



**AGENDA
CITY COMMISSION MEETING
WEDNESDAY, MARCH 10, 2021
ELECTRONIC**

Members of the public can attend online at:

<https://us02web.zoom.us/j/81472931560>

OR by calling in to 1-312-626-6799 and using the Webinar ID: 814 7293 1560

Members of the public can also view the meeting online at:

<https://youtu.be/2pwVUJpqjFc>

REGULAR MEETING 6:00 P.M.

1. CALL TO ORDER BY MAYOR
2. PLEDGE OF ALLEGIANCE
3. INVOCATION
4. ROLL CALL
5. PROCLAMATIONS / PRESENTATIONS
6. VISITORS – (Public comments for items not listed as agenda items)
7. APPROVAL OF AGENDA
8. APPROVAL OF CONSENT AGENDA (agenda below)
9. UNFINISHED BUSINESS
 - A. Zoning District Change – 201 Broadus Street Second Reading – William Prichard
10. NEW BUSINESS
 - A. Chamber of Commerce Use of City Logo Request – Michael Hughes
 - B. Five Lakes Coffee Use of City Logo Request – Michael Hughes
 - C. DWSRF Engineering Proposal – Michael Hughes
 - D. Police & Fire Department HVAC System Upgrades – Dan Root
 - E. Sturges-Young Center for the Arts Restroom Renovations – Sheila Bolda
 - F. In-Person Public Meetings – Michael Hughes
11. COMMISSIONER / STAFF COMMENTS
12. ADJOURN

CONSENT AGENDA

8A. Action of Minutes of Previous Meetings

APPROVE the minutes from the February 24, 2021 regular meeting as presented.

8B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$2,059,504.14 as presented.

8C. Zoning District Change – 115 S. Maple Avenue Second Reading

CONSIDER this the second reading of and APPROVE an amendment to the Zoning Code, Article III pertaining to rezoning of 115 S. Maple Avenue from the Business Highway 1 (B-H1) zoning district to Residential 4 (R-4) zoning district effective April 1, 2021.

Manager's Report

MARCH 10, 2021



CITY OF
Sturgis
MICHIGAN

Submitted by:

A handwritten signature in dark ink, appearing to read "Michael L. Hughes".

Michael L. Hughes
City Manager

8. Consent Agenda

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the Consent Agenda for March 10, 2021 as presented.

Staff Recommendation:

APPROVE

8A. Action of Minutes of Previous Meetings

Consent Agenda Motion:

APPROVE the minutes from the February 27, 2021 regular meeting as presented.

8B. Pay Bills

Consent Agenda Motion:

AUTHORIZE the payment of the City bills in the amount of \$2,059,504.14 as presented.

8C. Zoning District Change – 115 S. Maple Avenue Second Reading

At the February 27th meeting, a first reading of a zoning district change was considered for 115 S. Maple Avenue. The request is to change the zoning district from Business Highway 1 (B-H1) zoning district to the Residential 4 (R-4) zoning district.

The parcel located at 115 S. Maple Avenue is currently zoned Business Highway 1 (B-H1), however, no other neighboring parcels or neighborhoods are zoned Business Highway 1. This property is in a residential district. The Future Land Use Map identifies this property as residential zoning. The zoning district change would eliminate a non-conforming use.

The Planning Commission held a public hearing at their February 16, 2021 meeting regarding the rezoning of the property. At that meeting, the

Planning Commission voted to recommend the rezoning to the City Commission.

Consent Agenda Motion:

CONSIDER this the second reading of and APPROVE an amendment to the Zoning Code, Article III pertaining to rezoning of 115 S. Maple Avenue from the Business Highway 1 (B-H1) zoning district to Residential 4 (R-4) zoning district effective April 1, 2021.

Included in your packet:

1. Zoning Ordinance Amendment – 115 S. Maple
2. Zoning Map – 115 S. Maple Ave.
3. Future Land Use Map – 115 S. Maple Ave.

9. Unfinished Business

A. Zoning District Change – 201 Broadus Street Second Reading

Staff: William Prichard

At the February 27th meeting, a first reading of a zoning district was considered for 201 Broadus St., (Parcel ID#052-090-026-00). The request was made by the future owner, Elizabeth Hooley. The request is to change the zoning district from the Business Office Service (B-OS) zoning district to the Residential 3 (R-3) zoning district. The Future Land Use Map identifies this property as Business Office Service zoning district.

The building has been vacant since August of 2018, when it was the location for Center for Health and Wellness, a healthcare provider. The zoning district change is being requested so the use of the building can change from a business office to residential use.

The applicant is proposing a single-family residential use to house an Adult Foster Care Home. They propose to bring the property into compliance with the City of Sturgis zoning code by providing screening and upgrades to the parking area. The applicant has also indicated that they will be constructing an addition to the building at some point in the future.

The Planning Commission held a public hearing at their February 16, 2021 meeting regarding the rezoning of the property. At that meeting, the Planning Commission voted to recommend the rezoning to the City Commission.

Proposed Motion:

Move that the Sturgis City Commission CONSIDER/NOT CONSIDER this the second reading of and APPROVE/DENY an amendment to the Zoning Code, Article III pertaining to rezoning of 201 Broadus Street from the Business Office Service (B-OS) zoning district to Residential 3 (R-3) zoning district effective April 1, 2021.

Staff Recommendation:
CONSIDER and APPROVE

Included in your packet:

1. Zoning Ordinance Amendment – 201 Broadus St.
2. Zoning Map – 201 Broadus St.
2. Future Land Use Map – 201 Broadus St.

10. New Business

A. Chamber of Commerce Use of City Logo Request

Staff: Michael Hughes

The Sturgis Area Chamber of Commerce is requesting to use the City of Sturgis logo in their branding and marketing of the 2021 Sturgis Fest event, “125 Years of Sturgis”, commemorating the City’s 125th birthday. They plan to use a professional commercial artist to create artwork that incorporates the City logo into their campaign. If the Commission approves, the City attorney would draft a limited license agreement to the Chamber for use of the logo.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY a limited license agreement to the Sturgis Area Chamber of Commerce for use of the City logo in their 2021 Sturgis Fest branding and marketing, subject to legal review and approval.

Staff Recommendation:

APPROVE

Included in your packet:

1. Letter from Chamber of Commerce

10. New Business

B. Five Lakes Coffee Use of City Logo Request

Staff: Michael Hughes

Jared and Paul Smith, owners of Five Lakes Coffee, are requesting to use the City of Sturgis logo in their branding and marketing of a new coffee, Electric City Blend. They plan to use the logo and “Electric City” moniker in honor of the City where Five Lakes opened their first store. If the Commission approves, the City attorney would draft a limited license agreement for Five Lakes Coffee for use of the logo.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY a limited license agreement to Five Lakes Coffee for use of the City logo in their branding and marketing of the Electric City Blend, subject to legal review and approval.

Staff Recommendation:

APPROVE

Included in your packet:

1. Five Lakes Coffee Logo Use Request

10. New Business

C. DWSRF Engineering Proposal

Staff: Michael Hughes

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) released a few new programs this year of interest to the City of Sturgis. The City applied for a Drinking Water Asset Management grant as well as two other programs associated with the Drinking Water State Revolving Fund (DWSRF), which is itself a loan program.

The first, the Disadvantaged Community Lead Service Line Replacement Program, provides a forgivable loan to eligible communities for replacement of lead service lines. EGLE determined that the City of Sturgis is not a disadvantaged community according to their criteria.

The second, the Drinking Water Infrastructure (DWI) program, may provide grants up to 30% of project costs for water system improvements. In order to receive a grant a municipality must participate in the DWSRF loan program; a determination on the DWI grant funding is not made until well into the loan process. This is the first year of the DWI; there is no guarantee of receiving DWI grant funding or that the DWI program will be available next year.

The DWSRF requires a detailed project plan with a host of requirements. The deadline for submission of a DWSRF project plan is July 1st. It is fairly ambitious for the City to try and make this deadline and requires the assistance of an engineering consultant. The City invited Fishbeck to attend an Intent To Apply (ITA) meeting with an EGLE DWSRF project manager. Based on that meeting and internal discussions, Fishbeck indicated that they would have the capacity to develop and submit a project plan by the July 1st deadline. They are putting together a proposal for services, which we should receive prior to the City Commission meeting.

The project scope of work that we are targeting for the DWSRF includes water main and service line replacement on St. Joseph Street and E. Hatch Street and

service line replacement on N. Clay and Park Streets. Total project cost is estimated at \$1,136,600. Given that the DWI grant provides up to 30% of eligible project costs, we recommend pursuing the program, while acknowledging that the time frame for completion will present challenges.

The St. Joseph St. and E. Hatch St. projects are budgeted for the current fiscal year. Funds are budgeted for lead service line replacements and depending upon other necessary replacements these funds may be used to cover the N. Clay Street and Park Street projects. Additional funding may be available due to unrealized projects included in the capital budget.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY a contract proposal with Fishbeck for development of a DWSRF project plan in the amount of _____ as presented.

Included in your packet:

1. City of Sturgis Intent to Apply Form
2. DWSRF Milestone Schedule
3. DWSRF Project Plan Preparation Guidance
4. FY 2022 MFA Financing Schedule

10. New Business

D. Police & Fire Department HVAC System Upgrades

Staff: Dan Root

Currently the thermostat controls and heating/cooling control valves in the Police/Fire building all operate on pneumatic systems. These types of systems are dated, can be very troublesome, and require a significant amount maintenance. Staff has budgeted in this fiscal year to upgrade these pneumatic devices to modern low-voltage electronic equivalents as part of the capital improvement plan.

The budgeted project included the replacement of all pneumatic thermostats throughout the facility and the replacement of the pneumatic actuators on the valves connected to all 34 fan coil units and the make-up air system in the building.

The Police and Fire Department building has utilized the Niagara Building Automation System (BAS) since 2011 when the systems were installed as part of a previous performance contract. This is the same platform used at City Hall and currently being installed at the Doyle. This platform has proven to be beneficial in its ability to diagnose system problems and maintain and update operations schedules. With the addition of the new electronic thermostats and actuators, additional data and control will be added to the BAS system allowing for greater accuracy in temperature reads than the existing pneumatic system as well as improved scheduling, diagnosing, and troubleshooting. Additionally, the installation of the electronic thermostats will improve overall climate control and comfort within the building.

Staff received a quotation for the project from Havel and is requesting a bid waiver for the project. Havel is our sole source provider for the existing BAS platform and continues to provide value based, practical solutions to meet the needs of City facilities.

Havel's proposal provided a base bid of \$61,122 to complete supply and installation of new thermostats and supply of new actuators. Havel provided staff

with three alternatives in dealing with the install of actuator controls and their associated valves. Alternate 1 installs the actuators and replaces the hot/cold water valves for the fan coil units. Alternate 2 installs the new actuators on the existing valves. Alternate 3 involves forgoing actuators and installing transducers for the existing pneumatic valves.

Staff is recommending Alternate 1 at an additional cost of \$14,189 to contract Havel to install new valves on the heating and cooling water lines at each unit. This option provides the most up-to-date and integrated system, at a marginal cost difference from Alternate 2. As recommended, the total project cost is \$75,311.

The amount budgeted for this project in this fiscal year was \$60,000. Based on the recommended total project cost, staff is requesting a budget amendment of \$20,000 in the General Fund capital outlay line item to cover the additional cost plus a small amount for contingency.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY a bid waiver for and the proposal of Havel with Alternate 1 for improvements and upgrades to the mechanical systems and building controls at the Sturgis Police/Fire Department Building in the total amount of seventy-five thousand three hundred and eleven dollars (\$75,311.00) as presented.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY a budget amendment increasing the General Fund capital outlay line item by twenty thousand dollars (\$20,000.00).

Staff Recommendations:

**APPROVE and
APPROVE**

Included in your packet:

1. Proposal from Havel
2. Budget Amendment

10. New Business

E. Sturges-Young Center for the Arts Restroom Renovations

Staff: Sheila Bolda

The restrooms on the main floor of the Sturges-Young Center for the Arts are long overdue for renovation and upgrades and this is the next project for improvements to the facility. Staff believes now is an ideal time to complete this project, given the current usage level of the facility due to COVID-19 restrictions.

The current toilets are original to the building (65+ years) as are other items such as stall walls, urinals and plumbing; these fixtures have been maintenance concerns for several years. The tile and ceramic block are original, and cosmetic items such as wallpaper and carpeting in the family and women's restrooms need replacement. In addition, the family restroom, while meant for handicap access, is not compliant with current ADA standards, lacking the necessary clearances, fixtures, and an automatic door opener.

Renovation of the main floor restrooms was included in the Sturges-Young Center for the Arts capital improvement plan for fiscal year 2020-2021 and budgeted at \$165,500.00. This budget was based on a high-level estimate put together by Byce & Associates Engineers and Architects in early 2020 for the Michigan Council for Arts and Cultural Affairs (MCACA) project grant. The City was awarded a grant of \$37,812.00 towards the upgrades, requiring a 1:1 fund match.

After being awarded grant funding, staff contacted Frederick Construction to develop a more detailed project budget and cost proposal for the project with a design-build concept. Under design-build, one contractor is responsible for handling both project design and eventual construction, allowing for a more cohesive working relationship between the architects and builders and providing the City one responsible party if there are concerns or changes during construction. Frederick is a MiDeal approved Indefinite-Scope, Indefinite-Delivery Discretionary (ISID) contractor and has worked with the City on projects in the past.

After consultation with City staff on the scope of work, Frederick prepared a detailed renovation budget for the project of \$249,228.92. This budget includes design, labor, material, and project management as well as a 10% contingency for the project. A copy of the budget is included in your packet. A final cost proposal and contract for design on the project is also included in your packet; the design portion of the project is \$24,750.00. Through the design process the overall project budget will be finalized and a construction contract brought back to the Commission at a future meeting. Staff and Frederick will work to be at or below the current \$249,228.92 overall project budget.

Staff is recommending the Commission approve the contract with Frederick Construction for design of this project in the amount of \$24,750.00. Staff is requesting a bid waiver for this project due to Frederick Construction being a MiDeal approved ISID contractor. As stated above, these design costs are included in the \$249,228.92 project budget.

The current sources of revenue for the project in the Sturges-Young Council for the Arts budget includes \$83,000 transferred from the Capital Reserve Fund, \$20,000 from the Road to Restoration campaign fundraiser in 2019, and the MCACA project grant award of \$37,812 for a total of \$140,812.00. Currently there is a gap of approximately \$108,500.00 between the latest project budget and available revenue. The Sturges-Young is planning a capital funding campaign to commence in the next month with the goal being to raise enough funding to cover all or most of the deficit for this project.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY a bid waiver for and the contract with Frederick Construction for the Sturges-Young main floor restroom project design in the amount of twenty-four thousand, seven hundred and fifty dollars (\$24,750.00) as presented and AUTHORIZE Michael Hughes to sign all necessary documents.

Staff Recommendation:

APPROVE and AUTHORIZE

Included in your packet:

1. Proposal and Budget from Frederick Construction

10. New Business

F. In-Person Public Meetings

Staff: Michael Hughes

With recent changes to COVID-19 restrictions in the State of Michigan, the City Attorney and I will present information on our ability to hold public meetings and potential restrictions for those meetings. I am seeking Commission direction on how to schedule meetings moving forward.

News

Quarterly Financial Report: The quarterly financial report for the quarter ending 12-31-20 is included with your packet.

Noteworthy Meetings / Events

- DDA Promotion Committee Meeting | February 22nd
- Chamber Board Meeting | February 23rd
- Lifecare Contract Committee Meeting | February 23rd
- Splash Pad Committee Meeting | February 23rd
- Special EDC/SIA Meeting | February 25th
- St. Joseph County Brownfield Authority Meeting | February 25th
- Govapalooza Virtual Conference | March 1st – March 5th
- EDC/SIA/BRA Meeting | March 2nd
- Splash Pad Committee Meeting | March 2nd
- DDA Meeting | March 3rd
- Lifecare Contract Committee Meeting | March 3rd

Upcoming Events

- Styrofoam Recycling | DPS | 9:00 am-12:00 pm | March 6th
- Splash Pad Committee Meeting | Zoom | 5:30 pm | March 9th
- Wine Out of Winter | Downtown | 5:30 pm – 9:00 pm | March 12th
- MML Capital Conference | March 16th
- Splash Pad Committee Meeting | Zoom | 5:30 pm | March 16th

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8A

**REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, FEBRUARY 24, 2021
ELECTRONIC/VIRTUAL**

Mayor Hile called the meeting to order at 6:00 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Pastor George Cleverley, Church of Christ

Commissioners present: Bir, Klinger, Wickey, Malone, Smith, Littman, Good, Vice-Mayor Mullins, Mayor Hile
Commissioners absent: None

Also present: City Attorney, City Manager, Assistant City Manager, City Engineer, Community Development Director, Electric Department Superintendent, City Controller, City Clerk

Moved by Comm. Bir and seconded by Comm. Smith to approve the agenda as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Bir and seconded by Comm. Littman to approve the Consent Agenda of February 24, 2021 as presented.

8A. Action of Minutes of Previous Meetings

APPROVE the minutes from February 10, 2021 regular meeting as presented.

APPROVE the minutes from the February 17, 2021 planning meeting as presented.

8B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$1,087,409.12 as presented.

8C. Wine Out of Winter Event Request

APPROVE the request for Wine Out of Winter on March 12th, 2021 as amended to allow for the use of four parking spots instead of two.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Mayor Hile opened the Public Hearing to consider the Vinewood & E. Congress Sidewalk Repair special assessment district.

City Engineer Barry Cox provided information on the sidewalk repair project and the related special assessments. Discussion followed.

There was no comment from the public.

Mayor Hile closed the Public Hearing.

Moved by Comm. Klinger and seconded by Comm. Good to approve a Special Assessment District #2021-01 for the 2021 Sidewalk Repair Program as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Mayor Hile opened the Public Hearing to consider the 2021 New Sidewalk Construction special assessment district.

City Engineer Barry Cox provided information on the new sidewalk construction project and the related special assessments. He also explained that the owner of 68850 Vinewood expressed opposition due to available funds. Discussion followed.

There was no comment from the public.

Mayor Hile closed the Public Hearing.

Moved by Comm. Mullins and seconded by Comm. Good to approve a Special Assessment District #2021-02 for the 2021 New Sidewalk Program as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Engineer Barry Cox provided information on the 2021 Street Resurfacing Program Task Order. Discussion followed.

The City Commission had consensus to add the removal of the island on East Congress Street to the Task Order.

Moved by Comm. Good and seconded by Comm. Bir to approve Task Order #96 with Fleis and Vandenbrink Engineering, Inc. in the amount of thirty-nine thousand dollars (\$39,000.00) for preliminary design, final design, and bidding services on the 2021 Enhanced Mill and Resurface Project as amended.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Community Development Director Will Prichard provided information on the change in Zoning for 115 S Maple. Discussion followed.

Moved by Comm. Bir and seconded by Comm. Good to consider this the first reading of an amendment to the Zoning Code, Article III pertaining to rezoning of 115 S. Maple Avenue from the Business Highway 1 (B-H1) zoning district to Residential 4 (R-4) zoning district as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Community Development Director Will Prichard provided information on the change in Zoning for 201 Broadus. Discussion followed.

Moved by Comm. Malone and seconded by Comm. Wickey to consider this the first reading of an amendment to the Zoning Code, Article III pertaining to rezoning of 201 Broadus Street from the Business Office Service (B-OS) zoning district to Residential 3 (R-3) zoning district as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Good and seconded by Comm. Littman to go into Closed Session for discussion of union negotiations and the potential purchase of property.

Voting yea: Bir, Klinger, Wickey, Malone, Smith, Littman, Good, Mullins, Hile

Voting nay: None

MOTION CARRIED

Meeting recessed at 7:06 p.m.

Meeting reconvened at 8:40 p.m.

Moved by Comm. Good and seconded by Commissioner Klinger to approve the real estate purchase agreement with Daniel Gunnett and Lacie Johansen as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Good and seconded by Commissioner Smith to approve the CBA Settlement Agreement between the City of Sturgis and IBEW local union #1392 as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 8:45 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8B

Date	Check#	Vendor	Vendor Name	Amount
Manual Checks				
03-02-2021	239311M	04675	PATRICK ABSTRACT &	5,000.00
03-04-2021	239312M	04675	PATRICK ABSTRACT &	93,423.88
02-19-2021	PR0550M	00061	CITY OF STURGIS PAYROLL	254,757.12
02-17-2021	T13480M	04088	BLUE CROSS BLUE SHIELD OF MI	21,777.28
02-16-2021	T13481M	04524	ALERUS FINANCIAL	23,015.00
02-22-2021	T13482M	04197	MI PUBLIC POWER AGENCY	219,567.17
02-24-2021	T13483M	04088	BLUE CROSS BLUE SHIELD OF MI	75,439.90
02-18-2021	T13484M	05892	PAYCOR	267.25
02-28-2021	T13485M	00108	STATE OF MICHIGAN	48,015.49
02-26-2021	T13486M	00291	STURGIS JOURNAL	399.00
02-22-2021	T13487M	03173	FIFTH THIRD BANK	12,336.32
02-26-2021	T13488M	00291	STURGIS JOURNAL	686.35
02-26-2021	T13489M	00291	STURGIS JOURNAL	314.80
02-25-2021	T13490M	02461	AMAZON.COM	926.22
02-26-2021	T13491M	02461	AMAZON.COM	1,845.40
02-19-2021	T13492M	00062	CITY OF STURGIS-EMPLOYEE INS	58,948.93
02-19-2021	T13493M	00063	CITY OF STURGIS TAX TRANSFER	14,475.26
02-19-2021	T13494M	04294	CITY OF STURGIS-BASIC/ST	177.10
02-19-2021	T13495M	05588	ALERUS FINANCIAL/MERS TRANSFER	2,220.45
02-19-2021	T13496M	00064	INTL CITY MGMT ASSOC RETR CORP	5,992.78
02-19-2021	T13497M	00065	DOYLE MEMBERSHIP TRANSFER	2,159.31
02-19-2021	T13498M	05123	COMERICA BANK-INST TRUST SERV	26,834.34
02-19-2021	T13499M	03229	CITY OF STURGIS-WORKERS COMP	2,458.29
03-15-2021	T13500M	04524	ALERUS FINANCIAL	23,015.00
03-01-2021	T13501M	04389	FRONTIER COMMUNICATIONS A	44.51
03-04-2021	T13502M	00197	CITY OF STURGIS UTILITIES	17,390.48
03-03-2021	T13503M	04389	FRONTIER COMMUNICATIONS A	104.81
03-04-2021	T13504M	03770	MICHIGAN GAS UTILITIES	222.72
03-12-2021	T13505M	00197	CITY OF STURGIS UTILITIES	14,828.07
03-09-2021	T13506M	03770	MICHIGAN GAS UTILITIES	1,094.17
03-09-2021	T13507M	03770	MICHIGAN GAS UTILITIES	190.18
03-10-2021	T13508M	03770	MICHIGAN GAS UTILITIES	39.49
03-10-2021	T13509M	03770	MICHIGAN GAS UTILITIES	1,476.97
03-01-2021	T13510M	04291	HUNTINGTON NATIONAL BANK	3,064.69
03-25-2021	T13511M	03857	THE BANK OF NY MELLON NA	341,001.53
03-20-2021	T13512M	00197	CITY OF STURGIS UTILITIES	15,784.08
03-11-2021	T13513M	00512	CAMOCO FUEL SYSTEM	9,577.16
03-15-2021	T13514M	04389	FRONTIER COMMUNICATIONS A	55.68
03-15-2021	T13515M	04389	FRONTIER COMMUNICATIONS A	26.28
03-15-2021	T13516M	04389	FRONTIER COMMUNICATIONS A	169.54
03-15-2021	T13517M	04389	FRONTIER COMMUNICATIONS A	67.22
03-15-2021	T13518M	04389	FRONTIER COMMUNICATIONS A	145.73
03-15-2021	T13519M	04389	FRONTIER COMMUNICATIONS A	50.72
03-16-2021	T13520M	04389	FRONTIER COMMUNICATIONS A	192.75
03-16-2021	T13521M	04389	FRONTIER COMMUNICATIONS A	53.08
03-18-2021	T13522M	04389	FRONTIER COMMUNICATIONS A	608.71
03-18-2021	T13523M	03770	MICHIGAN GAS UTILITIES	2,795.75
03-18-2021	T13524M	03770	MICHIGAN GAS UTILITIES	405.95
03-26-2021	T13525M	00197	CITY OF STURGIS UTILITIES	24.53
03-18-2021	T13526M	03770	MICHIGAN GAS UTILITIES	1,860.69
03-17-2021	T13527M	03770	MICHIGAN GAS UTILITIES	620.48
03-15-2021	T13528M	03770	MICHIGAN GAS UTILITIES	51.72
03-01-2021	T13529M	03951	SOUTHERN MICHIGAN BANK & TRUST	1,658.42
03-01-2021	T13530M	04197	MI PUBLIC POWER AGENCY	256,184.99

Date	Check#	Vendor	Vendor Name	Amount
03-08-2021	T13531M	06121	GB SOLAR TE 2020 HOLDINGS LLC	40,614.38
03-10-2021	T13532M	04421	AT&T MOBILITY	756.37
03-31-2021	T13533M	05033	HUNTINGTON NATIONAL BANK	145,806.25
03-01-2021	T13534M	04088	BLUE CROSS BLUE SHIELD OF MI	26,176.26

Automatic Checks

03-10-2021	239313	00110	A & K PRINTING & POOLS	240.00
03-10-2021	239314	00066	ACTION QUICK PRINT PLUS	329.00
03-10-2021	239315	00296	ADRIAN BARAJAS	56.25
03-10-2021	239316	05707	ADRIAN ENVIRONMENTAL LLC	2,066.00
03-10-2021	239317	00332	ALEXANDER CHEMICAL CORP	1,426.17
03-10-2021	239318	06102	ALLIED FIRE SALES & SERVICE	2,183.53
03-10-2021	239319	00335	ALTEC INDUSTRIES, INC.	6,627.47
03-10-2021	239320	06119	AMAZON.COM SALES INC	501.65
03-10-2021	239321	00339	AMERICAN PUBLIC WORKS ASSOC	820.00
03-10-2021	239322	03576	ARROW SERVICES INC	67.55
03-10-2021	239323	05462	AUTOZONE STORES LLC	11.42
03-10-2021	239324	06111	BASIC BENEFITS, LLC	120.00
03-10-2021	239325	06117	BENITA ANN LEWIS	30.00
03-10-2021	239326	00072	BIRD, SCHESKE, REED & BEEMER,	7,395.00
03-10-2021	239327	02749	HARLAN BLOOD	15.00
03-10-2021	239328	06113	BLUETARP FINANCIAL, INC.	247.41
03-10-2021	239329	00132	BOFA INC	2,140.50
03-10-2021	239330	00006	BOLAND TIRE INC	662.08
03-10-2021	239331	02960	BRUSSEE/BRADY INC	22,680.00
03-10-2021	239332	00733	CARGILL INC	10,719.58
03-10-2021	239333	05108	CORRIGAN OIL CO	13,095.85
03-10-2021	239334	00152	CULLIGAN WATER CONDITIONING	68.42
03-10-2021	239335	01119	DAVID W LUDDERS	64.60
03-10-2021	239336	00629	DELISLE ASSOCIATES LTD	25.00
03-10-2021	239337	02005	DELL MARKETING LP	2,636.08
03-10-2021	239338	05155	DH WIRELESS SOLUTIONS	100.00
03-10-2021	239339	05863	DOUBLE J STURGIS VENTURES LLC	276.60
03-10-2021	239340	03109	DOWNTOWN DEVELOPMENT AUTHORITY	500.00
03-10-2021	239341	03095	MARY DRESSER	30.00
03-10-2021	239342	00573	ENFOTECH & CONSULTING INC	1,500.00
03-10-2021	239343	06116	FARRA SCHULER	20.00
03-10-2021	239344	00169	FASTENAL COMPANY	36.52
03-10-2021	239345	05490	FERGUSON WATERWORKS #3386	6,690.47
03-10-2021	239346	00013	FISHBECK THOMPSON	7,357.50
03-10-2021	239347	00460	FITNESS THINGS INC	690.00
03-10-2021	239348	00776	FLEIS & VANDENBRINK	423.30
03-10-2021	239349	04446	FRANK MILLER & SONS	431.75
03-10-2021	239350	04389	FRONTIER COMMUNICATIONS A	3,355.88
03-10-2021	239351	03886	G & K GAS CORPORATION	18.86
03-10-2021	239352	00183	W W GRAINGER INC	1,819.67
03-10-2021	239353	03806	GREAT LAKES PEST CONTROL	365.00
03-10-2021	239354	04243	GRP ENGINEERING INC	3,286.50
03-10-2021	239355	05827	HAASCAYWOOD	250.00
03-10-2021	239356	00296	HOLLY JEFFERSON	27.00
03-10-2021	239357	03402	SHARON HUDSON	40.00
03-10-2021	239358	04922	HUTSON ASSESSING INC	4,653.00
03-10-2021	239359	05238	JM TEST SYSTEMS INC	1,701.50
03-10-2021	239360	05842	JOHN DEERE FINANCIAL	293.98
03-10-2021	239361	00296	JOSE LOPEZ	58.67

Date	Check#	Vendor	Vendor Name	Amount
03-10-2021	239362	00020	KENDRICK STATIONERS INC	340.88
03-10-2021	239363	00296	KIVA KONCEPTS INC	77.25
03-10-2021	239364	03284	TERRY KOEHL	40.00
03-10-2021	239365	04071	KS AUTO SERVICE INC	36.98
03-10-2021	239366	05977	LAKELAND INTERNET LLC	106.94
03-10-2021	239367	00216	LAWSON PRODUCTS INC	380.58
03-10-2021	239368	00394	LAWSON-FISHER ASSOCIATES PC	6,797.44
03-10-2021	239369	00220	LITHO PRINTERS INC	505.70
03-10-2021	239370	00023	LONESPRUCE	20.00
03-10-2021	239371	00827	LUBRICATION ENGINEERS INC	289.78
03-10-2021	239372	00296	MARCIA A DRENNAN	52.47
03-10-2021	239373	00296	MAXWELL C BOUGHTON	100.00
03-10-2021	239374	00635	MCMASTER-CARR SUPPLY COMPANY	90.30
03-10-2021	239375	05945	MED SAFETY PLUS LLC	53.15
03-10-2021	239376	00503	R W MERCER CO	4,198.00
03-10-2021	239377	00585	MI ASSOC OF CHIEFS OF POLICE	115.00
03-10-2021	239378	04817	MICHIANA RECYCLING AND	771.44
03-10-2021	239379	05121	MICKEY'S LINEN	66.54
03-10-2021	239380	04702	MILLER JOHNSON ATTORNEYS	2,140.94
03-10-2021	239381	00847	MWEA	915.00
03-10-2021	239382	05102	MCLEAN ENGINEERING CO	882.00
03-10-2021	239383	06069	NAPA AUTO PARTS	1,003.30
03-10-2021	239384	00608	NATIONAL TURKEY FEDERATION	150.00
03-10-2021	239385	01411	NCL OF WISCONSIN INC	2,641.05
03-10-2021	239386	04898	HOWARD E NYHART COMPANY	3,000.00
03-10-2021	239387	01445	OWENS PRODUCTS INC	1,068.20
03-10-2021	239388	05671	PACE ANALYTICAL SERVICES LLC	230.00
03-10-2021	239389	04770	PARRISH EXCAVATING INC	82,358.09
03-10-2021	239390	00296	PAULETTE WALTERS	42.04
03-10-2021	239391	04894	CRAIG PIERCE	45.00
03-10-2021	239392	05042	PLANT GROWTH MANAGEMENT SYSTEM	4,499.20
03-10-2021	239393	00033	POSTNET POSTAL & BUSINESS	288.99
03-10-2021	239394	00485	POWER LINE SUPPLY	2,971.11
03-10-2021	239395	05708	PVS - NOLWOOD CHEMICALS INC	3,092.78
03-10-2021	239396	04251	RAI JETS LLC	1,260.00
03-10-2021	239397	05739	RENEWABLE WORLD ENERGIES LLC	7,967.33
03-10-2021	239398	00035	RESCO	128.75
03-10-2021	239399	06120	SANG JIN PARK	30.00
03-10-2021	239400	00296	SHERRI L GILSON	102.24
03-10-2021	239401	00296	STEVEN L & TERRY K STEWARD	23.75
03-10-2021	239402	03214	STRYKER	2,808.00
03-10-2021	239403	03273	STURGIS AREA COMMUNITY	500.00
03-10-2021	239404	00042	STURGIS ELECTRIC MOTOR SERVICE	95.00
03-10-2021	239405	00291	STURGIS JOURNAL	460.80
03-10-2021	239406	00101	STURGIS NEIGHBORHOOD PROGRAM	5,033.33
03-10-2021	239407	05682	ROBERT TAYLOR	100.00
03-10-2021	239408	03565	THREE RIVERS AREA	235.00
03-10-2021	239409	00047	CITY OF THREE RIVERS	300.00
03-10-2021	239410	00047	CITY OF THREE RIVERS	2,088.47
03-10-2021	239411	00047	CITY OF THREE RIVERS	2,855.20
03-10-2021	239412	05664	TREECORE LLC	12,955.25
03-10-2021	239413	01247	TRUCK & TRAILER SPEC INC	272.21
03-10-2021	239414	04714	ULINE	434.39
03-10-2021	239415	01238	UNITED PARCEL SERVICE	54.98
03-10-2021	239416	04326	USA BLUEBOOK ACCT #665206	1,011.10

Date	Check#	Vendor	Vendor Name	Amount
03-10-2021	239417	03362	UTILITY FINANCIAL SOLUTIONS	615.00
03-10-2021	239418	00556	VIVIAN VANNEST	40.00
03-10-2021	239419	04453	VERIZON WIRELESS	85.12
03-10-2021	239420	03511	WASTE MANAGEMENT	831.17
03-10-2021	239421	04706	WMACP	25.00
03-10-2021	239422	06107	YEOMAN, TALIA	270.00
03-10-2021	D01651	00002	ALL-PHASE ELECTRIC SUPPLY	443.49
03-10-2021	D01652	04066	BORDEN WASTE-AWAY SERVICE INC	7,189.62
03-10-2021	D01653	00077	CARQUEST AUTO PARTS	116.57
03-10-2021	D01654	02983	CINTAS LOCATION #351	1,003.39
03-10-2021	D01655	00157	JACK DOHENY COMPANIES INC	1,512.03
03-10-2021	D01656	00019	KENDALL ELECTRIC INC	1,567.97
03-10-2021	D01657	03922	MARANA GROUP	2,070.59
03-10-2021	D01658	03944	PRAXAIR DISTRIBUTION INC	296.48

Manual Total \$1,777,197.00

Automatic Total \$282,307.14

Grand Total \$2,059,504.14

PAYROLL DISBURSEMENT
FOR PAYROLL ENDING 02/14/2021
PR0550M PAYROLL DATE 02/19/2021

GENERAL	\$125,621.31
MAJOR STREET	8,935.06
LOCAL STREET	5,819.67
CEMETERY	4,392.77
DDA	794.38
AIRPORT	1,639.13
BUILDING	2,625.15
STURGES-YOUNG CENTER FOR THE ARTS	5,487.23
RECREATION	1,922.57
DOYLE RECREATION CENTER	5,580.47
ELECTRIC	60,777.10
SEWER	14,218.04
WATER	13,826.50
MOTOR VEHICLE	3,117.74
Payroll Sub-Total	\$254,757.12

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8C

AMENDMENT TO ZONING ORDINANCE
PERTAINING TO ZONING MAP

An Ordinance to amend Article III of the Zoning Ordinance of the City of Sturgis pertaining to the zoning map and to provide for an effective date of this Ordinance.

WHEREAS, the City Commission, upon recommendation from the Planning Board, has determined that it is in the best interest of the residents of the City to modify the Zoning Ordinance with respect to the zoning map to change the zoning designation of certain property from the Business Highway 1 (B-H1) to the Residential 4 (R-4) zoning district.

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan ordains:

Article III of the Zoning Ordinance is hereby modified as follows, effective as of April 1, 2021:

Section 1.0302(A), and the zoning map incorporated by reference therein, is hereby modified to provide that the following described property shall be in the Residential 4 (R-4) zoning district:





Land situate in the City of Sturgis, St. Joseph County,
Michigan:

115 S. Maple Avenue

Parcel No. 75-052-040-474-00

Current Zoning Map

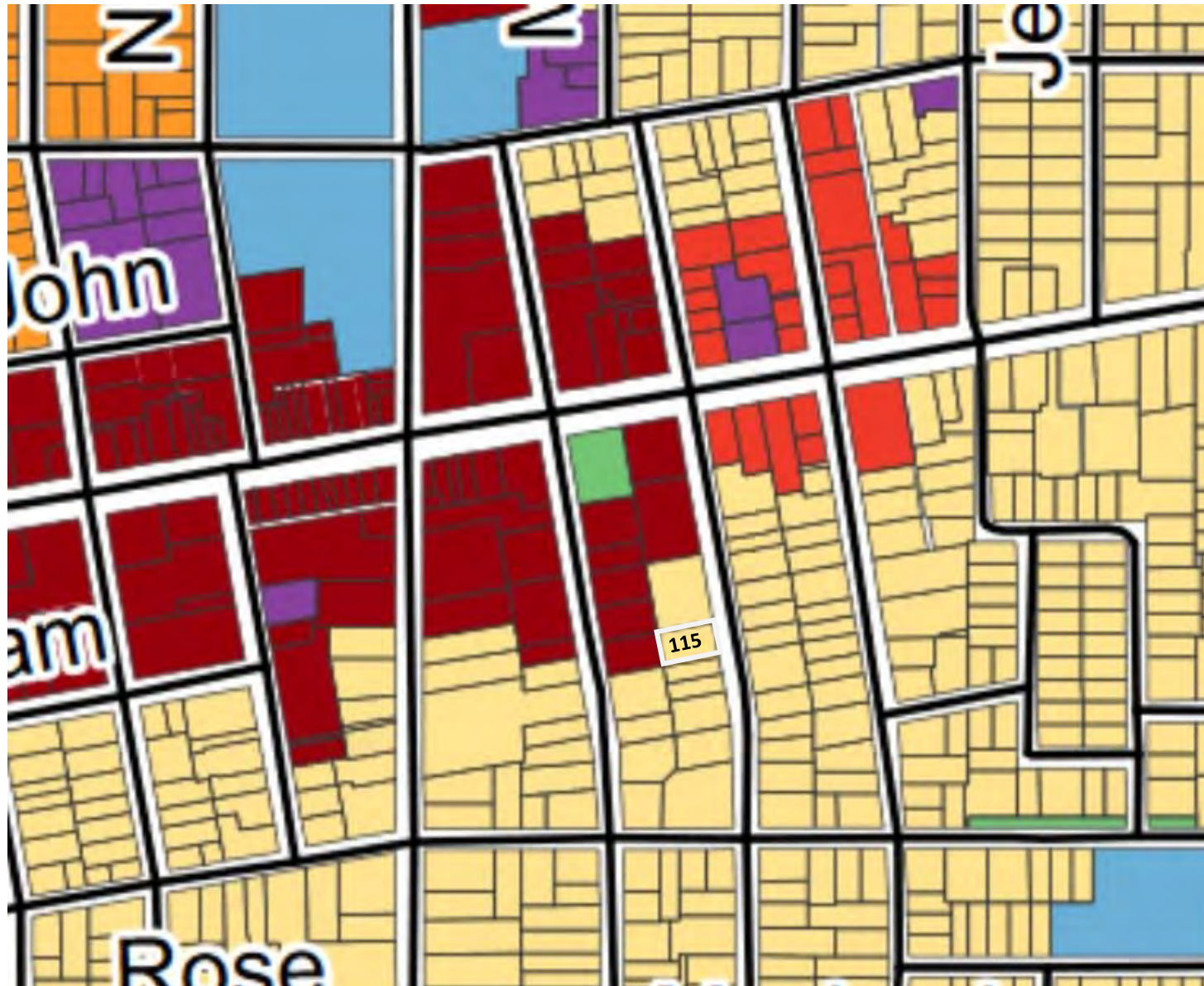
115 S. Maple Ave.

-  B-OS—Business Office Service
-  PDD1—Planned Development District
-  B-H1—Business Highway 1
-  R-4—Residential



Future Land Use Map

115 S. Maple Ave.



**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 9A

AMENDMENT TO ZONING ORDINANCE
PERTAINING TO ZONING MAP

An Ordinance to amend Article III of the Zoning Ordinance of the City of Sturgis pertaining to the zoning map and to provide for an effective date of this Ordinance.

WHEREAS, the City Commission, upon recommendation from the Planning Board, has determined that it is in the best interest of the residents of the City to modify the Zoning Ordinance with respect to the zoning map to change the zoning designation of certain property from the Business Office Services (B-OS) to the Residential 3 (R-3) zoning district.

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan ordains:

Article III of the Zoning Ordinance is hereby modified as follows, effective as of April 1, 2021:

Section 1.0302(A), and the zoning map incorporated by reference therein, is hereby modified to provide that the following described property shall be in the Residential 3 (R-3) zoning district:




Land situate in the City of Sturgis, St. Joseph County,
Michigan:

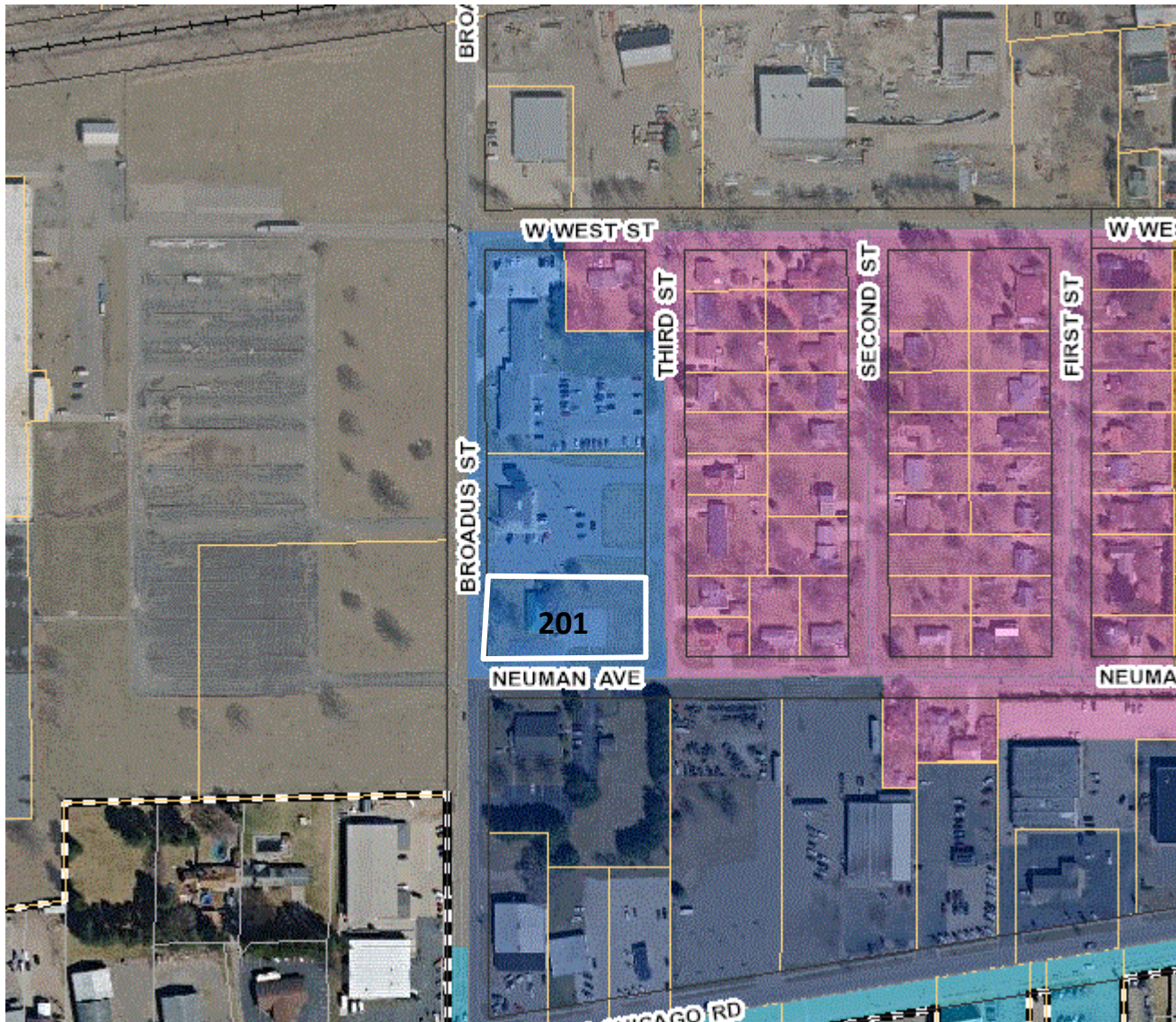
201 Broadus Street

Parcel No. 75-052-090-026-00

Current Zoning Map

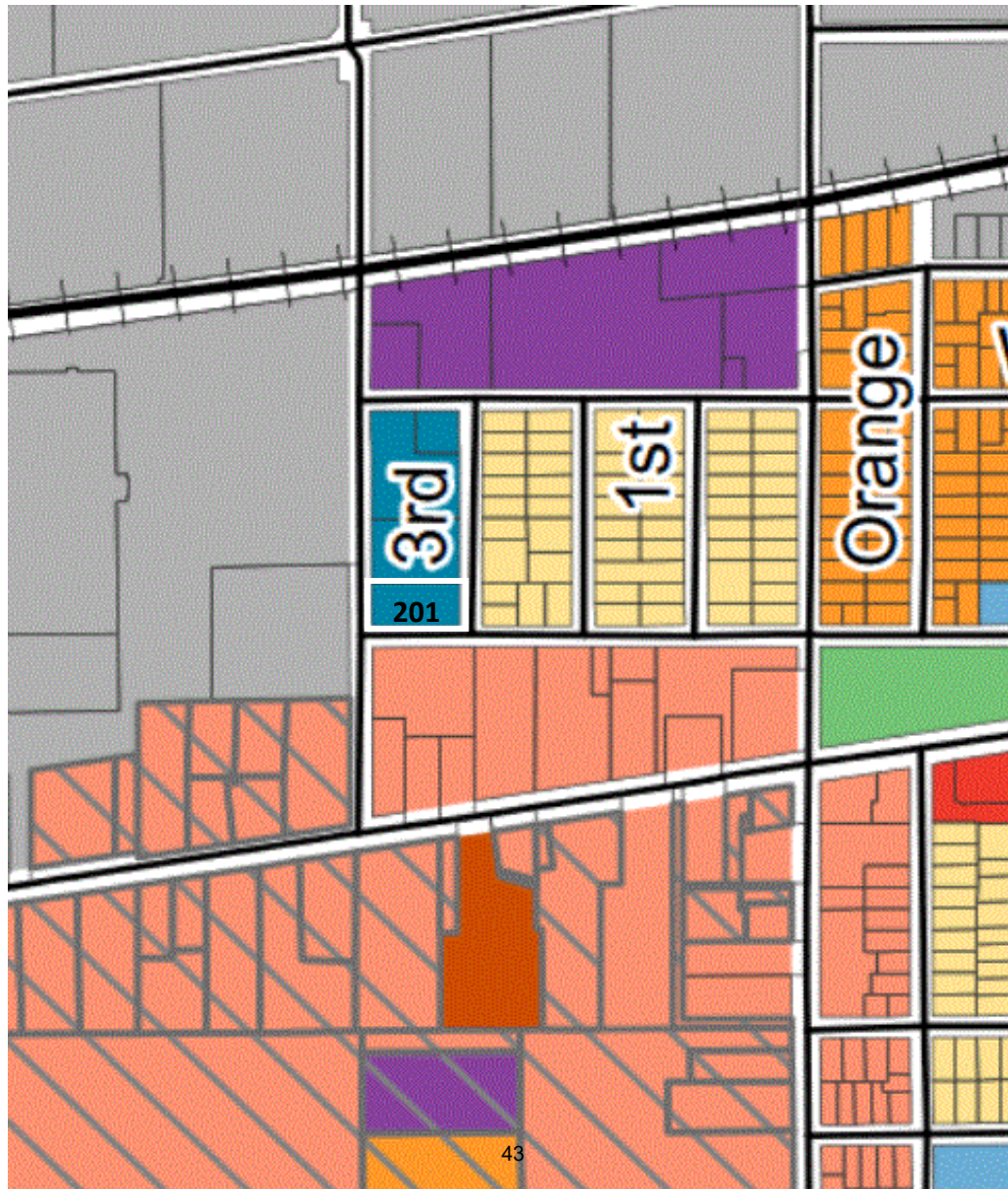
201 Broadus St.

-  B-OS—Business Office Service
-  R-3—Residential
-  B-H2—Business Highway 2



Future Land Use Map

201 Broadus St.



**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10A



306 West Chicago Road
Sturgis, MI 49091
(269) 651-5758

March 3, 2021

City of Sturgis
City Commission
130 N. Nottawa St.
Sturgis MI, 49091

Mayor Hile, and Honorable Commissioners,

The Sturgis Area Chamber of Commerce is gleefully poised to kick off the celebration of our city this year with Sturgis Fest 2021 from July 28 through 31. Our city, the Electric City is also celebrating a 125th birthday this year, established in 1896. In recognition of this anniversary, it's my pleasure to share with you that on behalf of the Board of Directors we would like to theme this year's Sturgis Fest, 125 Years of Sturgis!

It is with this; I respectfully request the use of the City's current logo in branding and marketing this year's event. I will be working with a professional commercial artist to create artwork that incorporates the city logo that is pleasing and acceptable for use in our campaign. The Sturgis Area Chamber of Commerce intends only to use the city logo for the purpose of the 2021 Sturgis Fest season.

I will gladly answer any questions or follow up with any concerns, in order to continue our quest to put some fun back into 2021!

Respectfully,

A handwritten signature in black ink, appearing to read "Michael Wilson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Michael Wilson

Executive Director

Sturgis Area Chamber of Commerce

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10B

From: Paul Smith <Paul@fivelakes.com>
Sent: Thursday, March 4, 2021 10:36 AM
To: Michael Hughes <mhughes@sturgismi.gov>
Subject: Electric City Blend

Mike,

Every year we take a look at our packaging and what new products or blends we would like to introduce. This year we were brainstorming and came up with the idea of a blend named Electric City Blend . Since Sturgis and the community have been such a big part of our success we thought it would be cool to do this blend and use the Electric City logo in honor of where Five Lakes began. We might also put some fun facts about Sturgis in the description. We are currently just in the idea stage, but I wanted to reach out to you to see if we could get permission to use the city logo before moving forward on the project. Thank you for your consideration and help.

Best,

Jared Smith

Five Lakes Coffee

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10C



MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
FINANCE DIVISION
CLEAN WATER AND DRINKING WATER STATE REVOLVING FUND/
STRATEGIC WATER QUALITY INITIATIVES FUND

INTENT TO APPLY FORM

This form should be submitted by all applicants seeking funding in the next five years. Applicants participating in the ITA process receive early indication of the funding outlook for their project(s).

DATE: January 31, 2021

PROJECT(S) NAME (Brief Identifier): St. Joseph Street, E. Hatch Street, N. Clay Street, and N. Park Street.

PROJECT(S) PURPOSE (Including general location and public health or water quality issue being addressed): Upgrade water main size and elimination of smaller water mains or outdated water mains in conjunction with capital street projects. Elimination of duplicate water mains serving certain street segments. Each of these projects will be replacing lead service lines as required by the State of Michigan's Lead and Copper Rules in effect as of June, 2018. All projects to take place with the City of Sturgis city limits and identified on the attached map pdf file.

Applicant Legal Name: City of Sturgis

Applicant Contact Name: Michael L. Hughes **Title:** City Manager

Mailing Address (street, city, state, zip+4): 130 N. Nottawa Street, Sturgis, Michigan 49091-1197

Phone No.: 269-659-7222

Email: mhughes@sturgismi.gov

Consulting Engineer Name (if applicable): Click here to enter text. **Firm:** Click here to enter text.

Mailing Address (street, city, state, zip+4): Click here to enter text.

Phone No.: Click here to enter text.

Email: Click here to enter text.

PROJECT INFORMATION

Applicant Population: 10,994 **Population Served by Project:** Approximately, 190 people are directly served by the water services replaced. The entire system is served by the water main projects being proposed.

Treatment Facility Name (if applicable): City of Sturgis Water System

Estimated Total Project Cost:

Year 1 Costs: \$510,500.00

Estimated Year 1 Costs Financed Through SRF:
\$510,500.00

Future Year Costs (if applicable): \$626,100

Estimated Future Costs Financed Through SRF:
\$626,100

Other Funding Sources (check all that apply): ☐MDOT ☐MEDC ☐USDA Rural Development

☐Other Financing/Funding Agency: Click here to enter text.

Proposed Construction Start Date (mm/yyyy): April, 2022

Completed Project-Related Planning Documents (check all that apply; do not need to submit at this time):

☒Capital Improvements Plan ☒Asset Management Plan ☐Preliminary Engineering Report
☐Environmental Report ☐Project Plan ☐Infiltration & Inflow Study ☐Sanitary Sewer Evaluation Study
☐NASSCO Report ☐Watershed Management Plan ☐Master Plan ☒Reliability Study ☒Other:
Distribution System Materials Inventory (DSMI) – Lead Service Line Replacement

ADDITIONAL INFORMATION

Disadvantaged Community (as determined by EGLE)? ☐ Yes ☐ No ☒ Unknown

For a preliminary determination from EGLE, complete and attach the [Disadvantaged Community Status Determination Worksheet](#).

Does the proposed project include any green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities? ☐ Yes ☒ No ☐ Unknown

If yes, please describe: [Click here to enter text](#).

For Clean Water State Revolving Loan projects, does the community use a qualifications-based selection process to obtain architectural/engineering services? ☐ Yes ☐ No

Deadlines: The ITA form may be submitted at any time, but is due on or before January 31, to allow for sufficient time for the pre-application meeting and to be placed on the DWSRF or CWSRF/SWQIF Project Priority List (PPL).

Pre-Application Meeting: The applicant will be contacted by an assigned Water Infrastructure Financing Section (WIFS) project manager within 14 days of receipt of this ITA form to schedule a pre-application discussion. This meeting can help to identify project funding opportunities and challenges earlier in the planning stage to better guide the efforts of the applicant and their consulting engineer. Suggested attendees would include the WIFS project manager, EGLE district engineer, applicant representative(s), and any other applicable attendees.

Questions: Please visit our website at Michigan.gov/CWSRF or Michigan.gov/DWSRF or call 517-284-5433.

Please submit this form by email to EGLE-WIFS@Michigan.gov.

For information or assistance on this publication, please contact the (program), through EGLE Environmental Assistance Center at 800-662-9278. This publication is available in alternative formats upon request.

EGLE does not discriminate on the basis of race, sex, religion, age, national origin, color, marital status, disability, political beliefs, height, weight, genetic information, or sexual orientation in the administration of any of its programs or activities, and prohibits intimidation and retaliation, as required by applicable laws and regulations.

This form and its contents are subject to the Freedom of Information Act and may be released to the public.

City of Sturgis Water System Project Scope

St. Joseph Street

In 2022, we are proposing to install 650 feet of 12 inch water main from N. Centerville Road to N. Park Street replacing an existing 4 inch water main **improving the system's distribution system loop and eliminating a water main** which has exceeded its 100 year life span. In addition, we propose to install 2000 feet of 8 inch water main from N. Park Street to N. Nottawa Street replacing existing 4 inch, 6 inch, and 8 inch water main which is beyond its useful life. We intend to replace 20 lead service lines during the half mile of water main construction. The project is expected to be done in conjunction with a street reconstruction project with the same project limits. Estimated design and construction costs for the water main equals \$343,000 and for the water service replacement equals \$167,500.

N. Clay Street & N. Park Street

We plan to replace lead service lines in 2023 on these two street segments. The 200 block of N. Clay Street has seven full replacements from water main into the home and the 200 & 300 blocks of N. Park Street have fifteen full replacements. Each street segment has two water mains: one smaller, older water main and one larger, newer water main. The 22 water services are connected to the smaller water mains. We will do additional work to abandon the smaller mains after all the services are connected to the larger water main. Estimated design and construction costs for the water service replacement project equals \$243,100 and an additional \$8,700 in water main work to abandon the smaller water main.

E. Hatch Street

In 2024, we are proposing to install 1350 feet of 8 inch water main from N. Prospect Street to N. Lakeview Avenue replacing an existing 4 inch water main **improving the system's distribution system loop and eliminating a water main** which has exceeded its 100 year life span. In addition, we propose to install 150 feet of 6 inch water main on the side streets replacing existing 4 inch water main which is beyond its useful life within the reconstructed street. We plan to replace 21 lead service lines during the water main construction. The project is expected to be done in conjunction with a street reconstruction project with the same project limits. Estimated design and construction costs for the water main equals \$224,300 and for the water service replacement equals \$150,000.

Disadvantaged Community Status Determination Worksheet

The following data is required from each municipality in order to assess the disadvantaged community status. Please provide the necessary information and return to:

Robert Schneider
Revolving Loan Section
Drinking Water and Municipal Assistance Division
P.O. Box 30817
Lansing, MI 48909-8311
Schneiderr@michigan.gov

If you have any questions please contact Robert Schneider at 517-388-6466

Please check the box this determination is for:

☒ DWRF ☒ SRF

1. Total amount of anticipated debt for the proposed project, if applicable.

\$1,136,600

2. Annual payments on the existing debt for the system.

\$260,000

3. Total operation, maintenance and replacement expenses for the system on an annual basis.

\$1,600,000

4. Number of "residential equivalent users" in the system.

2,667

For determinations made using anticipated debt, a final determination will be made based upon the awarded loan amount.

**Michigan Department of Environment, Great Lakes, and Energy (EGLE)
Drinking Water State Revolving Fund (DWSRF) Project Milestone Schedule
for ____ Quarter Financing in Fiscal Year 20____
Anticipated Loan Closing on _____**

Applicant Name: _____

Project Number: _____

Project Description: _____

Milestone

By No Later Than

EGLE Comments on Project Plan Submittal
Submittal of Answers to EGLE Comments
Correction of All Remaining Planning Deficiencies
(including submittal of EA distribution list)
Publication of Environmental Assessment (EA)
Public Notice Clearance
EGLE Approval of Project Plan

Submittal of Draft Rate Methodology and Legal Documents
EGLE Comments on Draft Rate Methodology and Legal Documents
Submittal of Final Rate Methodology and Legal Documents
EGLE Approval of Rate Methodology and Legal Documents

Submittal of Draft Plans & Specifications
EGLE Comments on Draft Plans & Specifications
Submittal of Final Plans & Specifications
Issuance of Construction Permit
EGLE Approval of Plans & Specifications

Submittal of DWSRF Application Part I
Submittal of DWSRF Application Part II
Submittal of DWSRF Application Part III
(including Resolution of Tentative Contract Award)

Publication of Bid Advertisement
Opening of Bids
Resolution of Tentative Contract Award by Governing Body

EGLE Order of Approval

As the authorized representative for this project, I understand that failure to adhere to this schedule may result in the bypass of this project and the assignment of funds reserved for it to other projects on Michigan's Project Priority List in accordance with the provisions of Section 5406 of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

EGLE Order of Approval*

*

*contingent upon the availability of DWRF funds

As the authorized representative for this project, I understand that failure to adhere to this schedule may result in the deferral of EGLE action on this project until a subsequent fiscal year.

Accepted on _____

By: _____
Applicant's Authorized Representative

Accepted on _____

By: _____

Project Manager, Finance Division
Water Infrastructure Financing Section

Approved on _____

By: _____
Unit Supervisor, Finance Division
Water Infrastructure Financing Section

Drinking Water Revolving Fund Project Plan Preparation Guidance

Michigan Department Environmental Quality

Rick Snyder, Governor
Keith Creagh, Director



<http://www.michigan.gov/deq>

Administered by:

The Office of Drinking Water and Municipal Assistance
Revolving Loan Section
Sonya T. Butler, Chief
517-284-5433

Mailing Address:

P.O. Box 30241
Lansing, MI 48909-7741

Delivery Address:

Constitution Hall – 4th Floor South
525 W. Allegan
Lansing, MI 48933

Rev. 5/2016

The Michigan Department of Environmental Quality (DEQ) will not discriminate against any individual or group on the basis of race, sex, religion, age, national origin, color, marital status, disability, political beliefs, height, weight, genetic information or sexual orientation. Questions or concerns should be directed to the Quality of Life – Office of Human Resources, P.O. Box 30473, Lansing, MI 48909-7973.

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All blue text is a hyperlink for in-document navigation or to an external website.

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DWRF Project Plan Preparation Guidance

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Introduction

This guidance is to assist water suppliers in fulfilling the project planning requirements of the Drinking Water Revolving Fund (DWRF) program and is intended to more fully explain the requirements included in the following statutes, laws, and rules:

- The federal Safe Drinking Water Act (SDWA), Amendments of 1996, 42. United States Code (U.S.C.) §300f et seq.
- Part 54, Safe Drinking Water Assistance, of Michigan's Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL §§324.5401-324.5418
- The Michigan Safe Drinking Water Act, 1976 PA 399, (Act 399), MCL §§325.1001-325.1023
- The Act 399 Administrative Rules, Michigan Administrative Code R325.10101-R325.12820

This guidance addresses a wide variety of potential projects. Not every issue detailed is relevant to every project. However, when issues are applicable, they must be addressed at a level of detail consistent with their complexity and the scope of the total proposed project. In some instances, short responses are appropriate. More complex issues will require more detail.

Interested water suppliers are advised to contact the Revolving Loan Section (RLS) early in the planning process. A project manager will then be assigned to assist the supplier in identifying applicable planning issues and to answer questions regarding project plan development. This may save water suppliers both time and money in completing the plan requirements. A pre-planning meeting with the RLS project manager and area water engineer from the applicable Department of Environmental Quality (DEQ) district office is encouraged.

Incorporation of "green" project components in eligible DWRF projects is encouraged. Refer to the CWSRF and DWSRF Green Project Reserve Guidance (www.michigan.gov/drinkingwater/revolvingfund) for project examples and eligibility requirements.

Applicants that wish to use a Construction Management at Risk (CMAR), Progressive Design-Build (PDB), or Fixed-Price Design-Build (FPDB) should refer to the Project Delivery Methods Guidance and schedule a meeting with a RLS project manager to discuss project delivery requirements and eligibility. Additionally, the project plan must discuss the benefits and disadvantages of selecting one of those delivery methods over the traditional Design-Bid-Build delivery method and why the chosen method is the best fit for the project.

Applicants should submit a draft project plan for review at least 90 days prior to its completion. This period of time will allow staff to identify problems and potential obstacles. The community will then have the opportunity to incorporate necessary changes before the required public hearing on the final project plan. Every plan must examine and prioritize all drinking water needs for the next 20 years, whether or not funding is being sought for every capital improvement.

A complete final project plan will be the basis for project ranking for DWRF loan assistance. Two copies of the final project plan must be submitted to the address on the front cover of this guidance by **May 1** of any given year for ranking on the state's Project Priority List (PPL) for the following fiscal year (October 1 to September 30).

A completed *DWRF Project Plan Submittal Form* must accompany the final project plan.

Before beginning a project plan, please read the *Applicant Actions Related to Project Planning* for guidance on which federal and state agencies to contact during the planning process.

Project Background

This section of the plan will describe the study area, identify population characteristics, summarize the condition and type of facilities, and focus on the project need based on current drinking water problems being experienced by the community.

Delineation of Study Area

A study area must be delineated to establish what problems exist and to identify future needs within and outside the service area. Either one complete project or multiple separate projects may be envisioned depending on need, priority, and funding capability. Include in the study area any potential water withdrawal sites and wellhead protection requirements.

In the plan, provide a map of the study area and appropriate natural features (lakes, rivers, etc.), existing facilities, and identify other key characteristics.

Land Use

Describe the existing land use in the study area, including residential, commercial, industrial, agricultural, and recreational areas. A discussion of master plan, zoning, and other land use regulations or policies should be included. Predicted land use in the study area over the 20-year planning period should also be described. Any development trends that may adversely impact air and water quality or environmentally sensitive areas should be discussed.

Population Projections

Provide a table showing existing population data for the study and service areas. If significant, include seasonal population fluctuations. Calculate estimated population projections at a minimum of 5-year, 10-year, and 20-year intervals. These projections must be based on a credible source (e.g., U.S. Census data) and supported by the regional planning agency.

Water Demand

Identify existing and projected water demand from residential, industrial, commercial, and institutional users to assist in determining drinking water needs of the community. Document any projected demand increases from non-residential users with source estimates from businesses and/or a letter of intent. Public and private water withdrawal locations should be identified.

Existing Facilities

The project plan must include an overview of the existing waterworks system including:

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1. The condition of source facilities (e.g., wells, intakes, cribs, etc.).
2. The method of water treatment, as well as the location and physical condition of facilities, including years in service of major components.
3. An evaluation of condition and capacity of storage tanks and pump stations, including reliability requirements for maintaining system integrity.
4. The condition of service lines.
5. The size, material, and condition of any existing transmission/distribution mains, including valves and hydrants. Include information on water main breaks or pressure issues, if applicable.
6. The method of residuals handling and disposal, if applicable.
7. The condition of water meters.
8. A discussion of operation and maintenance requirements including any problems being experienced such as excessive flushing, leakages, breaks, etc.
9. The design capacity of the waterworks system and the existing uses of available capacity.
10. An evaluation of the system's climate resiliency. The system's ability to withstand and respond to changes resulting from climatic factors, such as increased flooding risks, increased intensity or frequency of storm events should be evaluated. The availability of backup power to continue facility operations should be discussed. Information and resources can be found at [EPA's Web site for climate ready water utilities](http://www.epa.gov/crwu) (www.epa.gov/crwu).

Summary of Project Need

The project plan must describe the existing waterworks problems and needs, including the severity and extent of water supply/public health problems. The description of need should be sufficiently detailed to form the basis for project ranking on the PPL. The ranking criteria are identified in Section 5406 of Part 54, of the NREPA. The summary of need should include the following:

- A. Compliance with the drinking water standards defined in the Administrative Rules for Act 399.
 - Any acute violations of a Maximum Contaminant Level or surface water treatment technique.
 - Any non-acute violations of a Maximum Contaminant Level or surface water treatment technique.
 - An evaluation of the existing treatment facility as conducted and/or reviewed by the DEQ or other appropriate regulatory agency. The evaluation should compare the existing treatment facility to the requirements of Act 399.
 - A description of any waterborne disease outbreaks, their magnitude, and their apparent causes.

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- A reliability study/master plan that substantiates water supply needs and outlines deficiencies that warrant correction.

B. Orders or Enforcement Actions

Provide a copy of any court or enforcement order against the water supplier, including written enforcement actions such as a Notice of Violation, Agreement, or Department Order to correct deficiencies and achieve compliance with Act 399.

C. Drinking Water Quality Problems

Drinking water quality problems being experienced by the water supplier should be identified. The aesthetic quality of the drinking water supply should also be discussed.

If the community is proposing to provide new service to areas currently served by individual wells, the project plan must document the nature, number, and location of wells that are malfunctioning based on the DEQ, and/or local health department records, and/or sanitary surveys. The site characteristics (e.g., groundwater levels, soil permeability, geology) contributing to the problems must be documented. The system failures and limiting site characteristics must be plotted on a map along with existing habitation.

If surface water or groundwater contamination is of concern, point and nonpoint sources of pollution should be examined. For groundwater contamination, aquifer condition and type should be identified. If surface water contamination is of concern, describe and evaluate the impact of these problems on the quality of drinking water.

D. Projected Needs for the Next 20 Years

The project plan should examine and prioritize all water supply needs in the study area for the next 20 years, whether or not funding is being sought for every capital improvement. Improvements or modifications to improve a system's ability to adapt and respond to changes resulting from climatic factors should also be examined. For needs that will be addressed using DWRF loan assistance, a cost-effectiveness analysis based on the 20-year planning period must be performed, and each component to be funded must be a part of the facility that will cost-effectively address water supply and/or public health problems.

Exploratory Well Investigations/Well Site Selection/Test Well Drilling Procedures

Applicants new water supply wells will need to begin evaluating potential well fields early in the planning phase. The location of each site considered worthy of further investigation must be mapped and described in the plan. The description of the well site must include the site's natural setting, distance from the water distribution system and surrounding homes, proximity to known contamination sites, estimated land purchase costs, and a discussion of the willingness of the land owner to cooperate.

You must contact your DEQ district engineer for an on-site inspection and approval of proposed well sites prior to the commencement of exploratory drilling.

A. Preliminary On-Site Review and Clearances

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The appropriate district office engineer will perform a walk-about review of potential well sites to determine if adequate isolation distances exist and if there is any source of contamination present.

Environmental Health Section staff will perform an Adverse Resource Impact (ARI) assessment of each well site. ARI assessments are mandatory for all water withdrawal proposals. Sites where ARI is predicted will not be permitted or funded except in the rare case where the proposed withdrawal is “traded” equally for the elimination of an existing withdrawal **in the same aquifer**. Assessments may take up to 90 days, so it is critical to start them early in the planning process. Refer to [Michigan's Water Use Web site](http://www.mi.gov/wateruse) (www.mi.gov/wateruse) for the water withdrawal assessment tool.

B. Test Wells

If no ARI is predicted, the district engineer will issue a test well approval letter to allow drilling to commence.

Note – The following environmental clearances must be obtained PRIOR to test drilling at any well site:

- State Historic Preservation Office
- State/Federal Endangered/Threatened Species (U.S. Fish and Wildlife Service and Michigan Natural Features Inventory)
- State Wetlands/Floodplains/Coastal Zones/Inland Lakes and Streams Review (DEQ Water Resources Division)
- Federally-recognized tribes must be notified and provided an opportunity to comment

Test well drilling is considered a planning cost and does not have to be competitively bid. If over \$50,000, a signed contract is required.

There are two alternatives that may be selected for further evaluating a potential well site. If the water supplier is confident about the outcome, it may elect to install a large-diameter test well that will serve as the final production well, as long as the yet to be performed pump test and aquifer analysis demonstrate that this well will produce the quantity and quality of water necessary to satisfy the supplier's needs. This well is still referred to as a test well (or test production well) until the data has been reviewed and approved and a construction permit issued. The driller will also be installing at least two monitoring/observation wells, usually 5 inches in diameter. This approach is used when a supplier is willing to accept a higher degree of risk, while spending less time and money on the exploration and evaluation phase.

The second alternative is to install a small-diameter test well to obtain geological data and water quality at the site to determine if a suitable water bearing formation may be present. The contractor may install such test wells at several sites simultaneously to determine the best available site, or they may do it one site at a time until they find one that is acceptable. Again, this preliminary test well drilling and evaluation step may be accomplished only if the district engineer has conducted the necessary well site inspection(s) and granted approval for test well drilling. Once a suitable site has been identified for a final production well, a larger-diameter test well will be installed for the pump test and aquifer analysis. The initial

test well that was installed at this site is often used as one of the two required observation wells.

Eligibility Note – If the applicant does not already own the well site property, land purchase or easement cannot be finalized until AFTER the applicant's resolution to adopt the final project plan takes place in order for the land acquisition costs to remain eligible.

Analysis of Alternatives

You must conduct an evaluation of alternatives to serve comprehensive 20-year system needs. The alternatives evaluation examines the objectives of the project, including needs, technical constraints, and applicable drinking water standards. The widest variety of potential alternatives for both the entire system and the various functional subsystems must be identified, evaluated, and screened. All of the alternatives evaluated must serve the same service area population to address demonstrated drinking water needs. The rationale for rejecting any of these alternatives must be provided. In-depth analyses need only be performed for the principal alternatives based on cost-effectiveness, potential environmental impacts, implementability, and technical issues.

Proposed water main alternatives should be compared based on routing options, construction methods, and pipe materials.

For well site alternatives, compare and contrast the suitability for safe, adequate yield of drinking water at each site evaluated during preliminary investigations, including impacts and estimated cost to construct. These costs include well house structure, drilling of test-production well, aquifer/site studies, appraisal/land purchase, engineering, laboratory testing, pumps/motors, controls, water main connections, and miscellaneous appurtenances.

The following types of alternatives must be evaluated in addition to conventional waterworks technologies or processes.

No-Action

You must consider the feasibility of a “no-action” alternative, i.e., whether no project at all is a viable option for the community. This alternative is primarily of significance for waterworks facilities that are in compliance or in places where no public waterworks facilities currently exist.

Optimum Performance of Existing Facilities

You must consider “optimum performance of existing facilities” as an alternative. Investigation may reveal that the existing waterworks facilities can function more efficiently with the addition of new equipment, operational changes, or the addition and training of operating personnel. On the other hand, it may establish that the facilities are operating at their optimum efficiency. Whatever the results of the investigation, optimum operation of existing facilities will determine what additions, expansions, or replacements must be made, including improved design and operation of existing individual wells. The investigation will also determine the extent to which existing waterworks facilities can be used in a new upgraded system. Key criteria under this alternative include determining the optimum performance level possible with the existing process design; evaluating the age and reliability of existing equipment; exploring options for additional operating controls and laboratory facilities for monitoring the system and improving performance; and making possible processing modifications.

Regional Alternatives

The feasibility of connecting to a regional water supply to serve the existing needs of the study area should be examined with care in the project plan. Capacity and adequacy of any existing regional waterworks facilities must be examined. Where capacity and adequacy are deficient, the costs to upgrade and expand the system to supply safe and sufficient quantities of water must be added to the analysis. These costs are in addition to the connection (water main/pump station) costs for the system under review.

Various routes to connect to a regional system must be compared and contrasted. In doing so, the socio-economic and environmental impacts of the alternative routes must be examined, in addition to the cost for each. Also, the population projections for a proposed regional system alternative must be realistic and correspond to acceptable assumptions and projection methodologies.

Part 54 of the NREPA does not allow the DWRF to fund projects constructed primarily for growth or to stimulate development in currently undeveloped areas.

The evaluation of regional alternatives must consider the need to negotiate and execute intermunicipal service agreements or contracts between the participating communities.

Principal Alternatives

Principal alternatives must be evaluated using a present worth analysis for a determination of cost-effectiveness. In addition, environmental impacts, implementability, and technical considerations must be examined for each principal alternative.

Monetary Evaluation

The monetary evaluation must include a present worth analysis. The analysis does not identify the source of funds, but compares costs uniformly for each alternative over the 20-year planning period. Sunk costs (investments or financial commitments made before or during the planning period) are not included in the analysis. Refer to the *Fundamentals of the Monetary Evaluation* for further information.

A. Present Worth

Present worth is the sum which, if invested now at a given interest (discount) rate, would provide exactly the funds required to pay all present and future costs. Total present worth, used to compare alternatives, is the sum of initial capital cost, plus the present worth of operation, maintenance, and replacement (OM&R) costs, minus the present worth of the salvage value at the end of the 20-year planning period.

B. Discount Rate

The real discount rate to be used in computing present worth cost is established by the U.S. Office of Management and Budget and is published for each fiscal year. The rate may also be obtained by contacting your DEQ project manager or from the program Web site.

C. Salvage Value

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The planning period for the monetary evaluation is 20 years. At the end of this period, portions of the project's structures or equipment may have a salvage value, which is determined by using straight line depreciation. The present worth of the salvage value is then computed using the discount rate. The useful life reflected in the cost-effectiveness analysis should fall within the following ranges:

- Land: Permanent.
- Water supply conveyance structures (e.g., distribution and transmission mains, intakes, and wells): 50 years.
- Other structures (e.g., waterworks buildings, water storage tanks, pump station structures): 30 to 50 years.
- Process equipment (e.g., chemical feed systems): 15 to 20 years.
- Pumps and motors: 15 to 20 years
- Auxiliary equipment (e.g., alternate power supplies): 15 to 20 years.

If you assign a useful life of less than the 20-year planning period to any component, the cost-effectiveness analysis must show the present worth of the replacement cost at the end of the useful life, as well as the present worth of the salvage value of the replacement at the end of the 20-year planning period.

Special Note: Communities that qualify for disadvantaged status that are choosing a 30-year loan term instead of a typical 20-year loan must examine and prioritize all drinking water needs in the study area for the next 30 years, instead of 20 years as required with the standard loans, whether or not funding is being sought for every capital improvement. For needs that will be addressed using DWRF loan assistance, a cost-effectiveness analysis based on a 30-year planning horizon must be performed and each component to be funded must be part of the 30-year facility that will cost-effectively address drinking water quality and/or public health problems.

D. Escalation

Only energy costs and land value may be escalated in the cost-effectiveness analysis. The costs of labor, equipment, and materials are not escalated, since it is assumed that any increase will apply equally to all alternatives. Different alternatives, for example, may use different fuel supplies. Escalation of energy costs is based on data periodically published by the EPA, or on historical data for the area, if justified. Land prices should be escalated at a uniform rate of 3 percent per year.

E. Interest During Construction

If interest charged during construction is significant and could influence the comparison of alternatives, it may be included in the cost-effectiveness analysis using one of two methods. If expenditures are uniform and the construction period is less than four years, interest is one half of the product of the construction period (in years), the total capital expenditures (in dollars), and the discount rate. Otherwise, interest should be calculated on a yearly basis.

F. CMAR, PDB, or FPDB Delivery Method

If a CMAR, PDB, or FPDB delivery method is to be utilized, the monetary evaluation (which includes an estimate of costs for the CMAR/design-build firm) must consider the costs of the

selected method versus the traditional Design-Bid-Build delivery method. The benefits and disadvantages of these methods must be discussed in detail as part of the alternative evaluation, with an explanation of why the chosen delivery method is the best fit for the project.

Environmental Evaluation

Environmental impacts expected to result from each alternative must be compared. Similar impacts should be compared in scope and intensity. Any significant environmental benefits precluded by rejection of an alternative should be identified. It may be possible to summarize the comparison of impacts in a matrix or other tabular format.

Briefly evaluate the following aspects of the environmental setting and provide a narrative and maps of all applicable items:

A. Cultural Resources

Historical and archaeological sites known to exist must be listed in the project plan and based upon documentation provided through the National or State Historical Register, the State Historical Preservation Officer (SHPO), Tribal Historic Preservation Offices (THPO) local historical societies, or local and regional planning agencies.

B. The Natural Environment

- Climate, including precipitation, temperature, and any adverse weather conditions that may affect construction of the project (e.g., depth of frost, length of construction season).
- Air quality.
- Wetlands.
- Coastal zones.
- Floodplains (Note: Construction in a U.S. Department of Housing and Urban Development [HUD] designated flood area requires participation in the HUD Flood Insurance Program).
- Natural or Wild and Scenic Rivers.
- Major surface waters – the major lakes, rivers, and streams in the study area and their designated uses (e.g., warm water fish).
- Agricultural resources – identification of prime, unique, and otherwise highly productive farmlands.
- Existing plant/animal communities and environmentally sensitive habitats, particularly those on the threatened or endangered state special concern species list.

Mitigation

Mitigation of anticipated environmental impacts must be discussed in the analysis of alternatives. Any mitigation costs must be included in the cost-effectiveness comparison.

Implementability and Public Participation

Throughout the evaluation of alternatives, the public must be provided with opportunities to comment. With public input, it may become apparent that certain alternatives or sites are not acceptable to the public or to neighboring communities affected by the project. These issues must be resolved in the choice of alternatives.

Implementability issues to be resolved and discussed in the project plan include the financial burden on the applicant municipality, the availability or competing uses of the proposed site, the ability of the municipality to manage the construction and OM&R of the facility, the need for intermunicipal agreements, and the formation of an operation authority.

Technical Considerations

All alternatives must comply with Act 399 and be designed to meet the standard recommended guidelines established in the “Recommended Standards for Waterworks” as published by the Great Lakes and Upper Mississippi Board of State Sanitary Engineers.

Each alternative should be evaluated based on its reliability to meet and consistently maintain compliance with applicable water quality standards. System reliability must demonstrate:

- Sufficient pumping capacity to meet design flows for all pumping stations.
- Stand-by power or an acceptable alternative.
- A minimum of two wells for new waterworks systems.
- A minimum of two units for each treatment process.
- Adequate storage volume

Residuals

For treatment alternatives that will generate residuals, describe and evaluate the handling and disposal practices required and compare/contrast each alternative thereof based on quality/quantity of residuals and safety considerations.

A. Industrial/Commercial/Institutional

Identify high volume users (e.g., industrial/commercial/institutional) that may affect design flows/pressures being evaluated for alternatives.

B. Growth Capacity

Inclusion of growth capacity based on supportable 20-year planning projections is permissible, but it must not be the primary purpose of the plan. While specific details of development cannot be predicted accurately, an attempt should be made to identify future service areas and the type of expected development.

Contamination

Any contamination, be it soil, chemicals, ground/surface water, or existing building materials, must be evaluated in the cost-effectiveness and environmental analysis of alternatives. Each project should be evaluated for potential contamination utilizing the following actions:

- An identification of past activities, which might have caused site contamination, such as leaking underground storage tanks.
- A visual survey of project sites to identify any abandoned containers and their contents.
- An examination of the state's list of contaminated sites, found at the [DEQ Web site for contaminated sites](https://secure1.state.mi.us/FacilitiesInventoryQueries/) (<https://secure1.state.mi.us/FacilitiesInventoryQueries/>).
- When the reconstruction or rehabilitation of existing facilities is proposed, a record search or visual survey to identify the presence of contaminated building materials in the areas of proposed construction.
- Where contamination is suspected, soil and groundwater sampling of project sites to evaluate potential contamination problems.

New/Increased Water Withdrawals

Any new or increased surface or groundwater withdrawal being proposed requires an ARI assessment and registration. Withdrawals in excess of 2 million gallons/day also require a water withdrawal permit; see the [DEQ Web site for water use](http://www.michigan.gov/deqwater) (www.michigan.gov/deqwater). Water withdrawal permits can be applied for in one of two different ways: 1) under Part 327 Great Lakes Preservation Act, as amended, of Michigan's NREPA at a cost of \$2,000 (eligible for DWRF reimbursement); or 2) under Act 399 (Safe Drinking Water Act) via the submittal of final project plans and specifications.

Both an ARI and a water withdrawal permit, when applicable, must be obtained before the DEQ can issue a "Finding of No Significant Impact" for a DWRF project.

Note that a minimum of 90 days is required for a water withdrawal permit to be issued.

This is because each proposed permit must be public noticed for 45 days, and another 45 days minimum is needed for staff to review.

As such, for the DWRF application to proceed smoothly, it is recommended to apply for the water withdrawal permit under Part 327, instead of Act 399, soon after the final DWRF Project Plan is submitted.

Selected Alternative

In this section, you will provide a description of the selected alternative (including **why** it was selected) that is detailed, comprehensive, and consistent with information provided in the previous section. A map or drawing should be provided. For water main projects, be sure to identify street names.

Design Parameters

Summarize the preliminary basis of design, e.g., unit processes and sizes, wells and intakes, pipe lengths/diameters, routes, pump sizes/type (including provisions for standby power, telemetry, etc.), storage volume, design flow/capacity, well screening details, treatment criteria, residuals management, and related technical issues. Provide a schematic flow diagram for the proposed alternative. Indicate what drinking water standards are to be met or brought into compliance. Identify the service area and the population to be served (including special users of commercial/industry).

In regards to the transmission lines and water mains, briefly discuss the factors that dictate sizing of the pipes, such as minimum state guidelines, service area flows and pressures (existing and proposed), and other determinants.

Hydrogeological Analysis

The hydrogeological analysis is conducted using the large-diameter test well and at least two monitoring/observation wells. This is commonly referred to as an aquifer test or performance test as described in Rule 325.10830 of Act 399. In general, a hydrogeological analysis is performed to properly gauge the aquifer's ability to produce a sufficient amount of clean water. This analysis defines the safe yield of the aquifer; determines the pumping capacity, draw down, and static level of the well; and rates the quality of pumped water under operating conditions. Chemistry and bacteriological monitoring must also be collected from the test well to document compliance with state drinking water standards. Your data is reviewed by the DEQ's Environmental Health Section, and this process typically requires eight weeks.

Finalization of Well Design

The finalization of a well design and issuance of an Act 399 permit is contingent upon a hydrogeological analysis and a final well log. The hydrogeological analysis provides the information used to determine safe yield and water quality. The well log provides other vital information such as depth, diameter, grout material, and screen sizing. It is important to remember that a construction permit is typically not issued until **after** the production well has been installed. The permit, in essence, equips the production well with final pump/motor sizings and allows the well to go into service.

Maps

Provide legible maps with distance scales and other appropriate graphics that are associated with the selected alternative, including:

- Location of water sources and waterworks treatment systems.
- Routes, lengths, and sizes of transmission and distribution water mains.
- Location and size of water storage tanks.
- Street names.

Precise dimensions and locations may not yet be known, but basic project characteristics should be available.

Schedule for Design and Construction

List the major activities and milestones to be scheduled for completion of the proposed project. Estimated dates for design, aquifer analysis (if applicable), bidding, permit issuance, financing, and construction start and completion should be identified. The schedule should be consistent with quarterly DWRF funding deadlines. If the project is part of a regional system, the time required for review and approval from the regional system and modification of intermunicipal agreements should be factored into the schedule.

Cost Estimate

A summary of all costs associated with planning, design, and construction of the selected alternative must be presented, including costs associated with administration, legal, and financial services, land acquisition (if applicable), mitigation, and other project-related activities. Costs of green project reserve components should be specifically identified.

User Costs

Estimate the cost impact the proposed project will have on users of the water system to allow sufficient revenue for debt retirement, operation, maintenance, and replacement costs. Describe the current rates for comparison with the new estimated rates.

The total estimated project costs should be translated into an estimated total annual, quarterly, or monthly residential user charge over the useful life of the project. The amount of flow generated by the typical residential customer must be presented to allow the public to calculate their actual costs.

The discussion of user costs must identify the number of users or user equivalents. When user equivalents are used, an explanation of how a user equivalent is defined must be included. The number of users must be related to the total annual debt to be retired so that it is clear how the cost of the project is distributed across the users. Hook-up charges, tap-in fees, special assessments, and other non-flow related charges should be discussed, if applicable. Estimated costs must be generated without factoring in new users projected to connect after project completion.

Disadvantaged Community

Part 54, of the NREPA, provides for several benefits to municipalities who meet the state's criteria for disadvantaged community status. These benefits include additional priority points, extended loan terms, and the possibility of loan forgiveness for qualified planning costs. A *Disadvantaged Community Status Determination Worksheet* should be completed and included with the final project plan submittal.

Ability to Implement the Selected Alternative

Briefly discuss the applicant's legal authority, managerial capability, and financial means to build, operate, and maintain the water system. The institutional arrangements for financing the project, including capital cost contributions from other entities, must be described. If applicable, describe the need for any intermunicipal service agreements or water use ordinances to provide project implementation. If revisions to existing agreements are needed to implement the project, the project plan must identify the necessary amendments.

When contractual arrangements with other local units of government are required to implement the project, resolutions must be obtained from all of the participating entities adopting the project plan and agreeing to implement the selected alternative. These resolutions are the initial demonstration of project implementation.

Environmental Evaluation

In this section, you will discuss potential environmental impacts the selected alternative may cause, both direct and indirect, beneficial, and detrimental. The evaluation should be more detailed than the comparison of impacts for the various alternatives. While a narrative is encouraged, a tabular format could also be used to summarize this information. Responses received from reviewing agencies should be discussed. Documentation can be compiled in an appendix.

Historical/Archaeological/Tribal Resources

Impacts upon archeological, historical, or cultural resources (e.g., historic neighborhoods, buildings, or streetscapes) must be identified. Review by the SHPO is required for all projects. Tribal Historical Preservation Officers must also be contacted for an opportunity to comment on the proposed project.

Water Quality

Describe how the project alternative will affect surface water and groundwater quality or quantity and meet drinking water standard objectives.

Land/Water Interface

Describe what impacts the project will have on wetlands, floodplains, rivers/streams, and coastal zones.

Endangered Species

Describe what federal and/or state threatened or endangered species or state special concern species of flora or fauna, if any, would be impacted by the proposal. The United States Fish and Wildlife Service and the Michigan Natural Features Inventory need to be contacted for these reviews. A biological survey may be required to determine if they exist in the areas of construction, or would be affected by proximity to the proposed project.

Agricultural Land

If the project will directly or indirectly affect agricultural resources, describe what the impact will be and identify the location on a map.

Social/Economic Impact

Describe how the project will affect the social economics of the study area.

Construction/Operational Impact

Describe all areas that will be affected by construction. All natural and man-made features existing in these areas must be identified. Areas of potential tree removal must be identified, and any removal of large trees or extensive areas of vegetation removal must be noted.

Describe whether the project will result in hazardous or contaminated material exposure. Discuss the project's impact on traffic patterns, especially areas where construction will impact access or areas that will be affected by increased construction traffic. Indicate whether daily operations will have any impact, such as chemical exposure, air emissions, or noise. Discuss impacts to residential areas due to the construction and operation of new facilities if applicable.

Indirect Impacts

Indirect impacts are those caused or facilitated by the proposed project, but will be removed in time and/or distance. Indirect impacts often take the form of new residential or commercial development made possible by the project. Facilitation of new areas of development, even if "consistent" with zoning, may be considered significant adverse impacts. In addition, the conversion of agricultural lands and open areas to other uses and destruction of sensitive environments, such as wetlands, shorelines, areas of unbroken forest canopy, and other habitat areas, may also be considered significant adverse impacts.

The following indirect impacts that should be evaluated include:

- Changes in the rate, density, or type of development (residential/commercial/ industrial).
- Changes in land use (e.g., open space, floodplains, prime agricultural land, and coastal zones).
- Changes in air or water quality stemming from development including impacts from increased traffic.
- Changes to the natural areas and sensitive species or ecosystems due to secondary growth.
- Changes to aesthetic aspects of the community.
- Resource consumption over the useful life of the project.

Mitigation Measures

Where adverse impacts cannot be avoided, mitigation must be considered and described in the project plan, whether or not it is required by a particular permit or clearance. In this section of the project plan, you will describe how the environmental impacts discussed in the previous section will be mitigated. Both structural and non-structural measures that will be taken to avoid, eliminate, or mitigate adverse impacts should be included. Where applicable, required permits, such as soil erosion control, should be discussed. For each type of impact, be specific as to how the impact will be controlled so as to be made negligible.

Indirect impacts must be shown to be consistent with local ordinances and the community master plan so as to maintain protection of natural resources over time.

Public Participation

In this section, you will document opportunities to provide for public participation in the planning process. Public participation is generally informal in the early planning phase and becomes more formal prior to completing the project plan. Methods of involving the public include newspaper articles, flyers in utility bills, mass mailing to citizens, and the establishment of citizen's advisory groups for input on more complex and controversial projects. The purpose is to address controversial aspects of the project plan and/or to generate a better understanding of the project.

Public Meeting (Recommended)

A public meeting to discuss the various alternatives is recommended before a final alternative is selected. Such a meeting may help promote public support for the project. If held, the meeting should be at a time and place to best maximize public input. While a brief summary of the proceedings of the meeting should be included in the project plan, a formal presentation and record of proceedings is not required. A public meeting is preferred, but a council meeting held in accordance with all of the above guidelines is also an option.

Formal Public Hearing and/or Recording (Required)

The municipality applying for a DWRF loan must hold a formal public hearing prior to the adoption and submittal of a final project plan. The date, place, and time of the hearing must be conducive to maximize public input. For complex or controversial projects, or projects that will serve more than one municipality, hearings at several locations could be held.

Public Hearing Advertisement (Required)

A notice of the public hearing must be advertised **at least 30 days** prior to the hearing in a newspaper of general circulation in the communities affected by the proposed project. Notices on the municipality's Web site can supplement, but not substitute for, the published public hearing notice. The draft project plan must be available for public review during the 30-day public comment period. A copy of the advertisement and an affidavit confirming its publication must be included in the final project plan. Instructions on where to find copies of the project plan and how to submit written comments about the project must be included in the advertisement.

Public Hearing Transcript or Recording (Required)

The final project plan must be accompanied by one of the following:

1. A verbatim transcript of the public hearing recorded by a court reporter or transcribed by a stenographer from a recording of the proceedings.
2. An audio tape recording of the public hearing (tape must be audible).
3. A video recording of the public hearing (video must be clear and audible).

Public Hearing Contents

The following items must be discussed during the public hearing:

1. A description of the drinking water quality needs and problems to be addressed by the proposed project and the principal alternatives that were considered.
2. A description of the recommended alternative, including its capital costs and a cost breakdown by project components (e.g., supply, treatment, distribution, storage).
3. A discussion of project financing and costs to users, including the proposed method of project financing and estimated monthly debt retirement; the proposed annual, quarterly, or monthly charge to the typical residential customer; and any special fees that will be assessed.
4. A description of the anticipated social and environmental impacts associated with the recommended alternative and the measures that will be taken to mitigate adverse impacts.

In the event no one from the public attends the hearing (a reporter would be considered a member of the public, as would members of the applicant's governing body), the public hearing may be opened and closed without a formal presentation of the project plan documenting this action.

Comments Received and Answered

The final project plan must include the following items:

1. A typed list with the names and addresses of the people who attended the public hearing.
2. A copy of any written comments that were received during the public comment period for the proposed project.
3. The applicant's responses to the comments received.
4. A description of any changes that were made to the project as a result of the public participation process.

Adoption of the Project Plan (Required)

The official period for receiving public comments on the proposed project may either end at the close of the formal public hearing or extend for several days after the hearing. After the close of the public comment period, an alternative must be selected for implementation by the municipalities participating in the project. The final project plan submitted by the May 1 deadline must include resolutions from all of the participating local units of government to formally adopt the project plan and implement the selected alternative.

More Information, Forms, and Guidance

Please visit the [DEQ DWRF Web site](http://www.michigan.gov/drinkingwaterrevolvingfund) (www.michigan.gov/drinkingwaterrevolvingfund) for more information and to obtain the following additional planning-related forms and documents:

*Drinking Water Revolving Fund Project Plan Submittal Form
(including sample Joint Resolution and Disadvantaged Community Worksheet)*

Applicant Actions Related to Project Planning

Fundamentals of the Monetary Evaluation

Notice of Project Plan Public Hearing (Model)

National Natural Landmarks in Michigan

Regional Planning Agency Addresses

THPO Guidance

Department of Environment, Great Lakes, and Energy (EGLE) and Michigan Finance Authority (MFA)
FY 2022 FINANCING SCHEDULE
Clean Water and Drinking Water State Revolving Funds and the
Strategic Water Quality Initiatives Fund (SWQIF)

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Rate Methodology Approved	08/13/2021	11/15/2021	01/28/2022	04/22/2022
EAs Published No Later Than	08/16/2021	11/19/2021	02/07/2022	04/25/2022
Part I and Part II Application Due	08/30/2021	11/29/2021	02/15/2022	05/16/2022
FNSI Clearance Plans & Specs Approved	09/15/2021	12/20/2021	03/09/2022	05/25/2022
Bid Ad Published No Later Than	09/15/2021	12/20/2021	03/09/2022	05/25/2022
Part III of Application Due Bid Data Submittal (With Tentative Contract Award)	11/01/2021	01/31/2022	04/15/2022	07/06/2022
EGLE Order of Approval Issued*	11/15/2021	02/25/2022	05/16/2022	08/08/2022
Borrower's Pre-Closing with the MFA	11/29/2021	03/14/2022	05/27/2022	08/22/2022
MFA CLOSING	12/10/2021	03/25/2022	06/06/2022	08/29/2022
Notice to Proceed Issued No Later Than	02/08/2022	05/24/2022	08/05/2022	10/28/2022

*In addition to MFA requirements, all municipal bond sales must be reviewed and approved by the Local Audit and Finance Division of the Michigan Department of Treasury before an Order of Approval can be issued.

AN APPROVABLE APPLICATION FOR A REVOLVING FUND LOAN MUST INCLUDE:

1. A complete revolving fund application (Parts I, II, and III) including all required application information and assurances.
2. A detailed project description, cost breakdown, and project schedule.
3. Financial documentation to demonstrate ability for timely repayment of the loan and other assurances required by the application. (Part I)
4. If applicable, all executed intermunicipal service agreements. (Part II)
5. An approved Rate Methodology. (Part II)
6. An approved Project Plan. (Part II)
7. A set of plans and specifications suitable for bidding, including EGLE construction permit if required. (Part II)
8. A certified resolution from the applicant designating an authorized representative. (Part II)
9. Verification that the project has been advertised for bids or other appropriate procurement action. (Part II)
10. A fiscal sustainability plan certification form. (Part III for CWSRF only)

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10D



Havel
5870 Carbonmill Drive
South Bend, IN 46628
Phone: 269-207-4288
Fax: 260-487-2223
www.havelbros.com

Quotation

January 22, 2021
Quote 2020 04946 Rev.2

To: Dan Root
Facilities Manager
City of Sturgis

For: Fan Coil Unit Valves DDC Upgrade
Police/Fire Building
City of Sturgis

We propose to extend the existing **Schneider Electric** direct digital system of automatic temperature control and building automation.

All for the net sum

\$61,122.00

Under this proposal we will select the proper controls and deliver to the job site; furnish the necessary labor; make all calibrations, adjustments, perform a final checkup of the operation of the equipment specific to this project; furnish as-built drawings; and instruct the operating personnel and guarantee the equipment and its operation for a period of one year.

The Scope of Work Includes the Following:

- Furnish and install new BACnet Controllers with communicating wall thermostats and discharge air temperature sensors monitoring and control for each of the 34 Fan Coil Units (FCUs)
- Furnish new cooling valve and heating valve for the Make-Up Air Units
- Furnish and install new face and bypass damper actuator for the Make-Up Air Unit
- Integrate the new controllers into existing BAS Supervisor
- Furnish new valves and DDC actuators for each of the FCUs
- Provide programming and graphics for the new controllers
- Create alarms, schedules, and trends to match existing BAS protocols for new Controllers

The Scope of Work **Does Not** Include the Following and Must be Provided by Others:

- Removal of the existing pneumatically controlled valves
- Installation of the new valves

Alternates:

Alternate 1-Valve Installation

-This alternate includes the labor to remove the existing valves and install the new valves

Alternate 1 - ADD

\$14,189.00

Alternate 2-New Actuators for Existing Valves:

-This alternate includes furnishing and installing new electronic actuators for the existing pneumatic valves in lieu of new valves (no piping labor required)

Alternate 2 - ADD

\$9,453.00

Alternate 3-Pneumatic Transducers for Existing Valves:

-This alternate includes furnishing and installing transducers for the existing pneumatic valves in lieu of new valves or actuators (no piping labor required)

Alternate 3 - Deduct

(\$6,744.00)

Thank you.

Havel An EMCOR Company

Michael Presnell

(269) 503-0705

mpresnell@Shambaugh.com

This quotation is accepted by:

Date: _____

Quotation subject to negotiation after 60 days

HAVEL IS COMMITTED TO SAFETY. FOR QUESTIONS ON OUR SAFETY PROGRAM,
PLEASE CALL TOM O'CONNOR. CORPORATE SAFETY DIRECTOR. 1-800-234-9988



Havel
5870 Carbonmill Drive
South Bend, IN 46628

South Bend Phone: 574.232.6900
South Bend Fax: 574.232.3560
Kalamazoo Phone: 269.344.9646
Kalamazoo Fax: 269.344.3621
www.havelbros.com

As a condition of this project, payments are to be made on a job progress basis. Payments must be made upon receipt of invoice. Changes or alterations from the above proposal involving extra costs for material or labor will be in addition to the proposed amount. This proposal is the property of Havel and is provided for the Customer's use only. This proposal is subject to management approval by Havel. This proposal including terms, conditions and Schedule(s) attached, will constitute the entire agreement between us. No waiver, change or modification of any terms or conditions shall be binding on Havel unless made in writing and signed by authorized management of Havel.

GENERAL

1. Havel agrees to perform all work in a careful and workman-like manner and to furnish only materials of good quality.
2. The customer will provide reasonable access to all areas and equipment, and will allow Havel to stop and start equipment as may be necessary to fulfill the terms of the project.
3. All work will be performed during normal working hours, 7:30 a.m. to 4:00 p.m., Monday through Friday, unless otherwise stated.
4. The customer will promptly pay invoices upon receipt. Should a payment become thirty (30) days or more delinquent, Havel may stop all work under this project without notice and/or cancel this project, and the entire project amount shall become due and payable immediately upon demand.
5. In addition to any price specified on the face hereof, the customer shall pay and be responsible for the gross amount of any present or future sales, use, excise, value-added, or other similar tax, however designated, applicable to the price, sale or delivery or any products, services or the work furnished hereunder or for their use by Havel on behalf of the customer whether such tax shall be local, state, or federal in nature.
6. In the event Havel must commence legal action in order to recover any amount payable under this Agreement, the customer shall pay Havel all court costs and attorney's fees incurred by Havel.
7. Any legal action relating to this agreement, or the breach thereof, shall be commenced within one (1) year from the date of the work.

LIMITATIONS OF LIABILITY AND INDEMNITIES

1. Havel will not be liable for damage or loss caused by delay in installation or interrupted service due to fire, flood, corrosive substance in the air, strike lockout, dispute with workmen, inability to obtain material or services, commotion, war, act of God, or any other cause beyond Havel reasonable control.
2. In no event, whether as a result of breach of contract, or any tort including negligence or otherwise shall Havel or its suppliers, employees or agents be liable for any special, consequential, incidental, or penal damage including, but not limited to loss of profit or revenues, loss of use of any products, machinery, equipment, damage to associated equipment, cost of capital, cost of substitute products, facilities, services or replacement power, down time costs, lost profits, or claims of Buyer's customers for such damages.
3. No other warranty expressed or other liability is given and no other affirmation of Havel, by word or action, shall constitute a warranty. This warranty is expressly in lieu of any other express or implied warranty including any implied warranty of merchantability of fitness, and any other obligation on the part of Havel.
4. Havel warrants materials only to the extent and for the time period said materials are warranted to Havel by the manufacturer(s) of the same. Havel liability, if any, upon any warranty, either expressed or implied, shall be limited to replacement of defective materials and correction of faulty workmanship which is in violation of local, state, or federal building codes at the time of performance of the work by Havel.
5. "Due to current and forecasted price fluctuations of raw materials, many finished products are experiencing constant and unprecedented price escalations. Finished products affected may include: Mechanical/Electrical equipment, structural and sheet steel, all pipe products and corresponding fittings, stainless/carbon steel, all brass/bronze valves & fire sprinkler devices, copper pipe and wire. Inherently, these unforeseeable changes bring with them a potential cost and schedule impact. This shall serve as formal notification that, as a result of these unforeseeable events beyond our control, Shambaugh & Son hereby reserve our right to add the corresponding price increases to our proposal."

GENERAL EXCLUSIONS TO SCOPE OF WORK:

- Sales Tax
- Dumpsters
- Portable Toilets
- General Cleanup
- Utility Usage Costs of any nature
- Utility Company Costs of any nature
- Housekeeping pads
- Painting
- Fire Stopping
- Fire Proofing
- Access Panels
- Overtime
- Costs beyond Bid Scheduled Completion Date
- Cutting and patching
- Excavation
- Performance Bond
- Payment Bond
- Permits other than for our work
- Back Charges or deductive Change Orders without prior agreement on cost
- Parking Cost
- Drug Testing
- Safety Training
- Background Check
- Issuing Badges

HAVEL IS COMMITTED TO SAFETY. FOR QUESTIONS ON OUR SAFETY PROGRAM,
PLEASE CALL TOM O'CONNOR. CORPORATE SAFETY DIRECTOR. 1-800-234-9988



TO: Michael L. Hughes, City Manager
 FROM: Holly Keyser, City Controller
 SUBJECT: 2020-2021 Proposed Budget Amendments
 DATE: March 5, 2021

In accordance with the Uniform Budgeting and Accounting Act, the following governmental funds need to be amended to reflect changes in the expected revenue and operating expenditures anticipated in the 2020-2021 fiscal year, as compared to those originally estimated in the 2020-2021 approved budgets as previously amended.

	Original Budget	Amendment 1 9.23.20	Amendment 2 12.4.20	Amendment 3 3.10.21	Proposed Budget
General Fund - 101					
Revenue	8,849,020	-	-	-	8,849,020
Expenditures	8,979,320	60,000	40,000	20,000	9,099,320
Change in Fund Balance	(130,300)	(60,000)	(40,000)	(20,000)	(250,300)
Beginning Fund Balance	2,517,227	2,386,927	2,326,927	2,286,927	2,517,227
Projected Ending Fund Balance	2,386,927	2,326,927	2,286,927	2,266,927	2,266,927

The General Fund budgeted expenditures were modified due to the following:

Police/Fire HVAC Building Controls and Mechanical Upgrades 20,000.00

Summary of Budget Amendments for General Fund FY2021:		
Original Budgeted Expenditures in the General Fund		\$ 8,979,320
Amendment 1-9.23.20 to add Administrative Specialist Position	\$ 60,000	\$ 9,039,320
Amendment 2-12.9.20 to modify Nye Drain Special Assessment	\$ 40,000	\$ 9,079,320
Amendment 3-3.10.21 for police/fire HVAC project	\$ 20,000	\$ 9,099,320

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10E

Standard Form of Agreement Between Owner and Contractor

THIS CONTRACT, made between FREDERICK CONSTRUCTION, INC., 120 East Prairie Street, Suite C, Vicksburg, Michigan, 49097 (a Michigan Corporation) and City of Sturgis, 130 N. Nottawa St., Sturgis, MI 49091.

1. **DESCRIPTION** Customer hereby hires Builder to **UTILIZE STATE OF MICHIGAN MIDEAL FOR DESIGN & CONSTRUCTION OF (4) SEPARATE RESTROOMS WITHIN STURGES-YOUNG CENTER** located at 201 N. Nottawa St., Sturgis, MI 49091 as per the combined conceptual budget dated February 4, 2021 as attached. This initial base contract is for design services only. Once design is completed, a change order will be executed to incorporate construction and trade services.

2. **PRICE**

A.	Base Price (Design Fees + 10% O&P)	\$	24,750.00
B.	Plus Additions:		0.00
C.	Minus Deductions:		0.00
	Adjusted Construction Price Before Change Orders and Allowance Adjustment	\$	24,750.00

3. **CHANGES** No changes exceeding \$500.00 are to be made on the plan and specifications except upon a written order signed by the parties. Changes not exceeding \$500.00 may be made upon oral agreement by the parties.

4. **ALLOWANCES** There are various allowances included within the conceptual budget dated February 4, 2021. If the Customer spends less than the allowances, the Customer shall receive a credit for the unused portion. If the Customer spends more than the allowances, a change order to the contract will be issued.

5. **PAYMENT** The adjusted construction price shall be paid in the following manner: monthly payments upon receipt of progress billing from Frederick Construction.

6. **FINANCING** If financing is required, this offer is contingent upon the Customer or Builder on Customer's behalf, securing a mortgage commitment for at least the sum of NA at an interest rate of NA per annum.

If such financing commitment cannot be obtained within thirty (30) days from the date hereof, then either party may rescind this agreement in writing and all monies paid hereunder shall be refunded to the Customer, less out-of pocket expenses incurred by Builder, including but not limited to, the cost of preparing the plans and specifications.

7. **INSURANCE** The Customer, at his/her own expense, shall keep the structure insured by an All Builders Risk insurance policy, in an amount equal to the base price herein, providing risk coverage against loss or damage by fire, windstorm, water and other hazards, including vandalism and theft, naming the Builder as an additional insured. If the Customer fails to effect or maintain Insurance as above, Customer assumes any or all liability. The Builder shall carry public liability insurance of not less than \$2,000,000.00 Bodily Injury: \$250,000 Property Damage: and Workers Compensation if required. Builder shall not be liable for damages or losses caused by unusually severe weather conditions, storms, lightening, hail, flood or similar occurrences, damages caused by theft, vandalism, fire or any other conditions or occurrences whether similar to the foregoing or which are not within the control of the Builder. Builder will forward their certificate of insurance.

8. **RESTRICTIONS** Where Customer is the Owner of the lot, Customer shall furnish to the Builder within ten (10) days after acceptance of this contract a copy of the deed restrictions and easements, if any. Evidence of valid title relating to this lot shall be submitted to the Builder by the Customer within fifteen (15) days from the signing of this Agreement. Customer shall be responsible for furnishing an approved site for construction called for by this Agreement. The Customer shall hold the builder harmless from any and all liability either to the Customer or any other person or governmental body concerned if the Customer fails to comply with the conditions of this paragraph.
9. **PERFORMANCE OF WORK** Builder agrees to commence construction within a reasonable time considering contingencies beyond the control of the Builder. Minor deviation from the plans and specifications shall be construed as substantial compliance with this agreement. The same shall be completed in a good workmanlike manner with quality equal to the standards of the industry within a reasonable time except when the Builder shall be prevented from completing such project by reason of events beyond his/her control.
10. **SUPERVISION OF WORK** Customer agrees that the direction and supervision of the working forces, including subcontractors, rest exclusively with the Builder. The Customer shall at any reasonable time during working hours have the right to inspect the work. The customer further agrees not to negotiate for additional work with the subcontractors nor to engage other builders or subcontractors except with the Builder's prior consent.
11. **ABNORMAL BUILDING SITE** In the event abnormal building site conditions are encountered, Customer agrees to pay the cost of any additional work or materials. This paragraph is intended to include but not be limited to the removal of trees, the trucking of excess fill and the cutting of grade.
12. **BUILDER REMEDIES** If the work shall be stopped by the order of the Customer, any court or other public authority, through no fault of the Builder, or if the Customer fails to make payments as herein agreed, Builder shall have the right to stop work or terminate this agreement and receive from the Customer payment for all work performed together with reasonable profit on entire agreement price.
13. **POSSESSION** Physical possession of improvements to said real estate shall be deemed to have been surrendered by the Customer to the Builder as of the time work is commenced hereunder and to continue in possession of said Builder until said work is completed. The Customer shall not be entitled to occupancy of said premises or any part thereof unless and until the aforesaid agreement sum, adjusted as to additions, deductions, and any other extras ordered by the Customer during the time of this agreement, if any, have been determined and paid in full.
14. **WARRANTY** The work performed under this agreement shall be warranted for one year from completion.
15. **DISPUTES** Should any dispute arise out of this contract including disputes related to warranty work, or extras, then the parties agree that the dispute shall be resolved by Kalamazoo County Circuit Court.
16. **MISCELLANEOUS** This contract shall be binding upon and shall inure to benefit of the heirs, administrators, executors and successors of the parties hereto. In the event there is more than one Customer, a reference to one Customer shall be deemed to be a reference to both Customers.
17. **ADDITIONAL PROVISIONS**

We have carefully read this Contract before signing and hereby acknowledge receipt of a copy thereof.

<hr/>	<hr/>	<hr/>	<hr/>
Owner <i>(Signature)</i>	Date	Contractor <i>(Signature)</i>	3/3/21 Date
<hr/>		<hr/>	
<i>(Printed Name and Title)</i>		Ryan Collins, Secretary <i>(Printed Name and Title)</i>	

March 2, 2021

Mr. Dan Root, Facilities Manager
City of Sturgis
130 N. Nottawa
Sturgis, MI 49091

RE: Sturges Young Center for the Arts
Restroom Renovation Budgets_Combined

Dan,

We are pleased to provide the following budget for all labor, material, equipment, supervision, management, and design to complete the interior renovations for the various restrooms within Sturges Young Center for the Arts. After review and the establishment of the final scope based on funding available, the budgets will be finalized into hard estimates with contingency reduced.

Total combined budget for 4 restrooms and 1 changing room.....\$ 249,228.92

Please refer to the attached backup. We have included a 10% design & construction contingency at this time.

Thank you for the opportunity and please let me know what questions you may have.

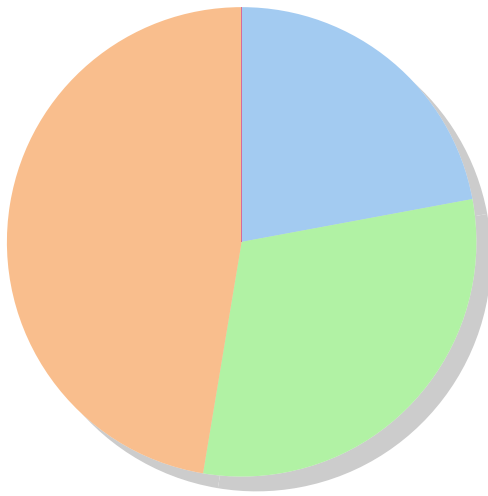
Sincerely,
Ryan D. Collins
Ryan D. Collins
Senior Estimator

**Estimate: 181424 Sturges-Young Center for Arts -
Combined Restroom Budget**
Unit Cost by Division Summary

Item Code	Description	Quantity	Unit	Material Unit Cost	Material Total	Labor Unit Cost	Labor Total	Subcontractor Total	Total
01 General Requirements									
01.2400.1000	Architectural Fees_Allowance	1.00	AL	0.00	0.00	0.00	0.00	22,500.00	22,500.00
01.3000.1110	Superintendent	16.00	WK	0.00	0.00	2,600.00	41,600.00	0.00	41,600.00
01.3500.1080	Infection Control Procedures_COVID 19 Supplies	1.00	LS	375.00	375.00	0.00	0.00	0.00	375.00
01.4000.1000	Building Permits_Allowance	1.00	AL	3,500.00	3,500.00	0.00	0.00	0.00	3,500.00
01.5000.1000	Misc. Consumables	16.00	WK	75.00	1,200.00	0.00	0.00	0.00	1,200.00
01.5000.1040	Temporary Job Site Trailer_USE EXISTING BUILDING	0.00	MO	0.00	0.00	0.00	0.00	0.00	0.00
01.5000.1160	Temporary Toilet_USE EXISTING WITHIN BUILDING	0.00	MO	0.00	0.00	0.00	0.00	0.00	0.00
01.5600.1030	Temporary Dust Barriers_Labor by Superintendent	1.00	LS	1,255.00	1,255.00	0.00	0.00	0.00	1,255.00
01.5600.1070	Temporary Protective Walkways_Ramboard/ Sticky Mats	1.00	LS	805.00	805.00	0.00	0.00	0.00	805.00
01.7000.1100	Fuel	16.00	WK	120.00	1,920.00	0.00	0.00	0.00	1,920.00
01.7400.1010	20 CY Debris Box Rental	4.00	EA	425.00	1,700.00	0.00	0.00	0.00	1,700.00
01.7400.1060	Final Cleaning	1.00	LS	475.00	475.00	550.00	550.00	0.00	1,025.00
02 Existing Conditions									
02.2600.1000	Asbestos Assessment	0.00	LS	0.00	0.00	0.00	0.00	0.00	0.00
02.2600.1040	Lead Assessment	0.00	LS	0.00	0.00	0.00	0.00	0.00	0.00
02.4100.1460	Demolition	73.00	HR	0.00	0.00	55.00	4,015.00	0.00	4,015.00
02.8200.1010	Asbestos Abatement	0.00	LS	0.00	0.00	0.00	0.00	0.00	0.00
03 Concrete									
03.3000.1010	Concrete Floor Patching at Urinal Demo	1.00	LS	150.00	150.00	440.00	440.00	0.00	590.00
04 Masonry									
04.0010.1000	Masonry Budget for Patching Holes_Allowance	1.00	LS	0.00	0.00	0.00	0.00	7,000.00	7,000.00
07 Thermal and Moisture Protection									
07.9200.1010	Caulking	1.00	LS	152.00	152.00	0.00	0.00	0.00	152.00
08 Openings									
08.1000.1010	Commercial Doors, Frames and Hardware	1.00	LS	1,850.00	1,850.00	440.00	440.00	0.00	2,290.00
08.3000.1000	Access Panels And Frames	1.00	LS	175.00	175.00	220.00	220.00	0.00	395.00
08.7000.1000	Automatic Door Operator on Existing Door & Frame	1.00	LS	3,400.00	3,400.00	880.00	880.00	0.00	4,280.00
09 Finishes									

Item Code	Description	Quantity	Unit	Material Unit Cost	Material Total	Labor Unit Cost	Labor Total	Subcontractor Total	Total
09.2300.1020	Drywall & Plaster Patching	1.00	LS	1,375.00	1,375.00	4,801.00	4,801.00	0.00	6,176.00
09.3000.1090	Tile Patching at Floors	1.00	LS	325.00	325.00	880.00	880.00	0.00	1,205.00
09.5300.1000	New 2x2 Acoustical Ceiling	1.00	LS	1,579.00	1,579.00	440.00	440.00	0.00	2,019.00
09.6000.1010	Flooring Allowance	1.00	AL	0.00	0.00	0.00	0.00	1,140.00	1,140.00
09.9100.1010	Painting	1.00	LS	1,270.00	1,270.00	3,080.00	3,080.00	0.00	4,350.00
10 Specialties									
10.1400.1010	Signage	5.00	EA	64.00	320.00	0.00	0.00	0.00	320.00
10.2100.1160	Toilet Compartments	1.00	LS	14,744.00	14,744.00	2,420.00	2,420.00	0.00	17,164.00
10.2800.1030	Commercial Toilet Accessories	1.00	LS	6,840.00	6,840.00	1,760.00	1,760.00	0.00	8,600.00
12 Furnishing									
12.3600.1070	New Knee Wall with Solid Surface Material at Urinals	1.00	LS	1,700.00	1,700.00	880.00	880.00	0.00	2,580.00
22 Plumbing									
22.0010.1010	RW LaPine Allowance for Exhaust Fan & Leak Investigation	1.00	LS	0.00	0.00	0.00	0.00	750.00	750.00
22.0010.1010	Plumbing Fixtures_RW LaPine	1.00	LS	0.00	0.00	0.00	0.00	45,055.00	45,055.00
23 Heating, Ventilating and Air-Conditioning (HVAC)									
23.0010.1010	HVAC_ Exhaust Fan Replacement_RW LaPine	1.00	LS	0.00	0.00	0.00	0.00	13,200.00	13,200.00
26 Electrical									
26.0010.1010	Electrical Subcontractor_Esper Electric	1.00	LS	0.00	0.00	0.00	0.00	7,125.00	7,125.00

Estimate Summary



- Material [\$45,110]
- Labor [\$62,406]
- SubContractor [\$96,770]
- Equipment [\$0]
- Other [\$0]

Description		Total
Sub-Total (Base Cost)		\$204,286.00
Sub-Total (Direct Cost)		\$204,286.00
Overhead & Profit	10.00%	20,428.60
State Of Michigan_MI Deal 2% Fee	2.00%	4,085.72
Design & Construction Contingency	10.00%	20,428.60
Sub-Total (Indirect Cost)		\$249,228.92
Total Estimate		\$249,228.92