



# CITY COUNCIL MEETING AGENDA

1<sup>st</sup> and 3<sup>rd</sup> Thursday of the Month

Marc D. Tall, Mayor  
Ronald J. Beauchamp, Mayor Pro-Tem  
Patricia A. Baribeau, Council Member  
Ralph B. Blasier, Council Member  
Michael R. Sattem, Council Member

James V. O'Toole, City Manager  
Robert S. Richards, CMC, City Clerk  
Ralph B.K. Peterson, City Attorney

City Council Chambers located at: City Hall - 410 Ludington Street - Room C101 - Escanaba, MI 49829

The Council has adopted a policy to use a Consent Agenda, when appropriate. All items listed with an asterisk (\*) are considered routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event the item will be removed from the General Order of Business and considered in its normal sequence on the Agenda.

## Regular Meeting

**Thursday, June 18, 2015, at 7:00 p.m.**

### CALL TO ORDER

### ROLL CALL

INVOCATION/PLEDGE OF ALLEGIANCE - Pastor Erik Heskin, of Bethany Lutheran Church

APPROVAL/CORRECTION(S) TO MINUTES - Regular Meeting June 4, 2015

### APPROVAL/ADJUSTMENTS TO THE AGENDA

### CONFLICT OF INTEREST DECLARATION

AWARD PRESENTATION - Meritorious Service Award/Proclamation – Nancy L. Young

### BRIEF PUBLIC COMMENT

### PUBLIC HEARINGS

#### **1. Approval – Ordinance No. 1163 – Appropriations Ordinance Amendment.**

**Explanation:** A public hearing will be conducted on an amendment to the current Appropriations Ordinance for the fiscal year ending June 30, 2015. An amendment is needed to balance out over and under expenditures within various departmental budgets for the 2014-15 fiscal year. This action is mandated by State law and adjusts budget accounts to help ensure that no individual line items are overrun.

### NEW BUSINESS

#### **1. Approval – Resolution of Support – Bonifas Art Center – Music Mondays Summer Concerts.**

**Explanation:** The Bonifas Art Center is seeking Council approval of a resolution supporting their grant application to the Michigan Council for Arts and Cultural Affairs seeking funds for the "Music Mondays" Summer Concert Series. If the funding is approved, the City of Escanaba will serve as the Administrator of funds. Administration is recommending approval.

#### **2. Approval – Street Paving Contract – Department of Public Works.**

**Explanation:** On May 27, 2015, four (4) invitations to submit bids for street paving were sent out to area vendors. Additionally, a request for bid was advertised in the Escanaba Daily Press. A bid opening was conducted on June 10, 2015, with one (1) received. After review and consideration by the Administration, the bid from Payne and Dolan, of Gladstone, Michigan, is being recommended for approval at the stated unit prices. This item is included in the upcoming fiscal year budget.

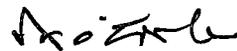
Council Agenda - June 18, 2015

3. **Update – Sale of the Power Plant – City Manager’s Office.**

**Explanation:** Administration will update the Council and public on the latest developments related to the Escanaba generating facility.

APPOINTMENTS  
BOARD, COMMISSION, AND COMMITTEE REPORTS  
GENERAL PUBLIC COMMENT  
ANNOUNCEMENTS  
ADJOURNMENT

Respectfully Submitted



James V. O'Toole  
City Manager

# CERTIFICATE OF MERITORIOUS SERVICE



PRESENTED TO

Nancy L. Young

AS AN EXPRESSION OF APPRECIATION FOR YOUR OUTSTANDING CONTRIBUTIONS, EFFORTS AND INVOLVEMENT FOR OVER 29 YEARS TO THE CITY OF ESCANABA, THIS CERTIFICATE OF COMMENDATION IS BEING AWARDED. YOUR DEDICATION AND PROFESSIONALISM IN HOW YOU PERFORMED YOUR DUTIES AND SERVED THE PEOPLE OF THIS COMMUNITY WAS NOTHING LESS THAN STELLAR. BEST WISHES TO YOU FOR CONTINUED HAPPINESS AND SUCCESS ON THE OCCASION OF YOUR RETIREMENT.

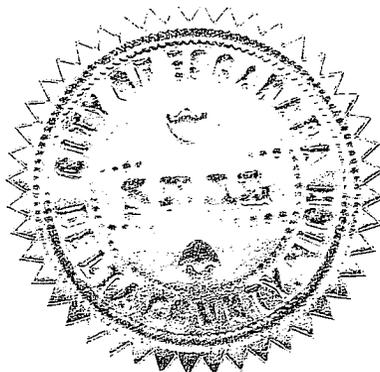
Conferred this day, June 18, 2015, on behalf of the City of Escanaba, Escanaba, Michigan.

BY:

James V. O'Toole  
City Manager  
City of Escanaba

BY:

Marc D. Tall  
Mayor  
City of Escanaba



# PROCLAMATION

## In Honor of Nancy L. Young Upon the Occasion of Her Retirement

**WHEREAS,** Nancy L. Young has been an invaluable member of the City team since December 2, 1986, when she accepted a position as Meter Reader for the Utility Office; and

**WHEREAS,** Nancy L. Young was promoted to Account Clerk for the Utility Office on January 11, 1988, and

**WHEREAS,** Nancy L. Young was promoted to Bookkeeping Machine Operator for the Utility Office on June 22, 1989; and

**WHEREAS,** Nancy L. Young was promoted to Account Clerk II for the Utility Office on January 5, 2004, and

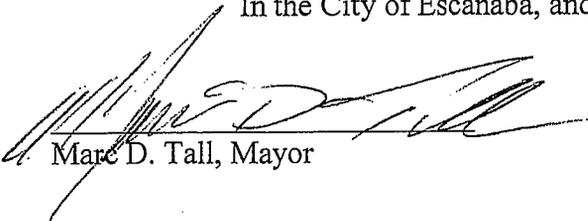
**WHEREAS,** Nancy L. Young retired on June 30, 2015; and

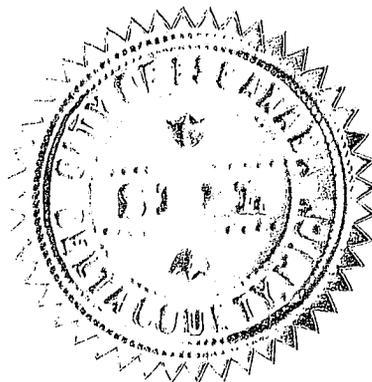
**WHEREAS,** The people of Escanaba wish to thank Nancy L. Young for her years of service to the people of Escanaba and congratulate her upon the momentous occasion of her retirement and wish her continued success in her future endeavors.

**NOW, THEREFORE, BE IT PROCLAIMED,** that I, Marc D. Tall, Mayor for the City of Escanaba, on behalf of the City Council and all Escanaba Employees and Citizens, do designate June 30, 2015, as,

### **“Nancy L. Young Day”**

In the City of Escanaba, and wish her the best in her retirement.

  
Marc D. Tall, Mayor



**OFFICIAL PROCEEDINGS  
CITY COUNCIL  
CITY OF ESCANABA, MICHIGAN  
Regular Council Meeting  
Thursday, June 4, 2015**

The meeting was called to order by the Honorable Mayor Marc D. Tall at 7:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: None

Also Present: City Manager James V. O'Toole, City Department Heads, media, and members of the public.

Pastor Chris Johnson of Christ the King Lutheran Church, gave the invocation and led Council in the Pledge of Allegiance.

Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from May 21, 2015, and Special Meeting Minutes from May 11, 2015, May 13, 2015, May 20, 2015, May 28, 2015, and June 1, 2015, as submitted.

**ADJUSTMENTS TO THE AGENDA**

Council Member Blasier asked that agenda item regarding Discussion on Senate Bill 282 and House Bill 4575 – Michigan Electric Infrastructure Act be moved to the Council Electrical Advisory Committee Meeting of June 10, 2015.

Blasier moved, Baribeau seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as amended.

**CONFLICT OF INTEREST DECLARATION** – None

**AWARD PRESENTATION**

Mayor Tall, on behalf of the citizens' of Escanaba, presented a Meritorious Service Award and Retirement Proclamation to Recreation Director Tom Penegor upon his retirement, and declared June 12, 2015, as Thomas J. Penegor Day in the City of Escanaba.

**BRIEF PUBLIC COMMENT** – None

**PUBLIC HEARINGS**

**Public Hearing – Industrial Facilities Exemption Certificate (IFT) – Bell’s Brewery, Inc. – 3525 Airport Road.**

Bell’s Brewery, Inc., an eligible business, requested an IFT exemption for a new addition to their existing facility and new personal property equipment pursuant to PA 198 of 1974, the Industrial Property Tax Abatement Act, for their property located at 3525 Airport Road.

City Assessor Daina Norden and Sam Reese, Bells Brewery Representative, provided a brief synopsis of the proposed expansion. The proposed expansion would triple the amount of beer brewed, and the expansion would provide four new jobs.

This being a public hearing, Mayor Tall asked if there was any public comment.

City Clerk Richards stated a letter of support encouraging Council approval of the Industrial Property Tax Abatement for Bell’s Brewery, Inc. was received from the Delta County Chamber of Commerce and the Delta County Economic Development Alliance.

Hearing no further public comment, Mayor Tall closed the public hearing.

**PH-1** The following preamble and resolution was offered by Council Member Blasier and supported by Council Member Sattem:

**CITY OF ESCANABA RESOLUTION APPROVING  
THE APPLICATION  
OF BELL’S BREWERY, INC.  
FOR A NEW FACILITY EXEMPTION**

**WHEREAS**, Pursuant to Public Act No. 198 of 1974, MCL 207.551 et seq., after a duly noticed public hearing held on October 17, 2013, this City Council, by resolution, established Bell’s Industrial Development District; and

**WHEREAS**, Bell’s Brewery, Inc., has filed an application for an Industrial Facilities Tax Exemption Certificate with respect to a new facility to be acquired and installed within the Bell’s Industrial Development District; and

**WHEREAS**, Before acting on said application, the City of Escanaba held a hearing on June 4, 2015, at the City Hall, 410 Ludington Street, in Escanaba at 7:00 p.m., at which hearing the applicant, assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

**WHEREAS**, Construction of the facility and/or installation of new machinery and equipment had not begun earlier than six (6) months before May 14, 2015, the date of the acceptance of the application for the Industrial Facilities Exemption Certificate; and

**WHEREAS**, Completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create, or prevent the loss of employment in the City of Escanaba; and

**WHEREAS**, The aggregate State Equalized Valuation (SEV) of real and personal property exempt from ad valorem taxes within the City of Escanaba, after granting this certificate, will not exceed five percent (5%) of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property exempted.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Escanaba that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered, together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 shall not have the effect of substantially impeding the operation of the City of Escanaba or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Escanaba.

2. The application of Bell's Brewery, Inc., for an Industrial Facilities Exemption Certificate with respect to a new facility to be acquired and installed on the following described parcel of real property situated within the Bell's Industrial Development District to wit:

Bell's Industrial Development District: 051-420-3501-300-021 – FROM THE NE CORNER OF NW1/4 OF SW1/4 OF SECTION 1 T.38N.,R.23W. THENCE MEASURE S.89°55'21"W. ALONG THE NORTH LINE OF SAID NW1/4 OF SW1/4 A DISTANCE OF 710.30 FEET, THENCE MEASURE S.00°41'57"W. PARALLEL WITH THE WEST LINE OF SAID NW1/4 OF SW1/4 A DISTANCE OF 86.33 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF AIRPORT ROAD AND THE POINT OF BEGINNING OF THE LAND HEREIN DESCRIBED, THENCE S.89°06'02"E. ALONG SAID SOUTH RIGHT-OF-WAY LINE A DISTANCE OF 135.50 FEET TO THE WESTERLY LINE OF A WETLANDS AREA, THENCE S.09°20'13"E. A DISTANCE OF 36.99 FEET, THENCE S.28°46'04"E. A DISTANCE OF 80.56 FEET, THENCE S.77°29'10"E. A DISTANCE OF 106.93 FEET, THENCE N.61°47'07"E. A DISTANCE OF 35.82 FEET, THENCE S.43°43'24"E. A DISTANCE OF 41.59 FEET, THENCE S.36°45'14"E. A DISTANCE OF 85.24 FEET, THENCE S.15°17'47"E. A DISTANCE OF 35.35 FEET, THENCE S.21°31'28"W. A DISTANCE OF 84.55 FEET, THENCE S.43°53'55"E. A DISTANCE OF 64.64 FEET, THENCE N.89°47'34"E. A DISTANCE OF 66.98 FEET, THENCE S.76°06'20"E. A DISTANCE OF 45.69 FEET, THENCE S.42°53'58"E. A DISTANCE OF 87.77 FEET, THENCE S.62°06'28"E. A DISTANCE OF 48.71 FEET, THENCE S.09°29'02"E. A DISTANCE OF 58.89 FEET, THENCE S.16°23'59"E. ALL BEING ALONG SAID WESTERLY LINE A DISTANCE OF 26.28 FEET, THENCE N.89°06'02"W. PARALLEL WITH SAID SOUTH RIGHT-OF-WAY LINE A DISTANCE OF 657.05 FEET, THENCE N.00°41'57"E. PARALLEL WITH SAID WEST LINE A DISTANCE OF 544.00 FEET TO THE POINT OF BEGINNING. CONTAINING 5.10 ACRES. (3525 AIRPORT ROAD)

Be and the same is hereby approved.

3. The Industrial Facilities Exemption Certificate, when issued, shall be and remain in force and effect for a period of twelve (12) years.

Ayes: Blasier, Sattem, Beauchamp, Baribeau, Tall  
Nays: None

**RESOLUTION DECLARED ADOPTED.**

**UNFINISHED BUSINESS** – None

**NEW BUSINESS**

**Approval – Use of Public Space – Walk for Life – Pregnancy Services of Delta County.**

Pregnancy Services of Delta County sought Council approval to use the Municipal Dock area in Ludington Park on September 19, 2015, for their annual Walk for Life event. Administration recommended approval of the request contingent upon the following: 1) Proper insurance was provided naming the City of Escanaba as an additional insured and 2) event sponsors provide all labor material and cleanup at the conclusion of the event.

**NB-1** Baribeau moved, Beauchamp seconded, to approve a request from Pregnancy Services of Delta County to use the Municipal Dock area in Ludington Park on September 19, 2015, for their annual Walk for Life event, contingent upon the following: 1) Proper insurance was provided naming the City of Escanaba as an additional insured and 2) event sponsors provide all labor material and cleanup at the conclusion of the event.

**Approval – Resolution – Revocation of OPRA Exemption Certificate No. 3-05-0027 – 720 Ludington Street – H2 Development LLC.**

On September 20, 2005, the City of Escanaba granted an Obsolete Property Rehabilitation Exemption for property located at 720 Ludington Street. On May 7, 2009, the property and exemption was transferred to H2 Development LLC. Administration requested Council revoke the OPRA Exemption Certificate (No. 3-05-0027) pursuant to Section 12 of PA 146 of 2000 in that the property owner has not proceeded in good faith in paying the property taxes as required by the program.

Assessor Daina Norden reviewed the OPRA parcel history and status which required the property owner pay their taxes.

**NB-2** By Council Member Beauchamp, seconded by Council Member Sattem:

**RESOLUTION TO REVOKE AN OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE NO. 3-05-0027 ISSUED SEPTEMBER 20, 2005**

**AND TRANSFERRED TO H2 DEVELOPMENT LLC ON MAY 7, 2009**

**Whereas,** Pursuant to P.A. 146 of 2000, the City of Escanaba established Obsolete Property Rehabilitation District No. 1 on May 19, 2005, 2005; and

**Whereas,** The City of Escanaba approved at a public hearing the application granting an Obsolete Property Rehabilitation Exemption for a period of twelve (12) years, ending December 30, 2017, being certificate no. 3-05-0027 issued September 20, 2005, and transferred to H2 Development LLC on May 7, 2009, pursuant to the provisions of P.A. 146 of 2000, hereafter referred to as “certificate”; and

**Whereas,** The Treasurer of the City of Escanaba, Michigan is authorized and commanded to collect the OPRA taxes assessed to them for the aforementioned “certificate”; and

**Whereas,** The aforementioned taxes are assessed against the parcels of property bearing the following property numbers, address, and legal description: 051-492-2929-302-004 & 051-490-2929-302-004, 720 Ludington Street, Lot 7, Block 41, Original Plat of Escanaba; and

**Whereas,** The Treasurer of the City of Escanaba filed with the Delta County Register of Deeds a Certificate of Non-Payment of OPRA Taxes recorded at Liber 1128 on page 859 and page 860; and

**Whereas,** Those taxes that are due have still not been paid; and

**Whereas,** The “certificate” was revoked at the June 4, 2015, City of Escanaba City Council meeting, pursuant to sec.12 of PA 146 of 2000 for failure to proceed in good faith.

**Now, Therefore, Be It Resolved** by the City Council of the City of Escanaba that Certificate No 3-05-0027 issued September 20, 2005, and transferred to H2 Development LLC on May 7, 2009 be and herby is **REVOKED**.

Ayes: Beauchamp, Sattem, Blasier, Baribeau, Tall  
Nays: None

**RESOLUTION DECLARED ADOPTED.**

**Discussion – Senate Bill 282 and House Bill 4575 – Michigan Electric Infrastructure Act.**

Council discussed Senate Bill 282 and House Bill 4575, bills which are designed to regulate the siting and construction of certain transmission lines; to prescribe powers and duties of certain state and local entities and officials; to create a board; to prescribe the board’s powers and duties; and to provide for certain fees.

This item was removed from the agenda and scheduled for discussion on June 10, 2015, special meeting between City Council and the Electrical Advisory Committee.

**Update – Power Generation– City Manager’s Office.**

Manager O’Toole updated the Council and public on the latest developments related to the Escanaba Power Plant and the Upper Peninsula electrical situation in general.

**APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES**

Mayor Tall, with Council consensus, appointed John Mellinger to the Electrical Advisory Committee, term indefinite.

**BOARD, COMMISSION, AND COMMITTEE REPORTS**

Council Members reviewed City Board and Commission meetings each attended since the last City Council Meeting.

**GENERAL PUBLIC COMMENT – None**

**ANNOUNCEMENTS**

- Big Brothers Big Sisters Golf fundraiser was scheduled for Thursday June 11, 2015.

Hearing no further public comment, the Council adjourned at 7:24 p.m.

Respectfully submitted

Robert S. Richards, CMC  
City Clerk

Approved: \_\_\_\_\_  
Marc D. Tall, Mayor

P. 11. 1  
cc 6/18/15  
June 12, 2015

MEMORANDUM

TO: Jim O'Toole, Robert Richards

FROM: Melissa Becotte

SUBJECT: 2014/15 Budget Amendment

Each year, the City amends the Appropriations Ordinance; the amendment is prepared primarily to comply with State law. This represents the first, and final, amendment for fiscal year 2014/15.

In most cases, the proposed amendments are based either on expenditures to date or items specifically approved for the remainder of the fiscal year; these amendments are not designed to create additional expenditure opportunities. In some cases, the over expenditures will not occur - we request an amendment because our projections are close and it is prudent to amend the ordinance in order to avoid any over expenditure issues. Our amendment process concerns itself primarily with over expenditures; while it is understood that many activities will come in under budget, no attempt is made to amend or decrease those appropriations. In other words, the amendment process does not attempt to provide estimates of year-end results.

The majority of the amendment recommendations included below were discussed and/or included as part of the 2015/16 budget process; there are no major "surprises" in this document.

Attached please find an amendment worksheet, showing the Original Appropriations Ordinance, proposed additions and deletions and the Final Appropriations Ordinance, subject to the Council's approval. In the General Fund, the proposed changes are highlighted with a number in parenthesis; these numbers correspond to the explanations below.

Please contact me with any questions or concerns. I will be at the Council meeting to answer any questions.

**GENERAL FUND**

The 2014/15 General Fund budget was originally adopted with a surplus of \$1,471. There were several retirements during the fiscal year that were not known at the time the budget was adopted which require adjustment to wages in various departments (totaling roughly \$40,000). There was also the roof replacement at Public Safety which had been budgeted in F/Y 13/14 but wasn't completed until the current year (\$78,000). The Menards Tax Tribunal decision created a reduction in the tax revenue during this fiscal year as well (\$34,000). The Civic Center roof estimates came in significantly higher than expected. Council approved the entire project as bid which resulted in a large overage (\$42,990) which is a transfer from the general fund. These are the majority of the events which will cause the General Fund to end the year with a projected deficit of \$305,215. It's important to remember that the actual deficit will be much lower. The city does not reduce expenditures that are expected to be lower than budget. Those items will reduce the overall deficit at the end of the fiscal year.

While several activities are projected to be well below budget and many activities are projected to be slightly below budget, there are some activities which are projected to come in over the current budget.

It is recommended that the following changes be made in the General Fund appropriations:

- (1) Increase the City Manager appropriation by \$6,600. The additional funds are requested to cover the overtime (\$4,000 – training/meeting), fringe benefits (\$1,500), capital equipment (\$300 – printer) and office supplies (\$800).
- (2) Increase the Controller appropriation by \$30,500. The additional funds are requested to cover wages (\$25,200 - retirement), fringe benefits (\$3,500), capital equipment (\$1,000 - computer), education/training (\$300 - new controller) and travel expenses (\$500)
- (3) Increase the Assessor appropriation by \$34,000. The additional funds are requested to cover professional services related to the Menards Tax Tribunal case.
- (4) Increase the City Attorney appropriation by \$1,000. The additional funds are requested to cover negotiation expenses.
- (5) Increase the City Clerk appropriation by \$5,075. The additional funds are requested to cover wages (\$4,000), fringe benefits (\$775) and capital equipment (\$300). The wage increase results from the shared position with the Assessor (where costs are down by a similar amount).
- (6) Increase the Human Resource appropriation by \$11,000. The additional funds are requested to cover professional services (\$8,000 - legal opinion and pre-employment evaluations for new hires) and printing/publishing (\$3,000 - job postings).
- (7) Increase the Treasurer appropriation by \$10,750. The additional funds are requested to cover wages (\$7,500 - retirement), fringe benefits (\$2,500) and printing/publishing (\$750 - tax bills).
- (8) Increase the Billing appropriation by \$23,500. The additional funds are requested to cover wages (\$10,750), fringe benefits (\$2,000), insurance (\$9,075), professional services (\$1,150) and equipment rental (\$525). These costs are largely attributable to an under allocation of the office's serviceman.
- (9) Increase in Civic Center appropriation by \$9,000. The additional funds are requested to cover wages (\$1,425), fringe benefits (\$175), insurance (\$4,700) and repairs to structures (\$2,700 – sump pump failure).
- (10) Increase the Community Promotional appropriation by \$500. The additional funds are requested to cover utility costs for the entrance signs.
- (11) Increase the Special Celebrations – Flags appropriation by \$2,000. This request is based on

additional time to place and remove the flags on Lake Shore Drive.

- (12) Increase the Fourth of July appropriation by \$1,000 (fireworks).
- (13) Increase the Public Safety appropriation by \$94,000. The request for an increase in capital improvement (\$78,000) is a result of the roof replacement being budgeted in F/Y 2013/14 but not being completed until the current year. The remaining amendment is for wages (\$16,000).
- (14) Increase the Recreation appropriation by \$9,000. The request for an increase in capital improvement is a result of resurfacing the Royce Park tennis courts. This project has been budgeted in F/Y 2013/14.
- (15) Increase the Tourism Promotion by \$12,500. The request is linked to costs associated with the three Municipal Dock events. While the majority of these costs were offset by donations and the DDA, those contributions are included in the General Fund under revenues.
- (16) Reduce the transfer to the Parking Maintenance Fund by \$1,500. This is done to match the expenses in Parking Maintenance Fund for maintaining City owned parking lots.
- (17) Create an appropriation to transfer funds from the General Fund to the Grants Fund. The recommended amount, \$14,771, is designed to provide a City match of \$11,205 to the State Passport Grant project (tennis courts and sidewalks) and \$3,566 to cover costs related to the Civic Center locker room renovation which exceeded the contribution from the Besse Foundation.
- (18) Create and appropriation to transfer funds from the General Fund to the Bonifas Fund. The recommended amount, \$42,990, is to cover the over expenditure for the replacement of the Civic Center roof which was budgeted in the Bonifas Fund. This project will use all remaining funds in the Bonifas fund as well.

In total, the above recommendations increase the proposed use of fund balance from \$0 to \$353,686. As discussed previously, we anticipate that the final use of the General Fund fund balance to be significantly less than this amount, but because no attempt is made to balance those accounts which will be under-expended, the budgeted deficit needs to be increased by this amount in order to balance revenues and expenditures.

### **STREET FUND**

There have been a number of developments in the street funds since the mid-year projections. The City received a "winter maintenance" payment from the State, in the amount of \$22,675. The City used to routinely receive a winter maintenance payment – which is awarded every year to high snowfall systems - but a string of "light" winters resulted in the suspension of that payment until last year. As this revenue was not budgeted, it will be reflected in the amended Appropriation Ordinance under State Shared Revenues. The City also received a one-time payment through P.A. 252 from the state in the amount of \$85,000. As neither of these revenues was budgeted, they will be reflected in the amended Appropriations Ordinance under State Shared Revenues. There was also an increase in

the Gas/Weight Tax revenues (\$14,000) and interest earnings (\$13,500) which are being amended.

The Sheridan Road project was budgeted in F/Y 2013/14 but wasn't completed until this year so we are requesting an amendment to the construction budget to cover those costs.

We are also requesting an amendment to operating expenditures to cover wages.

### **DOWNTOWN DEVELOPMENT AUTHORITY (DDA) FUND**

The recommended changes represent the amendments as approved by the DDA Board. It should be noted that while the amendments will increase the use of fund balance from the amount originally appropriated, projections show that the final outcome will actually be a surplus in the fund.

The DDA amendment is comprised of maintenance of parking lots (\$11,000), maintenance of equipment (\$500) and a transfer to the City's general fund for the Municipal Dock events (\$5,000).

### **GRANTS FUND**

The original Appropriations Ordinance did not contain any projects in this fund. Projects which were carried forward from fiscal year 2013/14, along with new projects, result in the following recommended amendments:

Besse Civic Center Project – This project was started in F/Y 2012/13. The remainder of this project has now been completed. The majority of this project was funded with a donation from the Besses. There was a small overage of \$3,566 that will be covered by a transfer from the General Fund.

Hannahville ATV Project – Hannahville community made a donation to cover the entire cost of purchasing an ATV for use in grooming ski trails. The ATV was purchased in F/Y 2013/14. The attachments for the ATV were purchased this year and have been 100% funded by the contribution.

State "Passport" Project – Funded 75% through a State grant (\$42,000), it is recommended that the City's share of \$14,000 come from a transfer from the General Fund, as discussed in (18) above. The grant has provided for refurbishment of tennis courts, new sidewalk by the Ludington Park tennis courts, an ADA picnic table and new drinking fountains.

Whitetail Internet Project – The City received a grant in the amount of \$94,000 to provide internet access in the Whitetail Industrial Park. The project will be 100% funded by the contribution.

### **PARKING MAINTENANCE FUND**

An amendment is recommended for the maintenance of both DDA and City parking lots, reflecting the decrease in expenses this fiscal year.

### **EDA REVOLVING LOAN FUND**

It is recommended that administrative costs be increased by \$100, reflecting additional collection efforts.

## **DRUG LAW ENFORCEMENT FUND**

This fund is used to record the receipt of forfeiture funds received from the sale of property determined to be connected to the sale of illegal drugs. These funds are segregated, by law, as they can only be spent on specific drug reduction costs. UPSET also received a \$200,000 donation from Cliffs Eagle Mine in June 2014 which is held in this fund. During the year, UPSET moved its main office and is now leasing office space. The costs associated with this move were not budgeted. They also built a storage building that had not been budgeted. The recommended amendments reflect the year's transactions and are all covered by the donation.

## **BROWNFIELD FUND**

The original Brownfield Fund budget was adopted with \$53,500 in TIF collections which are then paid out in developer reimbursements. The actual collections and reimbursements came in \$1,000 higher than budget.

## **SUMMARY**

As indicated previously, the purpose of the amendment process is to help to eliminate any potential over expenditures. Because of the analysis required to prepare this document, the same analysis also provides a basis for updating our projections for each fund.

Overall, we anticipate results in most of the funds to equal or exceed the projections that were provided in the 2015/16 budget document.

Please contact me with any questions on this information.

**City of Escanaba**  
**Appropriations Ordinance**  
 Y/E 6/30/2015

	Original Appropriations Ordinance	First Amendment Additions/ (Deletions)	First Amended Appropriations Ordinance
<b>GENERAL FUND</b>			
<b>Revenues:</b>			
Taxes	\$5,029,225		\$5,029,225
Licenses and Permits	2,000		2,000
Intergovernmental	1,411,000		1,411,000
Charges for Services/Fines	316,100		316,100
Electric Utility Fund Contribution	463,624		463,624
Transfer from Land Development Fund	60,000		60,000
Transfer from Office Equipment Fund	4,200		4,200
Transfer from Health / Dental Fund	21,467		21,467
Transfer from Sanitary Landfill Fund	203,500		203,500
Miscellaneous Revenues	155,350		155,350
Sub-Total	\$7,666,466	\$0	\$7,666,466
Transfer from Fund Balance	0	305,215	305,215
Total General Fund Revenues	<u>\$7,666,466</u>	<u>\$305,215</u>	<u>\$7,971,681</u>
<b>Expenditures:</b>			
City Council	\$30,144		\$30,144
City Manager	193,404	(1) 6,600	200,004
Elections	17,784		17,784
City Controller	276,860	(2) 30,500	307,360
Auditors	17,000		17,000
Assessors	201,025	(3) 34,000	235,025
Attorneys	55,500	(4) 1,000	56,500
City Clerk	129,921	(5) 5,075	134,996
Human Resources	109,713	(6) 11,000	120,713
Bd. of Review	2,450		2,450
City Treasurer	236,386	(7) 10,750	247,136
Billing	296,197	(8) 23,500	319,697
City Hall and Grounds	81,252		81,252
Civic Center	62,064	(9) 9,000	71,064
Community Promotional	5,253	(10) 500	5,753
Celebration Flags	1,566	(11) 2,000	3,566
Fourth of July	20,567	(12) 1,000	21,567
Public Safety	4,138,512	(13) 94,000	4,232,512
Community Preservation	64,047		64,047
Crossing Guards	25,000		25,000
Planning Commission	15,150		15,150
Care of Trees and Shrubs	85,656		85,656
Sidewalks	7,000		7,000
Engineers	287,020		287,020
Street Lighting	164,000		164,000
Sanitary Landfill	206,500		206,500
Solid Waste Collection	385,603		385,603
Composting Activities	58,196		58,196
Snow Plowing for Garbage Collection	18,332		18,332
Community Services	16,148		16,148
Recreation	448,483	(14) 9,000	457,483
Parks	195,335		195,335
Band	41,370		41,370
Historical Museum	250		250
Tourism Promotion	6,150	(15) 12,500	18,650
Boat Launches	16,158		16,158
Alley Maintenance	6,222		6,222
Transfer to Local Street Fund	100,000		100,000
Transfer to Parking Maintenance Fund	18,000	(16) (1,500)	16,500
Transfer to Library Fund	371,000		371,000
Transfer to Escanaba Building Authority Fund	156,250		156,250
Transfer to Grants Fund	0	(17) 14,771	14,771
Transfer to Bonifas Fund	0	(18) 42,990	42,990
Insurance/Bonds	3,000		3,000
Sub-total	\$8,570,468	\$306,686	\$8,877,154
Less:Overhead to Utilities	905,473		905,473
Total General Fund Expenditures	<u>\$7,664,995</u>	<u>\$306,686</u>	<u>\$7,971,681</u>
			0

**City of Escanaba**  
**Appropriations Ordinance**  
 Y/E 6/30/2015

	Original Appropriations Ordinance	First Amendment Additions/ (Deletions)	First Amended Appropriations Ordinance
<b>MAJOR STREET FUND</b>			
Revenues:			
State Shared Revenues	\$739,500	\$22,675	\$762,175
Interest Earnings	20,000	10,000	30,000
Sub-total	\$759,500	\$22,675	\$762,175
Transfer from Fund Balance	99,888	35,025	134,913
Total Major Street Fund Revenues	<u>\$859,388</u>	<u>\$57,700</u>	<u>\$897,088</u>
Expenditures:			
Operating Expenses	\$579,388	\$7,700	\$587,088
Street Construction	100,000	\$50,000	150,000
Transfer to Local Street Fund	180,000		180,000
Total Major Street Fund Expenditures	<u>\$859,388</u>	<u>\$57,700</u>	<u>\$917,088</u>
<b>LOCAL STREET FUND</b>			
Revenues:			
State Shared Revenues	\$250,000	\$99,000	\$349,000
Interest Earnings	8,000	3,500	11,500
Transfer from General Fund	100,000		100,000
Transfer from Major Street Fund	180,000		180,000
Transfer from Gas Retirement Fund	17,000		17,000
Sub-total	\$555,000	\$102,500	\$640,500
Transfer from Fund Balance	99,872	(77,722)	22,150
Total Local Street Fund Revenues	<u>\$654,872</u>	<u>\$24,778</u>	<u>\$662,650</u>
Expenditures:			
Operating Expenses	\$354,872	\$23,778	\$378,650
Street Construction	300,000		300,000
Total Local Street Fund Expenditures	<u>\$654,872</u>	<u>\$23,778</u>	<u>\$678,650</u>
<b>LIBRARY FUND</b>			
Revenues:			
State Funding	\$15,866		\$15,866
Penal Fines Allocation	100,000		100,000
Fines and Fees	23,000		23,000
Interest Earnings	1,500		1,500
Transfer from General Fund	371,000		371,000
Sub-total	\$511,366	\$0	\$511,366
Transfer from Fund Balance	19,908		19,908
Total Library Fund Revenues	<u>\$531,274</u>	<u>\$0</u>	<u>\$531,274</u>
Expenditures:			
Operating Expenditures	\$531,274		\$531,274
Total Library Fund Expenditures	<u>\$531,274</u>	<u>\$0</u>	<u>\$531,274</u>
<b>BEZOLD TRUST FUND</b>			
Revenues:			
Interest Earnings	\$4,600		\$4,600
Transfer from Fund Balance	5,400		5,400
Total Bezold Trust Fund Revenues	<u>\$10,000</u>	<u>\$0</u>	<u>\$10,000</u>
Expenditures:			
Qualifying Expenditures	\$10,000		\$10,000
Total Bezold Trust Fund Expenditures	<u>\$10,000</u>	<u>\$0</u>	<u>\$10,000</u>
<b>GAS RETIREMENT FUND</b>			
Revenues:			
Interest Earnings	\$20,000		\$20,000
Total Gas Retirement Fund Revenues	<u>\$20,000</u>	<u>\$0</u>	<u>\$20,000</u>
Expenditures:			
Transfer to Local Street Fund	\$17,000		\$17,000
Total Gas Retirement Fund Expenditures	<u>\$17,000</u>	<u>\$0</u>	<u>\$17,000</u>

**City of Escanaba**  
**Appropriations Ordinance**  
 Y/E 6/30/2015

	Original Appropriations Ordinance	First Amendment Additions/ (Deletions)	First Amended Appropriations Ordinance
<b><u>SANITARY LANDFILL FUND</u></b>			
<b>Revenues:</b>			
Revenue from Sales	\$202,500		\$202,500
Penalties on Collections	1,200		1,200
Interest Earnings	200		200
Total Sanitary Landfill Fund Revenues	<u>\$203,900</u>	<u>\$0</u>	<u>\$203,900</u>
<b>Expenditures:</b>			
Transfer to General Fund	\$203,500		\$203,500
Bad Debt Expense	100		100
Administrative Expense	150		150
Total Sanitary Landfill Fund Expenditures	<u>\$203,750</u>	<u>\$0</u>	<u>\$203,750</u>
<b><u>CATHERINE BONIFAS TRUST FUND</u></b>			
<b>Revenues:</b>			
Interest Earnings	\$2,000		\$2,000
Transfer from General Fund	0	42,990	\$42,990
Subtotal	<u>\$2,000</u>	<u>\$42,990</u>	<u>\$44,990</u>
Transfer from Fund Balance	98,000	22,000	120,000
Total Catherine Bonifas Trust Fund Revenues	<u>\$100,000</u>	<u>\$64,990</u>	<u>\$164,990</u>
<b>Expenditures:</b>			
Roof Replacement Project	\$100,000	\$62,990	\$162,990
Total Catherine Bonifas Trust Fund Expenditures	<u>\$100,000</u>	<u>\$62,990</u>	<u>\$162,990</u>
<b><u>DOWNTOWN DEVELOPMENT AUTHORITY (DDA) FUND</u></b>			
<b>Revenues:</b>			
TIF Tax Collections	\$258,000		\$258,000
Interest Earnings	4,200		4,200
Miscellaneous Income	1,500		1,500
Sub-Total	<u>\$263,700</u>	<u>\$0</u>	<u>\$263,700</u>
Transfer from Fund Balance	84,276	16,500	100,776
Total DDA Fund Revenues	<u>\$347,976</u>	<u>\$16,500</u>	<u>\$364,476</u>
<b>Expenditures:</b>			
Wages & Benefits	\$88,700		\$88,700
Supplies	3,200		3,200
Professional Services	55,250		55,250
Property Rehabilitation Payments	3,000		3,000
Telephones	2,600		2,600
Travel	500		500
Promotion	25,500		25,500
Printing and Publishing	600		600
Insurance	1,100		1,100
Utilities	3,000		3,000
Repairs and Maintenance	32,000	11,500	43,500
Equipment Rental	2,800		2,800
Memberships & Dues	500		500
Education and Training	500		500
Capital Outlay-Building Improvements	81,000		81,000
Capital Outlay-Equipment	2,000		2,000
Books, Magazines and Periodicals	500		500
Debt Service Payments	41,226		41,226
Transfer to General Fund	0	5,000	5,000
Transfer to Marina Fund	4,000		4,000
Total DDA Fund Expenditures	<u>\$347,976</u>	<u>\$16,500</u>	<u>\$364,476</u>

**City of Escanaba**  
**Appropriations Ordinance**  
 Y/E 6/30/2015

	Original Appropriations Ordinance	First Amendment Additions/ (Deletions)	First Amended Appropriations Ordinance
<b>GRANTS FUND</b>			
<b>Revenues:</b>			
State Funding	\$0	\$136,000	\$136,000
Besse Contributions	0	\$17,434	17,434
Miscellaneous Donations	0	\$7,070	7,070
Transfer from General Fund	0	\$14,771	14,771
Subtotal	<u>\$0</u>	<u>\$175,275</u>	<u>\$175,275</u>
Transfer from Fund Balance	0	9	9
Total Grants Fund Revenues	<u>\$0</u>	<u>\$175,284</u>	<u>\$175,284</u>
<b>Expenditures:</b>			
Besse Civic Center Project	\$0	\$21,000	\$21,000
Hannahville ATV Project	0	4,284	4,284
State Passport Grant Project	0	56,000	56,000
White Tail Industrial Park Internet Project	0	75,000	75,000
Total Grants Fund Expenditures	<u>\$0</u>	<u>\$156,284</u>	<u>\$156,284</u>
<b>HOUSING REHABILITATION FUND</b>			
<b>Revenues:</b>			
Interest Earnings	\$3,500		\$3,500
Total Housing Rehabilitation Fund Revenues	<u>\$3,500</u>	<u>\$0</u>	<u>\$3,500</u>
<b>Expenditures:</b>			
Administrative Expense	\$1,000		\$1,000
Total Housing Rehabilitation Fund Expenditures	<u>\$1,000</u>	<u>\$0</u>	<u>\$1,000</u>
<b>DELTA COUNTY CENTRAL DISPATCH AUTHORITY (DCCDA) FUND</b>			
<b>Revenues:</b>			
DC Central Dispatch Authority Contract	\$716,816		\$716,816
Total DCCDA Fund Revenues	<u>\$716,816</u>	<u>\$0</u>	<u>\$716,816</u>
<b>Expenditures:</b>			
Dispatching Operations	\$716,816		\$716,816
Total DCCDA Fund Expenditures	<u>\$716,816</u>	<u>\$0</u>	<u>\$716,816</u>
<b>LAND DEVELOPMENT FUND</b>			
<b>Revenues:</b>			
Land Sales / Rent Income	\$0		\$0
Timber/Sand Sales	5,000		5,000
Interest Earnings	37,500		37,500
Sub-Total	<u>\$42,500</u>	<u>\$0</u>	<u>\$42,500</u>
Transfer from Fund Balance	41,000		41,000
Total Land Development Fund Revenues	<u>\$83,500</u>	<u>\$0</u>	<u>\$83,500</u>
<b>Expenditures:</b>			
Property Improvements	\$15,000		\$15,000
Administrative Costs	1,500		1,500
Property Taxes	7,000		7,000
Transfer to General Fund	60,000		60,000
Total Land Development Fund Expenditures	<u>\$83,500</u>	<u>\$0</u>	<u>\$83,500</u>
<b>PARKING MAINTENANCE FUND</b>			
<b>Revenues:</b>			
D.D.A. Fund Contractual	\$25,000	(2,000)	\$23,000
Transfer from General Fund	18,000	(1,500)	16,500
Total Parking Maintenance Fund Revenues	<u>\$43,000</u>	<u>(\$3,500)</u>	<u>\$39,500</u>
<b>Expenditures:</b>			
D.D.A. Lot Expenditures	\$25,000	(2,000)	\$23,000
City Lot Expenditures	18,000	(1,500)	16,500
Total Parking Maintenance Fund Expenditures	<u>\$43,000</u>	<u>(\$3,500)</u>	<u>\$39,500</u>

**City of Escanaba**  
**Appropriations Ordinance**  
 Y/E 6/30/2015

	Original Appropriations Ordinance	First Amendment Additions/ (Deletions)	First Amended Appropriations Ordinance
<b><u>E.D.A. REVOLVING LOAN FUND</u></b>			
<b>Revenues:</b>			
Interest Earnings	\$25,000	(\$3,050)	\$21,950
Total E.D.A.R.L.F. Revenues	<u>\$25,000</u>	<u>(\$3,050)</u>	<u>\$21,950</u>
<b>Expenditures:</b>			
Administrative Costs	\$1,500	100	\$1,600
Total E.D.A.R.L.F. Expenditures	<u>\$1,500</u>	<u>\$100</u>	<u>\$1,600</u>
<b><u>M.S.C. REVOLVING LOAN FUND</u></b>			
<b>Revenues:</b>			
Interest Earnings	\$4,500		\$4,500
Total M.S.C.R.L.F. Revenues	<u>\$4,500</u>	<u>\$0</u>	<u>\$4,500</u>
<b>Expenditures:</b>			
Administrative Costs	\$1,500		\$1,500
Total M.S.C.R.L.F. Expenditures	<u>\$1,500</u>	<u>\$0</u>	<u>\$1,500</u>
<b><u>U.D.A.G. REVOLVING LOAN FUND</u></b>			
<b>Revenues:</b>			
Interest Earnings	\$48,000		\$48,000
Total U.D.A.G.R.L.F. Revenues	<u>\$48,000</u>	<u>\$0</u>	<u>\$48,000</u>
<b>Expenditures:</b>			
Administrative Costs	\$1,500		\$1,500
Total U.D.A.G.R.L.F. Expenditures	<u>\$1,500</u>	<u>\$0</u>	<u>\$1,500</u>
<b><u>FARMERS HOME GRANT FUND</u></b>			
<b>Revenues:</b>			
Interest Earnings	\$750		\$750
Total Farmers Home Grant Fund Revenues	<u>\$750</u>	<u>\$0</u>	<u>\$750</u>
<b>Expenditures:</b>			
Administrative Costs	\$200		\$200
Total Farmers Home Grant Fund Expenditures	<u>\$200</u>	<u>\$0</u>	<u>\$200</u>
<b><u>DRUG LAW ENFORCEMENT FUND</u></b>			
<b>Revenues:</b>			
Forfeiture Proceeds	\$0	\$5,000	\$5,000
Local Forfeiture Proceeds	3,000		3,000
Interest Earnings	250		250
Sub-Total	<u>\$3,250</u>	<u>\$5,000</u>	<u>\$8,250</u>
Transfer from Fund Balance	8,750	\$66,350	75,100
Total Drug Law Enforcement Fund Revenues	<u>\$12,000</u>	<u>\$71,350</u>	<u>\$83,350</u>
<b>Expenditures:</b>			
Transfer to UPSET	\$10,000		\$10,000
City Expenditures	2,000	\$71,350	73,350
Total Drug Law Enforcement Fund Expenditures	<u>\$12,000</u>	<u>\$71,350</u>	<u>\$83,350</u>

**City of Escanaba**  
**Appropriations Ordinance**  
 Y/E 6/30/2015

	Original Appropriations Ordinance	First Amendment Additions/ (Deletions)	First Amended Appropriations Ordinance
<b>BROWNFIELD REDEVELOPMENT FUND</b>			
Revenues:			
TIF Tax Collections	\$53,500	\$1,000	\$54,500
Interest Earnings	100		100
Sub-Total	\$53,600	\$1,000	\$54,600
Transfer from Fund Balance	1,900		1,900
Total Brownfield Redevelopment Fund Revenues	<u>\$55,500</u>	<u>\$1,000</u>	<u>\$56,500</u>
Expenditures:			
Administrative Expenses	\$2,000		\$2,000
Developer Reimbursements	53,500	\$1,000	54,500
Total Brownfield Redevelopment Fund Expenditures	<u>\$55,500</u>	<u>\$1,000</u>	<u>\$56,500</u>

The following is provided for informational purposes only, as provided by Michigan P.A. 2 of 1968

**ELECTRIC UTILITY FUND**

Revenues:			
Revenue from Sales	\$13,026,250		\$13,026,250
Rents	48,300		48,300
Miscellaneous	66,000		66,000
Interest Earnings	235,000		235,000
Total Electric Fund Revenues	<u>\$13,375,550</u>	<u>\$0</u>	<u>\$13,375,550</u>
Expenses:			
Operating Expenses	\$12,083,561		\$12,083,561
Depreciation	325,000		325,000
Overhead to General Fund	546,038		546,038
Contribution to General Fund	463,624		463,624
Total Electric Fund Expenses	<u>\$13,418,223</u>	<u>\$0</u>	<u>\$13,418,223</u>

**WATER UTILITY FUND**

Revenues:			
Revenue from Sales	\$2,048,100		\$2,048,100
Federal Subsidy-Capital Improvement Bond Interest	64,550		64,550
Miscellaneous	53,300		53,300
Interest Earnings	10,000		10,000
Total Water Fund Revenues	<u>\$2,175,950</u>	<u>\$0</u>	<u>\$2,175,950</u>
Expenses:			
Operating Expenses	\$1,192,034		\$1,192,034
Depreciation	380,000		380,000
Overhead to General Fund	184,273		184,273
Bond Interest Expense	234,400		234,400
Total Water Fund Expenses	<u>\$1,990,707</u>	<u>\$0</u>	<u>\$1,990,707</u>

**WASTEWATER UTILITY FUND**

Revenues:			
Revenue from Sales	\$1,332,750		\$1,332,750
Miscellaneous	11,750		11,750
Interest Earnings	47,500		47,500
Total Wastewater Fund Revenues	<u>\$1,392,000</u>	<u>\$0</u>	<u>\$1,392,000</u>
Expenses:			
Operating Expenses	\$969,601		\$969,601
Depreciation	235,000		235,000
Overhead to General Fund	175,163		175,163
Bond Interest Expense	5,600		5,600
Total Wastewater Fund Expenses	<u>\$1,385,364</u>	<u>\$0</u>	<u>\$1,385,364</u>

**City of Escanaba**  
**Appropriations Ordinance**  
 Y/E 6/30/2015

	Original Appropriations Ordinance	First Amendment Additions/ (Deletions)	First Amended Appropriations Ordinance
<b>ESCANABA BUILDING AUTHORITY FUND</b>			
<b>Revenues:</b>			
Lease Payments-Transfer from General Fund	\$156,250		\$156,250
Rent Income-City Hall/Library	133,248		133,248
Interest Earnings	5,000		5,000
Total Escanaba Building Authority Fund Revenues	<u>\$294,498</u>	<u>\$0</u>	<u>\$294,498</u>
<b>Expenses:</b>			
Operating Expenses	\$133,703		\$133,703
Interest Expense	30,225		30,225
Depreciation Expense	147,000		147,000
Total Escanaba Building Authority Fund Expenses	<u>\$310,928</u>	<u>\$0</u>	<u>\$310,928</u>
<b>MARINA FUND</b>			
<b>Revenues:</b>			
Fees and Concessions	\$238,450		\$238,450
Transfers from Other Funds	4,000		4,000
Interest Earnings	500		500
Total Marina Fund Revenues	<u>\$242,950</u>	<u>\$0</u>	<u>\$242,950</u>
<b>Expenses:</b>			
Operating Expenses	\$199,929		\$199,929
Interest Expense	14,375		14,375
Depreciation	58,500		58,500
Total Marina Fund Expenses	<u>\$272,804</u>	<u>\$0</u>	<u>\$272,804</u>
<b>HEALTH / DENTAL FUND</b>			
<b>Revenues:</b>			
Transfer from Fund Balance	\$21,467		\$21,467
Total Health / Dental Fund Revenues	<u>\$21,467</u>	<u>\$0</u>	<u>\$21,467</u>
<b>Expenses:</b>			
Transfers to Other Funds	\$21,467		\$21,467
Total Health / Dental Fund Expenses	<u>\$21,467</u>	<u>\$0</u>	<u>\$21,467</u>

## ORDINANCE NO. 1163

### "AN ORDINANCE TO AMEND ORDINANCE NO. 1146, ENTITLED AN ORDINANCE TO MAKE APPROPRIATIONS AND CORRESPONDING REVENUES FOR THE YEAR ENDED JUNE 30, 2015."

THE CITY OF ESCANABA ORDAINS:

The total number of mills of ad valorem property taxes to be levied for fiscal year 2014/2015 is 17.00.

#### CHAPTER I

Section 101. That there is hereby appropriated by the City of Escanaba to various departments and funds for specific purposes, the several amounts set forth in the following tabulation, to be expended in accordance with the budget as approved, except that the City Manager is hereby empowered to transfer appropriations between activities and objects of expenditures, subject to the limitation imposed by Chapter VIII, Section 8, of the City Charter. The appropriations and revenues set forth are for the fiscal year ending June 30, 2015.

#### GENERAL FUND

##### Revenues:

Taxes	\$5,029,225
Licenses and Permits	2,000
Intergovernmental	1,411,000
Charges for Services/Fines	316,100
Electric Utility Fund Contribution	463,624
Transfer from Land Development Fund	60,000
Transfer from Office Equipment Fund	4,200
Transfer from Health/Dental Fund	21,467
Transfer from Sanitary Landfill Fund	203,500
Miscellaneous Revenues	155,350
Sub-Total	\$7,666,466
Transfer from Fund Balance	305,215
Total General Fund Revenues	<u>\$7,971,681</u>

##### Expenditures:

City Council	\$30,144
City Manager	200,004
Elections	17,784
City Controller	307,360
Auditors	17,000
Assessors	235,025
Attorneys	56,500
City Clerk	134,996
Human Resources	120,713
Bd. of Review	2,450
City Treasurer	247,136
Billing	319,697
City Hall and Grounds	81,252
Civic Center	71,064
Community Promotional	5,753
Celebration Flags	3,566
Fourth of July	21,567
Public Safety	4,232,512
Community Preservation	64,047
Crossing Guards	25,000
Planning Commission	15,150
Care of Trees and Shrubs	85,656
Sidewalks	7,000
Engineers	287,020
Street Lighting	164,000
Sanitary Landfill	206,500
Solid Waste Collection	385,603
Composting Activities	58,196
Snow Plowing for Garbage Collection	18,332
Community Services	16,148
Recreation	457,483
Parks	195,335
Band	41,370
Historical Museum	250
Tourism Promotion	18,650
Boat Launches	16,158
Alley Maintenance	6,222
Transfer to Local Street Fund	100,000
Transfer to Parking Maintenance Fund	16,500
Transfer to Library Fund	371,000
Transfer to Escanaba Building Authority Fund	156,250
Transfer to Grants Fund	14,771

Ordinance No 1163 – cont.

Transfer to Bonifas Fund	42,990
Insurance/Bonds	<u>3,000</u>
Sub-total	\$8,877,154
Less: Overhead to Utilities	<u>905,473</u>
Total General Fund Expenditures	<u>\$7,971,681</u>

**MAJOR STREET FUND**

Revenues:	
State Shared Revenues	\$762,175
Interest Earnings	<u>30,000</u>
Sub-total	\$762,175
Transfer from Fund Balance	<u>134,913</u>
Total Major Street Fund Revenues	<u>\$897,088</u>

Expenditures:	
Operating Expenses	\$587,088
Street Construction	150,000
Transfer to Local Street Fund	<u>180,000</u>
Total Major Street Fund Expenditures	<u>\$917,088</u>

**LOCAL STREET FUND**

Revenues:	
State Shared Revenues	\$349,000
Interest Earnings	11,500
Transfer from General Fund	100,000
Transfer from Major Street Fund	180,000
Transfer from Gas Retirement Fund	<u>17,000</u>
Sub-total	\$640,500
Transfer from Fund Balance	<u>22,150</u>
Total Local Street Fund Revenues	<u>\$662,650</u>

Expenditures:	
Operating Expenses	\$378,650
Street Construction	<u>300,000</u>
Total Local Street Fund Expenditures	<u>\$678,650</u>

**LIBRARY FUND**

Revenues:	
State Funding	\$15,866
Penal Fines Allocation	100,000
Fines and Fees	23,000
Interest Earnings	1,500
Transfer from General Fund	<u>371,000</u>
Sub-Total	\$511,366
Transfer from Fund Balance	<u>19,908</u>
Total Library Fund Revenues	<u>\$531,274</u>

Expenditures:	
Operating Expenditures	\$531,274
Total Library Fund Expenditures	<u>\$531,274</u>

**BEZOLD TRUST FUND**

Revenues:	
Interest Earnings	\$4,600
Transfer from Fund Balance	<u>5,400</u>
Total Bezold Trust Fund Revenues	<u>\$10,000</u>

Expenditures:	
Qualifying Expenditures	\$10,000
Total Bezold Trust Fund Expenditures	<u>\$10,000</u>

**GAS RETIREMENT FUND**

Revenues:	
Interest Earnings	\$20,000
Total Gas Retirement Fund Revenues	<u>\$20,000</u>

Expenditures:	
Transfer to Local Street Fund	\$17,000
Total Gas Retirement Fund Expenditures	<u>\$17,000</u>

**SANITARY LANDFILL FUND**

Revenues:	
Revenue from Sales	\$202,500
Penalties on Collections	1,200
Interest Earnings	<u>200</u>

Ordinance No 1163 – cont.

Total Sanitary Landfill Fund Revenues \$203,900

Expenditures:

Transfer to General Fund \$203,500  
 Bad Debt Expense 100  
 Administrative Expense 150  
 Total Sanitary Landfill Fund Expenditures \$203,750

**CATHERINE BONIFAS TRUST FUND**

Revenues:

Interest Earnings \$2,000  
 Transfer from General Fund 42,990  
 Subtotal \$44,990  
 Transfer from Fund Balance 120,000  
 Total Catherine Bonifas Trust Fund Revenues \$164,990

Expenditures:

Roof Replacement Project \$162,990  
 Total Catherine Bonifas Trust Fund Expenditures \$162,990

**DOWNTOWN DEVELOPMENT AUTHORITY (DDA) FUND**

Revenues:

TIF Tax Collections \$258,000  
 Interest Earnings 4,200  
 Miscellaneous Income 1,500  
 Sub-Total \$263,700  
 Transfer from Fund Balance 100,776  
 Total DDA Fund Revenues \$364,476

Expenditures:

Wages & Benefits \$88,700  
 Supplies 3,200  
 Professional Services 55,250  
 Property Rehabilitation Payments 3,000  
 Telephones 2,600  
 Travel 500  
 Promotion 25,500  
 Printing and Publishing 600  
 Insurance 1,100  
 Utilities 3,000  
 Repairs and Maintenance 43,500  
 Equipment Rental 2,800  
 Memberships & Dues 500  
 Education and Training 500  
 Capital Outlay-Building Improvements 81,000  
 Capital Outlay-Equipment 2,000  
 Books, Magazines and Periodicals 500  
 Debt Service Payments 41,226  
 Transfer to General Fund 5,000  
 Transfer to Marina Fund 4,000  
 Total DDA Fund Expenditures \$364,476

**GRANTS FUND**

Revenues:

State Funding \$136,000  
 Besse Contributions 17,434  
 Miscellaneous Donations 7,070  
 Transfer from General Fund 14,771  
 Subtotal \$175,275  
 Transfer from Fund Balance 9  
 Total Grants Fund Revenues \$175,284

Expenditures:

Besse Civic Center Project \$21,000  
 Hannahville ATV Project 4,284  
 State Passport Grant Project 56,000  
 White Tail Industrial Park Internet Project 75,000  
 Total Grants Fund Expenditures \$156,284

**HOUSING REHABILITATION FUND**

Revenues:

Interest Earnings \$3,500  
 Total Housing Rehabilitation Fund Revenues \$3,500

Expenditures:

Administrative Expense \$1,000  
 Total Housing Rehabilitation Fund Expenditures \$1,000

**DELTA COUNTY CENTRAL DISPATCH AUTHORITY (DCCDA) FUND**

Revenues:	
DC Central Dispatch Authority Contract	\$716,816
Total DCCDA Fund Revenues	<u>\$716,816</u>
Expenditures:	
Dispatching Operations	\$716,816
Total DCCDA Fund Expenditures	<u>\$716,816</u>

**LAND DEVELOPMENT FUND**

Revenues:	
Land Sales/Rent Income	\$0
Timber/Sand Sales	5,000
Interest Earnings	37,500
Sub-Total	<u>\$42,500</u>
Transfer from Fund Balance	41,000
Total Land Development Fund Revenues	<u>\$83,500</u>
Expenditures:	
Property Improvements	\$15,000
Administrative Costs	1,500
Property Taxes	7,000
Transfer to General Fund	60,000
Total Land Development Fund Expenditures	<u>\$83,500</u>

**PARKING MAINTENANCE FUND**

Revenues:	
D.D.A. Fund Contractual	\$23,000
Transfer from General Fund	16,500
Total Parking Maintenance Fund Revenues	<u>\$39,500</u>
Expenditures:	
D.D.A. Lot Expenditures	\$23,000
City Lot Expenditures	16,500
Total Parking Maintenance Fund Expenditures	<u>\$39,500</u>

**E.D.A. REVOLVING LOAN FUND**

Revenues:	
Interest Earnings	\$21,950
Total E.D.A.R.L.F. Revenues	<u>\$21,950</u>
Expenditures:	
Administrative Costs	\$1,600
Total E.D.A.R.L.F. Expenditures	<u>\$1,600</u>

**M.S.C REVOLVING LOAN FUND**

Revenues:	
Interest Earnings	\$4,500
Total M.S.C.R.L.F. Revenues	<u>\$4,500</u>
Expenditures:	
Administrative Costs	\$1,500
Total M.S.C.R.L.F. Expenditures	<u>\$1,500</u>

**U.D.A.G. REVOLVING LOAN FUND**

Revenues:	
Interest Earnings	\$48,000
Total U.D.A.G.R.L.F. Revenues	<u>\$48,000</u>
Expenditures:	
Administrative Costs	\$1,500
Total U.D.A.G.R.L.F. Expenditures	<u>\$1,500</u>

**FARMERS HOME GRANT FUND**

Revenues:	
Interest Earnings	\$750
Total Farmers Home Grant Fund Revenues	<u>\$750</u>
Expenditures:	
Administrative Costs	\$200
Total Farmers Home Grant Fund Expenditures	<u>\$200</u>

**DRUG LAW ENFORCEMENT FUND**

Revenues:	
Forfeiture Proceeds	\$5,000
Local Forfeiture Proceeds	3,000
Interest Earnings	250
Sub-Total	<u>\$8,250</u>
Transfer from Fund Balance	75,100
Total Drug Law Enforcement Fund Revenues	<u>\$83,350</u>
Expenditures:	
Transfer to UPSET	\$10,000
City Expenditures	73,350
Total Drug Law Enforcement Fund Expenditures	<u>\$83,350</u>

**BROWNFIELD REDEVELOPMENT FUND**

Revenues:	
TIF Tax Collections	\$54,500
Interest Earnings	100
Sub-Total	<u>\$54,600</u>
Transfer from Fund Balance	1,900
Total Brownfield Redevelopment Fund Revenues	<u>\$56,500</u>
Expenditures:	
Administrative Expenses	\$2,000
Developer Reimbursements	54,500
Total Brownfield Redevelopment Fund Expenditures	<u>\$56,500</u>

The following is provided for informational purposes only, as provided by Michigan P.A. 2 of 1968

**ELECTRIC UTILITY FUND**

Revenues:	
Revenue from Sales	\$13,026,250
Rents	48,300
Miscellaneous	66,000
Interest Earnings	<u>235,000</u>
Total Electric Fund Revenues	<u>\$13,375,550</u>
Expenses:	
Operating Expenses	\$12,083,561
Depreciation	325,000
Overhead to General Fund	546,038
Contribution to General Fund	<u>463,624</u>
Total Electric Fund Expenses	<u>\$13,418,223</u>

**WATER UTILITY FUND**

Revenues:	
Revenue from Sales	\$2,048,100
Federal Subsidy-Capital Improvement Bond Interest	64,550
Miscellaneous	53,300
Interest Earnings	10,000
Total Water Fund Revenues	<u>\$2,175,950</u>
Expenses:	
Operating Expenses	\$1,192,034
Depreciation	380,000
Overhead to General Fund	184,273
Bond Interest Expense	<u>234,400</u>
Total Water Fund Expenses	<u>\$1,990,707</u>

**WASTEWATER UTILITY FUND**

Revenues:	
Revenue from Sales	\$1,332,750
Miscellaneous	11,750
Interest Earnings	47,500
Total Wastewater Fund Revenues	<u>\$1,392,000</u>
Expenses:	
Operating Expenses	\$969,601
Depreciation	235,000
Overhead to General Fund	175,163
Bond Interest Expense	5,600
Total Wastewater Fund Expenses	<u>\$1,385,364</u>

**ESCANABA BUILDING AUTHORITY FUND**

Revenues:	
Lease Payments-Transfer from General Fund	\$156,250
Rent Income-City Hall/Library	133,248
Interest Earnings	<u>5,000</u>
Total Escanaba Building Authority Fund Revenues	<u>\$294,498</u>
Expenses:	
Operating Expenses	\$133,703
Interest Expense	30,225
Depreciation Expense	<u>147,000</u>
Total Escanaba Building Authority Fund Expenses	<u>\$310,928</u>

**MARINA FUND**

Revenues:	
Fees and Concessions	\$238,450
Transfers from Other Funds	4,000
Interest Earnings	<u>500</u>
Total Marina Fund Revenues	<u>\$242,950</u>
Expenses:	
Operating Expenses	\$199,929
Interest Expense	14,375
Depreciation	<u>58,500</u>
Total Marina Fund Expenses	<u>\$272,804</u>

**HEALTH/DENTAL FUND**

Revenues:	
Transfer from Fund Balance	\$21,467
Total Health/Dental Fund Revenues	<u>\$21,467</u>
Expenses:	
Transfers to Other Funds	<u>\$21,467</u>
Total Health/Dental Fund Expenses	<u>\$21,467</u>

APPROVED:

\_\_\_\_\_  
Ralph B. K. Peterson  
City Attorney

Date Approved: (Month) (Date), 2015  
Date Published: (Month) (Date), 2015

APPROVED:

\_\_\_\_\_  
Marc D. Tall  
Mayor

ATTEST:

\_\_\_\_\_  
Robert S. Richards, CMC  
City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Council of the City of Escanaba, County of Delta, Michigan, at a Special Meeting held on the (Date) day of (Month), 2015, and was published in the Daily Press, a newspaper of general circulation in the City of Escanaba on (Month) (Date), 2015, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

\_\_\_\_\_  
Robert S. Richards, CMC  
City Clerk



May 27, 2015

Escanaba City Council  
c/o Robert Richards, City Clerk

Dear City Council:

Please adopt the attached Resolution in support of a grant application to the Michigan Council for the Arts and Cultural Affairs seeking \$4,000 in matching funds for the Music Mondays Summer Concert Series. The grant proposes a collaborative effort between the City and the Bonifas to enrich the cultural lives of area residents through exposure to new music. The Bonifas is requesting that the City serve as lead applicant for this grant application since we have already received grant monies in this funding cycle and cannot receive a second MiniGrant in 2015. The Resolution is a required component of the grant to confirm the City's approval to seek the grant and to comply with administering it (if awarded).

The grant proposes six "Music Mondays" in the evenings throughout June, July and August featuring artists/bands in the City band shell in Ludington Park along with a brief music appreciation segment led by some of the area's finest educators. The Bonifas will coordinate the artists and educators and promote the events across the region.

The City's obligation under the grant is to serve as administrator of the funds which would entail; tracking and reporting on the grant funds received/expended from MCACA, documenting the City's \$4,000 in-kind contribution of facility use and staff time, compensating artists for their services and the Bonifas for organizing and promoting the events.

If there are any questions regarding this request please feel free to contact me.

Sincerely,  
Brook McGinnis  
Events Coordinator  
906.458.4221

NB #1  
cc 6/18/15

**Resolution in Support of a Grant Application to the Michigan Council for Arts and Cultural Affairs**

AT A MEETING OF THE CITY COUNCIL OF THE CITY OF ESCANABA, MICHIGAN, HELD ON JANUARY 7th, 2015,

RESOLUTION - SUPPORTING THE GRANT APPLICATION TO THE MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS SEEKING MATCHING FUNDS FOR THE "MUSIC MONDAYS" SUMMER CONCERT SERIES.

WHEREAS, the City Council of the City of Escanaba, Michigan, does hereby find as follows:

WHEREAS, the City desires to support the cultural lives of area residents through opportunities to be exposed to new art and music;

WHEREAS, the City has an excellent partner in the Bonifas Arts Center to successfully organize and promote community events, and educate the public through music appreciation programming;

WHEREAS, the City will administer the grant funds, if awarded, as set forth in the application;

WHEREAS, the City has a policy detailing equal opportunity provisions for job applicants and public accommodations and agrees to conform to the Assurances and Guidelines set forth in the application;

NOW, THEREFORE, BE IT HEREBY PROCLAIMED by the City Council of the City of Escanaba, Michigan, that the grant application should be made to the Michigan Council for Arts and Cultural Affairs for the February 2, 2015 deadline.

City Council, Escanaba, MI      Dated: \_\_\_\_\_

Attest

\_\_\_\_\_  
Clerk, City Council  
City of Escanaba, Delta County, State of Michigan

Dated: \_\_\_\_\_

NB# 2  
CC 6/18/15

MEMORANDUM

Date: June 10, 2015  
To: Jim O'Toole, City Manager  
From: Bill Farrell, City Engineer *WB*  
CC: Bob Richards, Melissa Becotte  
RE: Approval of annual paving bids

ANNUAL PAVING BIDS

On Thursday June 10, 2015, the City of Escanaba opened sealed bids for the annual paving program. The notice appeared in the Daily Press and bid packages were sent to various firms. One (1) response was received. Below is the tabulation of bids.

Unit of Work	Quantity	Unit	Cost	Total
HMA Base Crushing	10,100	SYD	\$1.55	\$15,655.00
Cold Milling, HMA Surface	7,400	SYD	\$2.05	\$15,170.00
HMA, LVSP	2,030	TON	\$71.00	\$144,130.00
HMA, 4E3	830	TON	\$73.00	\$60,590.00
HMA, 5E3	100	TON	\$76.00	\$7,600.00
			Total	\$243,145.00

Payne and Dolan of Gladstone, Michigan is the lowest qualified bidder for this work. I recommend awarding the bid to Payne and Dolan and I would ask that council approval be given for the unit prices of the work and not the total amount.

Last Year \$88.20



PROPOSAL

Unit of Work	Quantity	Unit	Cost	Total
HMA Base Crushing and Shaping	10,100	Square Yards	1.55	\$ 15,655.00
Cold Milling HMA Surface	7,400	Square Yards	2.05	15,170.00
HMA, LVSP	2,000	Ton	71.00	144,130.00
HMA, 4E3	880	Ton	73.00	60,590.00
HMA, 5E3	100	Ton	76.00	7,600.00
Grand Total			\$	243,145.00

Note:  
The breakdown list of streets will have additional information concerning these items.

This proposal for work within the City of Escanaba is proposed as stated above.

Submitted by:

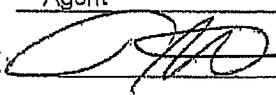
FIRM: Payne & Dolan, Inc.

ADDRESS: 801 Clark Drive

Gladstone, MI 49837

NAME: Thomas Ritter

TITLE: Agent

SIGNATURE:  \_\_\_\_\_

DATE: June 10, 2015

## PAVING BIDS

TO BIDDERS: Wednesday May 27th, 2015  
ADVERTISED: Week of May 26th, 2015 – Escanaba Daily Press  
BID OPENING: Wednesday June 10<sup>th</sup>, 2015

Payne and Dolan, Inc.  
801 Clark Drive  
Gladstone, MI 49837

Bacco Construction Company, Inc.  
N3660 North Highway U.S. 2  
Iron Mountain, MI 49801-0458

H & D, Division of Reith Riley Construction Company  
6795 U.S. 31 North  
Bay Shore, MI 49711

Smith Paving, Inc  
4090 U.S. 41 West  
Marquette, MI 49855

Delta County Area Chamber of Commerce  
Builder's Exchange  
230 Ludington Street  
Escanaba, MI 49829

## **NOTICE TO BIDDERS**

Sealed bids will be received by the City of Escanaba at the office of the City Clerk, on or before 2:00 p.m., local time on **Wednesday June 10<sup>th</sup>, 2015.**

### **TO: PULVERIZE AND HOT MIX ASPHALT PAVE VARIOUS CITY STREETS**

The bids will be publicly opened and read in Room 101 in the City Hall at 410 Ludington Street, Escanaba, Michigan at said date and time.

Bidder's proposal, and/or specifications may be obtained from the office of the City Clerk, located at 410 Ludington Street, Escanaba, MI 49829. No bids will be considered unless the proposal form and/or specifications (furnished by the City of Escanaba, Michigan), are properly completed and enclosed in a sealed envelope, marked:

### **ESCANABA PAVING BID 2015**

In addition, the City of Escanaba, Michigan will not consider any proposal, which has not been received prior to the published time, date and year of bid opening. (Fax transmittals will not be accepted.)

The City of Escanaba, Michigan reserves the right to reject any or all bids, or any part thereof at its discretion, and to waive any irregularities in the bidding. The City of Escanaba, Michigan may also split bids at its discretion. The City further reserves the right to negotiate directly with any and all bidders concerning any matter related to any bid.

The City of Escanaba, Michigan bids are prepared to afford all vendors the equal opportunity for fair and equitable competition. The City of Escanaba, Michigan assumes no liability or responsibility for any errors or oversights in the preparation and/or publication of bids.

Thomas J. Penegor  
Purchasing Agent  
City of Escanaba

## NOTICE TO BIDDERS

Sealed bids will be received by the City of Escanaba at the office of the City Clerk, on or before 2:00 p.m. - local time – on Wednesday June 10<sup>th</sup>, 2015.

### PAVING BIDS

The bids will be publicly opened and read in the City Clerk's office at said time and date.

Bidder's proposals and/or specifications may be obtained from the office of the City Clerk, located at 410 Ludington Street, Escanaba, Michigan 49829. No bid will be considered unless the proposal from and/or specifications (furnished by the City of Escanaba, Michigan) are properly completed and enclosed in a sealed envelope marked:

### "2015 Paving"

In addition, the City of Escanaba, Michigan, will not consider any proposal which has not been received prior to the published time, date and year of bid opening. FAX transmittals will not be accepted.

A certified check, cashier's check, or Bidder's Bond, drawn payable - without condition - to the City of Escanaba, Michigan, in an amount not less than 10% of the bid will be submitted with each proposal as a guarantee that if the bid is accepted, the bidder will furnish materials or services as stated in his proposal. On failure of the successful bidder to fulfill the conditions of his/her proposal, he/she shall forfeit said deposit to the City of Escanaba, Michigan, as liquidated damages. The acceptance of the proposal will be contingent upon the bidder's acceptance of this provision.

The City of Escanaba, Michigan, reserves the right to reject any or all bids, or any part thereof, at its discretion and to waive any irregularities in the bidding. The City of Escanaba, Michigan, may also split bids at its discretion. The City further reserves the right to negotiate directly with any and all bidders concerning any matter related to any bid.

All City of Escanaba, Michigan, bids are prepared so as to afford all vendors the equal opportunity for fair and equitable competition. The City of Escanaba, Michigan, assumes no liability or responsibility for any errors or oversights in the preparation and/or publication of bids.

Any questions concerning this bid should be directed to the City Engineer, Bill Farrell (906) 786-1842.

### SCOPE OF SERVICES

The City of Escanaba requests bid proposals for HMA Paving of city streets within the City of Escanaba for the City's fiscal year (July 01<sup>st</sup>, 2015 to June 30<sup>th</sup>, 2016).

### **HMA BASE CRUSHING AND SHAPING**

Base Crushing and Shaping shall consist of crushing existing HMA surface into existing gravel base material and grading and compacting material to a uniform grade with 2% crown. The Contractor shall be responsible for shaping and removing any excess material. Uniformly crush existing bituminous pavement, including up to 4 inches of the aggregate base, to the required width and depth. Ninety-five percent of the crushed material must have a maximum particle size of 1-1/2 inch, with no particle size exceeding 4 inches. Payment shall be made on square yards of material crushed.

### **COLD MILLING HMA SURFACE**

Cold Milling HMA Surface shall consist of removing the existing bituminous surface down to within 1 inch to 2 inches of the existing gravel base. The contractor shall also be responsible for removing all milled material and general clean up in preparation of surface for paving. The City will do the final clean-up using street sweepers. Payment shall be made on square yards of material removed.

### **HMA PAVING**

All paving material shall conform to current MDOT specifications. Mix design shall conform to HMA mixtures 4E3, 5E3 and LVSP. Different MDOT HMA mix designs may be used if submitted to the City Engineer in writing and approved by the City Engineer prior to use. All testing and mix design requirements of MDOT specifications shall be part of this specification. Payment will be based on tons of material placed.

### **HMA APPLICATION ESTIMATE**

#### **Description**

This work shall be done in accordance with the requirements of Division 501 of the 2012 Standard Specifications for Construction except as herein specified.

#### **Construction Methods**

The Roller Method for testing compaction, Section 501.03 subsection G shall be used for this project.

#### **MATERIALS**

HMA, 4E1, L-1, yield will vary depending on actual street, typical shall be 220 pounds per square yard. (Leveling Course designated L-1)

HMA, 5E1, T-1, yield will vary depending on actual street, typical shall be 165 pounds per square yard. (Top Course designated T-1) Top course AWI=260 minimum.

LVSP, T-2, yield will vary depending on actual street, typical shall be 220 pounds

per square yard base course and 165 pounds per square yard top course. (Top course designation T-2)

The Performance Grade asphalt binder range for the Mixture shall be 58-34.

The HMA Bond Coat material shall be per Section 501.03 subsection D of the 2012 MDOT Standard Specifications for Construction. The uniform rate of application shall be 0.01 to 0.1 gallon per square yard. Payment for HMA Bond Coat shall be included within the cost of other HMA items of work and not paid for separately.

Measurement and Payment

Measurement and Payment shall be at the contract unit price per ton.

**COORDINATION OF WORK**

All work must be coordinated with the Escanaba Public Works Department. Generally, the Public Works Department will select various street and alleys to be resurfaced each year and will repair manholes and other underground structures, and replace curbing as needed prior to proceeding with Base Crushing and shaping and HMA Paving or Cold Milling-HMA Surface operations of work.

On new street or alley construction, the City of Escanaba Public Works Department will prepare the aggregate base and complete finish grading just prior to HMA Paving.

Since the actual amount of work will vary depending on available funds and the time it may take to do necessary underground and/or curb repair work, bids are therefore asked to be submitted on a unit cost basis.

Tack material (Bond Coat) shall be applied between HMA layers and on milling projects or where directed by the Engineer. Tack material not paid for separately and shall be paid for in other HMA items of work.

An estimate of quantities based on the 2015 construction would be approximately:

HMA Base Crushing and Shaping	10,100	Square Yards
Cold Milling HMA Surface	7,400	Square Yards
HMA, LVSP	2,030	Tons
HMA, 4E3	830	Tons
HMA, 5E3	100	Tons

Exact paving dates to be coordinated with the Contractor and the Engineer at a later date.

**NOTE: The breakdown list of streets for this bid is available in the Engineering Department office.**

## INSURANCE

The Contractor shall furnish proof of insurance establishing minimum coverage's in writing to the City Engineer as follows:

### Worker's Compensation

Coverage A	Statutory
Coverage B	\$100,000

### Comprehensive General Liability

Per occurrence	\$1,000,000
General Aggregate	\$1,000,000
Products/completed operations	
General Aggregate	\$1,000,000

### Comprehensive Automobile Liability

Combined Single Limits	\$1,000,000
------------------------	-------------

The City of Escanaba shall be named as "additional insured" on all certificates. All policies affording coverages required in this section shall further be endorsed to provide a ten (10) day notice to be delivered to the City before any coverages are either reduced or cancelled.

The Contractor shall furnish Performance and Payment Bonds, each in an amount at least equal to the contract price as security for the faithful performance and payment of all Contractor's obligations under the contract. These bonds shall remain in effect at least until 6 months after the final payment.

## PROPOSAL

Unit of Work	Quantity	Unit	Cost	Total
HMA Base Crushing and Shaping	10,100	Square Yards	_____	_____
Cold Milling HMA Surface	7,400	Square Yards	_____	_____
HMA, LVSP	2,030	Ton	_____	_____
HMA, 4E3	830	Ton	_____	_____
HMA, 5E3	100	Ton	_____	_____

**Grand Total**      \$ \_\_\_\_\_

**Note:**

The breakdown list of streets will have additional information concerning these items.

**This proposal for work within the City of Escanaba is proposed as stated above.**

Submitted by:

FIRM: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_