$ 9,458			
Total Revenue		Millage Rate																	
		\$ 12,826	\$ 13,008	\$ 13,194	\$ 13,384	\$ 13,577	\$ 13,774	\$ 13,975	\$ 14,180	\$ 14,390	\$ 14,603	\$ 14,821	\$ 15,043	\$ 15,269	\$ 15,500	\$ 15,736			
School Capture		Millage Rate																	
State Education Tax (SET)		\$ 908	\$ 927	\$ 945	\$ 964	\$ 983	\$ 1,003	\$ 1,023	\$ 1,044	\$ 1,064	\$ 1,086	\$ 1,107	\$ 1,130	\$ 1,152	\$ 1,175	\$ 1,199			
School Operating Tax		\$ 2,725	\$ 2,780	\$ 2,835	\$ 2,892	\$ 2,950	\$ 3,009	\$ 3,069	\$ 3,131	\$ 3,193	\$ 3,257	\$ 3,322	\$ 3,389	\$ 3,456	\$ 3,526	\$ 3,596			
School Total		\$ 3,634	\$ 3,707	\$ 3,781	\$ 3,856	\$ 3,933	\$ 4,012	\$ 4,092	\$ 4,174	\$ 4,258	\$ 4,343	\$ 4,430	\$ 4,518	\$ 4,609	\$ 4,701	\$ 4,795			
Local Capture		Millage Rate																	
City Operating		\$ 2,112	\$ 2,154	\$ 2,197	\$ 2,241	\$ 2,286	\$ 2,332	\$ 2,378	\$ 2,426	\$ 2,474	\$ 2,524	\$ 2,574	\$ 2,626	\$ 2,678	\$ 2,732	\$ 2,786			
Police and Fire Retirement		\$ 394	\$ 402	\$ 410	\$ 418	\$ 426	\$ 435	\$ 443	\$ 452	\$ 461	\$ 470	\$ 480	\$ 489	\$ 499	\$ 509	\$ 519			
County		\$ 1,027	\$ 1,047	\$ 1,068	\$ 1,089	\$ 1,111	\$ 1,133	\$ 1,156	\$ 1,179	\$ 1,203	\$ 1,227	\$ 1,251	\$ 1,276	\$ 1,302	\$ 1,328	\$ 1,354			
County Extra		\$ 215	\$ 219	\$ 224	\$ 228	\$ 233	\$ 237	\$ 242	\$ 247	\$ 252	\$ 257	\$ 262	\$ 267	\$ 273	\$ 278	\$ 284			
CWTA		\$ 91	\$ 93	\$ 95	\$ 96	\$ 98	\$ 100	\$ 102	\$ 104	\$ 106	\$ 109	\$ 111	\$ 113	\$ 115	\$ 118	\$ 120			
Community on Aging		\$ 151	\$ 154	\$ 158	\$ 161	\$ 164	\$ 167	\$ 171	\$ 174	\$ 177	\$ 181	\$ 185	\$ 188	\$ 192	\$ 196	\$ 200			
Library		\$ 114	\$ 116	\$ 118	\$ 121	\$ 123	\$ 125	\$ 128	\$ 130	\$ 133	\$ 136	\$ 138	\$ 141	\$ 144	\$ 147	\$ 150			
ISD		\$ 933	\$ 951	\$ 970	\$ 990	\$ 1,010	\$ 1,030	\$ 1,050	\$ 1,071	\$ 1,093	\$ 1,115	\$ 1,137	\$ 1,160	\$ 1,183	\$ 1,207	\$ 1,231			
Milfoil		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Local Total		\$ 5,036	\$ 5,136	\$ 5,239	\$ 5,344	\$ 5,451	\$ 5,560	\$ 5,671	\$ 5,784	\$ 5,900	\$ 6,018	\$ 6,138	\$ 6,261	\$ 6,386	\$ 6,514	\$ 6,644			
Local Capture		Millage Rate																	
TOTAL		\$ 8,669	\$ 8,843	\$ 9,020	\$ 9,200	\$ 9,384	\$ 9,572	\$ 9,763	\$ 9,958	\$ 10,158	\$ 10,361	\$ 10,568	\$ 10,779	\$ 10,995	\$ 11,215	\$ 11,439			
Non-Capturable Millages		Millage Rate																	
xxx		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
CAPS Debt		\$ 439	\$ 448	\$ 457	\$ 466	\$ 475	\$ 485	\$ 494	\$ 504	\$ 514	\$ 525	\$ 535	\$ 546	\$ 557	\$ 568	\$ 579			
		\$ 439	\$ 448	\$ 457	\$ 466	\$ 475	\$ 485	\$ 494	\$ 504	\$ 514	\$ 525	\$ 535	\$ 546	\$ 557	\$ 568	\$ 579			

Table 2.2 - Tax Increment Revenue Reimbursement Allocation Table

412 Cadillac Combined Brownfield Plan

Element Authority

Maximum Reimbursement	Proportionality	School & Local Taxes	State Brownfield Fund	LBRF	Local-Only Taxes	Total
State	41.92%	\$ 55,331	\$ 8,621	\$ -		\$ 63,953
Local	58.08%	\$ 76,674	\$ -	\$ -	\$ 7,000	\$ 83,674
TOTAL	100.0%	\$ 132,005	\$ 8,621	\$ -		\$ 147,626
MDEQ		\$ 29,762				
MSF		\$ 102,243				
TOTAL		\$ 132,005				

Estimated Total
Years of Capture: 20

Estimated Capture	\$ 132,005
Administrative Fees	\$ 7,000
State Revolving Fund	\$ 8,621
LSRRF	\$ -
TOTAL	\$ 147,627

Estimated Taxable Value (TV) Increase Rate:		2.50%																
Plan Year																		
Revenue Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
*Base Taxable Value	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800
Annual Value Additions	\$	225,000	\$ -															
Cumulative Value Additions		225,000	\$ 230,625	\$ 236,391	\$ 242,300	\$ 248,358	\$ 254,567	\$ 260,931	\$ 267,454	\$ 274,141	\$ 280,994	\$ 288,019	\$ 295,219	\$ 302,600	\$ 310,165	\$ 317,919	\$ 325,867	\$ 334,014
Estimated New TV	\$ 61,800	\$ 174,300	\$ 177,113	\$ 179,995	\$ 182,950	\$ 185,979	\$ 189,083	\$ 192,266	\$ 195,527	\$ 198,870	\$ 202,297	\$ 205,810	\$ 209,410	\$ 213,100	\$ 216,882	\$ 220,760	\$ 224,734	\$ 228,807
Incremental Difference (New TV - Base TV)		\$ 112,500	\$ 115,313	\$ 118,195	\$ 121,150	\$ 124,179	\$ 127,283	\$ 130,466	\$ 133,727	\$ 137,070	\$ 140,497	\$ 144,010	\$ 147,610	\$ 151,300	\$ 155,082	\$ 158,960	\$ 162,934	\$ 167,007

Total School Revenue	Millage Rate																	
	39.90%	24.0000	\$ 1,483	\$ 4,183	\$ 4,237	\$ 4,292	\$ 4,348	\$ 4,406	\$ 4,464	\$ 4,524	\$ 4,585	\$ 4,647	\$ 4,710	\$ 4,774	\$ 4,840	\$ 4,907	\$ 4,976	\$ 5,046
Total Local Revenue	Millage Rate																	
	60.10%	36.1574	\$ 2,235	\$ 6,302	\$ 6,384	\$ 6,467	\$ 6,551	\$ 6,638	\$ 6,726	\$ 6,815	\$ 6,907	\$ 7,000	\$ 7,096	\$ 7,193	\$ 7,292	\$ 7,393	\$ 7,497	\$ 7,602
Total Revenue	Millage Rate																	
	60.1574		\$ 3,718	\$ 10,485	\$ 10,621	\$ 10,759	\$ 10,900	\$ 11,043	\$ 11,190	\$ 11,339	\$ 11,492	\$ 11,647	\$ 11,806	\$ 11,968	\$ 12,133	\$ 12,301	\$ 12,472	\$ 12,648

Plan Year			0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17		
Calendar Year	notes		Capture Rate	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
Total State Incremental Revenue			41.92%	\$ -	\$ 2,700	\$ 2,754	\$ 2,809	\$ 2,865	\$ 2,923	\$ 2,981	\$ 3,041	\$ 3,101	\$ 3,163	\$ 3,227	\$ 3,291	\$ 3,357	\$ 3,424	\$ 3,493	\$ 3,563	\$ 3,634	\$ 3,707	
State Brownfield Revolving Fund (50% of SET)				\$ -	\$ 338	\$ 346	\$ 355	\$ 363	\$ 373	\$ 382	\$ 391	\$ 401	\$ 411	\$ 421	\$ 432	\$ 443	\$ 454	\$ 465	\$ 477	\$ 489	\$ 501	
State TIR Available for Reimbursement				\$ -	\$ 2,363	\$ 2,408	\$ 2,454	\$ 2,502	\$ 2,550	\$ 2,599	\$ 2,649	\$ 2,700	\$ 2,752	\$ 2,805	\$ 2,859	\$ 2,914	\$ 2,970	\$ 3,027	\$ 3,086	\$ 3,145	\$ 3,206	
Total Local Incremental Revenue			58.08%	\$ -	\$ 3,741	\$ 3,816	\$ 3,893	\$ 3,970	\$ 4,050	\$ 4,131	\$ 4,213	\$ 4,298	\$ 4,384	\$ 4,471	\$ 4,561	\$ 4,652	\$ 4,745	\$ 4,840	\$ 4,937	\$ 5,036	\$ 5,136	
BRA Administrative Fee	10%			\$ -	\$ 374	\$ 382	\$ 389	\$ 397	\$ 405	\$ 413	\$ 421	\$ 430	\$ 438	\$ 447	\$ 456	\$ 465	\$ 475	\$ 484	\$ 494	\$ 504	\$ 26	
Local TIR Available for Reimbursement				\$ -	\$ 3,367	\$ 3,435	\$ 3,503	\$ 3,573	\$ 3,645	\$ 3,718	\$ 3,792	\$ 3,868	\$ 3,945	\$ 4,024	\$ 4,105	\$ 4,187	\$ 4,271	\$ 4,356	\$ 4,443	\$ 4,532	\$ 5,110	
Total State & Local TIR Available for Reimbursement				\$ -	\$ -	\$ 5,730	\$ 5,843	\$ 5,958	\$ 6,075	\$ 6,195	\$ 6,317	\$ 6,441	\$ 6,568	\$ 6,698	\$ 6,830	\$ 6,964	\$ 7,101	\$ 7,241	\$ 7,383	\$ 7,529	\$ 7,677	\$ 8,316
DEVELOPER	Beginning Balance			% Allocation	0%	0%	42%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Developer Reimbursement				\$114,505	\$ -	\$ -	\$ 2,531	\$ 6,075	\$ 6,195	\$ 6,317	\$ 6,441	\$ 6,568	\$ 6,698	\$ 6,830	\$ 6,964	\$ 7,101	\$ 7,241	\$ 7,383	\$ 7,529	\$ 7,677	\$ 8,316	
Developer Reimbursement Balance				\$114,505	\$ 114,505	\$ 114,505	\$ 114,505	\$ 111,974	\$ 105,899	\$ 99,704	\$ 93,387	\$ 86,946	\$ 80,378	\$ 73,680	\$ 66,851	\$ 59,887	\$ 52,785	\$ 45,545	\$ 38,161	\$ 30,632	\$ 22,955	\$ 14,640
CITY	Beginning Balance			% Allocation	100%	100%	58%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
City Reimbursement	\$132,005			\$17,500	\$ 5,730	\$ 5,843	\$ 3,427	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
City Reimbursement Balance				\$17,500	\$ 11,770	\$ 5,927	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	

MSF Non-Environmental Costs		\$ 132,005	\$ 102,243	\$ -	\$ 4,438	\$ 4,525	\$ 4,615	\$ 4,705	\$ 4,798	\$ 4,893	\$ 4,989	\$ 5,087	\$ 5,188	\$ 5,290	\$ 5,394	\$ 5,500	\$ 5,608	\$ 5,719	\$ 5,831	\$ 5,946	\$ 6,441
State Tax Reimbursement		77.45%	\$ 42,856	\$ -	\$ 1,830	\$ 1,865	\$ 1,901	\$ 1,938	\$ 1,975	\$ 2,013	\$ 2,052	\$ 2,091	\$ 2,132	\$ 2,173	\$ 2,215	\$ 2,257	\$ 2,301	\$ 2,345	\$ 2,390	\$ 2,436	\$ 2,483
Local Tax Reimbursement		77.45%	\$ 59,387	\$ -	\$ 2,608	\$ 2,660	\$ 2,713	\$ 2,768	\$ 2,823	\$ 2,880	\$ 2,937	\$ 2,996	\$ 3,056	\$ 3,117	\$ 3,179	\$ 3,243	\$ 3,308	\$ 3,374	\$ 3,441	\$ 3,510	\$ 3,958
Total MSF Reimbursement Balance				\$ 102,243	\$ 97,805	\$ 93,279	\$ 88,665	\$ 83,959	\$ 79,161	\$ 74,269	\$ 69,279	\$ 64,192	\$ 59,005	\$ 53,715	\$ 48,321	\$ 42,821	\$ 37,213	\$ 31,494	\$ 25,662	\$ 19,716	\$ 13,276
State MSF Balance to Be Reimbursed				\$ 42,856	\$ 41,026	\$ 39,161	\$ 37,260	\$ 35,322	\$ 33,347	\$ 31,334	\$ 29,282	\$ 27,191	\$ 25,059	\$ 22,886	\$ 20,672	\$ 18,414	\$ 16,114	\$ 13,769	\$ 11,379	\$ 8,943	\$ 6,460
Local MSF Balance to Be Reimbursed				\$ 59,387	\$ 56,779	\$ 54,118	\$ 51,405	\$ 48,637	\$ 45,814	\$ 42,935	\$ 39,997	\$ 37,001	\$ 33,946	\$ 30,829	\$ 27,649	\$ 24,407	\$ 21,099	\$ 17,725	\$ 14,284	\$ 10,774	\$ 6,815

MDEQ Environmental Costs		\$ 29,762	\$ -	\$ 1,292	\$ 1,317	\$ 1,343	\$ 1,370	\$ 1,397	\$ 1,424	\$ 1,452	\$ 1,481	\$ 1,510	\$ 1,540	\$ 1,570	\$ 1,601	\$ 1,633	\$ 1,665	\$ 1,697	\$ 1,731	\$ 1,875
State Tax Reimbursement	22.55%	\$ 12,475	\$ -	\$ 533	\$ 543	\$ 553	\$ 564	\$ 575	\$ 586	\$ 597	\$ 609	\$ 621	\$ 632	\$ 645	\$ 657	\$ 670	\$ 683	\$ 696	\$ 709	\$ 723
Local Tax Reimbursement	22.55%	\$ 17,287	\$ -	\$ 759	\$ 774	\$ 790	\$ 806	\$ 822	\$ 838	\$ 855	\$ 872	\$ 890	\$ 907	\$ 925	\$ 944	\$ 963	\$ 982	\$ 1,002	\$ 1,022	\$ 1,152
Total MDEQ Reimbursement Balance			\$ 29,762	\$ 28,471	\$ 27,153	\$ 25,810	\$ 24,440	\$ 23,043	\$ 21,619	\$ 20,167	\$ 18,686	\$ 17,176	\$ 15,636	\$ 14,066	\$ 12,465	\$ 10,832	\$ 9,168	\$ 7,470	\$ 5,739	\$ 3,864
State MDEQ Balance to Be Reimbursed			\$ 12,475	\$ 11,943	\$ 11,400	\$ 10,846	\$ 10,282	\$ 9,707	\$ 9,121	\$ 8,524	\$ 7,915	\$ 7,295	\$ 6,662	\$ 6,017	\$ 5,360	\$ 4,691	\$ 4,008	\$ 3,312	\$ 2,603	\$ 1,880
Local MDEQ Balance to Be Reimbursed			\$ 17,287	\$ 16,528	\$ 15,754	\$ 14,964	\$ 14,158	\$ 13,336	\$ 12,498	\$ 11,643	\$ 10,771	\$ 9,881	\$ 8,974	\$ 8,049	\$ 7,105	\$ 6,142	\$ 5,160	\$ 4,158	\$ 3,136	\$ 1,984
Total Annual Eligible Activity Reimbursement			\$ -	\$ 5,730	\$ 5,843	\$ 5,958	\$ 6,075	\$ 6,195	\$ 6,317	\$ 6,441	\$ 6,568	\$ 6,698	\$ 6,830	\$ 6,964	\$ 7,101	\$ 7,241	\$ 7,383	\$ 7,529	\$ 7,677	\$ 8,316

Local Only Costs	10%	\$ 7,000	\$ -	\$ 374	\$ 382	\$ 389	\$ 397	\$ 405	\$ 413	\$ 421	\$ 430	\$ 438	\$ 447	\$ 456	\$ 465	\$ 475	\$ 484	\$ 494	\$ 504	\$ 26
Local Tax Reimbursement			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement Balance			\$ 7,000	\$ 6,626	\$ 6,244	\$ 5,855	\$ 5,458	\$ 5,053	\$ 4,640	\$ 4,218	\$ 3,789	\$ 3,350	\$ 2,903	\$ 2,447	\$ 1,982	\$ 1,507	\$ 1,023	\$ 530	\$ 26	\$ 0

Local Brownfield Revolving Fund			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Capture			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total LBRF Capture			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

State Brownfield Fund			\$ -	\$ 338	\$ 346	\$ 355	\$ 363	\$ 373	\$ 382	\$ 391	\$ 401	\$ 411	\$ 421	\$ 432	\$ 443	\$ 454	\$ 465	\$ 477	\$ 489	\$ 501
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Total Annual Brownfield Capture Reimbursement			\$ -	\$ 6,441	\$ 6,570	\$ 6,702	\$ 6,836	\$ 6,972	\$ 7,112	\$ 7,254	\$ 7,399	\$ 7,547	\$ 7,698	\$ 7,852	\$ 8,009	\$ 8,169	\$ 8,333	\$ 8,499	\$ 8,669	\$ 8,843
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Footnotes:

Table 2.2 - Tax Increment Revenue Reimbursement Allocation Table
412 Cadillac Combined Brownfield Plan
Cadillac Brownfield Redevelopment Authority

Estimated Taxable Value			Local and State Capture Ends													TOTALS
	18	19	20	21	22	23	24	25	26	27	28	29	30			
	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048			
* \$	61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800			
Ann						\$ -	\$ -			\$ -	\$ -	\$ -	\$ -			
Cumulat	\$ 342,364	\$ 350,923	\$ 359,696	\$ 334,338	\$ 341,025	\$ 347,845	\$ 354,802	\$ 361,898	\$ 369,136	\$ 376,519	\$ 384,049	\$ 391,730	\$ 399,565			
	\$ 232,982	\$ 237,262	\$ 241,648	\$ 228,969	\$ 232,312	\$ 235,723	\$ 239,201	\$ 242,749	\$ 246,368	\$ 250,060	\$ 253,825	\$ 257,665	\$ 261,583			
Incremental Difference	\$ 171,182	\$ 175,462	\$ 179,848	\$ 167,169	\$ 170,512	\$ 173,923	\$ 177,401	\$ 180,949	\$ 184,568	\$ 188,260	\$ 192,025	\$ 195,865	\$ 199,783			
Total School Revenue																
	\$ 5,264	\$ 5,339	\$ 5,417	\$ 5,495	\$ 5,575	\$ 5,657	\$ 5,741	\$ 5,826	\$ 5,913	\$ 6,001	\$ 6,092	\$ 6,184	\$ 6,278	\$ 154,030		
Total Local Revenue																
	\$ 7,930	\$ 8,044	\$ 8,160	\$ 8,279	\$ 8,400	\$ 8,523	\$ 8,649	\$ 8,777	\$ 8,908	\$ 9,042	\$ 9,178	\$ 9,317	\$ 9,458	\$ 232,055		
Total Revenue																
	\$ 13,194	\$ 13,384	\$ 13,577	\$ 13,774	\$ 13,975	\$ 14,180	\$ 14,390	\$ 14,603	\$ 14,821	\$ 15,043	\$ 15,269	\$ 15,500	\$ 15,736	\$ 386,085		
Plan Year	18	19	20	21	22	23	24	25	26	27	28	29	30			
Calendar Year	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	TOTAL		
Total State Incremental Revenue	\$ 3,781	\$ 3,856	\$ 3,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,603		
State Brownfield Revolving Fund (50% of SET)	\$ 514	\$ 526	\$ 540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,621		
State TIR Available for Reimbursement	\$ 3,267	\$ 3,330	\$ 3,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,982		
Total Local Incremental Revenue	\$ 5,239	\$ 5,344	\$ 5,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,908		
BRA Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000		
Local TIR Available for Reimbursement	\$ 5,239	\$ 5,344	\$ 5,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,908		
Total State & Local TIR Available for Reimbursement	\$ 8,506	\$ 8,674	\$ 8,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,889		
DEVELOPER	100%	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Developer Reimbursement	\$ 8,506	\$ 8,674	\$ 8,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,890		
Developer Reimbursement Balance	\$ 6,134	\$ (2,540)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ (11,385)	\$ -		
CITY	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
City Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000		
City Reimbursement Balance	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ -		
MSF Non-Environmental Costs	\$ 6,588	\$ 5,337	\$ 1,351	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,243		
State Tax Reimbursement	\$ 2,530	\$ 2,579	\$ 1,351	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,856		
Local Tax Reimbursement	\$ 4,058	\$ 2,758	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,387		
Total MSF Reimbursement Balance	\$ 6,687	\$ 1,350	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ -		
State MSF Balance to Be Reimbursed	\$ 3,930	\$ 1,350	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)			
Local MSF Balance to Be Reimbursed	\$ 2,758	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)			
MDEQ Environmental Costs	\$ 1,918	\$ 1,554	\$ 393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,763		
State Tax Reimbursement	\$ 737	\$ 751	\$ 393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,475		
Local Tax Reimbursement	\$ 1,181	\$ 803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,287		
Total MDEQ Reimbursement Balance	\$ 1,947	\$ 393	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)			
State MDEQ Balance to Be Reimbursed	\$ 1,144	\$ 393	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)			
Local MDEQ Balance to Be Reimbursed	\$ 803	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)			
Total Annual Eligible Activity Reimbursement	\$ 8,506	\$ 6,891	\$ 1,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,006		
Local Only Costs																
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000		
Total Local Only Reimbursement Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ -		
Local Brownfield Revolving Fund																
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total LBRF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
State Brownfield Fund	\$ 514	\$ 526	\$ 540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Total Annual Brownfield Capture Reimbursement	\$ 9,020	\$ 7,417	\$ 2,283	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,627		

Footnotes:



200 N. Lake Street
Cadillac MI 49601
Phone (231) 775-0181
www.cadillac-mi.net

Today's Date 1/31/18

City Received Date

MUST BE OFFICIALLY CITY DATE STAMP

Banner Request Form

Monday Banner Start Date 4/2/18

Monday Banner End Date 4/9/18

**(Banners are installed and removed on Mondays unless it is a Holiday, then it will be the following day)
(Banners may only be requested for one week at a time per form)**

Reason for Banner Mother of the Young Child
Organization Great Start Collaborative Contact Person Ashley Mathurzo
Contact Phone [REDACTED] Contact Email [REDACTED]

City of Cadillac & State of Michigan Guidelines:

- ☐ Banner requested date is a minimum of 2 months prior to display date requested.
- ☐ Banner picture or a design proof is **attached with this request form** or it will not be approved.
- ☐ The City reserves the right to determine when the banner is hung during inclement weather.
- ☐ The City is not responsible for any damages to the banner.
- ☐ Banner requested is for a reasonable and public purpose.
- ☐ Banner does not display any legend or symbol which may be construed to advertise, promote the sale of, or publicize any merchandise or commodity, or be political in nature.
- ☐ The legend may contain the name of the sponsor paying for the banner if such is not an obvious advertising of and promotion of the sale of the sponsor's goods or services.
- ☐ The lettering of the sponsor's name or a logo does not exceed three inches if on a single line or two-inches if on more than one line.
- ☐ Banner does not contain an address or directions to location.
- ☐ Banner meets all the design specifications on the back of this form.
- ☐ The banner will be delivered to City Garage a minimum of **1 week before** banner is to be displayed.
City Garage is located at 1001 6th Street and hours. Call Street Supervisor at (231)920-7800 to schedule time.
- ☐ Banner will be picked up within **1 week after** being displayed; if it is not picked up, the banner will be disposed of.

Form must be mailed or delivered to the above address or emailed to: javila@cadillac-mi.net **(No Faxes accepted)**

I understand and agree to these requirements & understand if these are not met the request will be denied.

Print Name Ashley Mathurzo Signature [Signature] Date 1/31/18

Request will be reviewed & you will be notified if additional information is needed and/or if request is approved or denied.

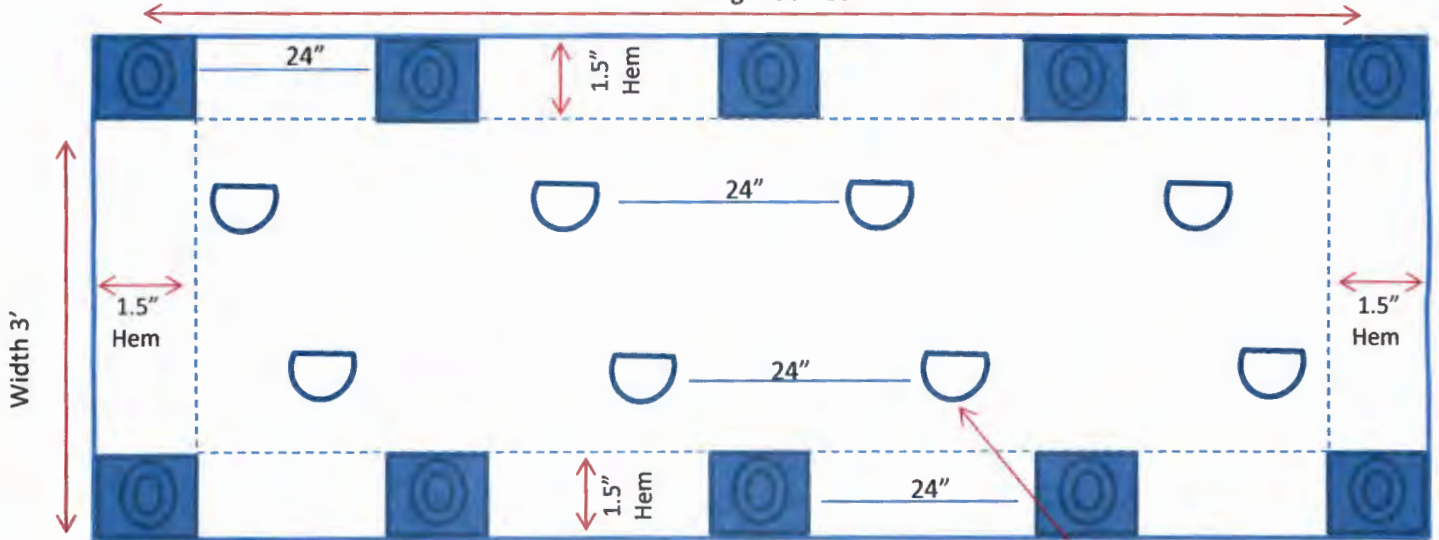
For Office Use Only

Streets _____	Date Approved _____	Comments _____
City Manager _____	Date Approved _____	Comments _____
State of Michigan _____	Date Approved _____	Comments _____
City Council _____	Date Approved _____	Comments _____

Banner Specifications

- Banner must be made of a minimum of 18 oz. vinyl or of comparable material
- Hem must be 1.5" double folded and stitched on inside & outside
- Grommets must be a minimum of # 4 Spur and not more than 24" apart along top & bottom
- Wind Vents must 12-18" semi-circle openings and not be more than 24" apart

Length 30'- 60'



Grommets:

Minimum of #4 Spur
Spaced maximum of 24" apart

****Drawing is not to scale****

Wind Vents:

12" diameter semi-circle openings
Spaced maximum of 24" apart

Attach a photo of the banner or provide a detailed design proof

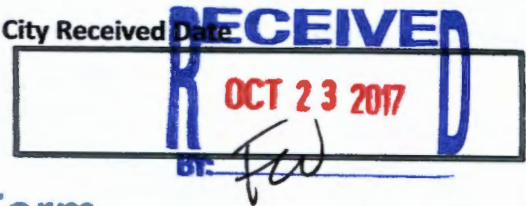
(Request will not be approved without a proof or picture)

Mouth of the young child



Today's Date 10-23-2017

City Received Date



Banner Request Form

Monday Banner Start Date 4/9/2018

Monday Banner End Date 4/16/2018

(Banners are installed and removed on Mondays unless it is a Holiday, then it will be the following day)
(Banners may only be requested for one week at a time per form)

Reason for Banner National Library Week

Organization Friends of the Cadillac Library Contact Person Nickie Essenmacher

Contact Phone [REDACTED] Contact Email [REDACTED]

City of Cadillac & State of Michigan Guidelines:

- ☒ Banner requested date is a minimum of 2 months prior to display date requested.
- ☒ I understand the City reserves the right to determine when the banner is hung during inclement weather.
- ☒ I understand the City is not responsible for any damages to the banner.
- ☒ Banner requested is for a reasonable and public purpose.
- ☒ Banner does not display any legend or symbol which may be construed to advertise, promote the sale of, or publicize any merchandise or commodity, or be political in nature.
- ☒ The legend may contain the name of the sponsor paying for the banner if such is not an obvious advertising of and promotion of the sale of the sponsor's goods or services.
- ☒ The lettering of the sponsor's name or a logo does not exceed three inches if on a single line or two-inches if on more than one line.
- ☒ Banner does not contain an address or directions to location.
- ☒ Banner meets all the design specifications on the back of this form.
- ☒ Banner picture or a design proof is attached with this request form. on file @ city
- ☒ The banner will be delivered to City Garage a minimum of 1 week before banner is to be displayed. City Garage is located at 1001 6th Street and hours. Call Street Supervisor at (231)920-7800 to schedule time.
- ☒ Banner will be picked up within 1 week after being displayed; if it is not picked up, the banner will be disposed of.
- ☒ I understand and agree to these requirements and understand if these are not met the request will be denied.
- ☒ Form must be mailed or brought to: **(Email or Fax will not be accepted)**

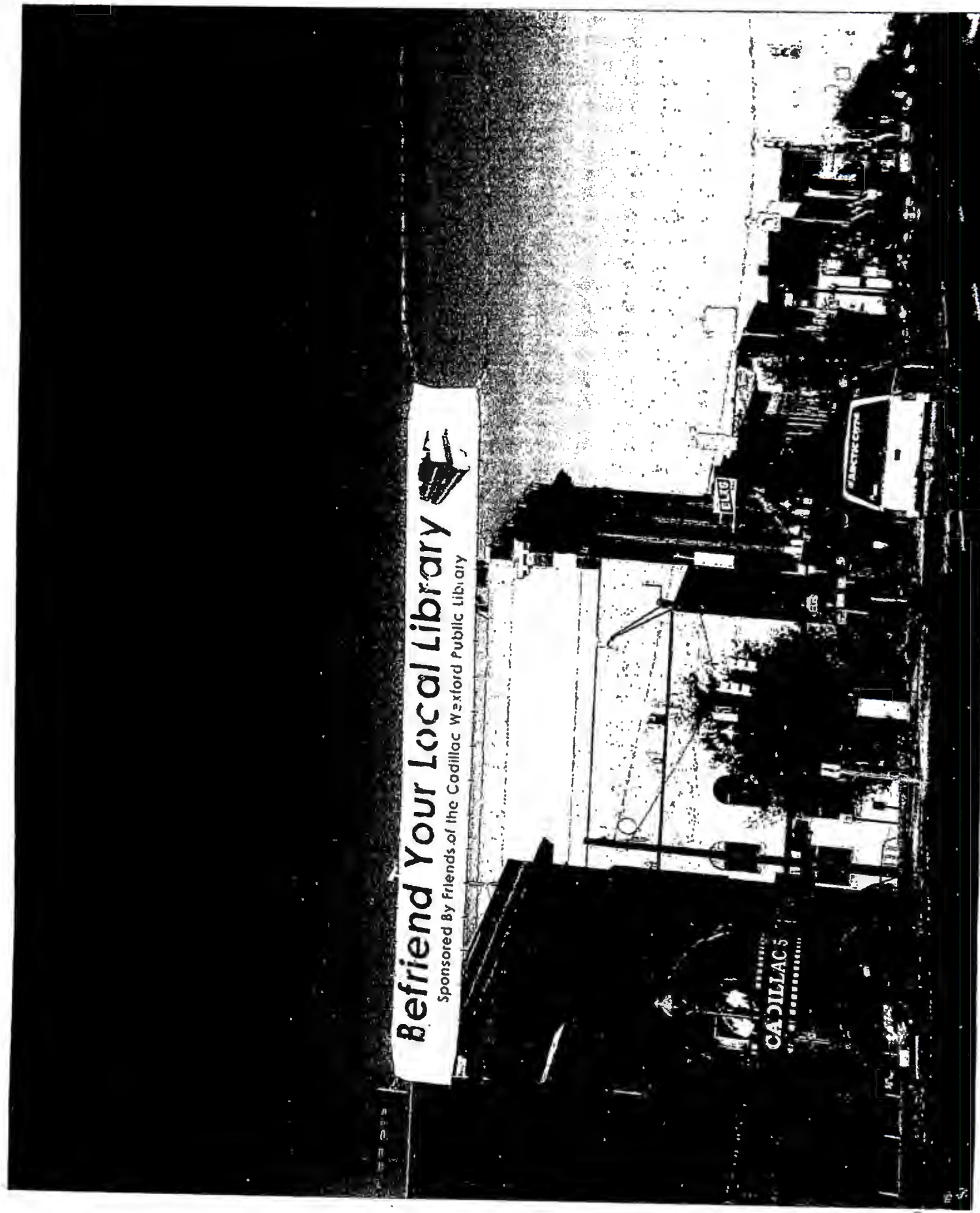
Cadillac City Hall
Attn: Public Works Department-Events
200 N. Lake Street
Cadillac, MI 49601

Print Name Nickie Essenmacher Signature Nickie Essenmacher Date 10/23/2017

Request will be reviewed & you will be notified if additional information is needed and/or if request is approved or denied.

Public Works _____	Comments _____	Date Approved _____
City Clerk _____	Comments _____	Date Approved _____
City Council _____	Comments _____	Date Approved _____
State of Michigan _____	Comments _____	Date Approved _____

Befriend Your Local Library
Sponsored By Friends of the Cadillac Wexford Public Library





200 N. Lake Street
Cadillac MI 49601
Phone (231) 775-0181
www.cadillac-mi.net

Today's Date 1-16-2018

City Received Date

MUST BE OFFICIALLY CITY DATE STAMP

Street & Parking Lot Closure Request Form

Please fill out a separate form for each date

Reason for Request Community Easter Egg Hunt

Contact Person Rachel Keith

Contact Phone [REDACTED] Contact Email [REDACTED]

Date: <u>3/31/2018</u>		Street Closures	
Street Name <u>Lake St</u>	Beginning Location <u>Bank</u>	Ending Location <u>Train</u>	
	Beginning Time <u>2:00</u> AM/PM <u>PM</u>	Ending Time <u>4:00</u> AM/PM <u>PM</u>	
Street Name _____	Beginning Location _____	Ending Location _____	
	Beginning Time ____:____ AM/PM	Ending Time ____:____ AM/PM	
Street Name _____	Beginning Location _____	Ending Location _____	
	Beginning Time ____:____ AM/PM	Ending Time ____:____ AM/PM	
Street Name _____	Beginning Location _____	Ending Location _____	
	Beginning Time ____:____ AM/PM	Ending Time ____:____ AM/PM	

Date ____/____/____		Parking Lot Closures	
Lot Location _____	Street _____	Nearest Cross Street _____	
	Beginning Time ____:____ AM/PM	Ending Time ____:____ AM/PM	
Lot Location _____	Street _____	Nearest Cross Street _____	
	Beginning Time ____:____ AM/PM	Ending Time ____:____ AM/PM	
Lot Location _____	Street _____	Nearest Cross Street _____	
	Beginning Time ____:____ AM/PM	Ending Time ____:____ AM/PM	

Form must be mailed or delivered to the above address or emailed to: javila@cadillac-mi.net (No Faxes accepted)

I understand and agree to these requirements & understand if these are not met the request will be denied.

Print Name Rachel Keith Signature Rachel Keith Date 1/16/2018

Request will be reviewed & you will be notified if additional information is needed and/or if request is approved or denied.

For Office Use Only

Streets _____	Date Approved _____	Comments _____
Parks _____	Date Approved _____	Comments _____
Fire _____	Date Approved _____	Comments _____
Police _____	Date Approved _____	Comments _____
City Manager _____	Date Approved _____	Comments _____
City Council _____	Date Approved _____	Comments _____



200 N. Lake Street
Cadillac MI 49601
Phone (231) 775-0181
www.cadillac-mi.net

Today's Date 1-16-2018

City Received Date

MUST BE OFFICIALLY CITY DATE STAMP

City Parks Request Form

Reason for Request Community Easter Egg Hunt
Organization Cadillac Jaycees Contact Person Rachel Keith
Contact Phone [REDACTED] Contact Email _____
Date MARCH 31, 2018 Times 1-3

City Parks

Please Check One

- ☒ Downtown "Fountain" City Park
☐ Sound Garden
☐ The Bridge
☐ Naval Reserve Flower Open Space

City of Cadillac Guidelines:

Please read the following and initial to acknowledge your understanding

- RK All Parks are for public use
RK The City does not provide any tents, tables, chairs, rugs, extension cords etc
RK The fountain may not be operating due to equipment break downs or weather conditions such as wind
RK I understand and agree to these requirements and understand if these are not met the request will be denied.
RK Not all parks have space for tents, chairs etc.

Form must be emailed, mailed or brought to:

Cadillac City Hall
Attn: Public Works Department-Events
200 N. Lake Street
Cadillac, MI 49601

Print Name Rachel Keith Signature Rachel Keith Date 1/16/2018

Request will be reviewed & you will be notified if additional information is needed and/or if request is approved or denied.

Requesting Firetruck & Ambulance AT Event

Updated January, 2015



ROTARY AUCTION FLAG PROJECT

2018 major fund-raiser, the Flag Project

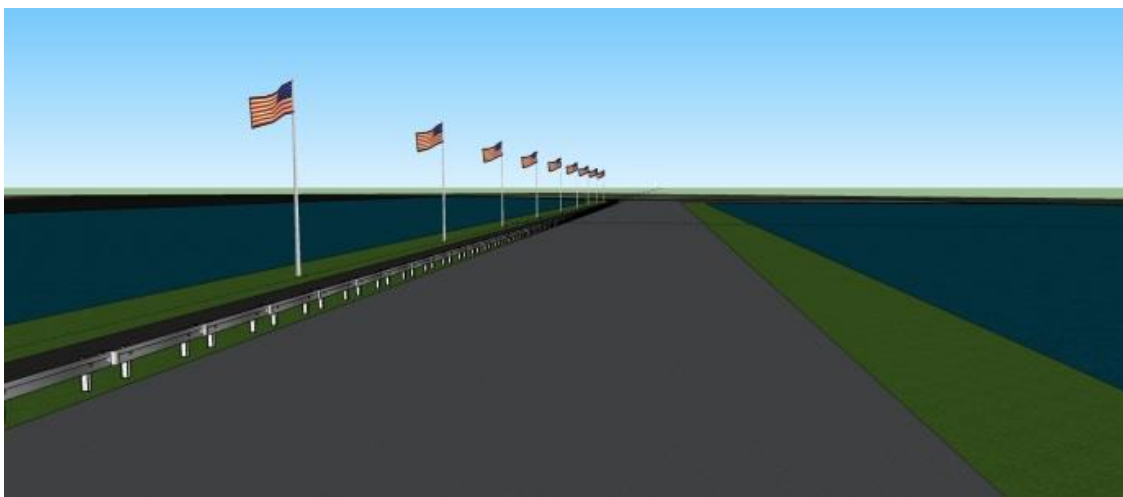
Rotary Club of Cadillac is asking the City of Cadillac Council to support naming the existing walkway located along the southwest side of Lake Cadillac off of Sunnyside Drive and the M-115 causeway bridge to:

Cadillac Veterans' Memorial Walkway

Signage would include the five branches of service, the Rotary logo; it would be placed down the walkway where it will not be a distraction to motorists. Exact size has not been determined yet.

Rotary will be installing eleven American flags along the walkway at M-115 Cadillac West causeway. We will be working with the City of Cadillac, Michigan Department of Transportation, Prein & Newhof, and a local electrician to install high quality lights (likely solar).

The 30-foot poles with illuminated American flags that will fly year-round and admired by visitors visiting Cadillac West. The theme of the project is "Honoring All Who Served", and the projected date of completion is late summer.



The Annual Rotary Auction is Friday, April 27, 2018 from 6 - 10 p.m. at Cherry Grove Event Center.

Rotary Club of Cadillac is very grateful for many auction contributors over the years. The auction fund-raiser has enabled Rotary to donate nearly \$2 million to community projects. This project, like the many before it, demonstrates Rotary's commitment to "Service Above Self."

AUCTION CONTACT

Susan 231-357-1486

TICKET CONTACT

Gwen 231-920-9739

RAFFLE CONTACT

Bob 231-357-2197

PROJECT CONTACT

Doreen 231-920-6064

Location Map

Cadillac Veterans' Memorial Walkway



March 19, 2018

Council Communication

Re: Recyclables Contract Extension

On May 23, 2013 the City received bids for Refuse, Recyclables and Yard Waste Collection Services. Two bids were received for both the refuse and recycling services and one additional company submitted a bid for the recycling services only. The original 5-year agreement is set to expire on June 30, 2018.

Ms. Green, LLC (“Ms. Green”) was selected as the first city-wide recycling contractor to provide these services to the City of Cadillac. Ms. Green has performed recycling for the City adequately with few complaints from City customers for the past five (5) years.

Last year, based on Ms. Green’s collection of recyclable materials in Wexford County/City of Cadillac, the following waste was diverted from the landfills:

- 29 tons of metal
- 44 tons of plastic
- 757 tons of paper

The original bid documents included an option to extend the agreement for two (2) additional two (2) year periods. The City received a letter from Ms. Green in which the company would like to take advantage of both of these extensions at once, thereby extending the agreement a total of four (4) years. The company has offered to continue this contract with no other modifications, including the structure of the monthly collection fees.

Recommended Action

It is recommended that the City Council extend the agreement with Ms. Green, LLC for two additional two-year extensions through June 30, 2022. Costs of the contract are paid by residential users in the City and are collected monthly via City utility bills.

MS. GREEN, L.L.C.



Office-67 Davidsen Road
Cadillac, MI 49601
Recycling Center-1105 Leeson Ave
Cadillac, MI 49601

Phone Office: 231-942-9444
E-mail: ms.green@charter.net
Web Site: www.msgreen.net

Hello Cadillac City Council,

Thank you for hiring us to service the city's recycling needs for the last five years. We have seen participation rates increase every year.

We would like to request an extension of our contract for four years (two, two year contracts), as was a possibility in the 2013 contract. The contract would stay as is and keep the same Consumer Price Index. Local company, Padnos Iron & Metal would continue to be our commodity distributor.

Thank you for recycling and for considering using our local curbside service again!

Rita Meech
Luke Mattison

MS. GREEN, LLC
-Recycling & Shredding Made Easy-
67 Davidsen Road
Cadillac, MI 49601

231.942.9444
ms.green@charter.net
<http://www.msgreen.net>

MS. Green – Cadillac, MI

Recycling 757 NT of paper you saved [Environmental Savings Calculator](#)

Paper



12,869
trees



5,299,000
gallons of water



2,498
cubic yards of landfill



45,420
cubic yards of air pollution



59,803
gallons of oil

DO NOT DETACH - RETURN ALL PAPERS



**PROPOSALS FOR FURNISHING REFUSE, RECYCLABLES, AND
YARD WASTE COLLECTION SERVICES**

Sealed proposals will be received by the City of Cadillac, 200 N. Lake Street, Cadillac MI 49601 until 2:00 p.m. Eastern Daylight Time, Thursday, May 23, 2013, at which time and place all proposals will be publicly opened and read.

NAME OF CONTRACTOR Ms. Green, LLC

PRINCIPAL CONTACT RITA MEECH

ADDRESS 67 Davidsen Cadillac MI 49601
Street/P.O. Box City State Zip

TELEPHONE 231 775-6143 / 231-942-9444

E-MAIL Ms.green@charter.net

ADVERTISEMENT FOR PROPOSALS
CITY OF CADILLAC

Sealed proposals will be received by the City of Cadillac at the Municipal Complex at 200 N. Lake Street, Cadillac, Michigan 49601 until 2:00 p.m. Eastern Daylight Time, Thursday, May 23, 2013 at which time and place all proposals will be publicly opened and read for furnishing refuse, recycling, and yard waste collection services for a period of sixty (60) months commencing July 1, 2013.

Specifications and bid forms may be obtained upon request. Proposals must be made upon the City of Cadillac Bidding Forms. All envelopes containing proposals must be plainly marked as to their contents.

All proposals must be accompanied by a cashier's check or bid bond in an amount of twenty thousand dollars (\$20,000), and shall be payable on its face to the order of the City of Cadillac. This surety is to serve as a guarantee that the contractor will furnish the proper bonds and enter into a Contract.

The City of Cadillac reserves the right to reject any or all proposals, or any part of same, to waive any irregularities or informalities, and to make the award in part or entirely as may appear to be in the best interest of the City of Cadillac.

<u>Title</u>	<u>Page</u>
Anti-Discrimination Clause	12
Description of Project.....	13
Materials to be Collected	13
Definitions.....	13
City Data.....	15
Frequency of Residential Collection	16
Limit for Collection	16
Metered Bag Option	16
Special Waste Streams	17
Containers.....	17
Location of Containers	17
Routes of Collection.....	18
Time of Collection	18
Public Awareness and Notification	18
Holidays	18
Complaints.....	19
Collection Equipment	19
Office and Telephone Equipment.....	20
Disposal of Residential Refuse and Landscape Waste	20
Compliance with Laws	20
Changes in Legislation Affecting Service.....	20
Licenses and Taxes	20

TABLE OF CONTENTS

<u>Title</u>	<u>Page</u>
Contractor's Responsibility	6
Bids	6
Interpretation of Contract Documents	6
Local Conditions Affecting Work.....	6
Certified Statements.....	7
Indemnification.....	7
Insurance.....	7
Non-Collusion	10
Surety.....	10
Payment of Contractor	10
Submission of Bid.....	10
Taxes Not Included in Bid	11
Bid Delivery	11
City's Right to Reject Proposal	11
Award of Contract.....	11
Execution of Documents.....	11
Bonds	11
City's Right to Terminate Contract.....	12
Assignment.....	12
Contractor's Understanding.....	12
Length of Contract	12

<u>Title</u>	<u>Page</u>
Supervision	21
Driver's License Requirements	21
Equipment	21
Modification to Rates	21
Billing and Collection for Service	22
Landfill Record Maintenance	22
Quality of Service	22
Inspection of Work	23
City Not Liable for Delays	23
Delivery of Notice	23
Breach of Contract	23
Force Majeure	24
Arbitration	24
Experience and Equipment Questionnaire	25
Bid and Summary of Requirements Form	27
Residential Service Options	28

INSTRUCTIONS TO BIDDERS

THIS IS AN INVITATION TO BID – NOT A PURCHASE ORDER

BIDDERS RESPONSIBILITY

Each bidder shall familiarize himself/herself with all the forms, instructions and all conditions affecting the work described. This is to be accomplished by personally visiting the location of the work, in order that the true spirit and intent of the specifications are fulfilled.

BIDS

Bids must be addressed to the City of Cadillac, Cadillac, Michigan, and submitted on the Bid and Summary of Requirements Form furnished to the bidder, and in the manner designated. No bids will be considered which are not submitted on the Bid and Summary of Requirements Form furnished to each bidder. The Bid and Summary of Requirements Form shall be completely filled in. All amounts shall be stated in figures. Unit prices will be used to determine the low bidder.

The Bid and Summary Requirements Form must be signed in writing by the bidder. If the bidder is a corporation, a properly authorized officer of the corporation shall sign the proposal in writing.

If the bidder wishes to enter a bid that does not meet every requirement of the specifications, he/she shall submit a letter, attached to the bid, which lists every discrepancy between the specifications and the services to be furnished. The City reserves the right to accept a service that does not meet every detail of the specifications provided it is in the best interest of the City.

INTERPRETATION OF CONTRACT DOCUMENTS

If any person who contemplates submitting a bid is in doubt as to the true meaning of any part of the specifications or other contract documents, he/she may submit to the City a written request for an interpretation thereof. The person submitting the request shall be responsible for its prompt delivery.

Interpretation of the proposed contract documents will be made only by addendum. Any necessary addendum(s) will be posted to www.mitn.info. It is the bidders' responsibility to insure that all addendums, if any, to the contract have been received. The City will not be responsible for any other explanations or interpretations of the proposed contract documents.

LOCAL CONDITIONS AFFECTING WORK

Each bidder shall visit the various sectors and shall completely inform himself/herself relative to traffic congestion, type of housing, population density, collection procedures required, labor and all other conditions and factors, local and otherwise, which would affect execution and completion of the work and its cost. Such consideration shall

include the arrangement and condition of existing structures, facilities, the availability and cost of labor, and facilities for transportation, handling and storage of materials and equipment. Normal development or redevelopment within the sectors must also be considered. All such factors shall be properly investigated and considered in the preparation of the bidders' proposal. There will be no subsequent financial adjustment for lack of such prior information.

CERTIFIED STATEMENTS

Bidders will, if required by the City, submit duplicate sworn statements of their financial responsibility, technical qualifications, and performance record before a Contract can be awarded to them.

INDEMNIFICATION

The Contractor shall indemnify, defend and save harmless the City of Cadillac, its council, officers, agents, representatives and employees from and against all loss or expense (including costs and attorney's fees) by reason of any liability asserted or imposed upon the City, its council, officers, agents, representatives and employees for damages because of bodily injury, including death, at any time resulting therefrom, sustained by any person or persons, or on account of damage to property, including loss of use thereof, arising out of, or in consequence of the performance of the work described herein, whether such injuries to persons, or damage to property, except as may arise from the gross negligence or misconduct of the City of Cadillac, its employees, or agents.

INSURANCE

The City of Cadillac must be named on all policies (except Workers' Compensation) as an additional insured.

Prior to commencement of the work, the Contractor shall purchase and maintain during the term of the project such insurance as will protect him, the owner(s) and the City of Cadillac from claims arising out of the work described in this Contract and performed by the Contractor, subcontractor(s) or sub-subcontractor(s) consisting of:

Workers' Compensation insurance, including employer's liability to cover employee injuries or disease compensable under the workers' compensation statutes of the state in which work is conducted under this Contract; disability benefit laws, if any; or Federal Compensation Acts, such as U.S. Longshoremen or Harbor Workers, Maritime Employment, or Railroad Compensation Act(s), if applicable. Self-insurance plans approved by the regulatory authorities in the state in which work on this project is performed are acceptable.

A Comprehensive General Liability policy to cover bodily injury to persons other than employees and for damage to tangible property, including loss of use thereof, including the following exposures:

- a. all premises and operations;
- b. explosion, collapse, and underground damage;

- c. Contractor's Protective Coverage for independent contractors and subcontractors employed by him;
- d. Contractual Liability for the obligation assumed in the indemnification or hold harmless agreement found in the General Conditions Section of this Contract;
- e. The usual Personal Injury Liability endorsement with no exclusions pertaining to employment;

A Comprehensive Automobile Liability policy to cover bodily injury and property damage arising out of the ownership, maintenance, or use of any motor vehicle, including owned, non-owned, and hired vehicles. In light of standard policy provisions concerning:

- a. loading and unloading; and
- b. definitions pertaining to motor vehicles licensed for road use vs. unlicensed or self-propelled construction equipment, it is strongly recommended that the Comprehensive General Liability and the Comprehensive Auto Liability be written by the same insurance carrier, though not necessarily in one policy.

The Contractor will purchase for the owner an owner's Protective Liability Policy to protect the owner, the engineer, their consultants, agents, employees, and such public corporations in whose jurisdiction the work is located for their contingent liability for the work performed by the Contractor, the subcontractor(s), and the sub-subcontractor(s) under this Contract.

Umbrella, or Excess Liability: The City or its representative may, for certain projects, require limits higher than those stated under Limits of Liability which follows. The Contractor is granted the option of arranging coverage under a single policy for the full limit required or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability policy equal to the total limit(s) requested. Umbrella or Excess policy wording shall be at least as broad as the primary or underlying policy(ies) and shall apply both to the Contractor's general liability and to his automobile liability insurance.

LIMITS OF LIABILITY

The required limits of liability for this insurance coverage's requested previously in this section shall not be less than the following:

Workers' Compensation:

Coverage A – Compensation	Statutory
Coverage B – Employer's Liability	Statutory

Comprehensive General Liability:

Bodily Injury – Each Occurrence	\$1,000,000
Bodily Injury – Aggregate	\$2,000,000
Property Damage – Each Occurrence	\$1,000,000
Property Damage – Aggregate	\$2,000,000

Comprehensive Automobile Liability:	
Bodily Injury	\$1,000,000
Property Damage	\$1,000,000
Owner's Protective:	
Bodily Injury – Each Occurrence	\$1,000,000
Property Damage – Each Occurrence	\$1,000,000
Property Damage – Aggregate	\$2,000,000
Umbrella or Excess Liability	\$2,000,000

INSURANCE – OTHER REQUIREMENTS

The following conditions shall also be required in regard to insurance coverage:

Notice of Cancellation or Intent Not to Renew: Policies will be endorsed to provide that at least 30 days written notice of cancellation or of intent not to renew shall be given to the owner.

Evidence of Coverage: Prior to commencement of the work, the Contractor shall furnish to the owner, Certificates of Insurance in force. Other forms of certification are acceptable only if:

- a. they include all of the items prescribed in the owner's form of certificate, including agreement to cancellation provisions outlined in Paragraph 5.5.1 above; and
- b. they have written approval of the owner. The owner reserves the right to request complete copies of policies if deemed necessary to ascertain details of coverage not provided by the certificates. Such policy copies shall be "originally signed copies," and so designated.

Evidence of Insurance Required for the Contractor:

- 1) Workers' Compensation and Employer's Liability Comprehensive General Liability including:
 - (a) All premises and operations;
 - (b) Explosion, collapse, and underground damage;
 - (c) Contractor's Protective;
 - (d) Contractual Liability for obligations assumed in the Indemnification – Hold Harmless Agreement of this Contract;
 - (e) Personal Injury Liability;
- 2) Comprehensive Automobile Liability including owned, non-owned, and hired vehicles.
- 3) Umbrella or Excess Liability

Evidence of Insurance Required for the Owner:

Owner's Protective Liability which names as insured(s) the owner, their consultants, agents, employees, and such public corporations in whose jurisdiction the work is located.

Qualification of Insurers:

In order to determine financial strength and reputation of insurance carriers, all companies providing the coverage required shall be licensed and approved by the Insurance Bureau of the State of Michigan and have a Policyholder's rating no lower than B+ as listed in A.M. Best's Key Rating Guide, current edition.

ADDITIONAL BONDS AND INSURANCE

Prior to delivery of the executed agreement by the City to Contractor, the City may require Contractor to furnish such bonds and such additional insurance, in such form and with such sureties or insurers as the City may require. If such other bonds or such other insurance is specified by written instructions given prior to Opening of Bids, the premiums shall be paid by the Contractor; if subsequent thereto, they shall be paid by the City (except as otherwise provided in Article 11).

NON-COLLUSION

The bidder by execution of the bid, thereby declares that the bids were made without collusion with any other person, firm or corporation making any other bids, or who would otherwise make a bid, and agrees to furnish all bid items in strict compliance with all Federal regulatory measures.

SURETY

Each bid shall be accompanied by a certified check or bid bond in an amount of twenty thousand dollars (\$20,000), which check or bid bond shall be made payable to the City of Cadillac, as payee or obligee, and shall be forfeited as liquidated damages if the bidder fails to execute the Contract in conformity with the agreement incorporated in the Contract documents within ten (10) days after notification of the award of the Contract to him. Surety of the three (3) lowest bidders will be held by the City of Cadillac until a Contract is fully executed or until all bids are rejected.

PAYMENT OF CONTRACTOR

The Contractor shall submit monthly billings to the Utilities Department of the City of Cadillac. Payment will be made by check within 30 days of invoice receipt.

SUBMISSION OF BID

- The bid shall be legibly prepared in ink or typewriter. Erasures or alternations must be initialed by the bidder.
- All bids must be submitted on the City of Cadillac furnished Bid and Summary of Requirements Form.
- Submission of bid will be construed as a conclusive presumption that the bidder is thoroughly familiar with the Bid and Summary of Requirements Form and specifications and that he understands and agrees to abide by each and all of the stipulations and requirements contained therein.
- Bidder must clearly label the outside of a sealed envelope containing the bid in the following manner: **"REFUSE, RECYCLABLES, AND YARD WASTE"**

COLLECTION SERVICES." Envelope should be addressed to the City of Cadillac,
200 N. Lake Street, Cadillac, Michigan 49601.

TAXES NOT INCLUDED IN BID

It is understood that the City of Cadillac is a governmental unit and as such is exempt from payment of all state and federal taxes applying to the bids and the prices stated in the Bid and Summary of Requirements Form do not include such taxes.

BID DELIVERY

The bid must be delivered in person or sent by certified mail to the office of the City. Bids will not be accepted after the time designated for the opening of the bids. The bidder shall assume full responsibility for delivery of bids prior to the appointed hour for opening same, and shall assume the risk of late delivery or non-delivery regardless of the manner he/she employs for the transmission thereof. Bids shall be accepted by the City at any time during the normal course of business only, said hours being 9:00 a.m. to 5:00 p.m., Mondays through Fridays, legal holidays excepted.

CITY'S RIGHT TO REJECT BID

The City of Cadillac reserves the right to reject any or all proposals and accompanying bids for service, or any part of same, to waive any irregularities or informalities, and to make the award in part or entirety as may appear to the City to be in the best interest of the City of Cadillac.

AWARD OF CONTRACT

The City of Cadillac will award the Contract as early as practicable after review of proposals and tabulation of related bids in accordance with Sections 1.272 and 1.273 of the Cadillac City Code, where upon all other proposals will stand rejected, and the surety of all bidders not successful will be returned. The surety of the successful contractor will be returned upon approval of the Contract, bond and insurance certification by the City of Cadillac.

EXECUTION OF DOCUMENTS

The successful contractor will be required to execute the Contracts and bonds in duplicate.

BONDS

Except for a contract awarded for recycling services only, the Contractor shall, within ten (10) days after the award of the Contract, and before the Contract shall take effect, furnish and deliver to the City of Cadillac an annual performance bond in the amount of fifty thousand (\$50,000) dollars with corporate surety acceptable to the City guaranteeing performance of the Contract. In case of failure or neglect to do so, the Contractor may be considered to have abandoned the contract, and the bond or check accompanying the proposal shall be forfeited to the City of Cadillac. The City reserves the right to extend this ten-day period if, in their opinion, circumstances justify such an extension. Contractors awarded recycling services only must comply with all

requirements above, except that the amount of the annual performance bond required will be \$20,000.

CITY'S RIGHT TO TERMINATE CONTRACT

If the Contractor should be adjudged bankrupt or should make a general assignment for the benefit of their creditors, or if a receiver should be appointed on account of their insolvency or if the Contractor repeatedly refuses to supply enough labor, material or equipment to maintain the established schedules or collections or should fail to make prompt payment for materials or labor or disregards laws of the United States of America, State of Michigan, or ordinances of the City of Cadillac, or otherwise be guilty of violation of any provision of the Contract, then the City may, without prejudice to any other right or remedy, terminate the Contract and re-bid the same.

ASSIGNMENT

The Contractor shall not assign the Contract or sublet as a whole or in part without the written consent of the City. Such consent does not release the Contractor from any of the obligations and liabilities under the Contract. Violations of this specification shall result in instant forfeiture.

CONTRACTOR'S UNDERSTANDING

It is understood and agreed that the Contractor has, by careful examination, satisfied himself/herself as to the nature and location of the work, the character, quality, and quantity of the materials to be encountered, the character and amount of equipment needed, the prevailing weather, the general and local conditions, and all other matters which can in any way affect the work under this Contract. No verbal agreement or conversation with any officer, agent, or employee of the City, either before or after the execution of this Contract, shall affect or modify any of the terms or obligations herein contained.

LENGTH OF CONTRACT

The Contract shall be for a period of sixty (60) months commencing July 1, 2013 and ending June 30, 2018. The parties reserve the right to extend this agreement for two (2) additional two (2) year periods upon mutual consent by both parties.

ANTI-DISCRIMINATION CLAUSE

The Contractor shall not discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to his or her hire, tenure, terms, conditions or privileges of employment, race, color, religion, national origin or ancestry, or because of his or her age or sex, except where based on a bonafide occupational qualification, and to require similar covenant on the part of any subcontractor employed in the performance of this Contract. Breach of this covenant may be regarded as mutual breach of this Contract.

**SPECIFICATIONS FOR
COLLECTION, REMOVAL AND DISPOSAL OF REFUSE,
COLLECTION AND PROCESSING OF RECYCLABLES,
AND COLLECTION OF YARD WASTE FOR
CITY OF CADILLAC, MICHIGAN**

DESCRIPTION OF PROJECT

It is the intent and purpose of the City of Cadillac to execute an exclusive Contract(s) for the purpose of furnishing a comprehensive service for the collection, removal and disposal of residential refuse, collection of yard waste, and/or collection and processing of recyclables to all of the following residential units: single family detached residences; single family attached residences; and two-to-four family residences within the City of Cadillac during a period of five years commencing on July 1, 2013 and ending June 30, 2018. All work to be performed in accordance with Contract documents.

MATERIALS TO BE COLLECTED

The Contractor shall collect all applicable recyclables, rubbish, garbage, landscape wastes, household trash, and bulky wastes set out by residents.* Contractor shall not be required to collect: such matter not included under this Contract; residential refuse and landscape waste not contained in an approved container; containers or bundles in excess of size restrictions; or residential refuse or landscape waste mixed in the same container.

**Only one large item per week will be collected as "Residential Refuse". These items will include: sofas, refrigerators, carpet sections, tires, etc.*

DEFINITIONS

The following words and phrases, when used in this Contract, shall have the meaning given to them in this section:

ALTERNATE-DAY SERVICE – the delivery of refuse, landscape waste, and comprehensive recycling service on separate days of the week to any individual residences.

BUILDING MATERIALS REFUSE – rubbish from construction, remodeling, demolition and repair operations on houses, commercial buildings and other structures, including, but not limited to excavated earth, sod, stones, brick, plaster, lumber, rubble, concrete, roofing and waste parts, occasioned by installations and repairs.

BULKY WASTES – large discarded items from residences within the City, such as boxes, barrels, crates, furniture, refrigerators, stoves, and other household appliances, except those items that are banned from direct disposal into a landfill.

BUNDLES – when referring to rubbish or household trash, shall mean any material allowed under the definition of rubbish, or household trash, such as wood, boxes or other loose items which do not exceed five (5) feet in length or fifty (50) pounds in weight. The word "bundles," when referring to landscape waste, shall mean any material allowed under the definition of landscape waste, such as limbs, branches, or other loose items which do not exceed five (5) feet in length or fifty (50) pounds in weight.

CITY – the City of Cadillac, Michigan, a municipal corporation acting through the City Manager or official designated by the City Manager. The City is the Party of the First Part to the Contract.

COMMERCIAL TRASH – any and all accumulations of paper, rags, excelsior, wooden, paper or cardboard boxes or containers, sweepings, and any other accumulation not included under the definition of residential refuse, generated by the operation of stores, offices and other business places. Commercial trash shall also include all trash placed in public receptacles in public streets, in other public places, such as City buildings. Commercial trash is not included in the scope of this Contract.

CONTRACTOR – the individual, partnership, or corporation who or which agrees, for a stipulated sum, to perform the work or service, or to furnish materials or equipment, or both, as set forth in the Contract. The Contractor is the Party of the Second Part.

CURBSIDE – the area within arm's reach of public street rights-of-way.

GARBAGE – discarded materials resulting from the handling, processing, storage, preparation, serving, and consumption of food, except for those items which are banned from direct disposal into the landfill.

GARBAGE CAN – an approved plastic or galvanized metal can of a type commonly sold as a garbage can of a capacity not less than four (4) gallons and not to exceed thirty-two (32) gallons, and each such can shall have two handles upon sides of can or bail by which it may be lifted and shall have a tight-fitting top. No garbage can shall exceed fifty (50) pounds in weight when full.

HOUSEHOLD TRASH – any and all accumulations of the material from the operation of a home, which is not included within the definition of garbage, except for those items that are banned from direct disposal into a landfill. Household trash shall **NOT** include such things as small automobile parts and building material waste from residential type do-it-yourself projects.

INDUSTRIAL WASTES – any and all debris and waste products generated by canning, manufacturing, food processing (including restaurants), land clearing, building construction or alteration (except do-it-yourself projects), and public works type construction projects whether performed by a governmental unit or by Contract. Industrial wastes are not included in the scope of this Contract.

LANDSCAPE WASTE CONTAINERS – Approved landscape waste containers shall include kraft paper yard waste bags available from local businesses, or other rigid containers approved by the city.

MOBILE CART – a container approximately 96 gallons in size, requiring a semi-automated lifting mechanism for collection, and approved by and/or supplied by the Contractor for an additional monthly charge.

PERFORMANCE BOND – the form of security approved by the City and furnished by the Contractor as a guarantee that the Contractor will execute the work in accordance with the terms of the Contract and will pay all lawful claims.

RESIDENTIAL REFUSE – all garbage, rubbish, household trash, and bulky wastes as defined above.

RECYCLABLE MATERIALS – materials such as aluminum cans, tin/steel/bi-metal cans, newspaper, clear and colored glass bottles/containers, HDPE and PETE plastic beverage containers, and any other items the City and Contractor agree to recycle in the future.

RECYCLING CONTAINERS – Approved recycling containers shall include any hard walled plastic container, bin or storage bag which can enclose recyclable materials, to prevent spilling by wind or other elements when set out on the right-of-way for collection.

RUBBISH – all non-putrescible solid wastes, including ashes, paper, cardboard, wood (other than yard waste), glass, crockery, cans, bottles, rags, discarded clothing, and litter, except those items which are banned from direct disposal into the landfill.

SAME-DAY SERVICE – the delivery of refuse, landscape waste, and comprehensive recycling services all on the same day of the week to any individual residences.

SINGLE FAMILY DETACHED RESIDENCES – A freestanding, single-family dwelling unit.

SINGLE FAMILY ATTACHED RESIDENCES – A group of dwelling units attached by a wall or walls, extending from basement to the roof, each unit being accessible by its own separate exterior entrance at grade level, and also with each unit being under separate ownership; e.g. townhouse, row house, townhouse condominium.

SURETY – the party who is bound with and for the Contractor to insure the payment of all lawful debts pertaining to and for the acceptance of the Contract.

TWO-TO-FOUR FAMILY STACKED RESIDENCES – A group of two, three, or four dwelling units attached through the ceiling or floor, physically located one on top of another, e.g. condominiums other than townhouse condominiums, or apartments.

YARD WASTE – leaves, grass clippings, weeds, hedge clippings, garden waste, twigs, and brush, not exceeding two inches in diameter, four feet in length or fifty pounds per bag or bundle.

CITY DATA

The following information is given as an aid to bidders. It is understood that this information, or any inaccuracies herein, in no way limits the Contract or relieves the Contractor of any obligation to furnish refuse collection service for the entire City of Cadillac as described in these documents.

CITY OF CADILLAC INFORMATION – 2013

Population	10,355 (2010 Census)
Area	5,495 Acres
Street Mileage	68.5 Miles
Units currently serviced by waste hauler*	3,148
Average tons of monthly household trash**	332
Average number of tires picked up monthly***	91
Average number of appliances picked up monthly****	0
Average number of totes rented	1,935

* The number of units to be serviced will vary from month to month throughout the year. Based upon a 24-month period ending December 31, 2012, the following information is provided:

Sample Mean – 3,148 units serviced per month

Sample Standard Deviation – 18.2

Range – 66

Maximum – 3,177

Minimum – 3,111

****The volume of household trash will vary from month to month throughout the year. Based on a 24-month period ending December 31, 2012, the following information is provided:**

Sample Mean – 332 tons per month
Sample Standard Deviation – 62.4
Range – 308
Maximum – 437
Minimum – 129

*****The number of tires will vary from month to month throughout the year. Based upon a 24-month period ending December 31, 2012, the following information is provided:**

Sample Mean – 90.7 tires
Sample Standard Deviation – 34.7
Range – 126
Maximum – 150
Minimum – 24

******There were not any appliances collected at the curb during 2011 and 2012. The City of Cadillac makes no guarantee to the accuracy of the information provided herein, and the bidder is advised to conduct whatever independent study and allowance he feels is necessary to enable him to submit a bid that protects his interest.**

FREQUENCY OF RESIDENTIAL COLLECTION

The Contractor shall collect and remove from a curbside or alley location, all household refuse on a weekly basis, recyclables if opted for by the City, and yard waste from all residential units, once per week during the period April 1 through November 30. All refuse and rubbish hauled by the Contractor shall be hauled in compaction-type trucks to prevent leakage, spillage or blowing. No person shall allow refuse or rubble of any kind whatsoever to leak, spill, blow or drop from any vehicle on to any public street within the City.

LIMIT FOR COLLECTION

Except as noted, there is no limit on the volume of approved recyclables, rubbish, garbage, landscape wastes, household trash, and bulky wastes to be collected under this Contract from any residential unit. **NOTE: ONLY ONE (1) LARGE ITEM OF "RESIDENTIAL REFUSE" WILL BE COLLECTED EACH WEEK. THESE ITEMS INCLUDE: TIRES, SOFAS, REFRIGERATORS, CARPET SECTIONS, ETC.**

METERED BAG OPTION

The Contractor will provide a metered bag option to all senior citizens (head of household 62 years or older) who desire to pay by the bag rather than the flat rate. The Contractor will provide appropriately marked 2-ply, or its equivalent, 30-gallon bags to senior citizens requesting them. The Contractor will provide the City a monthly report on the sale of the metered bags.

SPECIAL WASTE STREAMS

The Contractor shall not be required directly under this Contract to remove any hazardous, liquid, medical, chemical, etc., waste as deemed by local, state and federal laws.

CONTAINERS

If the optional "Mobile Cart" **is not** elected, household refuse receptacles of the can type shall be made of metal or plastic of tapered (smaller diameter at bottom) cylindrical shape, must be water tight, equipped with tight fitting cover and strong handles. The maximum size of the containers shall be thirty-two (32) gallons. Containers shall be provided by the resident or owner, shall be maintained in good condition and kept in as sanitary condition as is possible for their intended use. Upon notification of the City, containers that are unsatisfactory shall be considered rubbish and removed by the contractor.

Heavy-duty standard plastic trash bags that are advertised for this purpose by leading manufacturers may be used as household refuse containers. The maximum size is to be thirty (30) gallons. The combined weight of any receptacle and its contents shall not exceed fifty (50) pounds.

Any spillage from the bag or container before the Contractor handles it, may be left undisturbed. However, if the Contractor, while in the process of handling a bag or container, shall spill all or some of the contents; he shall be responsible for cleaning up all of the spillage.

*In the event the City elects the optional "Mobile Cart" service of the Bid and Summary of Requirements Form, size and weight restrictions of bags and refuse receptacles may not apply.

Approved yard waste containers shall meet the same standards and weight limitations as the "can type" used for household refuse. Biodegradable bags are also acceptable.

Approved recycling containers shall include any hard walled plastic container, bin or bag which can enclose recyclable materials, to prevent spilling by wind or other elements when set at the curb for collection.

LOCATION OF CONTAINERS

The containers, curb carts, and/or bags shall be placed at the street curb or along the road berm, whichever is the case. The location shall be arranged to facilitate the removal of refuse, yard waste, and recyclables by the Contractor. The Contractor shall be required to make collections from this location. The Contractor shall not be required to collect refuse, yard waste, and recyclables off the street, alley, or road right-of-way. Where refuse, yard waste, and recyclables are placed in a right-of-way and may cause a safety hazard to vehicular or pedestrian traffic, special locations for collection shall be designated by the City. All approved collection containers that are placed at the curb, the Contractor shall empty the container and return the container and cover to the curb location in a neat and orderly fashion. If applicable, the Contractor shall see that all

covers are replaced on the said containers. The Contractor will be held liable for in-kind replacement of containers that are damaged during handling.

ROUTES OF COLLECTION

Collection routes shall be established by the Contractor. The Contractor shall submit a map designating the collection routes to the City for their approval.

TIME OF COLLECTION

Collection of materials (refuse, landscape waste, and recyclables) shall not start before 7:00 a.m. or continue after 6:00 p.m. on the evening of the same date (Monday through Friday). Exceptions to collection hours shall be affected only upon the mutual agreement of the City and the Contractor, holidays, or when the Contractor reasonably determines that an exception is necessary in order to complete collection on an existing collection route due to unusual circumstances.

The Contractor shall make collections with a minimum of noise and disturbance to the householder. Garbage receptacles shall be handled carefully by the Contractor and shall be thoroughly emptied and then left where they were placed for collection. Any garbage or trash spilled by the Contractor will be picked up immediately and the area left clean.

PUBLIC AWARENESS AND NOTIFICATION

The City and the Contractor shall notify all customers about complaint procedures, regulations, and day(s) for collection; however, initial notification shall be the responsibility of the Contractor.

The Contractor shall publish, at its expense, a map of such collection routes in the newspapers published in the immediate area. The published map shall be of such size to clearly show all pertinent information, and the Contractor shall have additional copies of this map available to the City and the public. Such map will be available and published immediately prior to the commencement of this Contract, along with the Contractor's phone number and complaint procedure. Should changes in collection day occur, a new map will be published immediately. Expenses for publishing route changes shall be paid by either the City or the Contractor, depending on which party desires the change.

HOLIDAYS

The following shall be the recognized holidays for the purpose of this Contract:

January 1	Memorial Day
July 4	Labor Day
Thanksgiving Day	December 25

It is recognized that weeks containing holidays and unforeseen emergencies will require alternation of the schedule for those situations only. Collections shall be on the same day of the week for each collection district established, except for emergencies and holidays. When an emergency or holiday occurs, the schedule for the remainder of the affected week will shift back one day. Saturday will be utilized for Friday's collection, thus allowing the following week to begin on schedule.

COMPLAINTS

Where any dispute arises between a resident and the Contractor as to the manner or placing of containers, bags, or bundles for collection, or the nature of the Contractor or the like, the Contractor agrees that in the specific instance, that collection will be immediately made even though, in its opinion, it is improperly placed or contained; and that it will immediately report the same to the City so that the two may adjust the situation, if possible, before additional collection becomes necessary. The intent of this paragraph is to avoid disputes or disagreements between residents and Contractor's employees, and permitting the same to be handled by mutual discussion between the Contractor and the City.

All complaints shall be resolved to the satisfaction of the City within 48 hours. The Contractor shall supply to the City a monthly list of complaints that indicates the nature of the complaint and its disposition.

In the interest of maintaining the best possible service under the provisions of the Contract, the Contractor shall hold monthly meetings with its employees for the first 12 months of the Contract in order to discuss and correct service deficiencies reported by residents or the City. Said meeting will be held on an as-needed basis during the remaining period of the Contract. The Director of Utilities shall be given 24 hours notification of the time and place of each of these meetings and may assign staff to attend such meetings.

COLLECTION EQUIPMENT

The Contractor shall furnish all necessary equipment and labor for such collection service and shall at all times provide a sufficient amount of equipment and labor to maintain a completely adequate service. All refuse and landscape waste shall be hauled and collected in closed, non-leaking, rear or side loading packer-type motor trucks, equipped with a loading mechanism that is designed in such a way that the entry for refuse in the vehicle's collecting body will be exposed only for the time actually required to deposit the materials as collected along the route. The Contractor will provide for immediate clean up of any spills or leaks onto streets and alleys. The trucks used for the refuse collection, including smaller collection vehicles necessary on narrow streets and alleys, shall be provided with a broom and shovel for use by the Contractor's personnel.

All recyclables hauled by the Contractor shall be loaded, contained, and hauled so that leaking, spilling and blowing are prevented.

The Contractor shall, at all times, keep said equipment in first class working order and condition. The City shall have the right to require whatever repairs and improvements are necessary to keep said equipment in good working condition and appropriate appearance. The exterior and interior of such equipment shall be kept thoroughly washed and cleansed with some approved deodorant at all times. All such equipment shall be of uniform design and shall be suitably painted, and each truck numbered in numbers at least six (6) inches high, for identification purposes. The City reserves the

right to require collection vehicles used for this Contract to have markings on them for the purpose of identification. No political or commercial advertising shall be displayed on said vehicles.

OFFICE AND TELEPHONE EQUIPMENT

The Contractor shall maintain a toll free telephone number through which the Contractor can be contacted. The telephone number shall be plainly denoted on all of the equipment used in the collection of residential refuse and landscape waste. The office shall be equipped with sufficient telephones and personnel to handle incoming calls. This service shall be operated between the hours of 9:00 a.m. and 5:00 p.m., Mondays through Fridays, except during holidays, or as otherwise directed by the City. The Contractor shall be listed in the telephone directory under the classified section as "Rubbish Removal," and shall respond to all emergency calls approved by the City.

DISPOSAL OF RESIDENTIAL REFUSE AND LANDSCAPE WASTE

All garbage, rubbish and household wastes that have been collected within the City under this Contract for disposal shall be hauled to a state-approved landfill as permitted by law. The Contractor shall be responsible for seeking any necessary approvals related to the disposal of all garbage, rubbish, and household waste collected as part of this contract that are validly required and indemnifying, defending and holding harmless the City for any and all damages, losses, penalties, costs (including attorney fees) or liabilities of any type or nature should any party object to or contest such a decision.

Landscape waste that has been collected within the City under this Contract for disposal shall be hauled to an approved compost processing facility, as selected by the contractor. Any recyclables picked up as part of this contract shall be disposed of in accordance with State of Michigan law.

COMPLIANCE WITH LAWS

The Contractor shall conduct operations under this Contract in compliance with all local, state, and federal laws.

CHANGES IN LEGISLATION AFFECTING SERVICE

Throughout the term of this Contract, federal, state, county or local legislation may change which may impact the terms of this Contract. The Contractor and the City agree to negotiate those items that constitute an impact in the Contract, and agree to arbitration in the event the parties cannot reach agreement.

LICENSES AND TAXES

The Contractor shall obtain and pay for all licenses and permits. The Contractor shall pay all federal, state and local taxes, including sales tax, social security, workers' compensation, unemployment insurance and other taxes, which may be chargeable against labor, material, equipment, real estate, and any other items necessary to and in the performance of this Contract.

SUPERVISION

The Contractor must be represented in person or at all times have an authorized representative, acceptable to the City of Cadillac, supervising the work. Complaints of missed pick-ups or service problems will be received and recorded at the designated office of the City. The City will provide the Contractor with a record of the complaints received each day by 4:00 p.m. Prompt and courteous investigations of these complaints are to be carried out when necessary. Immediate action shall be taken to remedy any condition which constitutes a failure to fulfill the terms of this contract. The City shall have the right to determine the true validity of any complaints, as to the failure of the Contractor to fulfill the terms of this Contract, and that the City's decision shall be final and binding upon the Contractor.

DRIVER'S LICENSE REQUIREMENTS

The Contractor shall be responsible for ensuring that employees driving any and all equipment necessary to complete the requirements of the contract within the City of Cadillac have a current, valid driver's license and/or endorsement of the State of Michigan for the equipment being driven as required by law.

EQUIPMENT

Each bidder shall submit with their bid, specifications of all equipment to be used in the performance of the proposed Contract. Equipment to be used for hauling of residential refuse, yard waste and recyclables shall be late model, steel body with steel covers, and non-leaking. All Contractor-provided equipment to be used is contingent upon the approval from the City of Cadillac. The equipment shall be in such condition that the schedule of collection, as presented to the City, can be maintained. Breakdowns or faulty equipment will not be sufficient reasons to deviate from this schedule.

The Contractor shall use the equipment identified in their proposal, or equipment equal in type, specifications and age, usual wear and tear expected, at all times during the performance of the Contract, and shall promptly acquire and use such additional equipment that performance of the Contract shall from time to time require.

The equipment must be available ten (10) days before any collections are to be made under the Contract, at which time they will be inspected by the City.

All equipment used to collect and transport solid waste materials under this Contract shall have current State of Michigan licenses and certifications required for this purpose.

MODIFICATION TO RATES

Rate adjustments shall be made annually and shall be based upon increases or decreases in fuel prices and other operating costs. The Contract unit prices shall be changed by the City of Cadillac in an amount equal to the percentage of movement of the Bureau of Labor Statistics CPI and Department of Energy/Energy Information Administration fuel cost data for the twelve month period ending in the month of March of each Contract year and shall be based on the following:

1. The annual adjustment to the non-fuel portion of the monthly charge shall be based upon the movement of the unadjusted figures of the U.S. Department of Labor Consumer Price Index (CPI) for the U.S. all-items.
2. The annual adjustment to the fuel portion of the monthly charge shall be based upon the fuel cost data for U.S. No. 2 Diesel Retail Sales by All Sellers, provided by the Department of Energy/Energy Information Administration.

The Contract unit prices changed as a result of this formula shall automatically become effective on each anniversary of the Contract and shall be binding on the Contractor for the subsequent contract year.

If the foregoing CPI and fuel cost data shall no longer be published, then another generally recognized as authoritative shall be substituted upon the agreement of the parties. If the parties are unable to agree hereon within thirty (30) days after demand by either party, the dispute shall be settled by arbitration as set forth in this agreement.

In the event of new, or a change to existing local, state or federal laws or mandates related to the collection, disposal, or processing of refuse, recyclables, or yard waste, the Contractor shall be reimbursed proportionately for any such increased costs.

RATE ADJUSTMENT EXAMPLE

Total monthly collection fee for solid waste and yard waste	\$10.00
Non-fuel portion of fee (80%)	\$ 8.00
Fuel portion of fee (20%)	\$ 2.00
CPI for non-fuel portion of fee	4%
CPI for fuel portion of fee	40%

CALCULATIONS

Non-fuel adjustment	$\$8.00 \times .04 = \32
Fuel adjustment	$\$2.00 \times .40 = \80
Total adjustment	$\$.32 + \$.80 = \$1.12$
New monthly fee	$\$10.00 + \$1.12 = \$11.12$

Note: The above example can be used to adjust monthly recycling fees.

BILLING AND COLLECTION FOR SERVICE

The City shall bill and collect all rates, charges and/or fees from all residents' service under this Contract.

LANDFILL RECORD MAINTENANCE

The Contractor will submit landfill reports to the Utilities Director on a monthly basis. The reports will include the number of loads delivered, as well as the time, date and volume of each load.

QUALITY OF SERVICE

To prevent misunderstandings and litigation, the City Manager shall decide any and all questions which may arise concerning the quality and acceptability of the work and

services performed, the sufficiency of performance, the interpretation of the Contract provisions, and the acceptable fulfillment of the Contract on the part of the Contractor; and the City Manager will determine whether or not the amount, quality and character of the work performed is satisfactory, which determination shall be final, conclusive and binding upon both the City and the Contractor, and shall be issued in writing to the Contractor. The City Manager shall make such explanation as may be necessary to complete, explain or make definite the provisions of this Contract and his findings and conclusions when issued in writing to the Contractor shall be final and binding upon both the City and the Contractor, providing such decision does not have a monetary value of more than \$500.00. In those cases where the monetary value of such a decision exceeds \$500.00, arbitration procedures as hereinafter indicated will be followed.

INSPECTION OF WORK

The Contractor shall furnish the City Manager or his representative with every reasonable opportunity for ascertaining whether or not the work as performed is in accordance with the requirements of this Contract. The City Manager may appoint qualified persons to inspect the Contractor's operations, records, and equipment at any reasonable time and the Contractor shall admit authorized representatives of the City to make such inspections, at any reasonable time and place.

CITY NOT LIABLE FOR DELAYS

It is expressly agreed that in no event shall the City be liable or responsible to the Contractor or any other person on account of stoppages or delay in the work herein provided for, by injunction or other legal or equitable proceedings brought against the Contractor, or from or by account of any delay from any cause whatsoever over which the City has no control.

DELIVERY OF NOTICE

Whenever under the terms hereof, a written notice is required, it shall be sufficient to deliver personally, or mail such notice addressed to the City to the City Manager at his office in the Municipal Complex, 200 N. Lake Street, Cadillac, MI 49601, and those addressed to the Contractor to him at his local office, as designated in writing by the Contractor.

BREACH OF CONTRACT

It shall be the duty of the City Manager acting through the Director of Utilities and any inspectors he may utilize, to closely observe the operations under this Contract and if there has been a breach of Contract, the City Manager shall in writing notify the Contractor with substantiating details, specifying the alleged breach of Contract. If within seven (7) days after mailing such notice to the Contractor at its regular place of business, the alleged breach of Contract has not been corrected by the Contractor, the Contractor will be notified in writing of a hearing before the City Manager within fifteen (15) days of such notice. The purpose of this hearing will be to investigate the circumstances, facts and other pertinent and relevant information pertaining to the alleged Contract breach and to determine if the Contract, has, in fact, been breached. If the Contract, in fact, has been breached, and immediate correction on the part of the

Contractor cannot or will not be provided, it is the duty of the City Manager to initiate all legal recourse available to him to effect Contract performance and discharge of the work in the public interest.

FORCE MAJEURE

It is recognized that the obligations of the City and the Contractor are subject to strikes, riots, wars, acts of God, governmental orders and regulations and other similar or different contingencies beyond reasonable control of the City or Contractor as the case may be.

The Contractor shall be required to file proof with the Director of Utilities that it has a "no strike" provision for the duration of all collective bargaining agreements with its workers. Upon execution of any new agreement, the Contractor shall forward to the City Manager within thirty (30) days thereafter, proof that said agreement also contains a "no strike" clause.

Should, nevertheless, a strike occur which lasts more than seven (7) calendar days, the City shall be permitted to institute such procedures to collect and dispose of the waste to be collected pursuant to this agreement, such procedures to include, but not be limited to, the right of the City to use the equipment of the Contractor to cause the waste to be collected. Any cost or expense of such collection by the City shall be reimbursed by the Contractor, and may be off set from any funds owed the Contractor by the City pursuant to this agreement.

ARBITRATION

Arbitration shall be held by three (3) arbitrators, one to be appointed by the Contractor, one by the City, and the third to be selected by the two arbitrators first so chosen. Upon written notification given to either party by the other that arbitration is desired, each party shall select the arbitrator desired within five (5) days after such notice and each party shall notify the other of the name of the arbitrator so chosen. The two so selected shall select the third arbitrator within five (5) days after their appointment, and any dispute shall be heard by said arbitrators within thirty (30) days after the final appointment.

This arbitration shall not fail for want of an appointment of arbitrators, and in the event of any failure to appoint any arbitrator in accordance with the aforesaid terms, such appointment shall be made from a list of seven (7) persons supplied by the American Arbitration Association with each party striking one name in sequence until only one name remains. The party requesting the arbitration shall strike the first name should this procedure become necessary. The decision of the arbitrators by a majority vote will be binding upon both parties. A record of the proceedings and final decision will be provided in writing to both parties. Proceedings shall take place according to the Rules of the American Arbitration Association. In addition, the arbitrators shall be required to set forth their findings of facts and the legal basis for their decisions in a fashion similar to that required for judicial decisions in Michigan.

**EXPERIENCE AND EQUIPMENT QUESTIONNAIRE
FOR THE REFUSE, YARD WASTE,
AND RECYCLING COLLECTION SERVICES CONTRACT
THE CITY OF CADILLAC
CADILLAC, MICHIGAN**

The signatory of this proposal guarantees the truth and accuracy of all statements and of all answers to interrogatories hereinafter made.

1. How many years have you been in business as a contractor under your present name? 60
2. What municipalities has your company provided similar services to within the past five years? _____

(Note: Fill out each blank completely)

<u>Municipality</u>	<u>Contact Name/Phone No.</u>	<u>Dates of Work</u>
_____	_____	_____ to _____
_____	_____	_____ to _____
_____	_____	_____ to _____
_____	_____	_____ to _____
_____	_____	_____ to _____

3. What equipment do you currently own that is available for the proposed work, assuming all options of the Bid & Summary of Requirements Form are elected by the City?

<u>Quantity</u>	<u>Item</u>	<u>Age, Make, Description Size, Capacity, etc.</u>	<u>Condition</u>	<u>Years of Service</u>
<u>1</u>	<u>Box Truck</u>	<u>2005</u>	<u>Isuzu</u>	<u>16'</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

4. What equipment do you intend to purchase for use on the proposed work, should the contract be awarded to you and assuming all options of the Bid and Summary of Requirements Form are elected by the City?

Quantity	Item	Age, Make, Description Size, Capacity, etc.	Condition	Years of Service
<u>1</u>	<u>Box Truck</u>	<u>16'</u>		

5. The Contractor shall provide its most recent financial statement or corporate annual report and the name of the CPA or accounting firm responsible for preparing the financial document.
6. The City reserves the right to require additional information from any bidder which it deems necessary to fully evaluate each bid submitted.

BID AND SUMMARY OF REQUIREMENTS FORM

TO: The City of Cadillac, Cadillac, Michigan

Proposals must be delivered before 2:00 p.m.

Eastern Daylight Time, On Thursday, May 23, 2013.

In accordance with the advertisement inviting bids for furnishing refuse, recycling, and yard waste collection services for a period of sixty (60) months commencing July 1, 2013 and in conformity with specifications, bidding requirements and addenda listed hereafter, the bidder hereby certifies that the bidder is the only person(s) interested in this bid as principal(s); that an examination has been made of the specifications, addenda and other information attached hereto; that the bidder has had sufficient time to investigate and has based the following bid on the bidder's own independent examination and investigation; that the bidder proposes to furnish all necessary equipment, tools, labor and other devices in the manner and at the time prescribed; that the bidder understands the specified services to be furnished at the following prices, and said prices are exclusive of all applicable federal, state and local taxes. The bidder hereby certifies that this bid is made without collusion with any person, firm or corporation.

RESIDENTIAL SERVICE OPTIONS

I. BID FOR BASIC SERVICE (RESIDENTIAL REFUSE AND LANDSCAPE WASTE)

The successful bidder (Contractor) will provide the following services to City residents:

1. Weekly curbside residential refuse collection and disposal. The Contractor will be required to accept all residential refuse as defined in the contract specifications. **The Contractor is responsible for paying all tipping fees associated with this contract.**
2. Weekly yard waste collection from April 1 to November 30 of each year. This service will be provided on the same day as residential refuse service. The Contractor will be required to accept all yard waste, per specifications, if placed in approved containers or bundled. **The disposal of all yard waste collected will become the responsibility of the Contractor and will be disposed of at an approved facility selected by the Contractor. Yard waste will not be dropped off or processed at a city-owned facility.**

\$_____ Fuel expense portion of monthly rate

\$_____ Other monthly operating expenses

\$_____ Total monthly rate per household

ADDITIONAL ITEM A

The Contractor will provide a 96-gallon mobile cart to each residence serviced, as requested by the owner/occupant.

\$_____ per residence serviced/month

ADDITIONAL ITEM B

The Contractor will provide a metered bag option to all senior citizens (head of household 62 years or older) who desire to pay by the bag rather than the flat rate. The Contractor will provide appropriately marked 2-ply or its equivalent, 30-gallon bags to senior citizens at their request.

\$_____ per bag (including landfill tipping fees)

II. BID FOR BASIC SERVICE (RECYCLING)

The successful bidder (Contractor) will provide the following services to City residents:

RECYCLING OPTION 1

The Contractor will provide a **weekly** curbside recycling service (including all processing and marketing fees) per specifications. The Contractor will be required to:

- Provide one plastic recycling bin for each residential unit.
- Collect the following recyclables from each residential unit:
 - Newsprint
 - Magazines
 - Aluminum Cans
 - Tin/Steel/Bi-Metal Cans
 - HDPE and PETE Plastic Containers (#2 ~~only~~ ^{AND} #1)
 - ~~Clear and Colored Glass Bottles/Containers~~

AND cardboard

\$ 3.60 Fuel portion of monthly rate
\$.90 Non-fuel portion of monthly rate
\$ 4.50 Total monthly rate per household

RECYCLING OPTION 2

The Contractor will provide the service specified in Additional Item A except that curbside recycling will be provided on a **biweekly** basis.

\$ 1.50 Fuel portion of monthly rate *20%*
\$ 2.00 Non-fuel portion of monthly rate *80%*
\$ 2.50 Total monthly rate per household

III. BID FOR BUNDLED SERVICES (RESIDENTIAL REFUSE, LANDSCAPE WASTE, AND RECYCLING)

The successful bidder (contractor) will provide both residential refuse/landscape waste collection and recycling services.

BUNDLED SERVICES OPTION 1

The contractor will provide all services under Section I above as well as Option 1 (weekly recycling services) under Section II above.

\$ _____ Fuel portion of monthly rate
\$ _____ Non-fuel portion of monthly rate
\$ _____ Total monthly rate per household

BUNDLED SERVICES OPTION 2

The contractor will provide all services under Section I above as well as Option 2 (biweekly recycling services) under Section II above.

\$_____ Fuel portion of monthly rate
\$_____ Non-fuel portion of monthly rate
\$_____ Total monthly rate per household

ADDITIONAL ITEM A

The Contractor will provide a 96-gallon mobile cart to each residence serviced, as requested by the owner/occupant.

\$_____ per residence serviced/month

ADDITIONAL ITEM B

The Contractor will provide a metered bag option to all senior citizens (head of household 62 years or older) who desire to pay by the bag rather than the flat rate. The Contractor will provide appropriately marked 2-ply or its equivalent, 30-gallon bags to senior citizens at their request.

\$_____ per bag (including landfill tipping fees)

REQUIRED BID SIGNATURE FORM

I, RITA MEECH, a duly authorized agent of MG GREEN, LLC
(Print Name) (Name of Company)

located at 67 DAVIDSEN Rd, hereby acknowledge that I
(Address, City, State, Zip) CADILLAC, MI 49601

have read and understand the above Bid Form and Summary of Requirements. As the Successful Bidder, I also understand that the above requirements are only a summary of the scope of services to be provided and that the company I represent will be required to fulfill other requirements set forth in the final contract.

Rita Meech 5/21/13
(Signature of Authorized Agent) Date

March 19, 2018

Council Communication

Re: 2018/2019 Road Salt

For many years, the City of Cadillac has participated with the State of Michigan's Delivering Extended Agreements Locally (MiDEAL) program to competitively bid road salt. Cadillac joins the State and over 150 other communities in utilizing this bidding process to achieve cost savings through the economies of scale inherent in the process.

Orders for road salt are placed in the spring of each year. The State's contract is finalized by late summer, and early shipments typically arrive in late fall. Based on seasonal requirements, the City expects to need approximately 2,000 tons of road salt to cover the entire winter. Depending on the final bid award, annual costs are expected to total about \$100,000 (~\$50/ton).

Recommended Action

Because of the economies of scale achieved through the process, it is recommended that Council, pursuant to Section 2-299 and 2-312 of the City Code, authorize the City to participate in the MiDEAL competitive bidding process and approve the commitment to purchase up to 2,000 tons of seasonal road salt through the resulting State of Michigan contract at the unit cost bid approved by the State of Michigan. Funds are available in the Stores and Garage Fund for this purchase. Actual costs of usage are charged to appropriate activities within the Major and Local Street Funds and several other City activities based upon actual usage throughout the winter.

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

RESOLUTION NO. 2018-xxxx

**RESOLUTION INTRODUCING AND SETTING PUBLIC HEARING FOR
ORDINANCE TO AMEND SECTIONS 42-201 AND 42-202(3) OF CHAPTER
42 OF THE CADILLAC CITY CODE TO INCREASE WATER RATES IN THE
CITY OF CADILLAC 3%.**

At a regular meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of May, 2018, at 6:00 p.m.

PRESENT: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBER:

The following preamble and resolution was offered by XXXX and seconded by XXXX.

WHEREAS, the City has established a water supply system for the residents and businesses of the City;

WHEREAS, the City charges for the use of the water system for the purpose of recovering the cost of construction, reconstruction, maintenance, repair, and operation of the system;

WHEREAS, Section 42-374 of the Cadillac City Code provides that City staff or designated parties shall periodically review the charges, rates, fees, rules, and regulations of the water system and report the results of the review to the City Council with respective recommendations for any adjustments;

WHEREAS, pursuant to Article 16, Section 16.3 of the City Charter, the City may fix just and reasonable water rates and other charges from time to time as may be deemed advisable;

WHEREAS, the City staff has reviewed the water supply system rates and has recommended a rate increase of 3%;

WHEREAS, the City wishes to consider increasing rates for the water supply system by 3%.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. Pursuant to Section 5.2 of the City Charter, the City introduces Ordinance No. 2018-XX, Ordinance to Amend Sections 42-201 and 42-202(3) of Chapter 42 of the Cadillac City Code to Increase Water Rates in the City of Cadillac 3% (the "Ordinance," attached as Exhibit A).
2. A public hearing regarding the Ordinance shall be held on April 2, 2018, at 6:00 p.m. in the Council Chambers, Cadillac Municipal Complex, 200 Lake Street, Cadillac, Michigan.
3. The City Clerk is directed to publish a summary of the Ordinance once in a newspaper of general circulation in the City of Cadillac, together with a notice setting the time and place for a public hearing on the Ordinance, within seven (7) days. The summary and notice of the hearing shall be substantially in the form of Exhibit B.
4. A copy of the Ordinance shall be available for examination at the office of the City Clerk, and copies may be provided for a reasonable charge.

5. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: COUNCIL MEMBERS:

NAYS:

STATE OF MICHIGAN)
)ss
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. 2018-xx, duly adopted at a regular meeting of the City Council held on the 19th day of March, 2018.

Sandra Wasson
Cadillac City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

ORDINANCE NO. 2018-xx

**AN ORDINANCE TO AMEND SECTIONS 42-201 AND 42-202(3) OF
CHAPTER 42 OF THE CADILLAC CITY CODE TO INCREASE WATER RATES
IN THE CITY OF CADILLAC 3.0%.**

THE CITY OF CADILLAC ORDAINS:Section 1.

The City hereby amends Section 42-201 of the Cadillac City Code, entitled "Service rates," which shall read as follows:

The rates for water service furnished by the city water supply system shall be as follows:

(1) *Monthly service charges.*

Meter Size (in inches)	Charge (per month)
5/8	\$6.58
3/4	\$9.68
1	\$16.13
1 1/2	\$32.33
2	\$51.56
3	\$112.92
4	\$193.59
6	\$403.36
8	\$580.82

(2) *Commodity charge.*

Volume (100 cubic-foot unit)	Per Month (per unit)
0 to 600 cu. ft.	\$1.38
601 to 10,000 cu. ft.	\$1.17
10,001 to 100,000 cu. ft.	\$1.04
100,001 to 250,000 cu. ft.	\$0.91
250,001 and above	\$0.79

Section 2.

The City hereby amends Section 42-202(3) of the Cadillac City Code, which shall read as follows:

The rates for providing fire protection sprinklers shall be as follows:

Line Size (in inches)	Charges (per month)
$\frac{3}{4}$	\$2.35
1	\$4.03
1 $\frac{1}{2}$	\$8.00
2	\$12.91
3	\$28.04
4	\$48.22
6	\$100.63
8	\$145.00
10	\$233.54
12	\$346.16

Section 3.

All other ordinances inconsistent with the provisions of this Ordinance are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 4.

This Ordinance shall take effect July 1, 2018.

Approved this 2nd day of April, 2018.

Sandra Wasson, Clerk

Carla J. Filkins, Mayor

I, Sandra Wasson, City Clerk of the City of Cadillac, Michigan, do hereby certify that Ordinance
No. 2018-xx was published in the Cadillac News on the _____ day of _____, 2018

Sandra Wasson, City Clerk



NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a Public Hearing will be held in the Council Chambers, Cadillac, Municipal Complex, 200 Lake Street, Cadillac, Michigan, on April 2, 2018, at 6:00 p.m., at a Regular Meeting of the City Council, to consider the adoption of Ordinance No. 2018-xx, which Ordinance shall amend Sections 42-201 and 42-202(3) of the Cadillac City Code to increase water service rates and charges in the City of Cadillac three percent (3%).

The City of Cadillac complies with the "Americans with Disabilities Act." If auxiliary aids or services are required at a public meeting for individuals with disabilities, please contact Sandra Wasson, City Clerk, at least three (3) business days prior to any such meeting.

CITY COUNCIL OF THE
CITY OF CADILLAC, MICHIGAN

By:

Sandra Wasson, City Clerk
Cadillac Municipal Complex
200 Lake Street
Cadillac, Michigan 49601
Telephone No: (231) 775-0181

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

RESOLUTION NO. 2018-xxxx

**RESOLUTION INTRODUCING AND SETTING PUBLIC HEARING FOR
ORDINANCE TO AMEND SECTION 42-374 OF CHAPTER 42 OF THE CITY
CODE TO INCREASE SEWER RATES IN THE CITY OF CADILLAC 3%.**

At a regular meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of March, 2018, at 6:00 p.m.

PRESENT: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBER:

The following preamble and resolution was offered by XXXXXXX and seconded by XXXXXXX.

WHEREAS, the City has established a sewer supply system for the residents and businesses of the City;

WHEREAS, the City charges for the use of the sewer system for the purpose of recovering the cost of construction, reconstruction, maintenance, repair, and operation of the system;

WHEREAS, Section 42-374 of the Cadillac City Code provides that City staff or designated parties shall periodically review the charges, rates, fees, rules, and regulations of the sewer system and report the results of the review to the City Council with respective recommendations for any adjustments;

WHEREAS, pursuant to Article 16, Section 16.3 of the City Charter, the City may fix just and reasonable sewer rates and other charges from time to time as may be deemed advisable;

WHEREAS, the City staff has reviewed the sewer supply system rates and has recommended a rate increase of 3%;

WHEREAS, the City wishes to consider increasing rates for the sewer supply system by 3%.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. Pursuant to Section 5.2 of the City Charter, the City introduces Ordinance No. 2018-xx, Ordinance to Amend Section 42-374 of Chapter 42 of the City Code to Increase Sewer Rates in the City of Cadillac 3% (the "Ordinance," attached as Exhibit A).

2. A public hearing regarding the Ordinance shall be held on April 2, 2018, at 6:00 p.m. in the Council Chambers, Cadillac Municipal Complex, 200 Lake Street, Cadillac, Michigan.

3. The City Clerk is directed to publish a summary of the Ordinance once in a newspaper of general circulation in the City of Cadillac, together with a notice setting the time and place for a public hearing on the Ordinance, within seven (7) days. The summary and notice of the hearing shall be substantially in the form of Exhibit B.

4. A copy of the Ordinance shall be available for examination at the office of the City Clerk, and copies may be provided for a reasonable charge.

5. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: COUNCIL MEMBERS:

NAYS: None

STATE OF MICHIGAN)
)ss
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. 2018-xxxx, duly adopted at a regular meeting of the City Council held on the 19th day of March, 2018.

Sandra Wasson
Cadillac City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

ORDINANCE NO. 2018-xx**AN ORDINANCE TO AMEND SECTION 42-374 OF CHAPTER 42 OF THE CITY CODE TO INCREASE SEWER RATES IN THE CITY OF CADILLAC 3%.****THE CITY OF CADILLAC ORDAINS:**Section 1.

The City hereby amends Section 42-374 of the Cadillac City Code, entitled "Monthly wastewater user services charges," which shall read as follows:

No free service shall be furnished by the system to the city or to any person, firm or corporation, public or private, or to any public agency or instrumentality.

(1) *Metered users.*

a. *Base Rate.* The base rate for metered users is as follows:

Meter Size (in inches)	Service Charge (per month)
5/8	\$10.61
3/4	\$15.95
1	\$26.56
1 1/2	\$53.11
2	\$85.00
3	\$186.08
4	\$318.79
6	\$664.27
8	\$956.51

b. *Commodity charges.* A charge of \$2.46 per 100 cubic feet of metered water used will be charged each month.

- (2) *Unmetered users (flat rate).* Unmetered users will be charged according to the following rate schedule:

- a. Room charge: Count living, dining, bedrooms and kitchens. **DO NOT COUNT** bathrooms, halls, storage closets. This charge includes lavatories, dishwashing, laundry, and all other domestic uses except bathtubs, showers and toilets.

Rooms	Per Month
1 to 3 rooms, inclusive	\$9.18
4 to 6 rooms, inclusive	\$10.29
7 to 8 rooms, inclusive	\$12.14
Each additional room	\$1.68

- b. For each additional bathtub or shower, add \$4.40 per month.
- c. For each additional toilet, add \$4.84 per month

- (3) *Surcharges.* Additional charges will be in accordance with the following schedule:

Parameter	Parameter Surcharge (per month-per pound)	Base Concentration (in mg/L)
Suspended Solids	\$0.35	215
Biochemical oxygen demand	\$0.51	185
Phosphorus	\$3.44	10
Nitrogen	\$8.04	20
Total organic carbon	\$2.89	600
Chemical oxygen demand	\$1.24	600
Total chlorides	\$0.65	600

- (4) *Unmetered users with private water systems.* The monthly wastewater user service charges for those homes, businesses and other customers who do not have city water available, and are using a private water supply system shall be as follows:

- a. All commercial, industrial, and institutional accounts shall have a water meter installed. The meter shall be installed under the direction of the city utilities department. The cost of installation shall be borne by the owner. The cost of replacement shall be borne by the utilities department.

- b. All residential customers shall be given the option of having a water meter installed as provided for above, or the residential customer shall be billed a flat rate sewer charge equal to the average billing as determined on an annual basis.
- c. The average monthly residential sewer bill, as of July 1, 2018, is a charge of \$27.83.

(5) *Watering adjustment basis.*

- a. For all residential users, charges for sewer for the months of May, June, July, August and September shall be computed for each account based on the average metered water consumption for the base period of the preceding October, November, December January and February. If no previous base history is available, a citywide residential average will be used.
- b. For all other users, a separate meter may be purchased and installed at owner's expense, which will be utilized for watering only with the billing to reflect that amount.

Section 2.

All other ordinances inconsistent with the provisions of this Ordinance are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 3.

This Ordinance shall take effect July 1, 2018.

Approved this 2nd day of April, 2018.

Sandra Wasson, Clerk

Carla J. Filkins, Mayor

I, Sandra Wasson, City Clerk of the City of Cadillac, Michigan, do hereby certify that Ordinance
No. 2018-xx was published in the Cadillac News on the _____ day of _____, 2018.

Sandra Wasson, City Clerk



NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a Public Hearing will be held in the Council Chambers, Cadillac, Municipal Complex, 200 Lake Street, Cadillac, Michigan, on April 2, 2018, at 6:00 p.m., at a Regular Meeting of the City Council, to consider the adoption of Ordinance No. 2018-xx, which Ordinance shall amend Section 42-374 of the Cadillac City Code to increase sewer service rates and charges in the City of Cadillac three percent (3%).

The City of Cadillac complies with the "Americans with Disabilities Act." If auxiliary aids or services are required at a public meeting for individuals with disabilities, please contact Sandra Wasson, City Clerk, at least three (3) business days prior to any such meeting.

CITY COUNCIL OF THE
CITY OF CADILLAC, MICHIGAN

By:

Sandra Wasson, City Clerk
Cadillac Municipal Complex
200 Lake Street
Cadillac, Michigan 49601
Telephone No: (231) 775-0181

March 19, 2018

Council Communication

Re: Water Asset Management Plan

The Michigan Department of Environmental Quality (MDEQ) required all water utilities serving a population of greater than 1,000 to submit a comprehensive Water Asset Management Plan (WAMP) by January 1, 2018. After a competitive bid and selection process, the City awarded this project to Prein & Newhof on June 19, 2017.

The City's required WAMP has been completed and was submitted by the deadline required by the MDEQ. The final procedural step requires council to support the plan by resolution.

Recommended Action

It is recommended that the City Council adopt the resolution supporting the City of Cadillac Water Asset Management Plan as required by the Michigan Department of Environmental Quality.

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

RESOLUTION NO. 2018-____

RESOLUTION SUPPORTING WATER ASSET MANAGEMENT PLAN

At a regular meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of March, 2018, at 6:00 p.m.

PRESENT: _____

ABSENT: _____

The following preamble and resolution was offered by _____ and seconded by _____.

WHEREAS, the Michigan Department of Environmental Quality has required a Water Asset Management Plan of all water utilities serving over 1000 in population by January 1, 2018, per the Michigan's Safe Drinking Water Act, 1976 PA 399, R325.11606.Rule 1606; and

WHEREAS, the City of Cadillac contracted with the engineering firm of Prein & Newhof to perform this requirement; and

WHEREAS, in cooperation with the City of Cadillac staff, including the Utilities Department, a final plan meeting this requirement has been presented along with this resolution to the Cadillac City Council;

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan,
resolves as follows:

1. The Water Asset Management Plan has been received by the City of Cadillac
and submitted to the Michigan Department of Environmental Quality and the City is in
support of this comprehensive plan.

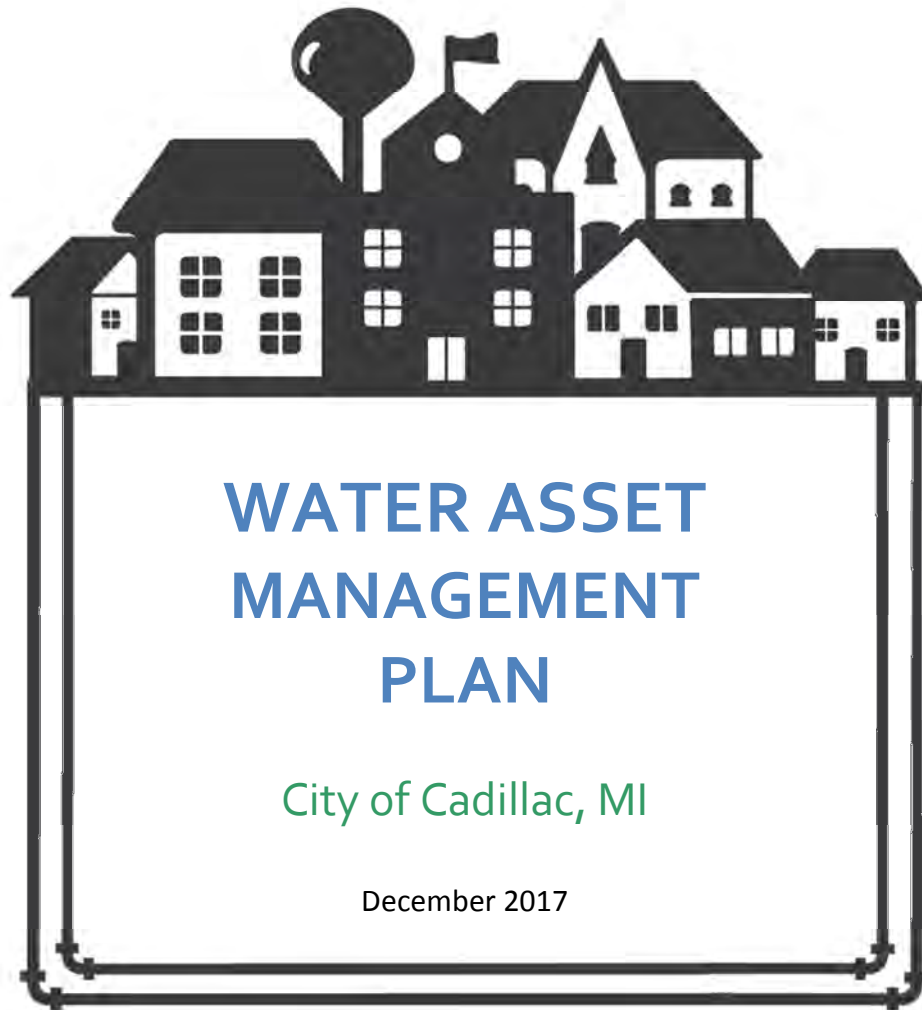
YEAS: _____

NAYS: _____

STATE OF MICHIGAN)
)
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and
complete copy of Resolution No. _____, duly adopted at a regular meeting of the
City Council held on the 19th day of March, 2018.

Sandra Wasson
Cadillac City Clerk



Where we're going: System Goals



INTRODUCTION

About this Document

This document is our Water Asset Management Plan. It defines the goals and guiding principles for our asset management activities. With input from our community, the Asset Management Plan will be maintained through a joint effort of our staff, administration, and elected officials. We will update our Plan on a 5 year schedule to ensure its relevancy and effectiveness.

A companion document, our Water Asset Management Program, shows how we will apply the principles of asset management to achieve the goals outlined in this Water Asset Management Plan.

Our Commitment

Our community water system is a complex set of components that we operate and maintain in a way that provides us with clean and reliable drinking water. That system includes assets such as wells which supply our water, a water treatment plant which filters and purifies the water, tanks which provide storage, and a pipe network which distributes our water. As members of our community, each one of us helps pay for the operation, maintenance, and replacement of those system assets through our utility rates. In effect, we are all owners of the water system. As the system owners, we commit to proactively manage our system assets and make decisions based on long term life cycle cost.

Asset Management Principles

All infrastructure deteriorates with age and requires proactive management to operate, maintain, repair, and eventually replace each physical component, or asset. This progression over time from routine operation and maintenance through repairs and eventual replacement is the asset's life cycle. Waiting to perform maintenance or make repairs can save money in the short term but may decrease the life cycle of an asset. On the other hand, replacing an asset before it fails may not take full advantage of the asset's value. It is this balance which puts the decisions for operations, maintenance, repair, and replacement actions at the heart of asset management.

Asset management is an evaluation of needed actions after considering the condition of an asset, the consequences of an asset failure, and the action alternatives available. The solution that provides lowest life cycle cost at the desired level of service is implemented.

Contents

Part 1: Defining Our Goals – What is our desired Level of Service?	1
Part 2: Inventory - What do we own?	3
Part 3: Risk of Failure –what are the conditions of our assets?	3
Part 4: Consequence of Failure –what happens with a failure?	4
Part 5: Criticality – How do we prioritize our actions?	4
Part 6: Capacity – Do we have enough, now and for the future?	4
Part 7: Operations and Maintenance – Keeping up with routine work	5
Part 8: Capital Improvements – Continuing system renewal	5
Part 9: Financial Strategy – Rate planning and stability	6
Summary.....	6

Prepared by

ENGINEER:
Prein&Newhof
[2170378]

FINANCIAL ADVISOR:
UMBAUGH

PART 1: DEFINING OUR GOALS – WHAT IS OUR DESIRED LEVEL OF SERVICE?

Our mission is to provide clean potable water for our community by proactively managing our water source, treatment, storage, and distribution assets to meet our desired level of service goals.

Our community, as the system owners, must determine the level of service we want from our system. Many factors play into this determination including: compliance with regulations, public health, aesthetics, service reliability, stable rates, etc. To this end, we have established the following primary goals:

Goal 1: Meet Regulatory Requirements

Our water system provides high-quality drinking water which meets or exceeds all regulations established in the Michigan Safe Drinking Water Act. Our system operators routinely test for contaminants in the drinking water according to Federal and State laws. We strive to achieve continued compliance with environmental regulations and provide the cleanest, safest water achievable with the treatment facilities we have.

Goal 2: Minimize Service Interruptions

Service interruptions from watermain breaks, repair operations, and asset replacements are an inevitable part of operating a water system. However, by proactively managing and investing in our system, we can minimize how often these interruptions occur.

Goal 3: Minimize Public Hazards

Watermain breaks can cause significant damage, not only to the streets above the mains but also to adjacent utilities and property. Additionally, watermain breaks may result in boil-water requirements and/or other use restrictions. The American Water Works Association offers a goal guideline of 15 watermain breaks per 100 miles of distribution watermain. Our system contains 71.3 miles of distribution of watermain and our goal is to have less than 3 breaks per calendar year.

To limit the potential damage from main breaks, we will maintain staffing levels to provide emergency response services 24 hours per day, 7 days a week.

Goal 4: Provide Enhanced-Fire Protection in the Distribution System

In accordance with the American Water Works Association Standards Manual of Water Supply Practices M31, we have oversized our drinking water system to provide water for firefighting. Our system, at a minimum, is designed to provide for the maximum expected demand for non-firefighting uses (domestic use, commercial uses, manufacturing, etc.). Although there is no legal requirement that we must oversize portions or all of our watermains or water storage to allow the use of drinking water for firefighting, we understand that oversizing can increase the amount of time water sits within the system (when we are not using it for firefighting) which can create water quality issues in the system.

CITY OF CADILLAC WATER ASSET MANAGEMENT PLAN

Based on life cycle costs, water quality considerations, the risks in various areas of our community, and the capabilities of our fire department, we will determine what level of enhanced fire protection is desired in various areas.

Goal 5: Minimize Water Loss

Water loss is often a significant source of lost revenue. We monitor the volume of pumped water and billed water which allows an accounting of potential leaked water. Causes of known, unbilled water loss include fire-fighting, hydrant flushing, and main breaks. Other water loss may occur through inaccurate water meters and leakage in the system. The American Water Works Association notes that the average water system can expect up to 10 percent water loss on an annual basis through the various causes of water loss. We will operate and maintain our system to meet the goal of 10 percent or less of annual water loss.

Goal 6: Identify and Replace Lead/Galvanized Water Services

In the early part of the 20th Century, many water systems utilized lead and galvanized metal for water service connections. Later in time, copper services became the norm for use on the public systems. However, lead and galvanized metal may still have been used within homes beyond the point of the public service connection. Under certain conditions, lead and galvanized water services may corrode and adversely affect water quality. We will locate lead and galvanized water services and implement a program to replace them.

Goal 7: Minimize Life Cycle Costs

The best financial decisions are those which achieve the lowest life cycle costs. This means we consider the full life cycle of each investment each time we evaluate improvements to our system. It is recognized that short term fixes, while they may have lowest immediate costs, may not be the best long term financial decision. Likewise, not spending money on maintenance and repairs can provide short term cost savings but result in asset failure, ultimately increasing life cycle costs. We intend to manage our system to always pursue the lowest life cycle cost possible for each system asset.

PART 2: INVENTORY - WHAT DO WE OWN?

Our System

Our water system includes assets such as wells which supply our water, a water treatment plant which filters and purifies the water, tanks which provide storage, and a pipe network which distributes our water.

Our Plan

We intend to keep our system inventory current by maintaining records of water system construction/maintenance utilizing a Geographic Information System for mapping and a comprehensive data base for asset information. This system will include mapping of all water distribution system assets, inventory of non-pipe assets (equipment, buildings, etc.), and asset data pertinent to Operations, Maintenance, Repair, and Replacement.

PART 3: RISK OF FAILURE – WHAT ARE THE CONDITIONS OF OUR ASSETS?

Our System

To understand how long each of our assets may last, we must maintain an understanding of their condition and evaluate the potential risk for failure. We will consider functional failure of an asset to be the primary consideration for Risk of Failure. However, physical failure of an asset must also be evaluated. Water pipes, valves, hydrants, and water services can be evaluated based on break history, evidence of corrosion, and age to determine their condition. Non-pipe assets such as buildings, wells, and storage tanks can be inspected to determine their physical condition.

Our Plan

We will keep our condition assessments current by making recurring inspections of the assets at intervals frequent enough to document reasonably expected condition changes. These intervals will vary by asset type and expected asset life cycle. Once evaluations are completed, assets will be ranked based on the likelihood / risk of failure. All Risk of Failure ratings will be on a scale of 1-5 with 5 being the highest Risk of Failure.

PART 4: CONSEQUENCE OF FAILURE – WHAT HAPPENS WITH A FAILURE?

Our System

It is important that we understand the severity of consequences that may occur if any asset in our system fails. Functional failure consequences can occur when pumps stop working, valves cannot be opened/closed, and when watermain become corroded (pipe capacity is lost). Physical failure consequences can occur when we have watermain breaks or catastrophic equipment failures.

Our Plan

We will evaluate the Consequences of Failure of each asset, from both a functional and physical failure perspective. We will maintain redundancy on assets with a high Consequence of Failure. All Consequence of Failure ratings will be on a scale of 1-5 with 5 being the highest Consequence of Failure.

PART 5: CRITICALITY – HOW DO WE PRIORITIZE OUR ACTIONS?

Our System

We must prioritize the actions we need to take for our system to meet our Level of Service goals while managing our work loads, utility rates, and minimizing life cycle costs. Criticality is the product of an asset's Risk of Failure and Consequence of Failure. The Criticality of an asset should not be confused with its Consequence of Failure. Criticality, being the product of Risk and Consequence, is simply a measure of priority.

Our Plan

Criticality Ratings will be used to guide the priority of needed improvements and development of the Capital Improvement Plan. Criticality of assets within our system will be determined by multiplying each asset's Risk of Failure rating (1-5) by an asset's Consequence of Failure rating (1-5) to establish the Criticality Rating (1-25).

PART 6: CAPACITY – DO WE HAVE ENOUGH, NOW AND FOR THE FUTURE?

Our System

Our system must meet water demands both now and into the future for both typical uses and fire protection. Over time, the flow demands will change with changes in property use and population. System analysis indicates we are currently meeting typical peak demands and meet our enhanced-fire protection goals.

Our Plan

Our General Plan outlining the capacity improvements which are needed to keep up with future flow projections, peak demands, and desired fire flow supply is maintained as part of our requirements under the Safe Drinking Water Act. Additional system analysis is found in our Water System Reliability Study report.

PART 7: OPERATIONS AND MAINTENANCE – KEEPING UP WITH ROUTINE WORK

Our System

Certain portions of our system need routine/on-going service to continue functioning. Our system Operations and Maintenance (O&M) demands are relatively stable and we will manage the system to maintain that stability. We will utilize Computerized Operations Maintenance and Management tools to maintain asset inventories and schedule regular O&M activities.

Our Plan

We have established the following O&M goals:

1. Maintain staffing and equipment levels such that routine O&M activities can be accomplished by in-house staff with a maximum overtime goal of 15%.
2. Utilize in-house staff to verify proper function of all system assets such as equipment, valves, and hydrants.
3. Outside consultants/contractors will be utilized when specialized technical or equipment capabilities are required.

PART 8: CAPITAL IMPROVEMENTS – CONTINUING SYSTEM RENEWAL

Our System

A Capital Improvement Plan (CIP) for our water system is found in our most recent Water Reliability Study (WRS). That study identifies the priorities of proposed water system improvements such as watermain replacements, equipment replacements, and major O&M activities.

Our Plan

We will incorporate the recommendations of the WRS into a comprehensive Capital Improvement Plan (CIP) which will document the major projects we plan to complete within the next 10 years. The order and timing of projects will be guided by the Criticality Ratings developed during the

asset evaluation process. Project timing may also be driven by availability of outside funding sources such as loans and grants. We will maintain and update our comprehensive Capital Improvement Plan on an annual basis.

PART 9: FINANCIAL STRATEGY – RATE PLANNING AND STABILITY

Our System

All system costs are funded through our water system billings. Our billings are broken into two primary categories: Readiness to Serve (RTS) charges and Commodity charges. The RTS charges pay for the investment into the physical assets of the system such as treatment works, storage tanks, and distribution piping. Those assets must be in-place before any actual water can be used and must be maintained regardless of the amount of water used. The Commodity charge is based on the cost to supply, treat, and pump the actual water. It is the smaller of the two primary cost categories and is based on both the user category (residential, commercial, and industrial) and the actual amount of water used.

The billings also support O&M activities and payments on utility bonds (borrowed money) used to fund major system improvements.

Our Plan

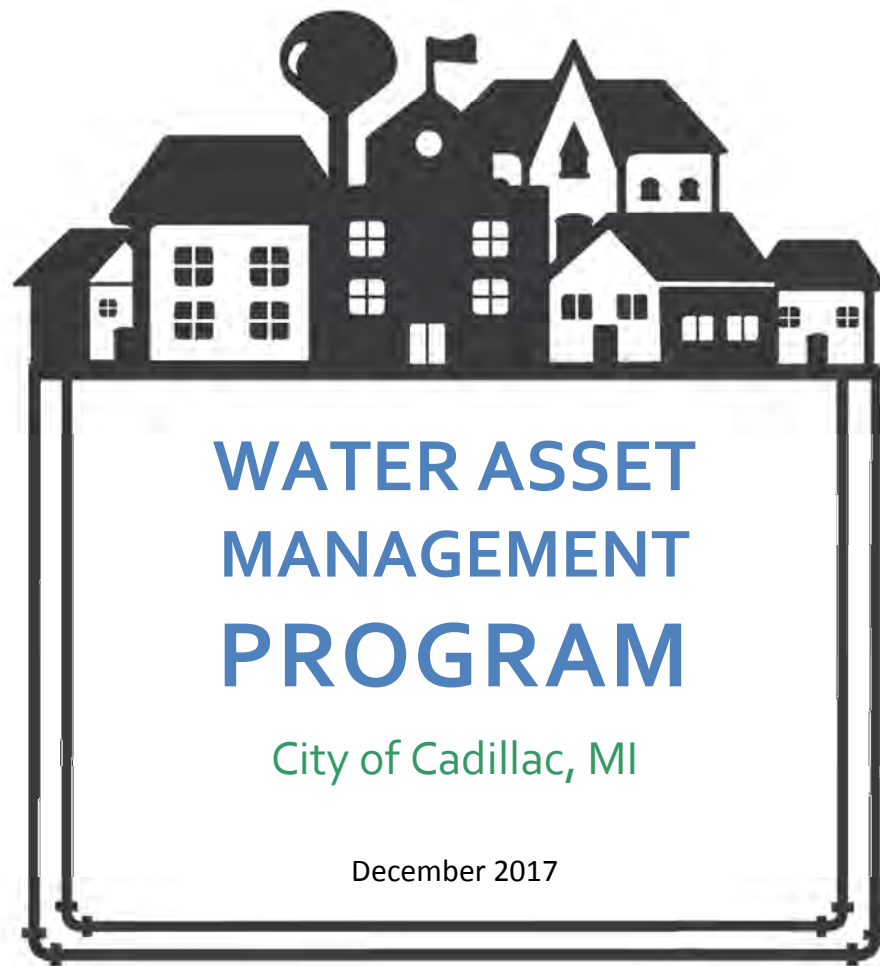
We intend to maintain a life cycle forecast of anticipated costs, income from rates, and cash balances. We will use this forecast to establish sustainable and stable utility rates. This in turn helps our residential, business, and industrial owners in their individual, long-term financial planning.

We intend to fund system O&M on a cash basis through the rate structure and intend to maintain minimum cash balance equal to 6 months of standard O&M. This will also allow us to cash fund emergency repairs and minor unanticipated asset repairs/replacements.

We intend to also cash fund planned system repairs and replacements if that can be accomplished with a stable rate structure and appropriate cash balances. Significant expenditures may be bond financed to stabilize rate impacts and maintain reasonable cash balances.

SUMMARY

Our Asset Management Plan is a compilation of goals to guide us in maintaining a reliable water system. By achieving these goals, our utility system will be proactively managed to provide the Desired Level of Service for the lowest possible long term cost.



WATER ASSET MANAGEMENT PROGRAM

City of Cadillac, MI

December 2017

How we'll get there: The Action Plan



INTRODUCTION

About this Document

This document is our Water Asset Management Program. It is an internal document which defines how we will apply the principles of asset management to achieve the goals outlined in our Water Asset Management Plan.

The Asset Management Program will be maintained through a joint effort of our staff and administration. We will update our program on an annual basis to ensure its relevancy and effectiveness.

Our Commitment

Our community water system is a complex set of components that we operate and maintain in a way that provides us with clean and reliable drinking water. That system includes assets such as wells which supply our water, a water treatment plant which filters and purifies the water, tanks which provide storage, and a pipe network which distributes our water. As members of our community, each one of us helps pay for the operation, maintenance, and replacement of those system assets through our utility rates. In effect, we are all owners of the water system. As the system owners, we commit to proactively manage our system assets and make decisions based on long term life cycle cost.

Asset Management Principles

All infrastructure deteriorates with age and requires proactive management to operate, maintain, repair, and eventually replace each physical component, or asset. This progression over time from routine operation and maintenance through repairs and eventual replacement is the asset's life cycle. Waiting to perform maintenance or make repairs can save money in the short term but may decrease the life cycle of an asset. On the other hand, replacing an asset before it fails may not take full advantage of the asset's value. It is this balance which puts the decisions for operations, maintenance, repair, and replacement actions at the heart of asset management.

Asset management is an evaluation of needed actions after considering the condition of an asset, the consequences of an asset failure, and the action alternatives available. The solution that provides lowest life cycle cost at the desired level of service is implemented.

CITY OF CADILLAC
WATER ASSET MANAGEMENT PROGRAM

CONTENTS

Part 1: Defining Our Goals – What is our desired Level of Service? 1

Part 2: Inventory - What do we own? 3

Part 3: Risks Of Failure – In What Condition Are Our assets?..... 5

Part 4: Consequence of Failure –what happens with a failure? 6

Part 5: Criticality – How do we prioritize?..... 7

Part 6: Capacity – Do we have enough, now and for the future? 8

Part 7: Operations and Maintenance – Keeping up with routine work 9

Part 8: Capital Improvements – Continuing system renewal 11

Part 9: Financial Strategy – Rate planning and stability 13

Summary..... 14

Prepared by

ENGINEER:
Prein&Newhof
[2170378]

FINANCIAL ADVISOR:
UMBAUGH

PART 1: DEFINING OUR GOALS – WHAT IS OUR DESIRED LEVEL OF SERVICE?

Our mission is to provide clean potable water for our community by proactively managing our water source, treatment, storage, and distribution assets to meet our desired level of service goals.

Our community, as the system owners, must determine the level of service we want from our system. Many factors play into this determination including: compliance with regulations, public health, aesthetics, service reliability, stable rates, etc. To this end, we have established primary system goals in a separate document titled as our Water Asset Management Plan. This document, our Water Asset Management Program, identifies how we plan to meet our goals:

Goal 1: Meet Regulatory Requirements

We will have a minimum of 1 certified water system operators to provide staff coverage, quality control cross checking, and broadened institutional knowledge.

We will perform the required testing in-house by maintaining a laboratory testing space and maintain a certified laboratory.

We will continue to use a third-party for blind tests and specialized testing.

We will maintain a cross-connection elimination program.

Goal 2: Minimize Service Interruptions

We will monitor and maintain all of our water supply, treatment, and distribution system assets such that there are no interruptions in system operation that are reasonably preventable.

We will maintain service crew levels to ensure continued operations and maintenance activities such that no more than 10 emergency responses per year are required.

Goal 3: Minimize Public Safety Hazards

Water system assets that are significantly affected by environmental conditions (freezing, heating, corrosion) will be improved / replaced so as to minimize their failure vulnerability.

Our 24 hour emergency response services will be equipped and staffed to provide maximum 30 minute response times to main breaks and major equipment failures. We will strive to limit the duration of individual service interruptions to less than 6 hours whenever possible. Staff will be provided cell phones, e-mails, radios, and /or other contact mechanism to be notified when a response is required.

CITY OF CADILLAC
WATER ASSET MANAGEMENT PROGRAM

Goal 4: Provide Enhanced-Fire Protection in the Distribution System

Enhanced fire protection in accordance with American Water Works Association, AWWA, standards Manual M31 will be provided as noted for the following areas:

- Low and Medium Density Residential : No enhanced protection
- High Density Residential: Up to 1,500 gallon per minute for 2 hours
- All commercial/industrial: Up to 2,500 gallons per minute for 2 hours

Goal 5: Minimize Water Loss

We will implement a water efficiency program to track the actual lost water. Once water loss causes are identified and quantified, we will implement corrective measures such as main replacement and meter replacement to meet our water loss goal.

We will maintain a water meter replacement program. Replacement of meters are initiated upon complaints or when leaking or malfunctioning meters are identified. Maintaining meter records and developing a systematic plan to change out meters helps maintain accurate water billing and can provide a significant increase in system revenue. As part of this effort, we evaluate meter technologies that relate to accuracy, labor efficiency and cost effectiveness. Meter replacement will be made with either new or refurbished meters with the goal of providing more accurate billings to our system owners and to help minimize revenue loss. The replacement schedule goals are within 15-years for business/commercial and industrial facilities and within 15-years for residential meters.

Goal 6: Identify and Replace Lead/Galvanized Water Services

We will maintain our water chemistry to minimize the corrosion potential in the various water service materials.

Lead and galvanized metal services within the public portions of system will be replaced when road replacement projects or work on other assets impact the immediate area where lead/galvanized services are found to exist. It is the City's policy to replace with copper if found.

Every 3 years, the City offers free testing of homes that are reasonably suspect of possibly having those types of lines or services on their private property outside of the City right-of-way or within their homes/businesses.

Goal 7: Minimize Life Cycle Costs

We will implement asset condition tracking and criticality assessments to determine the optimum time for asset maintenance and/or replacement. Decisions will be made which strike a balance between maximizing the life cycle use of all assets, the risk of failure of the assets, and the consequence of failure of the assets.

PART 2: INVENTORY - WHAT DO WE OWN?

Our System

Our water system includes assets such as wells which supply our water, a water treatment plant which filters and purifies the water, tanks which provide storage, and a pipe network which distributes our water. Cast iron pipe was the dominant choice for water construction in North America for many decades. Cast iron pipes are subject to internal corrosion (rusting) and can be prone to cracking. In more recent decades, ductile iron and plastic water pipes have become the standards in new watermain construction. Watermains made from these newer materials are expected to outlast their cast iron predecessors and as time continues, there is more data being gathered regarding the potential failure modes of those materials.

The majority of our watermains which were installed from the 1950's through 1970's are made of cast iron pipe material. Pipes installed after 1980 are made of ductile.

A detailed summary of our water system assets is found in our Water Reliability Study (WRS) as well as in a detailed asset inventory maintained by our Distribution and Collection Division in a General Plan as required by the Safe Drinking Water Act.

A history on non-pipe assets is maintained by our Distribution and Collection Division, and generally includes date of purchase, purchase costs, inspection reports, repair history, maintenance schedule, and specifications.

Our Plan

We will keep our system inventory current by keeping records of water system construction with the use of our Geographic Information System (GIS). This system will include mapping of all water distribution system assets, inventory of non-pipe assets (equipment and buildings), and asset data pertinent to Operations, Maintenance, Repair, and Replacement.

Our Program

When the water system is altered, either by construction of new assets or rehabilitation/replacement of existing assets, we will maintain records of each water project in our GIS system.

Distribution System

We will maintain data on pipe materials, installation dates, sizes, and any other pertinent information which will assist with our asset management program. Pipe locations will be determined based on record drawing information.

CITY OF CADILLAC
WATER ASSET MANAGEMENT PROGRAM

Hydrants and valves locations will initially be identified using base aerial photography and field observations. As time and budget permit, we will utilize either handheld GPS or survey GPS to collect and refine locational data.

Assets within our pumping stations will be tracked using Computerized Operations Maintenance and Management tools to maintain asset inventories, schedule regular O&M activities, and create financial projections for future replacement. We will utilize the Antero CMMS software as well as continue to use customized spreadsheets.

We will also collect locational data on water services for tap and curb box locations. Other data such as size, material, and installation date will also be documented in our GIS system.

Water Supply

We will maintain GIS locational data on each well in our system. Other well data such as depth, diameter, capacity, and installation dates will also be maintained.

Our surface water intake location(s) will be identified in our GIS system.

Water Treatment and Water Storage

Our treatment/storage facility locations will be identified in our GIS system. Assets within our treatment system will be tracked using Computerized Operations Maintenance and Management tools to maintain asset inventories, schedule regular O&M activities, and create financial projections for future replacement. We will utilize the Antero CMMS software as well as customized spreadsheets.

Other Assets

We will maintain active inventories of assets such as trucks, loaders, generators, backhoes, or any other functionally or financially significant assets. Informational data such as manufacture date, purchase price, maintenance budget, and warranty information will be tracked.

In this way, the GIS database will be kept up to date and serve as a complete record of the current water system inventory. We will use this inventory and database to operate and manage our system.

PART 3: RISKS OF FAILURE – IN WHAT CONDITION ARE OUR ASSETS?

Our System

To understand how long each of our assets may last, we must maintain an understanding of their condition and evaluate the potential risk for failure. We will consider functional failure of an asset to be the primary consideration for Risk of Failure. However, physical failure of an asset must also be evaluated. Water pipes, valves, hydrants, and water services can be evaluated based on break history, evidence of corrosion, and age to determine their condition. Non-pipe assets such as buildings, wells, and storage tanks will be inspected to determine their physical condition.

Our Plan

We will keep our condition assessments current by making recurring inspections of the assets at intervals frequent enough to document reasonably expected condition changes. These intervals will vary by asset type and expected asset life cycle. Once evaluations are completed, assets will be ranked based on the likelihood / risk of failure. All Risk of Failure ratings will be on a scale of 1-5 with 5 being the highest Risk of Failure.

Our Program

We will assess water pipe conditions on a regular basis based on break/repair records, break history, material, and age. All system data for the distribution network, including Risk of Failure ratings, will be maintained within a GIS database.

We will exercise hydrants and valves yearly to insure they are properly working. All data for these assets will be maintained within a GIS database.

Production wells, storage tanks, buildings, and water meters condition information will be kept up to date as part of routine operations.

Higher consequence of failure items may be inspected or assessed more frequently.

PART 4: CONSEQUENCE OF FAILURE –WHAT HAPPENS WITH A FAILURE?

Our System

It is important that we understand the severity of consequences that may occur if any asset in our system fails. Functional failure consequences can occur when pumps stop working, valves cannot be opened/closed, and when watermain become corroded (pipe capacity is lost). Physical failure consequences can occur when we have watermain breaks or catastrophic equipment failures.

Our Plan

We will evaluate the Consequences of Failure of each asset, from both a functional and physical failure perspective. We will maintain redundancy on assets with a high Consequence of Failure. All Consequence of Failure ratings will be on a scale of 1-5 with 5 being the highest Consequence of Failure.

Our Program

It is important that we understand the severity of consequences that may occur if any asset in our system fails. Functional failure considerations include potential health risks, service interruption, and damage to connected assets. Physical failure considerations include damage to adjacent infrastructure, environmental damage, and property damage. Each of these factor will be considers separately and then compiled into a single Consequence of Failure (CoF) rating for each asset.

For the distribution system watermain, all data for the CoF factors will be maintained in the GIS database. For all other assets, CoF factors will be maintained in either the Antero CMMS software or in customized asset spreadsheets.

Consequence of Failure

5	Unacceptable Impacts
4	Critical Impacts
3	Significant Impacts
2	Minor Impacts
1	Redundant System or No Impacts

PART 5: CRITICALITY – HOW DO WE PRIORITIZE?

Our System

We must prioritize the actions we need to take for our system to meet our Level of Service goals while managing our work loads, utility rates, and minimizing life cycle costs. Criticality is the product of an asset's Risk of Failure and Consequence of Failure. The Criticality of an asset should not be confused with its Consequence of Failure. Criticality, being the product of Risk and Consequence, is simply a measure of priority.

Our Plan

Criticality Ratings will be used to guide the priority of needed improvements and development of the Capital Improvement Plan. Criticality of assets within our system will be determined by multiplying each asset's Risk of Failure rating (1-5) by an asset's Consequence of Failure rating (1-5) to establish the Criticality Rating (1-25).

Our Program

The condition of the asset, and therefore its Risk of Failure, will change over time. Additionally, the Consequences related to failure may also change. We will review the criticality of each asset on an annual basis and make adjustments to account for these changes. As with all the components of the Asset Management program, the criticality analysis is an on-going process. We will keep our criticality assessments current after performing repairs, improvements, or inspections. When evaluating the criticality of an asset, we also consider redundancy as this can significantly reduce the Consequence of Failure of an individual asset. We will use our criticality assessments when establishing priorities regarding maintenance, repairs, and capital improvements.

PART 6: CAPACITY – DO WE HAVE ENOUGH, NOW AND FOR THE FUTURE?

Our System

Our system must meet water demands both now and into the future for both typical uses and fire protection. Over time, the flow demands will change with changes in property use and population. System analysis indicates we are currently meeting typical peak demands and meet our enhanced-fire protection goals. A detailed analysis of our system capacity is found in our Water System Reliability Study report.

Our Plan

Our General Plan outlining the capacity improvements which are needed to keep up with future flow projections, peak demands, and desired fire flow supply is maintained as part of our requirements under the Safe Drinking Water Act. Additional system analysis is found in our Water System Reliability Study report.

Our Program

We will update our General Plan and Water System Reliability Study report in accordance with current regulations. The evaluations will include review of the distribution system, source and treatment system and storage requirements under maximum day demands and desired fire flow.

We will monitor water use for consistency with the water system's General Plan. As water uses change and connections are added or changed, the system demands will be monitored. If significant changes in system flow occur, the General Plan and Reliability Study will be updated to account for these changes.

System improvement needs identified in the Water Reliability Study will be integrated into the comprehensive Capital Improvement Plan.

PART 7: OPERATIONS AND MAINTENANCE – KEEPING UP WITH ROUTINE WORK

Our System

Certain portions of our system need routine/on-going service to continue functioning. Our system Operations and Maintenance (O&M) demands are relatively stable and we will manage the system to maintain that stability. We will utilize Computerized Operations Maintenance and Management tools to maintain asset inventories and schedule regular O&M activities.

Our Plan

We have established the following O&M goals:

1. Maintain staffing and equipment levels such that routine O&M activities can be accomplished by in-house staff with a maximum overtime goal of 15%.
2. Utilize in-house staff to verify proper function of all system assets such as equipment, valves, and hydrants.
3. Outside consultants/contractors will be utilized when specialized technical or equipment capabilities are required.

Our Program

Staffing and Equipment

We will monitor crew workloads and production rates to establish general workload goals for our crews. This will include periodic review of crew size, methods, and equipment in an effort to maximize staff efficiency and effectiveness. Equipment ownership versus rental will be evaluated based on an annual cost of service basis. Staffing levels will be adjusted based on normalized workload projections and workload goals to meet utilization goals.

Water System Flushing

We will perform system flushing on all hydrants on a twice-annual basis, once in the spring and once in the fall. A detailed flushing plan will be maintained by the Distribution and Collection Division.

We will exercise each system valve on a once-annual basis.

Valves or hydrants requiring repairs will be identified and scheduled for repair within three months of being identified or as soon as seasonal weather allows.

CITY OF CADILLAC
WATER ASSET MANAGEMENT PROGRAM

Data relative to hydrant flushing and valve exercising will be maintained in the GIS database.

Production Wells, Storage Tanks and Treatment Facilities

We will continue operating these facilities and perform maintenance in accordance with site specific operations and maintenance plans for each of these assets. This includes having the wells inspected every 7 years (1 per year) and storage tanks every 5 years by a trained expert. Operations and maintenance manuals will be kept on file to document all maintenance performed and list of recommended scheduled maintenance.

Supporting Assets

We plan to renew our maintenance equipment and other supporting assets on a scheduled replacement cycle. This will allow us to keep reliable equipment in service for operating and maintaining the system to achieve our level of service goals.

Water System Management

We will monitor the break history of the watermains and record the date and locations of such breaks using the GIS system. We will track maintenance activities to identify assets requiring higher than expected maintenance levels.

We will perform O&M activities to extend the useful life of these assets until complete rehabilitation or replacement of the asset is more cost effective. We will use our software systems to manage this data and keep our planned activities up to date. We will maintain regularly scheduled O&M activities, plan/schedule appropriate replacements, and coordinate activities with work on other assets that share common space (i.e. within the same road right-of-way)

PART 8: CAPITAL IMPROVEMENTS – CONTINUING SYSTEM RENEWAL

Our System

A Capital Improvement Plan (CIP) for our water system is found in our most recent Water Reliability Study (WRS). That study identifies the priorities of proposed water system improvements such as watermain replacements, equipment replacements, and major O&M activities.

Our Plan

We will incorporate the recommendations of the WRS into a comprehensive CIP which will document the major projects we plan to complete within the next 10 years. The order and timing of projects will be guided by the Criticality Ratings developed during the asset evaluation process. Project timing may also be driven by availability of outside funding sources such as loans and grants. We will maintain and update our comprehensive Capital Improvement Plan on an annual basis.

Our Program

Planning for capital improvements is a continual management process. The Capital Improvement Plan shows our foreseeable project priorities based on the information we have available now. Our CIP will be adjusted annually and will consider the following influences:

- Outside funding sources (grants and loans) may become available for certain types of projects from time to time. When this happens, we will reprioritize to make best use of available funds.
- Adjustment of asset condition assessments.
- Changes in economic conditions such as costs of materials, labor, and financing.
- Coordination with road work and other utility work may require adjustments in timing of water system improvements. Roadway conditions can dramatically change with severe weather seasons. Where utility projects require excavation below streets, coordinating utility and road projects is essential to achieve the lowest life cycle cost. As roadway conditions change and paving plans are revised, the water system plans will be adjusted.

We will keep the Capital Improvement Plan up to date by taking the following steps annually:

- Adjust the cost estimates for capital projects based on current market pricing.
- Reconsider capital improvements priorities based on any updated criticality assessments.
- Reconsider implementation years for upcoming capital projects to coordinate with changing conditions of roads and other utilities.
- Adjust our financial forecast based on number of users, current rates, and cash balances.

CITY OF CADILLAC
WATER ASSET MANAGEMENT PROGRAM

- Adjust the utility rates according to these changed conditions, to stay consistent with established long term financial strategy.
- We will make miscellaneous system repairs which are small enough to be accomplished without engineered project plans or project specific budgeting on an as-needed basis. We will continue budgeting for such repairs based on prior year expenses and known system repair needs. When making decisions on system repairs, we will consider the criticality assessments as well as planned rehabilitation and replacement projects. We will perform proactive repairs with in-house staff and equipment as to the ability of staff and the available resources. Proactive repairs outside the available staff resources or abilities will be contracted out.
- We will fully rehabilitate or replace pipes, hydrants, production wells, and elevated storage tanks when doing so would provide the lowest life cycle cost. Such projects are identified in our Capital Improvement Plan.

PART 9: FINANCIAL STRATEGY – RATE PLANNING AND STABILITY

Our System

All system costs are funded through our water system billings.

Our Plan

We intend to maintain a life cycle forecast of anticipated costs, income from rates, and cash balances. We will use this forecast to establish sustainable and stable utility rates. This in turn helps our residential, business, and industrial owners in their individual, long-term financial planning.

We intend to fund system O&M on a cash basis through the rate structure and intend to maintain minimum cash balance equal to 6 months of standard O&M. This will also allow us to cash fund emergency repairs and minor unanticipated asset replacements.

We intend to also cash fund planned system repairs and replacements if that can be accomplished with a stable rate structure and appropriate cash balances. Significant expenditures may be bond financed to stabilize rate impacts and maintain reasonable cash balances.

Our Program

We will maintain a life cycle forecast of anticipated costs, income from rates, and cash balances. The early years of the forecast are tabulated from our CIP cost estimates while the later years of the forecast are projected from the system inventory and life cycle data. We will use this forecast to establish sustainable and stable utility rates.

We will fund system operations and maintenance on a cash basis through the rate structure and will maintain a minimum cash balance as set by the system goals.

We will also cash fund planned system repairs and replacements if that can be accomplished with a stable rate structure and cash balances not exceeding our base cash balance by a factor of 2.5. Significant expenditures may be bond financed to stabilize rate impacts and maintain reasonable cash balances. We will maintain and update our CIP plan annually, and review it with our financial advisor to confirm rates and cash balances are acceptable.

We will also implement standard, annual rate changes that, at a minimum, parallel inflation so as to foster a stable rate structure.

To keep the financial strategy on track with changing conditions, we plan to make the following updates each year:

- Update all spending and income projections
- Adjust or reaffirm the long term financial strategy
- Implement updated user rates.

CITY OF CADILLAC
WATER ASSET MANAGEMENT PROGRAM

SUMMARY

Our Asset Management Program outlines how we will achieve our Asset Management Plan goals. It may be adjusted from time to time based as new/improved tools, software, and evaluation techniques are developed. Regardless of those changes, we will incorporate Asset Management into our everyday activities, including implementation of system improvements and our system master planning. The current level of completion of these goals can be found in our Water Reliability Study. By proactively managing our water system, we will be able to achieve our Desired Level of Service for the lowest possible long term cost.

The following table notes tentative start dates for each of the noted major activities:

Activity	Estimated Start
Inventory	On-going
Condition Assessment	On-going
Criticality Determination	August 2018
Capacity Analysis	October 2018
Capital Improvement Plan	January 2018

Special Programs	Estimated Start
Water Efficiency	On-going
Meter Replacement	On-going
Lead/Galvanized Services	On-going



**CAPITAL
IMPROVEMENT
PLAN
(WATER)**

City of Cadillac
Wexford County, Michigan

December 2017

CONTENTS

Introduction

Part One: Maps

Map 1: Diameter

Map 2: Year Installed

Map 3: Pipe Material

Map 4: Break History

Map 5: Domestic Flow Rating

Map 6: Risk of Failure

Map 7: Consequence of Failure

Map 8: Criticality

Map 9: Capital Improvement Projects

Part Two: Capital Improvements

Table 1: Capital Improvement Priorities

Table 2: Non-Pipe Assets

Table 3: Recurring Cost Schedule

Table 4: Future Costs

Part Three: Financial Forecast

Part Four: Water Rates and Municipal Approval

Prepared by

ENGINEER:

Prein&Newhof

[2170378]

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

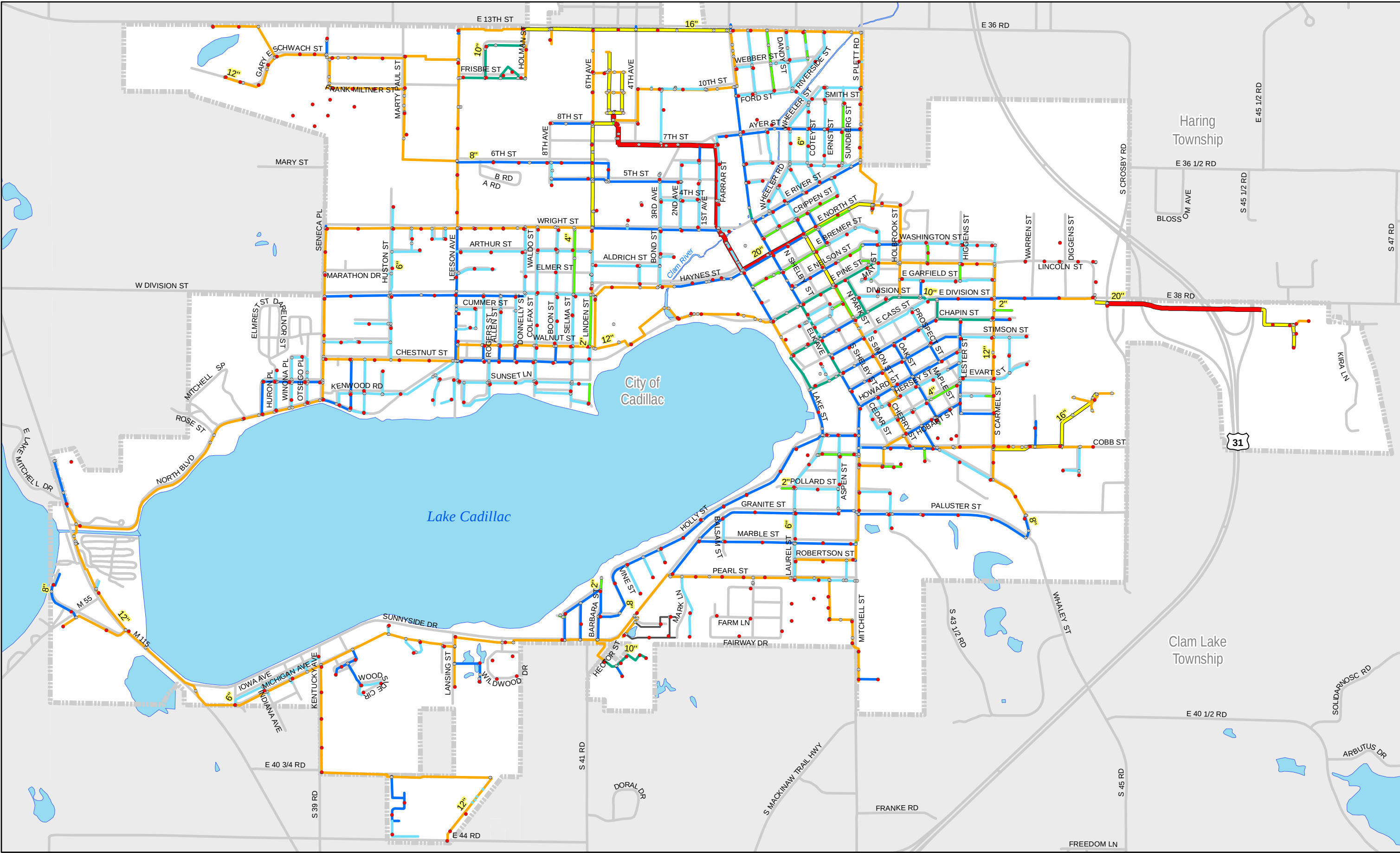
INTRODUCTION

The City of Cadillac's public infrastructure includes drinking water supply and delivery systems, storm drainage systems, and public streets. These systems are aging and certain parts need to be repaired or replaced to keep up with deterioration over time. This capital improvement plan focuses on the water supply and delivery system only.

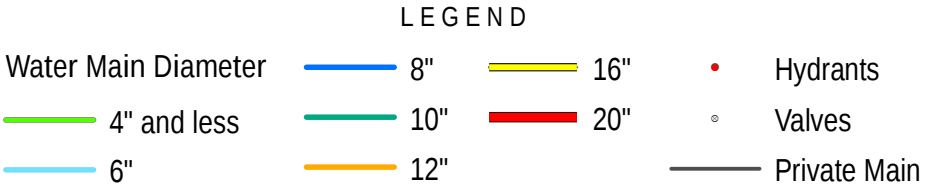
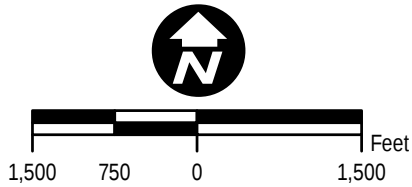
Waiting until something breaks to make emergency repairs is expensive. A more proactive approach can minimize life cycle costs using the following steps:

- Evaluate the condition and capacity of assets to determine the needs.
- Implement a maintenance program for the small needs.
- Implement a Capital Improvement Plan for the big needs.
- Develop financial strategies to fund all planned work before needs become emergencies.

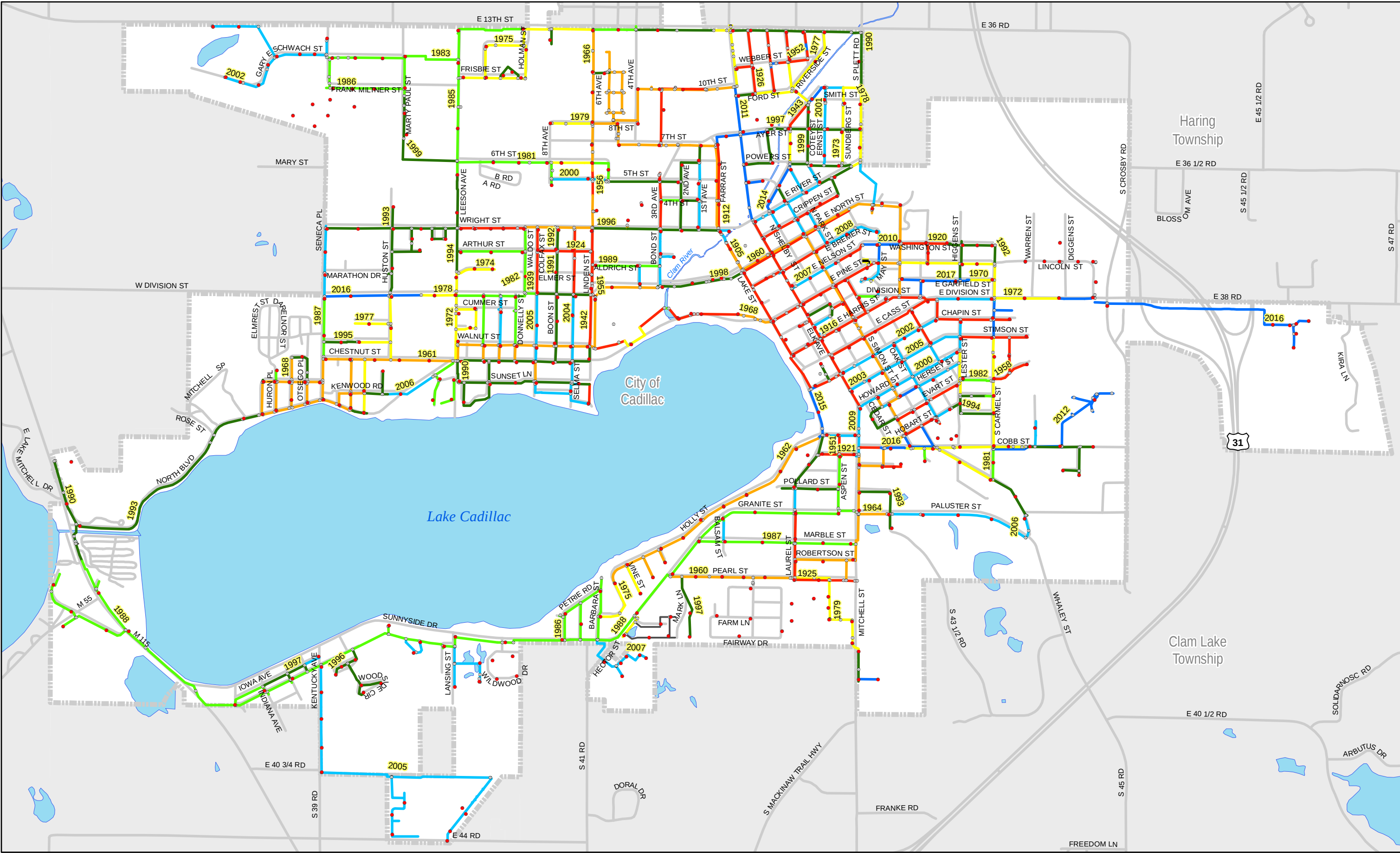
The City of Cadillac is actively managing the needs of these systems. The needs have been evaluated and financial strategies have been considered. All non-pipe assets above \$5000 were inspected and recorded for financial analysis. Assumptions were made using the best available information to estimate unknown pipe and non-pipe asset data. This Capital Improvement Plan presents the City of Cadillac's infrastructure priorities that have been established within a 20-year planning period, a timeline for accomplishing the needed improvements, and a financial strategy to implement the plan.



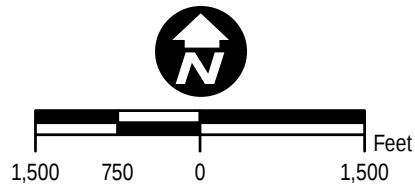
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CITY OF CADILLAC
WEXFORD COUNTY, MI
WATER DISTRIBUTION SYSTEM
MAP 1: DIAMETER
DECEMBER 2017
Prein&Newhof
2170378

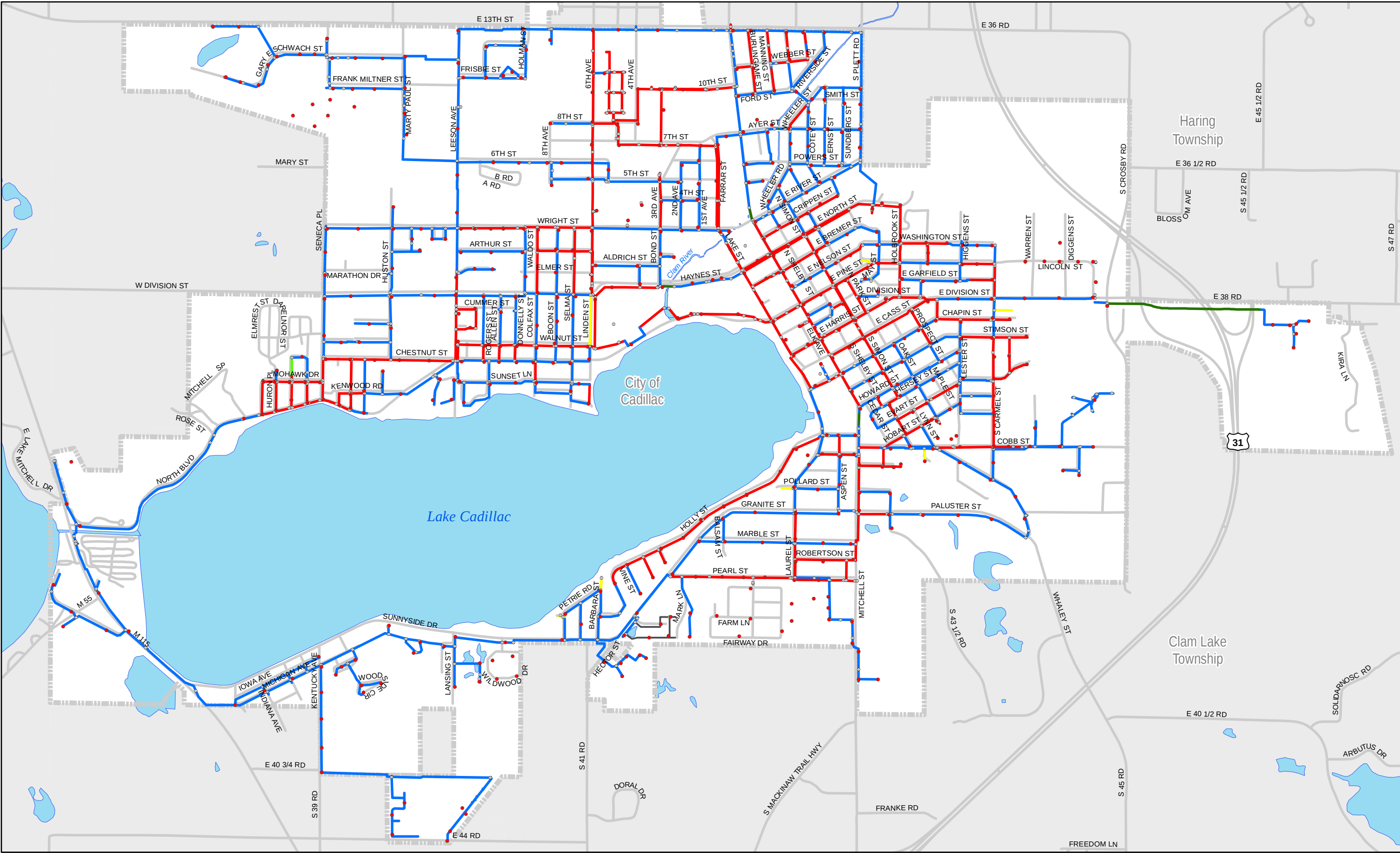


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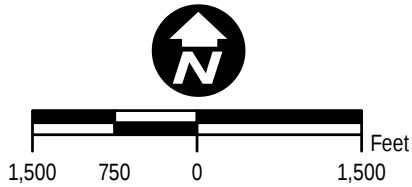


LEGEND			
Water Main Year Installed	1960s	1990s	Hydrants
Unknown	1970s	2000s	Valves
1950s and earlier	1980s	2010s	Private Main

CITY OF CADILLAC
WEXFORD COUNTY, MI
WATER DISTRIBUTION SYSTEM
MAP 2: YEAR INSTALLED
DECEMBER 2017
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LEGEND

Water Main Material

Ductile Iron

Cast Iron

Copper

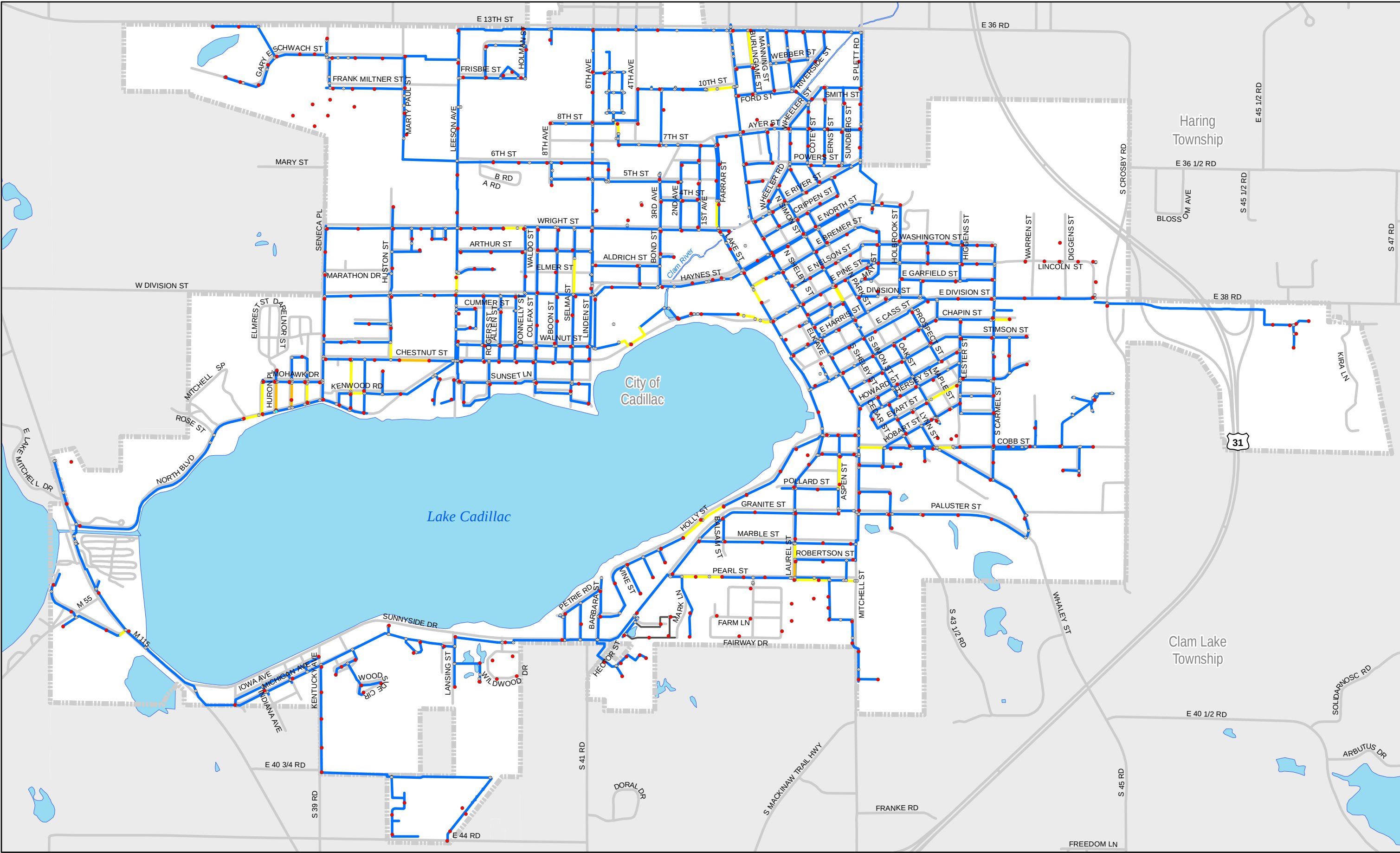
Polyethylene

Asbestos Cement

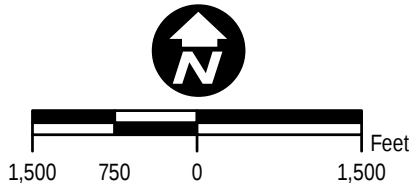
Hydrants

Valves

CITY OF CADILLAC
WEXFORD COUNTY, MI
WATER DISTRIBUTION SYSTEM
MAP 3: MATERIAL
DECEMBER 2017
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2170378



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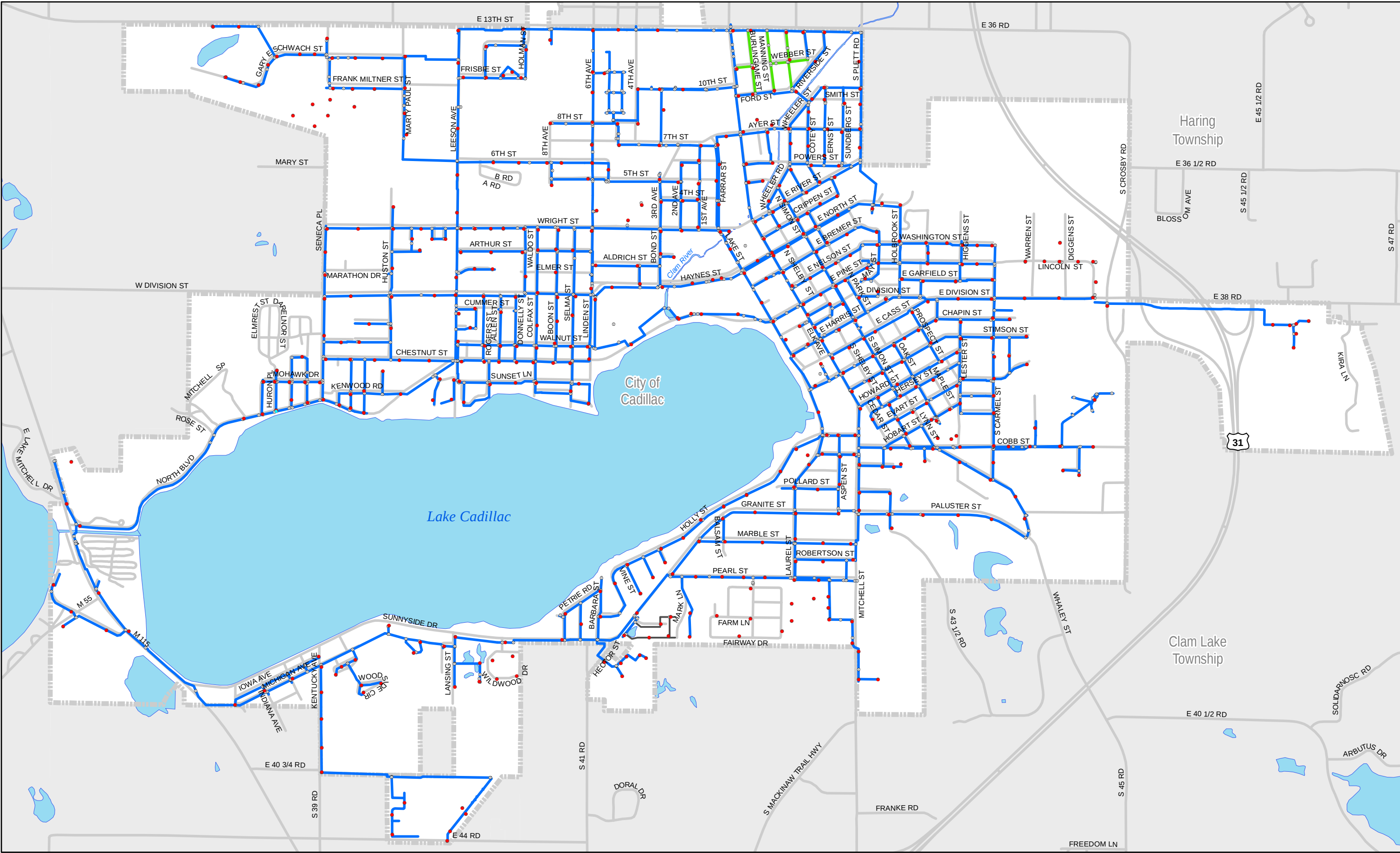
LEGEND

Water Main Break History

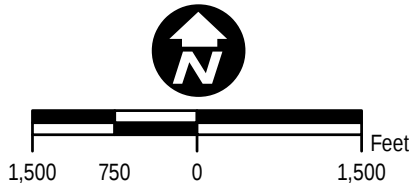
- 1 - No Leakage or Breaks
- 2 - Leakage
- 3 - Singular Breaks
- 4 - Multiple Breaks
- 5 - Imminent Failure

- Hydrants
- Valves

CITY OF CADILLAC
WEXFORD COUNTY, MI
WATER DISTRIBUTION SYSTEM
MAP 4: BREAK HISTORY
DECEMBER 2017
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2170378



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LEGEND

Water Main Domestic Flow Rating

1 - Adequate

2 - Substandard Diameter

3 - Discoloration

4 - Inadequate Residential Flow

5 - Inadequate Comm/Industrial Flow

Hydrants

Valves

CITY OF CADILLAC

WEXFORD COUNTY, MI

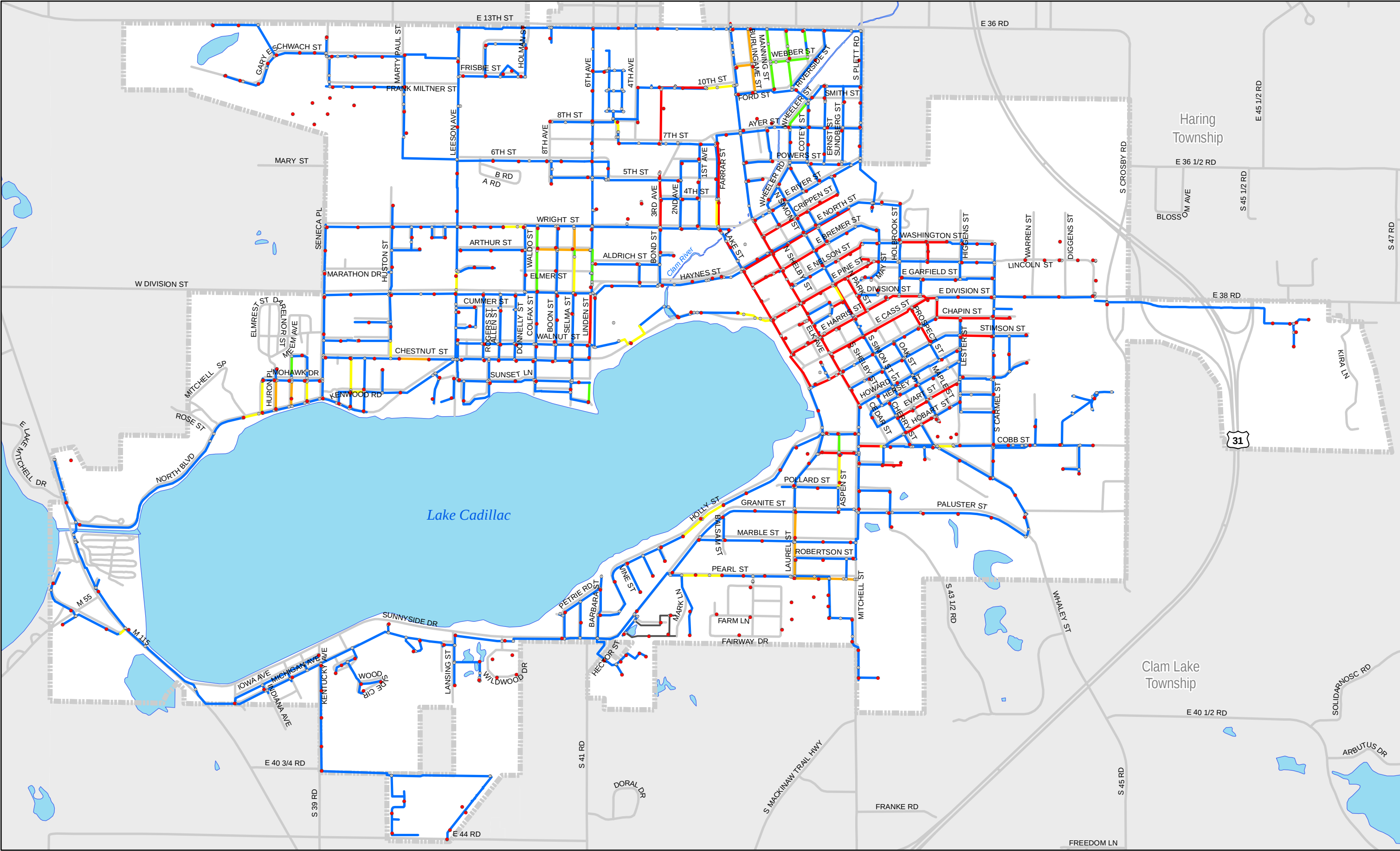
WATER DISTRIBUTION SYSTEM

MAP 5: DOMESTIC FLOW RATING

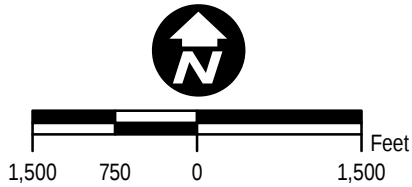
DECEMBER 2017

Prein&Newhof

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LEGEND

Risk of Failure

1 - Lowest Risk of Failure

2

3

4

5 - Highest Risk of Failure

Hydrants

Valves

CITY OF CADILLAC

WEXFORD COUNTY, MI

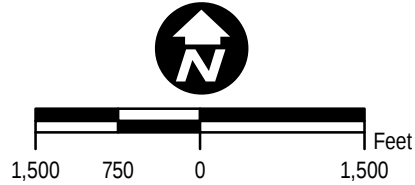
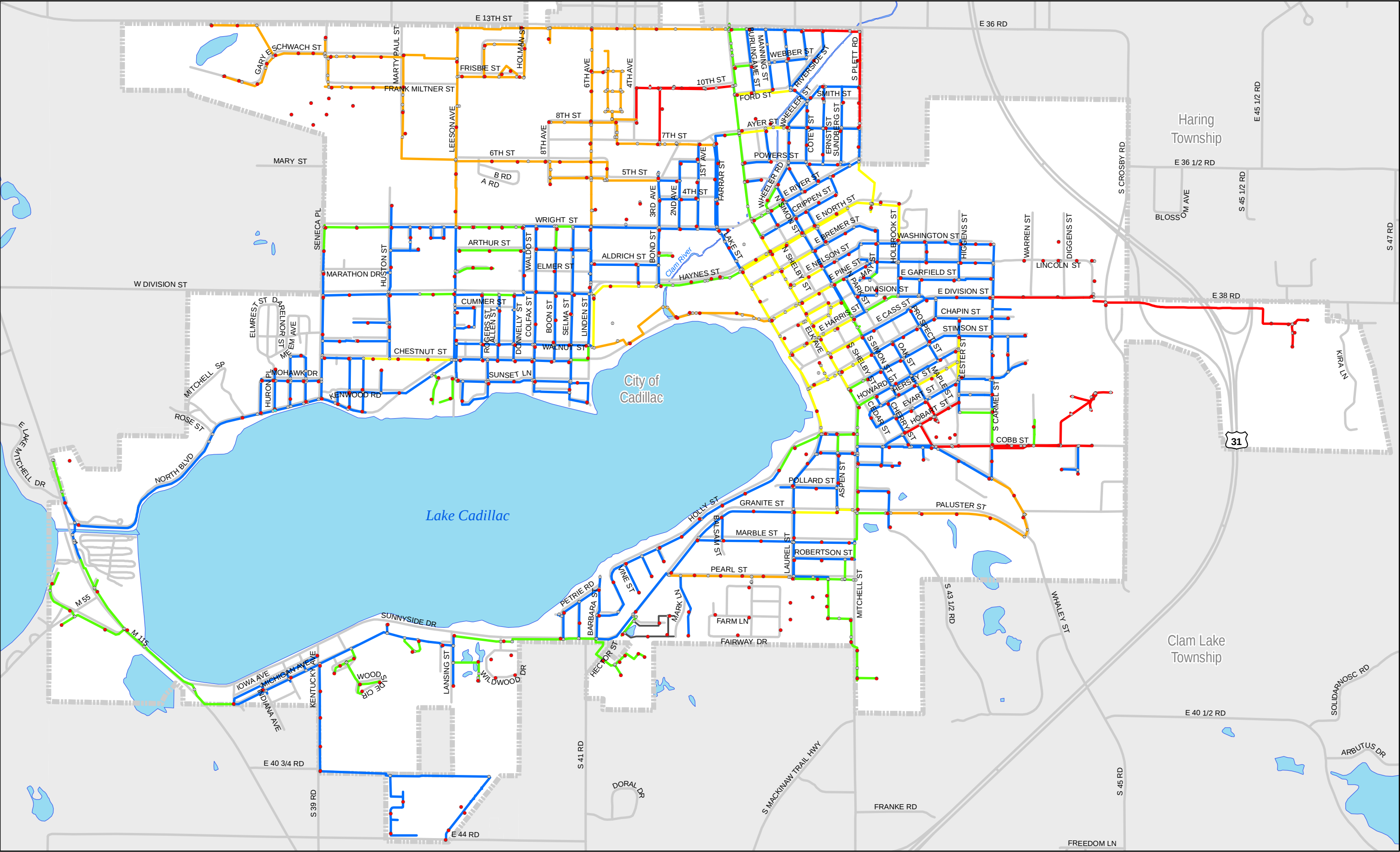
WATER DISTRIBUTION SYSTEM

MAP 6: RISK OF FAILURE

DECEMBER 2017

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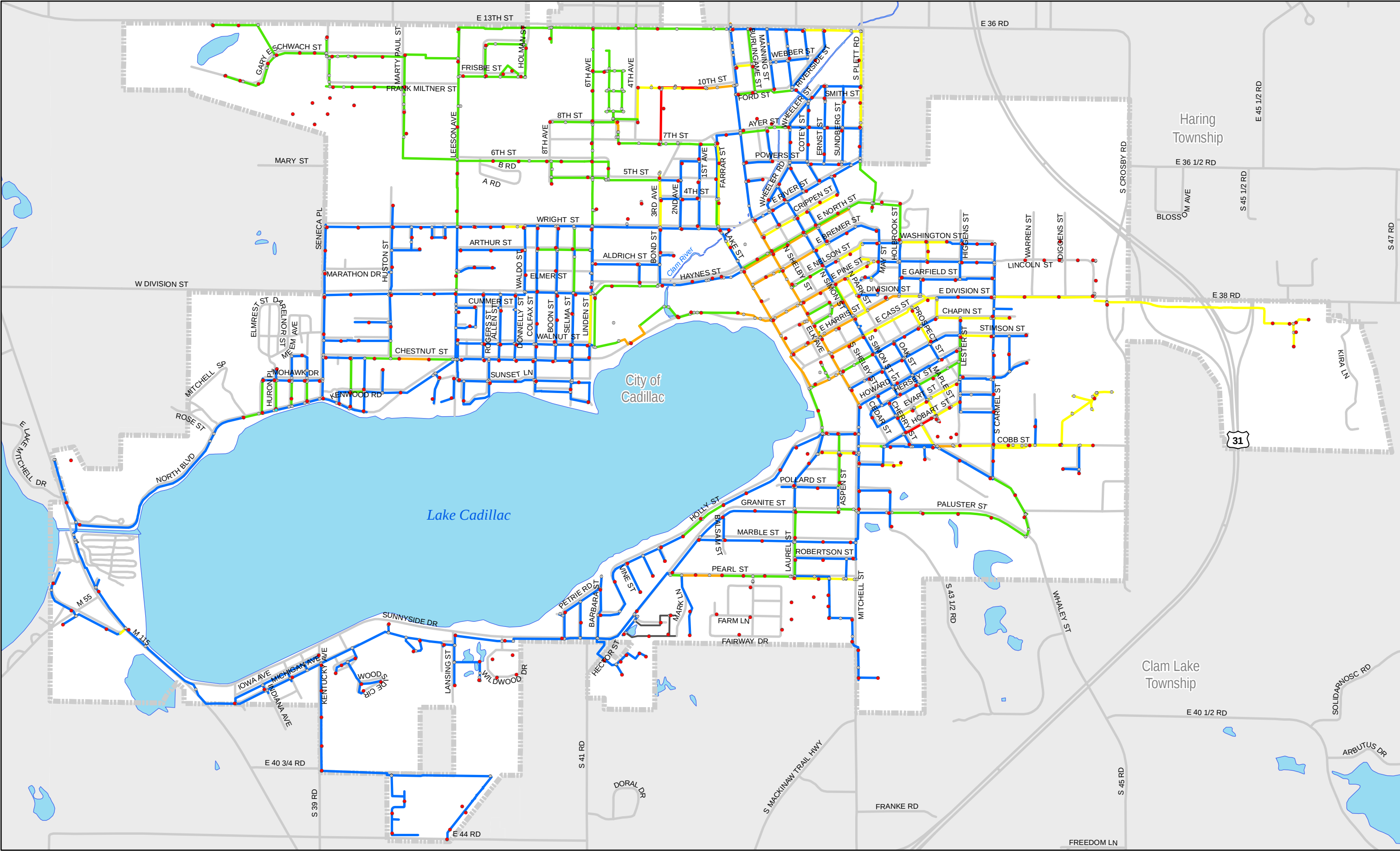
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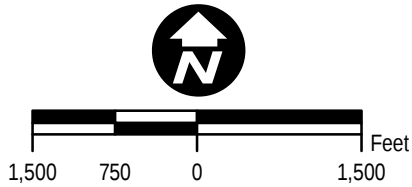
- LEGEND
- Consequence of Failure
- 1 - Lowest Consequence of Failure
 - 2
 - 3
 - 4
 - 5 - Highest Consequence of Failure

- Hydrants
- Valves

CITY OF CADILLAC
WEXFORD COUNTY, MI
WATER DISTRIBUTION SYSTEM
MAP 7: CONSEQUENCE OF FAILURE
DECEMBER 2017
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LEGEND

Criticality

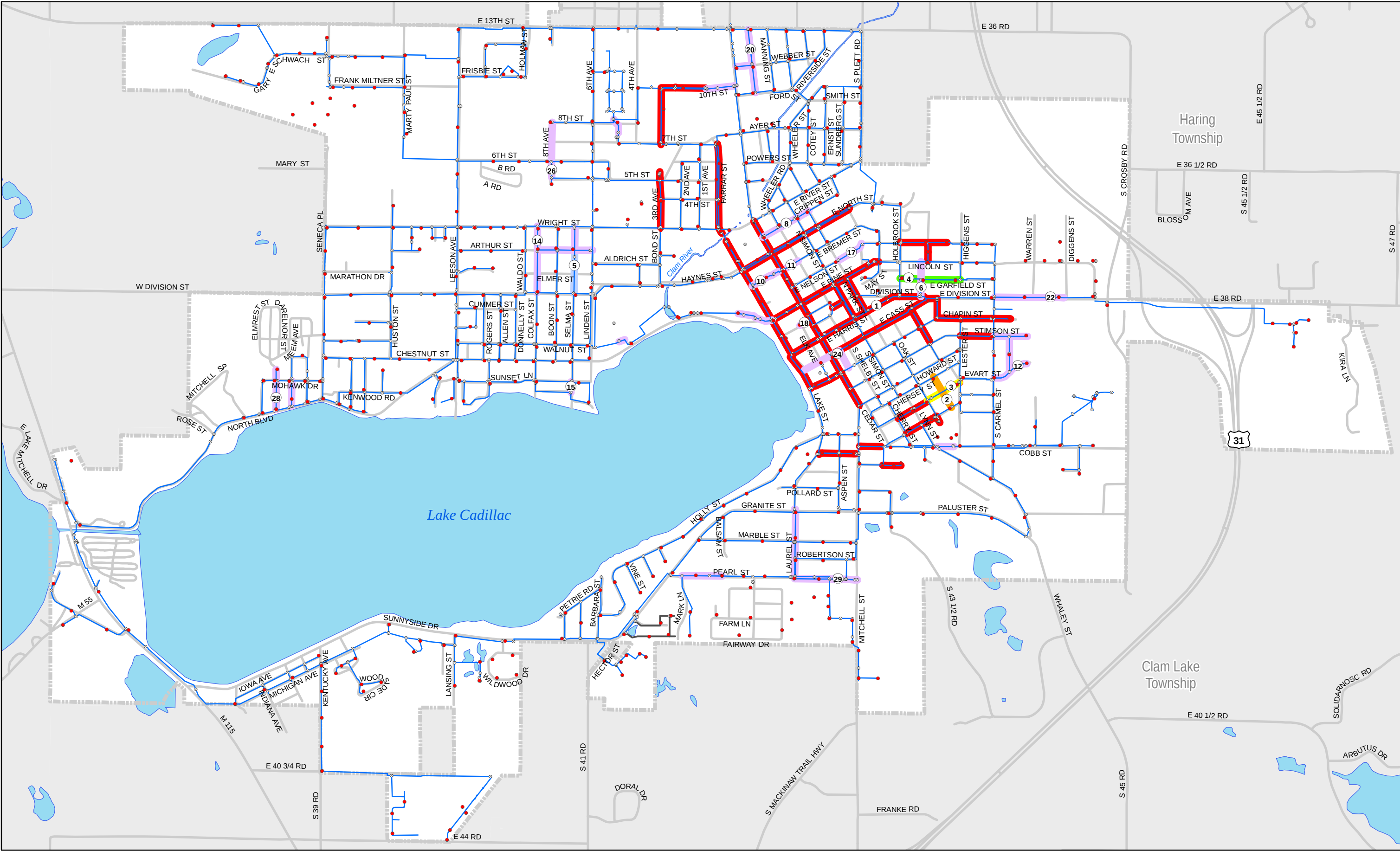
Least Critical

Most Critical

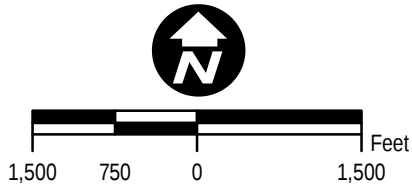
Hydrants

Valves

CITY OF CADILLAC
WEXFORD COUNTY, MI
WATER DISTRIBUTION SYSTEM
MAP 8: CRITICALITY
DECEMBER 2017
Prein&Newhof
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LEGEND

Capital Improvement Projects By Year

- 2017
- 2018
- 2019
- 2020
- 2021
- 2022 and Beyond

Water Main

Hydrants

Valves

CITY OF CADILLAC
WEXFORD COUNTY, MI
WATER DISTRIBUTION SYSTEM
MAP 9: CAPITAL IMPROVEMENT PLAN
DECEMBER 2017
Prein&Newhof
2170378

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

Table 1: Capital Improvement Priorities

Capital Improvement Priorities

Project ID	Location & Description	Today's Cost	Estimated Year*	Future Cost**
1	Replace all water main that was installed on or before 1921	\$6,650,000	2017	\$6,650,000
2	Extend 550 LF 8" S in Maple then W in easement to close dead end	\$55,000	2018	\$56,000
3	Replacing water main on Evart St. between Oak St. and Lester St. (8")	\$137,000	2019	\$143,000
4	Replacing water main on E. Garfield St. between Holbrook St. and Higgins St. (8")	\$242,000	2020	\$257,000
5	Replacing water main on Selma Street between W. Division St. and Wright St. (8")	\$273,000	2021	\$296,000
6	Replacing water main on Blodgett St. between Lincoln Street and E. Division St. (8")	\$74,000	2022	\$82,000
7	Well House #1 Portable Generator, Ford F150 P/U, GMC 1500 4x4	\$111,000	2022	\$122,500
8	Replacing water main on Crippen St. between Mitchell St. and Park St. (8")	\$357,000	2023	\$402,000
9	Ford F350, Work Trailer	\$36,000	2023	\$41,200
10	Replacing water main on W. Bremer St. between Lake St. and Mitchell St. (8")	\$126,000	2024	\$145,000
11	Replacing water main on E. Bremer St. between Mitchell St. and Shelby St. (8")	\$73,500	2025	\$86,000
12	Replacing water main on Crestview St., Evart St., and Stimson St. (8")	\$441,000	2026	\$527,000
13	Ford 4wd SuperCab	\$25,000	2026	\$30,000
14	Replacing water main on Colfax St. between W. Division St. and Wright St. (8")	\$273,000	2027	\$333,000
15	Replacing water main between Sunset St. and Lakeshore St. (8")	\$84,000	2028	\$104,000

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

16	Casing and Screen for Well 8, Well 9, Well 10	\$68,000	2028	\$85,000
17	Replacing water main on Nelson St. between Park St. and Hemlock St. (8")	\$126,000	2029	\$160,000
18	Replacing water main on Mason St. between Mitchell St. and parking lot (8")	\$52,500	2030	\$68,000
19	Vactor Truck	\$370,000	2030	\$480,500
20	Replacing water main on Burlingame St. between 13th St. and Ford St. (8")	\$252,000	2031	\$333,000
21	Electrical for Well House #8, #9,#10, Meter Program, Ford E250 Van, Backhoe	\$267,000	2032	\$362,000
22	Upsizing water main to remove improve flow to Cadillac Junction development on E. Division between Carmel St. to Diggins St. (12")	\$351,000	2033	\$482,000
23	Completing a loop along the Eighth Ave. (8")	\$174,000	2034	\$244,000
24	Upsizing water main and completing loop under parking lot from Chapin St. to E. Cass St. and on W. Cass St. from parking lot to Mitchell St. (8")	\$137,000	2035	\$196,000
25	Well House #8, #9, #10 Upgrades	\$584,000	2035	\$840,000
26	Upsizing water main to increase fire flow on Eighth Ave. from 5th St. to 6th St. (8")	\$95,000	2036	\$138,000
28	Replace Water Main on Winona Pl, Huron Pl, and Chestnut Street	\$367,000	2036	\$538,000
27	Water Tank Interior/Exterior Coating, Permanent Generator, Ford F150 P/U, GMC 1500	\$224,000	2037	\$335,500
29	Replace Water Main on Multiple Streets	\$1,335,000	2037	\$2,000,000

*Actual year subject to change pending available funding and coordination with other infrastructure

** Future costs include annual 2 percent inflation

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

Table 2: Non-Pipe Assets

Asset Category	Asset Item	Installation Year	Purchase Price	Life Cycle (Years)	Notes
Water Tank	Tank Structure	1961	\$1,000,000	65	1,000,000 Gallons
Water Tank	Primary Well Controls	1961	\$4,000	10	Recurring cost
Water Tank	Interior Coating	2016	\$20,000	20	
Water Tank	Exterior Coating	2016	\$45,000	20	
Process Control Building	Structure	2012	\$459,800	50	
Process Control Building	Permanent Generator	2011	\$98,000	20	Diesel 350 KW
Process Control Building	Chemical Feed System	2011	\$38,000	5	Recurring Cost
Blue Barn	Structure	1985	\$50,000	50	
Well House #1	Structure	1960	\$33,000	75	
Well House #1	Portable Generator	1960	\$20,000	20	210 KWh
Well House 2	Structure	1960	N/A	50	Decommissioned 2018/2019
Well House 2	Piping	1960	N/A	35	Decommissioned 2018/2020
Well House 2	Chemical Feed Systems	1960	N/A	5	Decommissioned 2018/2021
Well House 2	Electrical	1960	N/A	20	Decommissioned 2018/2022
Well House 2	Pump Controls	1960	N/A	45	Decommissioned 2018/2023
Well 2	Casing and Screen	1960	N/A	15	Decommissioned 2018/2024
Well 2	turbine Pump	1960	N/A	30	Decommissioned 2018/2025

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

Well House 3	Structure	1960	N/A	50	Decommissioned 2018/2027
Well House 3	Piping	1960	N/A	35	Decommissioned 2018/2028
Well House 3	Chemical Feed Systems	1960	N/A	5	Decommissioned 2018/2029
Well House 3	Electrical	1960	N/A	20	Decommissioned 2018/2030
Well House 3	Pump Controls	1960	N/A	45	Decommissioned 2018/2033
Well 3	Casing and Screen	1960	N/A	15	Decommissioned 2018/2034
Well 3	Turbine Pump	1960	N/A	30	Decommissioned 2018/2035
Well House 4	Structure	1960	N/A	50	Decommissioned 2018/2037
Well House 4	Piping	1960	N/A	35	Decommissioned 2018/2038
Well House 4	Chemical Feed Systems	1960	N/A	5	Decommissioned 2018/2039
Well House 4	Electrical	1960	N/A	20	Decommissioned 2018/2040
Well House 4	Generator	1960	N/A	20	Decommissioned 2018/2041
Well 4	Casing and Screen	1960	N/A	15	Decommissioned 2018/2044
Well 4	Turbine Pump	1960	N/A	30	Decommissioned 2018/2045
Well House 8	Structure	2011	\$102,000	50	1000 gpm
Well House 8	Piping	2011	\$20,000	35	
Well House 8	Chemical Feed Systems	2011	\$10,000	5	Recurring Cost
Well House 8	Electrical	2011	\$28,000	20	
Well House 8	Scada system w/ Fiber	2011	\$46,666	8	Recurring Cost
Well House 8	Pump Controls	2011	\$19,000	45	
Well 8	Casing and Screen	2009	\$20,000	15	Test Well Casing
Well 8	Turbine Pump	2011	\$33,000	30	125 HP
Well House 9	Structure	2011	\$102,000	50	1000 gpm
Well House 9	Piping	2011	\$20,000	35	

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

Well House 9	Chemical Feed Systems	2011	\$10,000	5	Recurring Cost
Well House 9	Electrical	2011	\$28,000	20	
Well House 9	Scada system	2011	\$46,666	8	Recurring Cost
Well House 9	Pump Controls	2011	\$19,000	45	
Well 9	Casing and Screen	2011	\$20,000	15	
Well 9	Turbine Pump	2011	\$33,000	30	125 HP
Well House 10	Structure	2011	\$102,000	50	1000 gpm
Well House 10	Piping	2011	\$20,000	35	
Well House 10	Chemical Feed Systems	2011	\$10,000	5	Recurring Cost
Well House 10	Electrical	2011	\$28,000	20	
Well House 10	Scada System w/ Fiber	2011	\$46,666	8	Recurring Cost
Well House 10	Pump Controls	2011	\$19,000	45	
Well 10	Casing and Screen	2011	\$20,000	15	
Well 10	Turbine Pump	2011	\$33,000	30	125 HP
Water System	Meter Program	2012	\$75,000	15	
Buildings	Water Department Building	1963	\$500,000	50	90% Water
Vehicles	Ford 4wd SuperCab	2011	\$22,500	15	
Vehicles	Ford F350 4x4 Utility	2008	\$25,000	15	
Vehicles	Ford E250 3/4 Ton Van	2016	\$20,000	15	
Vehicles	Ford F150 P/U	2004	\$18,000	15	
Vehicles	GMC 1500 4x4	2004	\$20,000	15	
Vehicles	Backhoe	2016	\$70,000	15	
Vehicles	Work Trailer	2002	\$5,000	15	
Vehicles	Sewer Truck - (Vactor)	2014	\$350,000	15	

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

Table 3: Recurring Cost Schedule

Recurring Cost Schedule

Item Description	Recurrence Interval	Next Occurrence	Today's Cost
Tower Inspection	every 5 years	2021	\$ 2,700
Tower Cleaning	every 5 years	2021	\$ 3,700
Reliability Study	every 5 years	2021	\$ 15,000
PCB Chemical Feed System	every 5 years	2017	\$ 43,000
Water Tank Well Controls	every 5 years	2017	\$ 12,000
WH#8 Chemical Feed System	every 5 years	2017	\$ 12,000
WH#8 Scada	every 8 years	2019	\$ 50,000
WH#9 Chemical Feed System	every 5 years	2017	\$ 12,000
WH#9 Scada	every 8 years	2019	\$ 50,000
WH#10 Chemical Feed System	every 5 years	2017	\$ 12,000
WH#10 Scada	every 8 years	2019	\$ 50,000

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

Table 4: Future Costs

City of Cadillac Water System

Future Costs

(not including annual operations and maintenance)

Year	Recurring Costs	NON-Pipe Assets Capital Improvements	Water Main Capital Improvements	Description of Major Items	Total
2017	91,000	6,650,000	-	CIP Project #1	6,741,000
2018	-	56,000	-	CIP Project #2	56,000
2019	156,000	143,000	-	CIP Project #3	299,000
2020	-	257,000	-	CIP Project #4	257,000
2021	23,100	296,000	-	CIP Project #5	319,100
2022	100,300	122,500	82,000	CIP Project #6 & #7	304,800
2023	-	41,200	402,000	CIP Project #8 & #9	443,200
2024	-	145,000	-	CIP Project #10	145,000
2025	-	86,000	-	CIP Project #11	86,000

CITY OF CADILLAC
CAPITAL IMPROVEMENT PROJECTS (WATER)

Year	Recurring Costs	NON-Pipe Assets Capital Improvements	Water Main Capital Improvements	Description of Major Items	Total
2026	25,500	30,000	527,000	CIP Project #12 & #13	582,500
2027	293,500	333,000	-	CIP Project #14	626,500
2028	-	85,000	104,000	CIP Project #15 & #16	189,000
2029	-	160,000	-	CIP Project #17	160,000
2030	-	480,500	68,000	CIP Project #18 & #19	548,500
2031	28,300	333,000	-	CIP Project #20	361,300
2032	122,700	362,000	-	CIP Project #21	484,700
2033	-	482,000	-	CIP Project #22	482,000
2034	-	244,000	-	CIP Project #23	244,000
2035	214,200	840,000	196,000	CIP Project #24 & #25	1,250,200
2036	31,200	138,000	-	CIP Project #26 & #27	169,200
2037	135,100	335,500	-	CIP Project #28 & #29	470,600

FINANCIAL FORECAST

UMBAUGH

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Certified Public Accountants, LLP
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Suite 100
Okemos, MI 48864
Phone: 517-321-0110
Fax: 517-321-8866
www.umbaugh.com

December 29, 2017

City of Cadillac
200 North Lake Street
Cadillac, MI 49601

Re: City of Cadillac (Michigan) Water Asset Management Program – Abbreviated Rate Study

Dear City of Cadillac:

The attached schedules (listed below) present unaudited and limited information for the purpose of discussion and consideration in the preliminary planning stage of an abbreviated rate study by the appropriate officers, officials and advisors of the City of Cadillac. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision.

Page

2	Comparative Statement of Net Position
3	Comparative Statement of Revenues, Expenses, and Changes in Net Position
4	Comparative Detail of Operating Expenses – Water Portion (33%)
5	Schedule of Amortization of \$1,848,856 Principal Amount Outstanding of 2011 DWRF Bonds
6	Schedule of Amortization of \$1,079,100 Principal Amount Outstanding of 2013 Water Supply & Wastewater Refunding Bonds – Water Portion
7	Schedule of Combined Debt Service – Water
8-9	Water Cash Flow Analysis

We would appreciate your questions or comments on this information and would provide additional information upon request.

Sincerely,

UMBAUGH

Tom Traciak

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

COMPARATIVE STATEMENT OF NET POSITION

	As of			
	6/30/2014	6/30/2015	6/30/2016	6/30/2017
	(-----Per Audit-----)			
Assets				
Current assets:				
Cash and pooled investments	\$2,297,217	\$2,255,506	\$2,306,920	\$2,567,330
Receivables	696,204	602,567	804,314	827,020
Due from fiduciary funds	20,265	36,651	-	-
Inventory, at cost	196,823	196,087	195,853	204,623
Prepaid expense	11,970	44,935	-	13,552
Total current assets	<u>3,222,479</u>	<u>3,135,746</u>	<u>3,307,087</u>	<u>3,612,525</u>
Noncurrent assets:				
Restricted assets:				
Cash	625,784	625,784	643,465	642,681
Capital Assets:				
Capital assets not being depreciated	650,460	542,401	310,814	574,440
Capital assets being depreciated	21,112,130	20,634,754	20,346,342	20,591,141
Total noncurrent assets	<u>22,388,374</u>	<u>21,802,939</u>	<u>21,300,621</u>	<u>21,808,262</u>
Total Assets	<u>\$25,610,853</u>	<u>\$24,938,685</u>	<u>\$24,607,708</u>	<u>\$25,420,787</u>
Deferred Outflows of Resources				
Pension	<u>-</u>	<u>123,648</u>	<u>584,613</u>	<u>333,797</u>
Liabilities				
Current liabilities:				
Accounts payable	\$213,030	\$153,831	\$94,726	\$230,562
Accrued interest	62,272	58,652	57,327	51,001
Accrued liabilities	15,001	20,872	27,128	31,392
Customer deposits	7,930	8,100	8,780	8,780
Current portion of compensated absences	-	-	97,556	56,819
Current portion of long-term debt	530,000	550,000	560,000	570,000
Due to other funds	-	-	-	454,628
Total current liabilities	<u>828,233</u>	<u>791,455</u>	<u>845,517</u>	<u>1,403,182</u>
Noncurrent liabilities:				
Compensated absences	143,306	170,232	83,104	126,468
Long-term debt	8,694,061	8,144,061	7,584,061	7,014,061
Net pension liability	-	411,130	1,386,077	1,192,192
Total noncurrent liabilities	<u>8,837,367</u>	<u>8,725,423</u>	<u>9,053,242</u>	<u>8,332,721</u>
Total Liabilities	<u>9,665,600</u>	<u>9,516,878</u>	<u>9,898,759</u>	<u>9,735,903</u>
Deferred Inflows of Resources				
Pension	<u>-</u>	<u>-</u>	<u>-</u>	<u>104,944</u>
Net Position				
Net investment in capital assets	12,538,529	12,483,094	12,513,095	13,581,520
Restricted for:				
Debt service	625,784	625,784	643,465	642,681
Unrestricted	<u>2,780,940</u>	<u>2,436,577</u>	<u>2,137,002</u>	<u>1,689,536</u>
Total Net Position	<u>15,945,253</u>	<u>15,545,455</u>	<u>15,293,562</u>	<u>15,913,737</u>
Total Liabilities and Net Position	<u>\$25,610,853</u>	<u>\$25,062,333</u>	<u>\$25,192,321</u>	<u>\$25,649,640</u>

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Fiscal Year Ended			
	6/30/2014	6/30/2015	6/30/2016	6/30/2017
	(-----Per Audit-----)			
Operating Revenues				
Local revenue sharing	\$126,344	-	-	-
Charges for services	3,903,519	\$4,059,420	\$4,168,790	\$4,547,180
Rent	-	-	23,750	23,750
Miscellaneous	1,899	720	4,720	2,376
	<u>4,031,762</u>	<u>4,060,140</u>	<u>4,197,260</u>	<u>4,573,306</u>
Operating Expenses				
Salaries and wages	1,370,578	1,444,861	1,535,472	1,569,766
Materials and supplies	345,441	371,018	371,521	353,821
Utilities	461,024	465,071	438,668	381,306
Repair and maintenance	132,067	157,356	114,362	96,069
Equipment rental	237,428	245,992	242,080	243,768
Contracted services	351,759	456,124	334,751	326,407
Subtotal	<u>2,898,297</u>	<u>3,140,422</u>	<u>3,036,854</u>	<u>2,971,137</u>
Depreciation expense	917,646	930,587	905,795	829,226
	<u>3,815,943</u>	<u>4,071,009</u>	<u>3,942,649</u>	<u>3,800,363</u>
Net operating income (loss)	<u>215,819</u>	<u>(10,869)</u>	<u>254,611</u>	<u>772,943</u>
Non-Operating Revenues (Expenses)				
Interest income	17,051	16,881	20,020	29,192
Miscellaneous income	-	75,505	-	-
Interest expense	(266,008)	(203,887)	(193,728)	(175,959)
Bond issuance cost	(56,421)	-	-	-
Loss on disposal of fixed assets	-	-	-	(6,001)
Federal grants	-	9,962	-	-
	<u>(305,378)</u>	<u>(101,539)</u>	<u>(173,708)</u>	<u>(152,768)</u>
Change in net position	(89,559)	(112,408)	80,903	620,175
Net position, beginning of year	<u>16,034,812</u>	<u>15,657,863</u>	<u>15,212,659</u>	<u>\$15,293,562</u>
Net position, end of year	<u>\$15,945,253</u>	<u>\$15,545,455</u>	<u>\$15,293,562</u>	<u>\$15,913,737</u>

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

COMPARATIVE DETAIL OF OPERATING EXPENSES - WATER PORTION (33%)

	Fiscal Year Ended				Test Year
	6/30/2015	6/30/2016	6/30/2017	6/30/2018	
	(-----Per Client-----)				
Operating Expenses					
Administration					
Salaries and Wages	\$116,412	\$112,969	\$117,137	\$113,850	\$113,850
Fringes	61,610	55,164	58,593	56,133	56,133
Office Supplies	3,996	4,000	4,159	3,960	3,960
Postage	7,092	6,660	6,959	7,260	7,260
Safety Supplies	1,441	1,132	660	1,485	1,485
Contractual Services	5,260	5,210	4,632	4,950	4,950
Engineering Fees	-	3,428	1,768	4,950	4,950
Audit	1,320	1,320	1,320	1,320	1,320
G.I.S. Contractual Services	8,292	7,538	2,024	3,300	3,300
Legal Fees	31,507	12,599	11,357	8,250	8,250
State Mandated Fees	9,189	9,167	7,560	6,930	6,930
Data Processing	15,675	15,675	15,675	15,840	15,840
Liability Insurance	9,911	10,533	10,591	11,550	11,550
Dues & Publications	820	1,029	1,505	990	990
Telephone	2,304	3,723	3,752	2,475	2,475
Alarm Systems	669	862	1,238	990	990
Travel & Education - Salary	1,938	1,179	1,246	2,310	2,310
Travel & Education - Hourly	1,074	1,671	1,706	1,815	1,815
Vehicle Repair & Maintenance	13	31	342	330	330
Employee Safety	1,155	1,650	17	1,650	1,650
Bad Debt Expense	-	-	-	330	330
Groundwater Cleanup	-	-	-	-	-
Administration - City	79,200	79,211	79,200	85,800	85,800
Public Relations	822	676	1,243	990	990
Property Taxes	-	-	-	2,475	2,475
Total Administration Expenses	359,699	335,426	332,683	339,933	339,933
Water Resources					
Preliminary Treatment	-	-	-	-	-
Primary Treatment	-	-	-	-	-
Secondary Treatment	-	-	-	-	-
Tertiary Treatment	-	-	-	-	-
Sludge Removal	-	-	-	-	-
Nutrient Removal	-	-	-	-	-
Effluent Disposal	-	-	-	-	-
Building & Grounds	-	-	-	-	-
Industrial Surveillance	-	-	-	-	-
Lift Station-Sanitary	-	-	-	-	-
Vehicles	-	-	-	-	-
Total Water Resources Expenses	-	-	-	-	-
Distribution and Collection					
Building & Water Tank	18,426	40,032	23,787	30,300	30,300
Pumping Station	247,988	230,605	195,050	252,900	252,900
Wells & Well Field	52,869	48,074	37,379	57,100	57,100
General Street Expense	12,176	19,710	17,938	19,100	19,100
Meter Reading & Delinquent Accounts	8,250	5,969	7,516	8,877	8,877
Meter Operations & Maintenance	87,382	103,470	107,876	95,106	95,106
Customer Service	8,120	8,556	6,854	10,626	10,626
Maintenance-Mains & Hydrants	171,610	64,003	66,811	95,300	95,300
New Water Service	16,684	23,709	16,051	16,000	16,000
Water Service Maintenance	44,695	12,242	9,195	14,800	14,800
Sanitary Sewer	-	-	-	-	-
Vehicles	9,130	8,428	7,689	12,078	12,078
Total Distribution and Collection	677,329	564,797	496,146	612,187	612,187
Laboratory Division					
General Laboratory	18,987	17,028	16,273	21,318	21,318
Contract Laboratory	15,198	15,997	15,014	16,962	16,962
Total Laboratory Division	34,185	33,025	31,286	38,280	38,280
Total Operating Expenses - Water	\$1,071,213	\$933,248	\$860,116	\$990,400	\$990,400

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

**SCHEDULE OF AMORTIZATION OF \$1,848,856 PRINCIPAL AMOUNT OUTSTANDING
OF 2011 DWRF BONDS**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
			(-----In Dollars-----)			
10/01/17	\$1,848,856			\$23,110.70	\$23,110.70	
04/01/18	1,848,856	2.50	\$100,000	23,110.70	123,110.70	\$146,221.40
10/01/18	1,748,856			21,860.70	21,860.70	
04/01/19	1,748,856	2.50	105,000	21,860.70	126,860.70	148,721.40
10/01/19	1,643,856			20,548.20	20,548.20	
04/01/20	1,643,856	2.50	110,000	20,548.20	130,548.20	151,096.40
10/01/20	1,533,856			19,173.20	19,173.20	
04/01/21	1,533,856	2.50	110,000	19,173.20	129,173.20	148,346.40
10/01/21	1,423,856			17,798.20	17,798.20	
04/01/22	1,423,856	2.50	115,000	17,798.20	132,798.20	150,596.40
10/01/22	1,308,856			16,360.70	16,360.70	
04/01/23	1,308,856	2.50	115,000	16,360.70	131,360.70	147,721.40
10/01/23	1,193,856			14,923.20	14,923.20	
04/01/24	1,193,856	2.50	120,000	14,923.20	134,923.20	149,846.40
10/01/24	1,073,856			13,423.20	13,423.20	
04/01/25	1,073,856	2.50	120,000	13,423.20	133,423.20	146,846.40
10/01/25	953,856			11,923.20	11,923.20	
04/01/26	953,856	2.50	125,000	11,923.20	136,923.20	148,846.40
10/01/26	828,856			10,360.70	10,360.70	
04/01/27	828,856	2.50	130,000	10,360.70	140,360.70	150,721.40
10/01/27	698,856			8,735.70	8,735.70	
04/01/28	698,856	2.50	130,000	8,735.70	138,735.70	147,471.40
10/01/28	568,856			7,110.70	7,110.70	
04/01/29	568,856	2.50	135,000	7,110.70	142,110.70	149,221.40
10/01/29	433,856			5,423.20	5,423.20	
04/01/30	433,856	2.50	140,000	5,423.20	145,423.20	150,846.40
10/01/30	293,856			3,673.20	3,673.20	
04/01/31	293,856	2.50	145,000	3,673.20	148,673.20	152,346.40
10/01/31	148,856			1,860.70	1,860.70	
04/01/32	148,856	2.50	148,856	1,860.70	150,716.70	152,577.40
		Totals	<u>\$1,848,856</u>	<u>\$392,571.00</u>	<u>\$2,241,427.00</u>	<u>\$2,241,427.00</u>

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

**SCHEDULE OF AMORTIZATION OF \$1,079,100 PRINCIPAL AMOUNT OUTSTANDING
OF 2013 WATER SUPPLY & WASTEWATER REFUNDING BONDS - WATER PORTION**

Payment Date	Principal Balance (In Dollars)	Interest Rate (%)	Debt Service			Fiscal Year Total
			Principal	Interest	Total	
			(-----In Dollars-----)			
09/01/17	\$1,079,100	2.70	\$92,400	\$14,567.88	\$106,967.88	
03/01/18	986,700			13,320.48	13,320.48	\$120,288.36
09/01/18	986,700	2.70	94,050	13,320.48	107,370.48	
03/01/19	892,650			12,050.80	12,050.80	119,421.28
09/01/19	892,650	2.70	99,000	12,050.80	111,050.80	
03/01/20	793,650			10,714.30	10,714.30	121,765.10
09/01/20	793,650	2.70	103,950	10,714.30	114,664.30	
03/01/21	689,700			9,310.97	9,310.97	123,975.27
09/01/21	689,700	2.70	107,250	9,310.97	116,560.97	
03/01/22	582,450			7,863.09	7,863.09	124,424.06
09/01/22	582,450	2.70	110,550	7,863.09	118,413.09	
03/01/23	471,900			6,370.66	6,370.66	124,783.75
09/01/23	471,900	2.70	112,200	6,370.66	118,570.66	
03/01/24	359,700			4,855.96	4,855.96	123,426.62
09/01/24	359,700	2.70	117,150	4,855.96	122,005.96	
03/01/25	242,550			3,274.43	3,274.43	125,280.39
09/01/25	242,550	2.70	120,450	3,274.43	123,724.43	
03/01/26	122,100			1,648.35	1,648.35	125,372.78
09/01/26	122,100	2.70	122,100	1,648.35	123,748.35	123,748.35
		Totals	<u>\$1,079,100</u>	<u>\$153,385.96</u>	<u>\$1,232,485.96</u>	<u>\$1,232,485.96</u>

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

SCHEDULE OF COMBINED DEBT SERVICE - WATER

<u>Fiscal Year</u>	<u>2011 DWRf Bonds</u>	<u>2013 Refunding Bonds</u>	<u>Total</u>
2017/18	\$146,221.40	\$120,288.36	\$266,509.76
2018/19	148,721.40	119,421.28	268,142.68
2019/20	151,096.40	121,765.10	272,861.50
2020/21	148,346.40	123,975.27	272,321.67
2021/22	150,596.40	124,424.06	275,020.46 *
2022/23	147,721.40	124,783.75	272,505.15
2023/24	149,846.40	123,426.62	273,273.02
2024/25	146,846.40	125,280.39	272,126.79
2025/26	148,846.40	125,372.78	274,219.18
2026/27	150,721.40	123,748.35	274,469.75
2027/28	147,471.40		147,471.40
2028/29	149,221.40		149,221.40
2029/30	150,846.40		150,846.40
2030/31	152,346.40		152,346.40
2031/32	<u>152,577.40</u>	<u></u>	<u>152,577.40</u>
Totals	<u>\$2,241,427.00</u>	<u>\$1,232,485.96</u>	<u>\$3,473,912.96</u>

* Maximum annual combined debt service

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

WATER CASH FLOW ANALYSIS

		<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>
Assumptions									
Rate revenue increase assumption over previous year			30.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Rate revenues		\$1,299,900	\$1,689,870	\$1,740,566	\$1,792,783	\$1,846,567	\$1,901,964	\$1,959,022	\$2,017,793
Other revenues		186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700
Total revenues		1,486,600	1,876,570	1,927,266	1,979,483	2,033,267	2,088,664	2,145,722	2,204,493
Total operating expenditures	<u>Increase</u> 2.00%	990,400	1,010,208	1,030,412	1,051,020	1,072,041	1,093,482	1,115,351	1,137,658
Net operating revenue		496,200	866,362	896,854	928,463	961,226	995,182	1,030,371	1,066,835
Less: Current debt service payments		266,510	268,143	272,862	272,322	275,020	272,505	273,273	272,127
Estimated cash-funded capital improvements		91,000	56,000	299,000	257,000	319,100	304,800	443,200	145,000
Estimated debt service #1 2017/18 Bonds [1]		116,375	462,050	462,050	462,050	462,050	462,050	462,050	462,050
Net cash flow		<u>\$22,315</u>	<u>\$80,169</u>	<u>(\$137,058)</u>	<u>(\$62,909)</u>	<u>(\$94,945)</u>	<u>(\$44,173)</u>	<u>(\$148,152)</u>	<u>\$187,658</u>
Cash & investments [2]	\$847,219	\$869,534	\$949,703	\$812,646	\$749,737	\$654,792	\$610,619	\$462,467	\$650,125

[1] Estimated debt service payments based on a \$6,650,000 20-year bond issue at current market rates.

[2] Includes 33% of total Water & Sewer Fund unrestricted cash & investments balance.

CITY OF CADILLAC (MICHIGAN) WATER & SEWER FUND

(Continued)

WATER CASH FLOW ANALYSIS

<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>	<u>2031/32</u>	<u>2032/33</u>	<u>2033/34</u>	<u>2034/35</u>	<u>2035/36</u>	<u>2036/37</u>	<u>2037/38</u>
3.00%	3.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
\$2,078,327	\$2,140,677	\$2,151,380	\$2,162,137	\$2,172,948	\$2,183,812	\$2,194,732	\$2,205,705	\$2,216,734	\$2,227,817	\$2,238,956	\$2,250,151	\$2,261,402
186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700	186,700
2,265,027	2,327,377	2,338,080	2,348,837	2,359,648	2,370,512	2,381,432	2,392,405	2,403,434	2,414,517	2,425,656	2,436,851	2,448,102
1,160,411	1,183,620	1,207,292	1,231,438	1,256,067	1,281,188	1,306,812	1,332,948	1,359,607	1,386,799	1,414,535	1,442,826	1,471,682
1,104,615	1,143,757	1,130,788	1,117,399	1,103,581	1,089,324	1,074,620	1,059,457	1,043,827	1,027,718	1,011,121	994,025	976,420
274,219	274,470	147,471	149,221	150,846	152,346	152,577	-	-	-	-	-	-
86,000	582,500	626,500	189,000	160,000	548,500	361,300	484,700	482,000	244,000	1,250,200	169,200	470,600
462,050	462,050	462,050	462,050	462,050	462,050	462,050	462,050	462,050	462,050	462,050	462,050	462,050
<u>\$282,346</u>	<u>(\$175,263)</u>	<u>(\$105,233)</u>	<u>\$317,128</u>	<u>\$330,685</u>	<u>(\$73,572)</u>	<u>\$98,692</u>	<u>\$112,707</u>	<u>\$99,777</u>	<u>\$321,668</u>	<u>(\$701,129)</u>	<u>\$362,775</u>	<u>\$43,770</u>
\$932,472	\$757,209	\$651,976	\$969,103	\$1,299,788	\$1,226,216	\$1,324,908	\$1,437,616	\$1,537,392	\$1,859,061	\$1,157,932	\$1,520,707	\$1,564,477

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Matt Wohlfeill
John P. Meinhardt

ORDINANCE NO. 2016-07

**AN ORDINANCE TO AMEND SECTIONS 42-201 AND 42-202(3) OF
CHAPTER 42 OF THE CADILLAC CITY CODE TO INCREASE WATER RATES
IN THE CITY OF CADILLAC 2.5%.**

THE CITY OF CADILLAC ORDAINS:

Section 1.

The City hereby amends Section 42-201 of the Cadillac City Code, entitled "Service rates," which shall read as follows:

The rates for water service furnished by the city water supply system shall be as follows:

(1) *Monthly service charges.*

Meter Size (in inches)	Charge (per month)
5/8	\$6.39
3/4	\$9.40
1	\$15.66
1 1/2	\$31.38
2	\$50.06
3	\$109.64
4	\$187.95
6	\$391.62
8	\$563.90

(2) *Commodity charge.*

Volume (100 cubic-foot unit)	Per Month (per unit)
0 to 600 cu. ft.	\$1.34
601 to 10,000 cu. ft.	\$1.14
10,001 to 100,000 cu. ft.	\$1.01
100,001 to 250,000 cu. ft.	\$0.88
250,001 and above	\$0.77

Section 2.

The City hereby amends Section 42-202(3) of the Cadillac City Code, which shall read as follows:

The rates for providing fire protection sprinklers shall be as follows:

Line Size (in inches)	Charges (per month)
$\frac{3}{4}$	\$2.29
1	\$3.92
1 $\frac{1}{2}$	\$7.77
2	\$12.54
3	\$27.22
4	\$46.81
6	\$97.70
8	\$140.77
10	\$226.74
12	\$336.08

Section 3.

All other ordinances inconsistent with the provisions of this Ordinance are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 4.

This Ordinance shall take effect July 1, 2016.

Approved this 2nd day of May, 2016.

Sandra Wasson
Sandra Wasson, Clerk

Carla J. Filkins
Carla J. Filkins, Mayor

I, Sandra Wasson, City Clerk of the City of Cadillac, Michigan, do hereby certify that Ordinance
No. 2016-07 was published in the Cadillac News on the 7th day of May, 2016.

Sandra Wasson
Sandra Wasson, City Clerk

Date: March 19, 2018

Council Communication

Re: Ordinance Amending Fire & Property Maintenance Codes

During the February 19th, 2018 meeting of the City Council, the public hearing was conducted for the proposed updating of the City's Property Maintenance and Fire Codes. After the hearing, the City Council tabled the issue so that staff could clarify certain aspects of what was proposed.

In the days that followed the meeting on the 19th, the Fire Department contacted multiple interested parties and also hosted an outreach night that was attended by nearly a dozen people to help provide and collect information on what was proposed in addition to what had already been discussed during the City Council meeting. During the outreach session, areas of concern were identified and discussed. After the outreach session, the Fire Department revisited the ordinance amendments and has updated the original proposal in response to the information received during the additional outreach and previous Council meeting. The areas of the original ordinance that were altered are in bold font for easy reference and are included in the Council packet; a brief presentation will be provided during the meeting.

Recommended Action

Approve the Resolution to Adopt Ordinance Amending Chapters 8 and 18 of the City of Cadillac Code.

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

RESOLUTION NO. 2018 - _____

**RESOLUTION TO ADOPT
ORDINANCE AMENDING CHAPTERS 8 AND 18 OF THE CITY OF CADILLAC
CODE**

At a meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of March, 2018, at 6:00 p.m.

PRESENT:

ABSENT:

The following preamble and resolution was offered by _____ and seconded by _____.

WHEREAS, the International Code Council, Inc. has issued its 2015 International Fire and Property Maintenance Codes (the "2015 Codes"); and

WHEREAS, the 2015 Codes regulate and govern the safeguarding of life and property from conditions hazardous to life or property in the occupancy of buildings and premises; and

WHEREAS, the City wishes to consider adopting an ordinance to amend Chapters 8 and 18 of the Cadillac City Code to adopt the 2015 Codes by reference, as amended and to consolidate existing City of Cadillac Code provisions/regulations into the 2015 Codes; and

WHEREAS, at its meeting on February 5, 2018, the City introduced an Ordinance to amend Chapters 8 and 18 of the City Code; and

WHEREAS, on February 19, 2018, the City held a public hearing to consider adoption of the Ordinance; and

WHEREAS, following the public hearing and after further consideration, the City has determined it is in the best interests of the health, safety and welfare of City residents to adopt the Ordinance with certain amendments.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. Ordinance No. 2018-____, Ordinance Amending Chapters 8 and 18 of the City of Cadillac Code (the "Ordinance," attached as Exhibit A) is hereby adopted.

2. The Ordinance shall be filed with the City Clerk.

3. The City Clerk is directed to publish a Notice of Adoption within seven (7) days after its adoption.

4. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: _____

NAYS: _____

STATE OF MICHIGAN)
)ss
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. 2018-____, duly adopted at a regular meeting of the City Council held on the 19th day of March, 2018.

Sandra Wasson
Cadillac City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
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Mayor
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Mayor Pro-Tem
Shari Spoelman

Councilmembers
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Robert J. Engels

ORDINANCE NO. 2018-_____

**ORDINANCE AMENDING CHAPTERS 8 AND 18 OF THE CITY OF CADILLAC
CODE**

THE CITY OF CADILLAC ORDAINS:

Section 1. Amendment of Chapter 8, Article V

Chapter 8, Article V, Section 8-121 of the City Code is hereby amended as follows:

Sec. 8-121. Adoption of 2015 International Property Maintenance Code.

The city hereby adopts by reference the **2015** International Property Maintenance Code issued by International Code Council, Inc., except those sections herein deleted or amended.

Chapter 8, Article V, Section 8-124 of the City Code is hereby amended to incorporate the following amendments to the 2015 International Property Maintenance Code:

Sec. 8-123. Amendments.

Section 101.1: These regulations shall be known as the "International Property Maintenance Code of **the City of Cadillac**," hereinafter referred to as "this code."

Section 103.1: **This code shall be enforced by the City Manager or his designee. The City Manager or his designee shall be known as the code official.**

Section 103.2: Appointment. **This section is deleted in its entirety.**

Section 103.5: The fees for activities and services performed by the department in carrying out its responsibilities under this code shall be **established by resolution of the city council.**

Section 107.6: It shall be unlawful for the owner of any dwelling unit or structure who has received a compliance order or upon whom a notice of violation has been served to sell, transfer, mortgage, lease or otherwise dispose of such until the provisions of the compliance order or notice have been complied with; or until such owner or the owner's authorized agent shall first furnish the grantee, transferee, mortgage or lessee a

true copy of any compliance order or notice issued by the code official a signed and notarized statement acknowledging the receipt of such compliance order or notice and fully accepting the responsibility without condition for making the corrections or repairs required by such compliance order or notice of violation. **A violation of this section shall be deemed a misdemeanor offense.**

Section 108.8: The owner of any structure placarded pursuant to Section 108.4 is responsible for paying a monthly, non-refundable administrative fee while the placard remains on the structure. The administrative fee shall be established by resolution of the City Council in an amount sufficient to defray the cost incurred by the City to monitor the structure for the purpose of preventing public safety hazards. The owner or party in interest whose name appears on the City's real property tax assessment records shall be notified of the amount owed by first class mail at the address shown on the City's real property tax assessment records. After 30 days, any unpaid amount shall be reported to the City Assessor for placement on the next tax roll of the City and imposition of a lien against the property, as permitted by State law.

Section 111.1 through Section 111.8: These sections are deleted in their entirety and are replaced by the following:

Section 111.1: Any person directly affected by a decision of the code official or a notice or order issued under this code shall have the right to a hearing before the city's Construction Code Board of Appeals as established in Article II of the Cadillac City Code.

Section 111.2: Appeal to Circuit Court. Any person aggrieved by a decision of the Construction Code Board of Appeals under Section 111.1 may appeal said decision to the circuit court.

Section 112.4: Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine **in an amount to be established by resolution of the City Council.**

Section 202: (Add definitions)

ABANDONED VEHICLE. A vehicle which has remained on private property for a period of time so as to appear to be abandoned and which remains on private property for a period of 48 hours.

INOPERABLE VEHICLE. A vehicle, which is incapable of performing the function for which it was manufactured because of damage, missing or malfunctioning parts or equipment, or for any other reason. The term "inoperable vehicle" shall include junk vehicles and scrap vehicles. A historic motor vehicle, duly registered and certified as such as prescribed by the Michigan Vehicle Code, Public Act No. 300 of 1949 (MCL 257.1 et seq.), shall not be deemed an inoperable vehicle. Vehicles presently in use and subject to routine maintenance (oil change, tire rotation, etc.) shall not be deemed inoperable.

RECREATIONAL VEHICLE. A motorized or nonmotorized vehicle that is not generally used as a primary means of transportation and is generally used for recreational purposes. The term "recreational vehicle" includes, but is not limited to a motor home, motorcoach, trailer, camper, watercraft, snowmobile, offroad motorcycle, quad runner, dune buggy, offroad vehicle, personal aircraft or plane.

Section 302.4: All premises and exterior property shall be maintained free from weeds or plant growth in excess of 12 inches. **In addition to the remedies otherwise provided, any costs incurred by the City in the destruction or maintenance of weeds in violation of this Ordinance may be placed on the next tax roll of the City and the City may impose a lien against the property, as permitted by State law.** (The remainder of this section shall be in effect as written.)

Section 302.8: Except as provided for in other regulations, no inoperative, **abandoned** or unlicensed motor vehicle shall be parked, kept or stored on any premises, and no vehicle shall at any time be in a state of major disassembly, disrepair, or in the process of being stripped or dismantled. Painting of vehicles is prohibited unless conducted inside an approved spray booth.

Exception: A vehicle of any type is permitted to undergo a major overhaul, including body work, provided that such work is performed inside a structure or similarly enclosed area designed and approved for such purposes **and subject to obtaining an operational permit from the fire code official pursuant to the International Fire Code.**

Mobile homes must be located within a licensed mobile home park or within a designated area, properly zoned, such as a mobile home district.

Storage of recreational vehicles is limited to those recreational vehicles owned by the owner of record, renter or legal occupant of property.

Recreational vehicles shall be stored or parked within the confines of the rear or side yard areas with a minimum three-foot setback from side or rear lot lines. On lake front property, the yard abutting the lake shall be considered as the rear yard for the enforcement of this section. The code enforcement officer shall determine if rear lot storage is possible for purposes of this section.

Recreational vehicles shall not be connected to sanitary facilities or permanent water connections, and shall not be occupied for a period to exceed 72 hours.

The code enforcement officer may, upon written request, grant a one-time extension of 72 hours renewal for occupancy.

Section 304.14: **During the period from April 1 through October 31,** every door, window and other outside opening required for ventilation of habitable rooms, food preparation areas, food preparation areas, food service areas or any areas where products to be included or utilized in food for human consumption are processed, manufactured, packaged or stored shall be supplied with approved rightly fitting screens of not less than 16 mesh per inch (16 mesh per 25 mm), and every screen door

used for insect control shall have a self-closing device in good working condition. (The remainder of this section shall be in effect as written.)

Section 602.3: Every owner and operator of any building who rents, leases or lets one or more dwelling units or sleeping units on terms, either expressed or implied, to furnish heat for the occupants thereof shall supply heat **at all times** to maintain a temperature of not less than 68°F (20°C) in all habitable rooms, bathrooms and toilet rooms. (The remainder of this section shall be in effect as written.)

Section 602.4: Indoor occupiable work spaces shall be supplied with heat **at all times** to maintain a temperature of not less than 65°F (18°C) during the period the spaces are occupied. (The remainder of this section shall be in effect as written.)

(Added) Section 704.2.5: Carbon monoxide alarms. Existing residential occupancies shall be equipped with carbon monoxide alarms. Alarms shall be installed outside of each separate dwelling unit sleeping area in the immediate vicinity of the sleeping area. Alarms shall receive power from building wiring where such wiring is served from a commercial source. When primary power is interrupted, the alarm shall receive back-up power from a battery.

Exception: Alarms having a 10-year sealed battery may be used in lieu of a wired alarm.

Chapter 8, Article V, section 8-127 of the City Code entitled "Violations" is hereby amended to read as follows in its entirety:

Sec. 8-127. - Violations.

Any violation of this Article or the 2015 International Property Maintenance Code shall be punishable as a municipal civil infraction **unless otherwise specified.**

Section 2. Amendment of Chapter 18, Article II.

Chapter 18, Article II, Section 18-19 of the City Code shall hereby be amended as follows:

Sec. 18-19. Adoption of 2015 International Fire Code.

The city hereby adopts by reference the **2015** International Fire Code issued by International Code Council, Inc., except those sections herein deleted or amended.

Chapter 18, Article II, Section 18-22 of the City Code is hereby amended to incorporate the following amendments to the 2015 International Fire Code:

Section 101.1. Title. These regulations shall be known as the "Fire Code of **the City of Cadillac,**" hereinafter referred to as "this code."

Section 103.2. Appointment. **This section is deleted in its entirety.**

Section 108.1. Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a board of appeals. The board of appeals shall be appointed by the governing body and shall hold office at its pleasure. The fire code official shall be an ex officio member of said board but shall not have a vote on any matter before the board. The board shall adopt rules of procedure for conducting its business, and shall render all decisions and findings in writing to the appellant with a duplicate copy to the fire code official.

Any person directly affected by a decision of the code official or a notice or order issued under this code shall have the right to a hearing before the city's Construction Code Board of Appeals as established in Article II of the Cadillac City Code.

Any person aggrieved by a decision of the Construction Code Board of Appeals may appeal said decision to the circuit court.

Section 109.3. Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a **civil infraction, unless otherwise specified**. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 111.4. Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine of not less than **one hundred (\$100.00), plus costs, for the first offense, not less than two-hundred fifty dollars (\$250.00), plus costs, for the second offense, and not less than five-hundred dollars (\$500.00), plus costs, for each repeat offense thereafter.**

*Section 113.3. Work commencing before **registered contractor status or permit issuance.*** A person, **company, and/or building owner** who commences **or authorizes** any work, activity or operation regulated by this code **without first registering with the AHJ where required by this code or** before obtaining the necessary permits may be subject to an additional fee established by **resolution of the City Council** which shall be in addition to the required permit fees.

Section 901.1. Scope. The provisions of this chapter shall specify where fire protection systems are required and shall apply to the design, installation, inspection, operation, testing and maintenance of all fire protection systems. **Violations of this Section 901 shall be deemed misdemeanors, punishable by a fine of not more than five-hundred dollars (\$500.00) or imprisonment not exceeding ninety (90) days.**

(Added) Section 901.11: Authorized Fire Protection Contractor. All fire protection system contractors performing inspection, testing, maintenance, repair, modification, or installation activities of any fire protection system shall be required to register with the AHJ. Mandatory registration shall be a one-time requirement

and shall be completed prior to commencing work on any fire protection system. The penalty for violation of this provision shall be in accordance with Section 113.3.

Section 903.2 Where Required. Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in **the Michigan Building Code.**

1031.1 *General.* The means of egress for buildings or portions thereof shall be maintained in accordance with this section. **Violations of this Section 1031 shall be deemed misdemeanors, punishable by a fine of not more than five-hundred dollars (\$500.00) or imprisonment not exceeding ninety (90) days.**

Section 3. Amendment of Section 16-208 of City Code.

Section 16-208 of the City Code is hereby amended to remove the definition of “vehicle,” “abandoned vehicle,” “inoperable vehicle” and “recreational vehicle” as those definitions shall hereafter be incorporated into the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 4. Amendment of Section 16-209 of City Code.

Section 16-209 of the City Code is hereby amended to remove paragraphs (4) and (5) regarding inoperable and abandoned vehicles as those regulations shall hereafter be incorporated into the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 5. Repealer of Sections 16-210 & 16-213 of City Code.

Section 16-210 and 16-213 of the City Code regarding dismantling of vehicles and storage of recreational vehicles are hereby repealed in their entirety as those regulations shall hereafter be incorporated into the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 6. Repealer of Chapter 16 Article V of City Code.

Chapter 16 Article V of the City Code regarding weed control is hereby repealed in its entirety and the City hereby incorporates the provisions regarding weed control in the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 7. Validity and Severability.

Any section or subsection not expressly amended by this Ordinance shall remain in full force and effect. Should any portion of this Ordinance be found invalid for any reason, such holding shall not be construed as affecting the validity of the remaining portions of this Ordinance.

Section 8. Repealer.

All other ordinances inconsistent with the provisions of this Ordinance are hereby repealed but only to the extent necessary to give this Ordinance full force and effect.

Section 9. Effective Date.

This Ordinance shall take effect twenty (20) days after its adoption.

Approved this ____ day of _____, 2018.

Sandra Wasson, Clerk

Carla Filkins, Mayor

I, Sandra Wasson, City Clerk of the City of Cadillac, Michigan, do hereby certify that a summary of Ordinance No. 2018-____ was published in the Cadillac News on the ____ day of _____, 2018.

Sandra Wasson, City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

ORDINANCE NO. 2018-_____

**ORDINANCE AMENDING CHAPTERS 8 AND 18 OF THE CITY OF CADILLAC
CODE**

THE CITY OF CADILLAC ORDAINS:

Section 1. Amendment of Chapter 8, Article V

Chapter 8, Article V, Section 8-121 of the City Code is hereby amended as follows:

Sec. 8-121. Adoption of 2015 International Property Maintenance Code.

The city hereby adopts by reference the **2015** International Property Maintenance Code issued by International Code Council, Inc., except those sections herein deleted or amended.

Chapter 8, Article V, Section 8-124 of the City Code is hereby amended to incorporate the following amendments to the 2015 International Property Maintenance Code:

Sec. 8-123. Amendments.

Section 101.1: These regulations shall be known as the "International Property Maintenance Code of the City of Cadillac," hereinafter referred to as "this code."

Section 103.1: This code shall be enforced by the City Manager or his designee. The City Manager or his designee shall be known as the *code official*.

Section 103.2: Appointment. This section is deleted in its entirety.

Section 103.5: The fees for activities and services performed by the department in carrying out its responsibilities under this code shall be established by resolution of the city council.

Section 107.6: It shall be unlawful for the owner of any dwelling unit or structure who has received a compliance order or upon whom a notice of violation has been served to sell, transfer, mortgage, lease or otherwise dispose of such until the provisions of the compliance order or notice have been complied with; or until such owner or the owner's authorized agent shall first furnish the grantee, transferee, mortgage or lessee a

true copy of any compliance order or notice issued by the code official a signed and notarized statement acknowledging the receipt of such compliance order or notice and fully accepting the responsibility without condition for making the corrections or repairs required by such compliance order or notice of violation. A violation of this section shall be deemed a misdemeanor offense.

Section 108.8: The owner of any structure placarded pursuant to Section 108.4 is responsible for paying a monthly, non-refundable administrative fee while the placard remains on the structure. The administrative fee shall be established by resolution of the City Council in an amount sufficient to defray the cost incurred by the City to monitor the structure for the purpose of preventing public safety hazards. The owner or party in interest whose name appears on the City's real property tax assessment records shall be notified of the amount owed by first class mail at the address shown on the City's real property tax assessment records. After 30 days, any unpaid amount shall be reported to the City Assessor for placement on the next tax roll of the City and imposition of a lien against the property, as permitted by State law.

Section 111.1 through Section 111.8: These sections are deleted in their entirety and are replaced by the following:

Section 111.1: Any person directly affected by a decision of the code official or a notice or order issued under this code shall have the right to a hearing before the city's Construction Code Board of Appeals as established in Article II of the Cadillac City Code.

Section 111.2: Appeal to Circuit Court. Any person aggrieved by a decision of the Construction Code Board of Appeals under Section 111.1 may appeal said decision to the circuit court.

Section 112.4: Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine in an amount to be established by resolution of the City Council.

Section 202: (Add definitions)

ABANDONED VEHICLE. A vehicle which has remained on private property for a period of time so as to appear to be abandoned and which remains on private property for a period of 48 hours.

INOPERABLE VEHICLE. A vehicle, which is incapable of performing the function for which it was manufactured because of damage, missing or malfunctioning parts or equipment, or for any other reason. The term "inoperable vehicle" shall include junk vehicles and scrap vehicles. A historic motor vehicle, duly registered and certified as such as prescribed by the Michigan Vehicle Code, Public Act No. 300 of 1949 (MCL 257.1 et seq.), shall not be deemed an inoperable vehicle. Vehicles presently in use and subject to routine maintenance (oil change, tire rotation, etc.) shall not be deemed inoperable.

RECREATIONAL VEHICLE. A motorized or nonmotorized vehicle that is not generally used as a primary means of transportation and is generally used for recreational purposes. The term "recreational vehicle" includes, but is not limited to a motor home, motorcoach, trailer, camper, watercraft, snowmobile, offroad motorcycle, quad runner, dune buggy, offroad vehicle, personal aircraft or plane.

Section 302.4: All premises and exterior property shall be maintained free from weeds or plant growth in excess of 12 inches. In addition to the remedies otherwise provided, any costs incurred by the City in the destruction or maintenance of weeds in violation of this Ordinance may be placed on the next tax roll of the City and the City may impose a lien against the property, as permitted by State law. (The remainder of this section shall be in effect as written.)

Section 302.8: Except as provided for in other regulations, no inoperative, abandoned or unlicensed motor vehicle shall be parked, kept or stored on any premises, and no vehicle shall at any time be in a state of major disassembly, disrepair, or in the process of being stripped or dismantled. Painting of vehicles is prohibited unless conducted inside an approved spray booth.

Exception: A vehicle of any type is permitted to undergo a major overhaul, including body work, provided that such work is performed inside a structure or similarly enclosed area designed and approved for such purposes and subject to obtaining an operational permit from the fire code official pursuant to the International Fire Code.

Mobile homes must be located within a licensed mobile home park or within a designated area, properly zoned, such as a mobile home district.

Storage of recreational vehicles is limited to those recreational vehicles owned by the owner of record, renter or legal occupant of property.

Recreational vehicles shall be stored or parked within the confines of the rear or side yard areas with a minimum three-foot setback from side or rear lot lines. On lake front property, the yard abutting the lake shall be considered as the rear yard for the enforcement of this section. The code enforcement officer shall determine if rear lot storage is possible for purposes of this section.

Recreational vehicles shall not be connected to sanitary facilities or permanent water connections, and shall not be occupied for a period to exceed 72 hours.

The code enforcement officer may, upon written request, grant a one-time extension of 72 hours renewal for occupancy.

Section 304.14: During the period from April 1 through October 31, every door, window and other outside opening required for ventilation of habitable rooms, food preparation areas, food preparation areas, food service areas or any areas where products to be included or utilized in food for human consumption are processed, manufactured, packaged or stored shall be supplied with approved rightly fitting screens of not less than 16 mesh per inch (16 mesh per 25 mm), and every screen door

used for insect control shall have a self-closing device in good working condition. (The remainder of this section shall be in effect as written.)

Section 602.3: Every owner and operator of any building who rents, leases or lets one or more dwelling units or sleeping units on terms, either expressed or implied, to furnish heat for the occupants thereof shall supply heat at all times to maintain a temperature of not less than 68°F (20°C) in all habitable rooms, bathrooms and toilet rooms. (The remainder of this section shall be in effect as written.)

Section 602.4: Indoor occupiable work spaces shall be supplied with heat at all times to maintain a temperature of not less than 65°F (18°C) during the period the spaces are occupied. (The remainder of this section shall be in effect as written.)

(Added) *Section 704.2.5:* Carbon monoxide alarms. Existing residential occupancies shall be equipped with carbon monoxide alarms. Alarms shall be installed outside of each separate dwelling unit sleeping area in the immediate vicinity of the sleeping area. Alarms shall receive power from building wiring where such wiring is served from a commercial source. When primary power is interrupted, the alarm shall receive back-up power from a battery.

Exception: Alarms having a 10-year sealed battery may be used in lieu of a wired alarm.

Chapter 8, Article V, section 8-127 of the City Code entitled "Violations" is hereby amended to read as follows in its entirety:

Sec. 8-127. - Violations.

Any violation of this Article or the 2015 International Property Maintenance Code shall be punishable as a municipal civil infraction **unless otherwise specified**.

Section 2. Amendment of Chapter 18, Article II.

Chapter 18, Article II, Section 18-19 of the City Code shall hereby be amended as follows:

Sec. 18-19. Adoption of 2015 International Fire Code.

The city hereby adopts by reference the 2015 International Fire Code issued by International Code Council, Inc., except those sections herein deleted or amended.

Chapter 18, Article II, Section 18-22 of the City Code is hereby amended to incorporate the following amendments to the 2015 International Fire Code:

Section 101.1. Title. These regulations shall be known as the "Fire Code of the City of Cadillac," hereinafter referred to as "this code."

Section 103.2. Appointment. This section is deleted in its entirety.

Section 108.1. Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a board of appeals. The board of appeals shall be appointed by the governing body and shall hold office at its pleasure. The fire code official shall be an ex officio member of said board but shall not have a vote on any matter before the board. The board shall adopt rules of procedure for conducting its business, and shall render all decisions and findings in writing to the appellant with a duplicate copy to the fire code official.

Any person directly affected by a decision of the code official or a notice or order issued under this code shall have the right to a hearing before the city's Construction Code Board of Appeals as established in Article II of the Cadillac City Code.

Any person aggrieved by a decision of the Construction Code Board of Appeals may appeal said decision to the circuit court.

Section 109.3. Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a civil infraction, unless otherwise specified. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 111.4. Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine of not less than one hundred (\$100.00), plus costs, for the first offense, not less than two-hundred fifty dollars (\$250.00), plus costs, for the second offense, and not less than five-hundred dollars (\$500.00), plus costs, for each repeat offense thereafter.

Section 113.3. Work commencing before registered contractor status or permit issuance. A person, company, and/or building owner who commences or authorizes any work, activity or operation regulated by this code without first registering with the AHJ where required by this code or before obtaining the necessary permits may be subject to an additional fee established by resolution of the City Council which shall be in addition to the required permit fees.

Section 901.1. Scope. The provisions of this chapter shall specify where fire protection systems are required and shall apply to the design, installation, inspection, operation, testing and maintenance of all fire protection systems. Violations of this Section 901 shall be deemed misdemeanors, punishable by a fine of not more than five-hundred dollars (\$500.00) or imprisonment not exceeding ninety (90) days.

(Added) *Section 901.11: Authorized Fire Protection Contractor.* All fire protection system contractors performing inspection, testing, maintenance, repair, modification, or installation activities of any fire protection system shall be required to register with the AHJ. Mandatory registration shall be a one-time requirement **and shall be completed**

prior to commencing work on any fire protection system. The penalty for violation of this provision shall be in accordance with Section 113.3.

Section 903.2 Where Required. Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in the Michigan Building Code.

1031.1 *General.* The means of egress for buildings or portions thereof shall be maintained in accordance with this section. Violations of this Section 1031 shall be deemed misdemeanors, punishable by a fine of not more than five-hundred dollars (\$500.00) or imprisonment not exceeding ninety (90) days.

Section 3. Amendment of Section 16-208 of City Code.

Section 16-208 of the City Code is hereby amended to remove the definition of “vehicle,” “abandoned vehicle,” “inoperable vehicle” and “recreational vehicle” as those definitions shall hereafter be incorporated into the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 4. Amendment of Section 16-209 of City Code.

Section 16-209 of the City Code is hereby amended to remove paragraphs (4) and (5) regarding inoperable and abandoned vehicles as those regulations shall hereafter be incorporated into the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 5. Repealer of Sections 16-210 & 16-213 of City Code.

Section 16-210 and 16-213 of the City Code regarding dismantling of vehicles and storage of recreational vehicles are hereby repealed in their entirety as those regulations shall hereafter be incorporated into the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 6. Repealer of Chapter 16 Article V of City Code.

Chapter 16 Article V of the City Code regarding weed control is hereby repealed in its entirety and the City hereby incorporates the provisions regarding weed control in the International Property Maintenance Code of the City of Cadillac pursuant to Section 1 above.

Section 7. Validity and Severability.

Any section or subsection not expressly amended by this Ordinance shall remain in full force and effect. Should any portion of this Ordinance be found invalid for any reason, such holding shall not be construed as affecting the validity of the remaining portions of this Ordinance.

Section 8. Repealer.

All other ordinances inconsistent with the provisions of this Ordinance are hereby repealed but only to the extent necessary to give this Ordinance full force and effect.

Section 9. Effective Date.

This Ordinance shall take effect twenty (20) days after its adoption.

Approved this _____ day of _____, 2018.

Sandra Wasson, Clerk

Carla Filkins, Mayor

I, Sandra Wasson, City Clerk of the City of Cadillac, Michigan, do hereby certify that a summary of Ordinance No. 2018-_____ was published in the Cadillac News on the _____ day of _____, 2018.

Sandra Wasson, City Clerk

Date: March 19, 2018

Council Communication

Re: Resolution Setting Fees for Contractors and Condemned Housing

During the February 19th, 2018 meeting of the City Council, the public hearing was conducted for the proposed updating of the City's Property Maintenance and Fire Codes. After the hearing, the City Council tabled the issue so that staff could clarify certain aspects of what was proposed.

Part of what was proposed included provisions requiring fire protection system contractors to register with the City. Additionally, individuals who own condemned structures that were not actively working to bring them into compliance with City Code would also have to pay a fee to the City. A resolution establishing a progressive fee for failing to register and/or acquire a fire department permit when required and a monthly fee assessed to the owners of condemned structures that increases after a designated period of time is being proposed. Tables of the proposed fee structures have been provided below:

Failure to Obtain Contractor Registration/Permitting under Section 113.3 of Fire Code	
1 st Offense (per calendar year)	\$100
2 nd Offense (per calendar year)	\$250
3 rd Offense and Subsequent Offenses (per calendar year)	\$500

Administrative Condemned Housing Placarding Fees under Section 108.8 of Property Maintenance Code	
1 st Six Months of Inactivity	\$50/month
Seven Months or More of Inactivity	\$100/month

Recommended Action

Adopt the Resolution to Set Fee Schedule for Condemned Buildings (Section 108.8 of Property Maintenance Code) and Failure to Obtain Contractor/Permit (Section 113.3 of Fire Code).

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla J. Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

RESOLUTION NO. 2018-____

RESOLUTION TO SET FEE SCHEDULE FOR CONDEMNED BUILDINGS (SECTION 108.8 OF PROPERTY MAINTENANCE CODE) AND FAILURE TO OBTAIN CONTRACTOR REGISTRATION/PERMIT (SECTION 113.3 OF FIRE CODE).

At a regular meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of March, 2018, at 6:00 p.m.

PRESENT: _____

ABSENT: _____

The following preamble and resolution was offered by _____ and seconded by _____.

WHEREAS, the City of Cadillac ("City") has adopted regulations in Chapters 8 and 18 of the City Code within the City's Property Maintenance and Fire Codes regarding fees for placarding condemned buildings (Section 108.8 of Property Maintenance Code) and for failing to obtain contractor registration/permitting before commencing work under the Fire Code (Section 113.3 of Fire Code); and

WHEREAS, Sections 108.8 and 113.3 of the Property Maintenance and Fire Codes respectively authorize the City Council to, by resolution, set fees required to be paid in these circumstances; and

WHEREAS, the City wishes to adopt a fee schedule for (1) placarding condemned buildings under Section 108.8 of Property Maintenance Code and (2) for failing to obtain

contractor registration/permitting before commencing work in the City under the Fire Code.

NOW THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. The following fee schedule is hereby adopted for placarding condemned buildings under Section 108.8 of Property Maintenance Code:

Administrative Condemned Housing Placarding Fees under Section 108.8 of Property Maintenance Code	
1 st Six Months of Inactivity	\$50/month
Seven Months or More of Inactivity	\$100/month

2. The following fee schedule is hereby adopted for failing to obtain contractor registration/permitting before commencing work in the City under the Fire Code:

Failure to Obtain Contractor Registration/Permitting under Section 113.3 of Fire Code	
1 st Offense (per calendar year)	\$100
2 nd Offense (per calendar year)	\$250
3 rd Offense and Subsequent Offenses (per calendar year)	\$500

3. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: _____

NAYS: _____

STATE OF MICHIGAN)
) ss
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. 2018-____, duly adopted at a regular meeting of the City Council held on the 19th day of March, 2018.

Sandra Wasson
Cadillac City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

RESOLUTION NO. 2018-xxxx

RESOLUTION FOR ADDITION TO LOCAL STREET SYSTEM

At a regular meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of March, 2018, at 6:00 p.m.

PRESENT: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBER:

The following preamble and resolution was offered by XXXXXXX and seconded by XXXXXXX.

WHEREAS, the City of Cadillac completed an extension of Warren Street which was opened to traffic on August 31, 2017;

And WHEREAS, it is necessary to furnish certain information to the State of Michigan to place this street within the City Street System for the purpose of obtaining funds under Act 51, P.A. 1951 as amended.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. That the center line of the street is described as follows:

**** Description still being finalized ****

2. That said street is located within a City right-of-way and is under control of the City of Cadillac.

3. That said street is a public street and is for public street purposes.
4. That said street is accepted into the City Local Street System and was open to public on August 31, 2017.
5. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: COUNCIL MEMBERS:

NAYS: None

STATE OF MICHIGAN)
)ss
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. 2018-xxxx, duly adopted at a regular meeting of the City Council held on the 19th day of March, 2018.

Sandra Wasson
Cadillac City Clerk

City Council

200 North Lake Street
Cadillac, Michigan 49601
Phone (231) 775-0181
Fax (231) 775-8755



Mayor
Carla Filkins

Mayor Pro-Tem
Shari Spoelman

Councilmembers
Tiyi Schippers
Stephen King
Robert J. Engels

RESOLUTION NO. 2018-xxxx

RESOLUTION FOR ADDITION TO LOCAL STREET SYSTEM

At a regular meeting of the City Council of the City of Cadillac, Wexford County, Michigan, held in the Council Chambers, Cadillac Municipal Complex, 200 North Lake Street, Cadillac, Michigan, on the 19th day of March, 2018, at 6:00 p.m.

PRESENT: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBER:

The following preamble and resolution was offered by XXXXXXX and seconded by XXXXXXX.

WHEREAS, the City of Cadillac completed an extension of Lincoln Street which was opened to traffic on August 31, 2017;

And WHEREAS, it is necessary to furnish certain information to the State of Michigan to place this street within the City Street System for the purpose of obtaining funds under Act 51, P.A. 1951 as amended.

NOW, THEREFORE, the City Council of the City of Cadillac, Wexford County, Michigan, resolves as follows:

1. That the center line of the street is described as follows:

**** Description still being finalized ****

2. That said street is located within a City right-of-way and is under control of the City of Cadillac.

3. That said street is a public street and is for public street purposes.
4. That said street is accepted into the City Local Street System and was open to public on August 31, 2017.
5. Any and all resolutions that are in conflict with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

YEAS: COUNCIL MEMBERS:

NAYS: None

STATE OF MICHIGAN)
)ss
COUNTY OF WEXFORD)

I, Sandra Wasson, City Clerk of the City of Cadillac, hereby certify this to be a true and complete copy of Resolution No. 2018-xxxx, duly adopted at a regular meeting of the City Council held on the 19th day of March, 2018.

Sandra Wasson
Cadillac City Clerk