



AGENDA
CITY COMMISSION MEETING
WEDNESDAY, JUNE 15, 2022
CITY HALL - WIESLOCH RAUM
130 N. NOTTAWA ST.

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
10. NEW BUSINESS
 - A. W. South St. Sidewalk Special Assessments Public Hearing – Barry Cox
 - B. S. Nottawa St. Sidewalk Special Assessment Public Hearing – Barry Cox
 - C. Millage Rate Public Hearing – Michael Hughes
 - D. Heartland RV Industrial Facilities Exemption Certificate – Kenneth Rhodes
 - E. Drinking Water Asset Management Grant Design Task Order – Barry Cox
 - F. N. Franks Extension Grants and Design Task Order– Barry Cox
 - G. Well Cleaning and Pump Reconditioning – Rick Miller
 - H. SYCA Lower-Level Restroom Design – Daniel Root
 - I. LDFA Operating Agreement – Andrew Kuk
11. COMMISSIONER / STAFF COMMENTS
12. ADJOURN

CONSENT AGENDA

8A. Action of Minutes of Previous Meetings

APPROVE the minutes from the June 8, 2022 regular meeting as presented.

8B. Copper Wire Bid

APPROVE the bid of Irby Utilities for primary copper wire in the amount of one hundred and seventeen thousand, seven hundred and sixty-three dollars and twenty cents (\$117,763.20).

8C. Hydro Dam Nuisance Plant Monitoring

APPROVE a bid waiver for and the proposal of Environmental Research and Consulting, Inc. for nuisance plant monitoring in the amount of seventeen thousand, eight hundred dollars (\$17,800.00).

Manager's Report

JUNE 15, 2022



CITY OF
Sturgis
MICHIGAN

Submitted by:

A handwritten signature in black 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 June 15, 2022 as presented.

Staff Recommendation:

APPROVE

8A. Action of Minutes of Previous Meetings

Consent Agenda Motion:

APPROVE the minutes from the June 8, 2022 regular meeting as presented.

8B. Copper Wire Bid

City staff released a bid for the purchase of 750 Kcmil CU Primary Wire to replenish inventory for future developments. This is copper wire used to feed the larger circuits and industrial parks on the City's distribution system. Two bidders responded, with the low bid from Irby Utilities in the amount of \$117,763.20. Lead time is eight to sixteen weeks.

Consent Agenda Motion:

APPROVE the bid of Irby Utilities for primary copper wire in the amount of one hundred and seventeen thousand, seven hundred and sixty-three dollars and twenty cents (\$117,763.20).

Included in your packet:

1. Copper Wire Bid Tab

8C. Hydro Dam Nuisance Plant Monitoring

One of the requirements of the Federal Energy Regulator Commission (FERC) license for the Sturgis Hydro Electric Dam is to conduct nuisance plant monitoring for Eurasian water-milfoil annually and purple loosestrife every three years (purple loosestrife was last surveyed in 2021). Historically, this

has been conducted by the City's consulting engineers for the Dam, Lawson Fisher Associates (LFA), and their biologist subconsultant Environmental Research and Consulting, Inc. (ERC).

Attached is a proposal from ERC to conduct the 2022 nuisance plant monitoring for the Eurasian water-milfoil. In addition, LFA would have some effort for the coordination of the monitoring (drop-off and pick-up of a boat for ERC use) and development of maps for survey and reporting. ERC estimates their work can be completed at a cost of \$17,800.00. City staff estimates that the costs associated with LFA for the project will be approximately \$3,500.00. Thus, the total effort for the reporting is estimated to be \$21,300.00. The field survey is conducted in late July or early August.

Consent Agenda Motion:

APPROVE a bid waiver for and the proposal of Environmental Research and Consulting, Inc. for nuisance plant monitoring in the amount of seventeen thousand, eight hundred dollars (\$17,800.00).

Included in your packet:

1. ERC Proposal

10. New Business

A. W. South St. Sidewalk Special Assessments Public Hearing

Staff: Barry Cox

OPEN PUBLIC HEARING

The City of Sturgis Engineering Department initiated a Sidewalk Special Assessment District to build new sidewalks in conjunction with the 2017 W. South Street Improvements. The Special Assessment District was created by the City Commission at the February 22, 2017 meeting.

The sidewalks have been installed and the costs identified for properties within the assessment district. The proposed final sidewalk assessment roll is included in your packet. The preliminary assessment roll estimated a cost of \$8.00 per square foot. The final cost was \$3.96 per square foot.

A letter has been sent to each property owner of the properties listed in the roll notifying them of the Public Hearing and the proposed final cost.

CLOSE PUBLIC HEARING

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the 2017 W. South Street Special Assessment Roll as presented.

Proposed Motion:

Move that the Sturgis City Commission DIRECT/NOT DIRECT the City Clerk to spread the 2017 W. South Street Special Assessment Roll costs evenly over 5 years with an interest rate of 5% charged on the remaining balance on an annual basis.

Staff Recommendation:

APPROVE and DIRECT

Included in your packet:

1. 2017 W. South Street Preliminary & Final Sidewalk Roll comparison
2. 2017 W. South New Sidewalk Assessment Roll

10. New Business

B. S. Nottawa St. Sidewalk Special Assessment Public Hearing

Staff: Barry Cox

OPEN PUBLIC HEARING

The City of Sturgis Engineering Department initiated a Sidewalk Special Assessment District to repair sidewalks in conjunction with the 2017 S. Nottawa Street Improvements. The Special Assessment District was created by the City Commission at the February 22, 2017 meeting.

The sidewalks have been repaired and the costs identified for properties within the assessment district. The proposed final sidewalk assessment roll is included in your packet. The preliminary assessment roll estimated a cost of \$8.00 per square foot. The final cost was \$4.21 per square foot.

A letter has been sent to each property owner of the properties listed in the roll notifying them of the Public Hearing and the proposed final cost.

CLOSE PUBLIC HEARING

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the 2017 S. Nottawa Street Special Assessment Roll as presented.

Proposed Motion:

Move that the Sturgis City Commission DIRECT/NOT DIRECT the City Clerk to spread the S. Nottawa St. Special Assessment Roll costs evenly over 5 years with an interest rate of 5% charged on the remaining balance on an annual basis.

Staff Recommendation:

APPROVE and DIRECT

Included in your packet:

1. 2017 S. Nottawa Street Preliminary & Final Sidewalk Roll comparison
2. 2017 S. Nottawa Sidewalk Repair Assessment Roll

10. New Business

C. Millage Rate Public Hearing

Staff: Michael Hughes

OPEN PUBLIC HEARING

In order to include the City's millage rates on 2022 summer tax bills, the City Commission needs to set the City Operating property tax rate by the end of June. A public hearing is required. The City also needs to set the rate for the Streets/Sidewalks Improvement Millage, which was approved by voters in 2013 for 3.0 mills. This is the last year for the 2013 voted millage; the recently approved millage renewal will begin in 2023.

Due to the State of Michigan's Headlee rollback rule, the highest millage general operating rate the City may consider this year (without a vote of the electorate) is 11.6818. If this rate were adopted, it would generate approximately an additional \$320,000.00 in revenue over the 2021 tax rate of 10.4623. This additional revenue could offset the increase in expenditures throughout City departments as well as the newly added ambulance service. The City advertised the millage rate at 11.6818 because, as previously discussed, the advertised tax rate is the maximum rate that the City Commission can set after the Public Hearing. The Commission is not obligated to approve this rate and may choose to approve a lesser tax rate.

Similarly, the Streets/Sidewalks Improvement Millage has been rolled back due to Headlee rule to a maximum rate of 2.9476 mills. This was the rate advertised by the City.

In addition to the millage rates, as typically approved by the City Commission, a 1% tax administration fee is scheduled to be collected on all City tax bills this year. This fee is authorized and recommended by the State to allow communities to recover the costs of tax collection.

CLOSE PUBLIC HEARING

Proposed Motion:

Move that the Sturgis City Commission SET the 2022 millage rate at _____ mils for Operating Millage and 2.9476 mils for Streets/Sidewalk Improvement Millage as presented.

Staff Recommendation:

SET

10. New Business

D. Heartland RV Industrial Facilities Exemption Certificate

Staff: Kenneth Rhodes

Heartland Recreational Vehicles, LLC has submitted an Industrial Facilities Exemption Certificate application for their new facility in Stapleton Industrial Park. As stated in their application, this exemption is for the first of four buildings planned for recreational vehicle assembly. The construction of the 148,000 sq ft building is estimated to cost \$13,170,000.00, add 154 jobs, and be completed by the end of 2022.

The exemption, if approved, will reduce the property tax bill for the building by approximately half for a period of 12 years, beginning in 2023 and ending in 2034.

Included in your packet is the required resolution for the exemption and Heartland's application.

Proposed Motion:

Move that the Sturgis City Commission ADOPT/NOT ADOPT the Resolution approving an Industrial Facilities Exemption Certificate for Heartland Recreational Vehicles, LLC as presented.

Staff Recommendation:

APPROVE

Included in your packet:

1. Heartland IFEC Resolution
2. IFEC Application

10. New Business

E. Drinking Water Asset Management Grant Design Task Order

Staff: Barry Cox

The City of Sturgis submitted a Drinking Water Asset Management (DWAM) Grant request to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) in spring of 2021. EGLE awarded the City up to \$283,200.00 to determine the materials used at various points of the water service lines of a random sample of properties within the City. A figure from EGLE labeling the locations to be reviewed is included in your packet. The locations to be tested include the area inside the wall of the home to the water meter (Location 1); the service line from the curb stop to the home (Location 2); the service line from the curb stop as it heads towards public right-of-way (Location 3); and the gooseneck (Location 4). To be considered properly identified by EGLE, information must be obtained at three of the four locations.

Based on the number of overall service lines in the City, EGLE has determined that 354 sites is an appropriate sample for Sturgis. This is a statistically significant number from which the City can project the materials used in the overall system and determine a complete distribution material system inventory for the approximately 4,360 service lines in the water system. To determine which properties will be included in the sample, the City will use EGLE's "random material verification process" to select 354 sites from the 4,360 overall services.

Staff is requesting City Commission consider contracting service line material verification for Locations 2 and 3 of the 354 sites. The City will receive up to \$600 per service line as part of the grant. The Engineering Department is planning to complete the necessary service line material verification for Location 1 of the sites as needed; due to surveys already complete by City staff, it is anticipated few new Location 1 verifications will need to be completed. Each Location 1 site not currently known can be reimbursed up to \$200.00 per site to complete.

This task order is for design, bidding, grant administration, and construction phase services for the project. Included in your packet is Task Order #5 from Fleis and

VandenBrink (F&V) for this work, in the proposed amount of \$28,500.00. Costs for the task order are not eligible for DWAM grant reimbursement.

While grant funds of up to \$283,200.00 are available for the project, staff anticipates that there will be costs to the City as part of the project. In addition to the engineering costs associated with this task order, it is anticipated that the cost to verify materials at Locations 2 and 3 will exceed the maximum amount of \$600.00 per service. This assumption is based on F&V's work on several similar projects across the state.

The task order and excess costs will be funded out of the water fund. The City has until October 2024 to utilize the DWAM grant monies.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY Task Order #5 with Fleis and VandenBrink Engineering, Inc. for design, bid, grant administration, and construction phase services on the DWAM grant project in the amount of twenty-eight thousand, five hundred dollars (\$28,500.00).

Staff Recommendation:

APPROVE

Included in your packet:

1. EGLE Service Line Figure
2. Task Order #5

10. New Business

F. N. Franks Extension Grants and Design Task Order

Staff: Barry Cox

The City of Sturgis received a Michigan Department of Transportation (MDOT) Small Urban grant of \$375,000.00 for 2023 and added Federal HIP COVID-19 grant funding of \$81,204.00 for constructing the N. Franks Avenue Extension. As part of the funding requirements for these grants, a number of items are required, including:

- Environmental assessments.
- Appraisals for any grading easements/permits to be obtained on private property.
- Review and analysis of impact to endangered species.
- Right-of-way certification.

In addition to these requirements, the grant funding has a timeline. Funding for the project must be obligated by August 2023 or be forfeited. Under a current, aggressive, timeline Fleis & VandenBrink (F&V) anticipates having the project ready for obligation in June 2023 and approved for MDOT bid letting in October 2023.

Despite this, there is the potential for the project to not meet the necessary timeline. If MDOT determines the project is a new road, a higher level of environmental study (an Environmental Evaluation) would be required; this is a year-long process, meaning that the City would be unable to obligate funds before the deadline. In addition, there are concerns that the City's lease with the railroad for the project may not fully meet MDOT requirements, opening another potential time and cost concern to the project.

The State of Michigan recently released information on a Federal Aid Buyout Program. The program is brand new and would allow local agencies to "sell" back certain Federal funds to the State at 90% of the awarded amount. The remaining funds would then be free of most regulations, requiring only minimal reporting and federal wage rate scales for contractors.

The program is first-come, first-served with a limited budget. Local agencies can apply for the exchange program starting June 21st; applications will be taken only until June 30th. If the City were to apply and be selected through the program, requirements regarding the obligation deadline, environmental review, appraisals, leases, etc. would not be in effect. The project would still be required to be constructed within three years.

Due to the nature of the program, while the Small Urban Grant of \$375,000.00 is eligible, the Federal HIP COVID-19 grant of \$81,204.00 is not. Further, if the City keeps the HIP COVID-19 grant as part of the project, the Small Urban Grant cannot be submitted to the Buyout program.

Due to the uncertainty of the timeline and potential to lose all grant funding for the project if regulations lead to sufficient delays, staff is considering several options and would like feedback from the Commission:

OPTION 1: Maintain the grant funding as awarded and push to meet the funding deadline with the understanding there is a risk of losing the grant funds entirely.

OPTION 2: Return the Federal HIP COVID-19 grant to the Small Urban Committee and submit the City's Small Urban grant to the Federal Aid Buyout Program. If accepted by the State, Grant funding for the project would be reduced from \$456,204.00 to \$337,500.00.

OPTION 3: Pursue Option 1 but discuss with the Small Urban Council the idea of swapping project funding years 2023 and 2024 with the St. Joseph County Road Commission. If necessary, this could potentially delay the extension project by a year, but provide additional time to meet State and Federal requirements for the grants.

Regardless of the option selected, it is necessary to begin project design now in order to attempt to meet program funding timelines. Task order #7 is for the preliminary design, final design, and bidding phase services for the project. The task order with F&V is for \$52,500.00.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY Task Order #7 with Fleis and VandenBrink Engineering, Inc. for preliminary design, final design, and bidding services on the N. Franks Avenue Extension Project in the amount of fifty-two thousand, five hundred dollars (\$52,500.00).

Staff Recommendation:

APPROVE

Included in your packet:

1. Federal Aid Buyout Pilot Program Information
2. Task Order #7
3. N. Franks Ave. Extension Budget and Cost Spreadsheet

10. New Business

G. Well Cleaning and Pump Reconditioning

Staff: Rick Miller

Thurston Woods Well #7 was put into operation in 2002 and the well and pump were last cleaned and overhauled in 2013. While currently the well is continuing to operate and produce as expected, staff is recommending a cleaning and reconditioning as preventative maintenance to avoid significant and costly problems in the future.

The project was included in the Fiscal Year 2021-2022 capital budget for \$40,000.00. Bid documents were created for the cleaning and overhaul, and a copy is included in the packet. As with all overhaul projects, it is impossible to know exactly what parts need to be replaced before disassembly. In order to account for this variation, staff included a section in the bid for bidders to provide pricing for individual parts that have the potential of needing to be replaced as part of the pump overhaul process.

Bid documents were sent to four qualified bidders from the area; Peerless Midwest Inc. of Mishawaka, IN and North American Pump Co. of Wakarusa, IN were the only two contractors who provided bids for the work. Peerless Midwest provided the low base bid for the project at \$37,850.00. They also included pricing for repair parts as requested which totaled \$52,113.00 (if all parts were required). North American Pump offered a base bid price of \$40,650.00 and also provided repair parts pricing as requested which totaled \$29,517.00. The difference in base bids is \$2,800.00.

Given the wide variance in repair part pricing between the two bids, staff looked back at previous well pump overhauls to get a sense of how many parts have been replaced in the past and what a potential list of parts might do to pricing. In looking back at previous overhauls, it isn't uncommon to have to replace line-shaft, sections of column pipe, and/or all of a pump bowl assembly. When this pump was overhauled in 2013, fifty-five feet of 10-inch column pipe had to be replaced. Based on the as-bid parts pricing that the contractors supplied, this

material would cost \$7,640.00 if supplied by Peerless Midwest and \$3,725.00 if supplied by North American Pump. A difference of \$3,915.00.

In looking at the two contractors providing bids, both are capable of doing the work. Given the relatively narrow difference in base bids and variability in repair parts pricing, staff's recommendation is to award the bid to North American Pump Co. Staff is further recommending a contingency budget not-to-exceed \$30,000.00 to cover potential parts related to the overhaul. This amount would cover expenses if one of every part listed were to need to be replaced.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the bid of North American Pump Co. for well cleaning and pump reconditioning in the amount of forty thousand, six hundred and fifty dollars (\$40,650.00) and APPROVE a contingency budget for the project in an amount not-to-exceed thirty thousand dollars (\$30,000.00) as presented.

Staff Recommendation:

APPROVE

Included in your packet:

1. Bid Documents
2. Bid Tab
3. Parts Pricing Sheets
4. Well Pump Overhaul History

10. New Business

H. SYCA Lower-Level Restroom Design

Staff: Daniel Root

Renovation of the lower-level restrooms is included in the proposed Fiscal Year 2022-2023 capital improvement budget for the Sturges-Young Center for the Arts (SYCA) for next year. To proceed with these improvements, construction documents will be necessary to narrow down the scope of work and develop a detailed cost estimate and project timeline.

Staff worked with Frederick Construction and Architects from G.H. Forbes utilizing the MiDeals indefinite scope indefinite delivery design/build contract to complete the renovations in the upper-level restrooms in the current fiscal year. That project was budgeted at \$244,792.00 and was nearly \$40,000.00 under budget.

Staff is again recommending the utilization of the MiDeals Design/Build contract and recommending Frederick Construction and their sub-contractor G.H. Forbes for the lower-level restroom design and estimating process. Frederick Construction supplied staff with a proposal for design and construction estimating in the amount of \$25,597.00. Included as part of this proposal is the offer to refund some or all of Frederick's fee for estimating if the project moves forward. A copy of the proposal is included in your packet.

Staff has currently budgeted \$250,000.00 to complete this project in the proposed Fiscal Year 2022-2023 budget.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the proposal from Frederick Construction for design and estimation services for the SYCA lower-level restroom project in the amount of twenty-five thousand, five hundred and ninety-seven dollars (\$25,597.00) as presented.

Staff Recommendation:

APPROVE

Included in your packet:

1. Frederick Proposal

10. New Business

I. LDFA Operating Agreement

Staff: Andrew Kuk

Included in your packet is a draft operating agreement between the City of Sturgis and Sturgis Local Development Finance Authority (LDFA). This operating agreement outlines the relationship between the City and LDFA as it relates to the procurement, ownership, and maintenance of infrastructure assets, as well as expenses related to staffing and administration.

The LDFA exists as a “discretely presented component unit” of the City for the purposes of accounting and annual audit. While the LDFA’s budget is incorporated with the City’s budget approved annually by the Sturgis City Commission, because they are a separate legal entity they do maintain independence as it relates to expenditures and a balance sheet.

With the recent approval of changes to the LDFA Development Plan, the LDFA is scheduled to receive significantly more in tax increment financing revenue in the near future as well as planning several new infrastructure projects.

The LDFA will be entering into contracts to construct many of these infrastructure projects and will ultimately “own” and carry them on its balance sheet, despite the fact that they will be a broader part of the City’s utility system and will need ongoing maintenance. The proposed operating agreement formalizes how these infrastructure projects will be budgeted, bid, approved, and maintained, providing oversight to the City Commission regarding projects that will ultimately impact City systems.

Key provisions of the operating agreement include:

Section 1.2 – The City will charge the LDFA administrative reimbursement to cover the costs of staff time and administrative resources. Similar charges are placed on other municipal funds.

Section 2.3 – Outlines the procedures for purchasing assets. Any project bid by the LDFA will need to be included in the current year capital budget or otherwise approved by the City Commission and LDFA. City staff will assist in design and bidding to ensure system/standards compatibility. The LDFA will follow the City's purchasing policy when procuring goods and services, and the City Commission will review all bids and provide a recommendation to the LDFA board.

Section 2.4 – LDFA will own assets until any associated debt is paid, after which they will be contributed to the City of Sturgis.

Section 2.5 – City will manage and maintain all assets the same as if owned by the City.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the City of Sturgis and Sturgis Local Development Financing Authority Operating Agreement as presented.

Staff Recommendation:

APPROVE

Included in your packet:

1. City / LDFA Operating Agreement

Noteworthy Meetings / Events

- Chamber Programming Committee Meeting | June 7th
- LDFA/EDC/SIA Meetings | June 7th

Upcoming Events

- Movies in the Park | North St. | 7:00pm | June 10th
- Budget Work Session | June 14th
- NOTE: City Commission Meeting | June 15th
- Southern Michigan Bank & Trust Grand Opening & Ribbon Cutting | 200 John St. | 4:00pm-7:00pm | June 16th
- Sturgis Fest Kickoff Dinner | SYCA | 5:00pm | June 21st
- Sturgis Fest Family Night and Wine Night | Downtown | 4:00pm | June 22nd
- Sturgis Fest Bike Night | Downtown | 6:00pm | June 23rd
- Sturgis Fest Car Cruise In | Downtown | 5:00pm | June 24th
- Sturgis Fest Parade | Downtown | Dusk | June 24th
- Sturgis Academy of Martial Arts Ribbon Cutting | 26402 US 12 | 11:30am | June 24th
- Fireworks | Airport | Dusk | June 25th
- Biscuits Baseball Game | Sturgis High School | 2:00pm | June 26th

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8A

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, JUNE 8, 2022
WIESLOCH RAUM – CITY HALL

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

The Pledge of Allegiance was said by all present.

The Invocation was given by Comm. Kinsey

Commissioners present: Bir, Klinger, Kinsey, Smith, Hile, Vice-Mayor Miller, Mayor Mullins
Commissioners absent: Malone, Perez

Also present: Assistant to the City Attorney, City Manager, Assistant City Manager, City Engineer, SYCA Director, Electric Department Superintendent, City Controller, City Clerk

Mayor Mullins presented the following Proclamation:

Commissioner Karl “Skip” Littman

WHEREAS, Karl “Skip” Littman was first elected as Fourth Precinct Commissioner for the City of Sturgis in November 2001; and

WHEREAS, upon Skip’s resignation from the City Commission in March 2022, he became the third longest serving City Commissioner in the City of Sturgis; and

WHEREAS, while on the City Commission, Skip served as Vice-Mayor for one year and served on the Employee’s Retirement Board and Finance Committee for almost his entire time; and

WHEREAS, Skip represented the City Commission on other committees including the Airport Advisory Board, IFEC Committee, SAAC, and many others and was instrumental in the development of many City projects; and

WHEREAS, prior to being elected City Commissioner, Skip was on the Sturgis Hospital Board beginning in 1992 and served until its separation from City ownership in 2009.

NOW THEREFORE BE IT RESOLVED that the City Commission of the City of Sturgis thanks Karl “Skip” Littman for his many years of dedicated service to his community.

BE IT FURTHER RESOLVED that the City Commission wishes Skip all the best in his retirement from formal public service.

Former Commissioner Littman said how much he enjoyed his time on the City Commission.

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

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

Moved by Comm. Hile and seconded by Comm. Smith to approve the Consent Agenda of June 8, 2022 as presented.

8A. Action of Minutes of Previous Meetings

APPROVE the minutes from the May 25, 2022 regular meeting as presented.

APPROVE the minutes from the June 1, 2022 special meeting as presented.

8B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$637,052.86 as presented.

8C. Accounts Payable Authorization

AUTHORIZE the Finance Committee to approve the payment of City bills at their next meeting.

8D. Transformer Bids

APPROVE the bid from Powerline Supply for six (6) Howard transformers in an amount not-to-exceed two hundred and ten thousand dollars (\$210,000.00).

8E. Renewable Operating Permit Stack Testing

APPROVE a bid waiver for and the proposal of Grace Consulting, Inc. for emissions testing services in the amount of ten thousand, five hundred dollars (\$10,500.00) as presented.

8F. 2022 Dave Locey Memorial Youth Triathlon

APPROVE the requests for the 2022 Dave Locey Memorial Youth Triathlon as presented.

8G. Grace Sturgis Event Request

APPROVE the requests for the Grace Sturgis Event as presented.

8H. Walking Along Suicide Prevention 5K Walk

APPROVE the requests for the Walking Along Suicide Prevention 5K Walk as presented.

8I. Doyle Women's Locker Room Contingency Budget

APPROVE a contingency budget for the Doyle women's locker room project in the amount of six thousand, three hundred dollars (\$6,300.00).

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

Mayor Mullins opened the Public Hearing for consideration of an Obsolete Property Rehabilitation District.

Assistant City Manager Andrew Kuk provided information on the planned redevelopment of the property at 105 W. Chicago.

The City Commission had discussion about the project.

There was no comment from the public.

Mayor Mullins closed the Public Hearing.

Moved by Comm. Hile and seconded by Comm. Smith to adopt the 105 W. Chicago Rd. Obsolete Property Rehabilitation District resolution as presented.

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

RESOLUTION

105 W. CHICAGO RD. OBSOLETE PROPERTY REHABILITATION DISTRICT

WHEREAS, Public Act 146 of 2000 provides an exemption from ad valorem property taxes to commercial property and commercial housing property provided they are located in a qualified local governmental unit and certain other conditions are met, and

WHEREAS, the City of Sturgis, County of St. Joseph, State of Michigan, has been declared a qualified governmental unit under PA 146 of 2000, and

WHEREAS, the City of Sturgis has determined that the area of the proposed district is qualified under the Obsolete Property Rehabilitation Act, and

WHEREAS, a hearing was held by the Sturgis City Commission providing all property owners the opportunity to be heard as required by the statute, and

WHEREAS, comments on creating the Obsolete Property Rehabilitation District have been heard and considered, and

WHEREAS, it is hereby found and determined by the Sturgis City Commission that the creating of this Obsolete Property Rehabilitation Act District, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis.

NOW, THEREFORE BE IT RESOLVED, that the Sturgis City Commission does hereby create an "Obsolete Property Rehabilitation Act District" on the parcel's known as 75-052-040-248-00.

SYCA Board Marketing Chair Cathi Abbs provided details on the RFP selection process for marketing services. Discussion followed.

Moved by Comm. Klinger and seconded by Comm. Bir to approve the alternate proposal of Focal Point for marketing services for the Sturges-Young Center for the Arts in the total amount of \$60,000.00 as presented.

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

Electric Department Superintendent Chris McArthur provided details on the overhaul of turbines at the Hydro Plant. Discussion followed.

Moved by Comm. Klinger and seconded by Comm. Hile to approve the bid of Thompson/HCMS for overhaul of hydro generating units #3 and #4 in the amount of nine hundred and seventy-nine thousand, eight hundred and forty-three dollars and twenty-five cents (\$979,843.25).

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

Moved by Comm. Klinger and seconded by Comm. Hile to approve a bid waiver for and the proposal of Hydro Partners for project management services in the amount of \$23,102.00.

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

Moved by Comm. Klinger and seconded by Comm. Hile to approve a contingency budget for the hydro overhaul project in the amount of one hundred and thirty thousand dollars (\$130,000.00).

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

City Engineer Barry Cox provided information on the 2022 Street Resurfacing program. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Klinger to approve task order #06 for 2022 Street Resurfacing design and bidding services with Fleis & Vandenbrink in the amount of thirteen thousand nine hundred dollars (\$13,900.00) and authorize City Manager Michael Hughes to sign all necessary documents.

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes provided information on the setting of a Public Hearing for the 2022 millage rates. Discussion followed.

Moved by Comm. Klinger and seconded by Comm. Hile to set the 2022 millage rate Public Hearing for the June 15, 2022 regular meeting and direct City Staff to include 11.6818 mils for Operating Millage and 2.9476 mils for Streets/Sidewalk Improvement Millage as part of the Public Hearing notice.

Voting yea: Seven Voting nay: None Absent: Malone, Perez MOTION CARRIED

Mark Trowbridge, Southern Michigan Internet, presented information on internet connectivity within the City and an offer to provide a service. Discussion followed.

The City Commission had consensus to approve use of the sidewalk and one parking spot on John St. outside of Southern Michigan Bank on June 16th for their ribbon cutting.

Comm. Smith provided information on a potential ordinance change related to the placement of licenses on golf carts.

The City Commission had consensus to review the issue and bring back an amended ordinance for review.

Moved by Comm. Hile and seconded by Comm. Smith to go into Closed Session to discuss union negotiations, pending litigation and the potential purchase of property.

Voting yea: Bir, Klinger, Kinsey, Smith, Hile, Miller, Mullins

Voting nay: None

Absent: Malone, Perez

MOTION CARRIED

Meeting recessed at 7:20 p.m.

Meeting reconvened at 8:37 p.m.

Moved by Comm. Klinger and seconded by Comm. Smith to approve the letter of agreement with the IBEW #1392 as presented.

Voting yea: Seven Voting nay: None

Absent: Malone, Perez

MOTION CARRIED

The meeting was adjourned at 8:37 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8B

Bid tab for 750kcmil CU primary URD wire : 3,600 feet

<u>Vendor</u>	<u>Manufacturer</u>	<u>Qty.</u>	<u>Cost</u>	<u>Total</u>	<u>Lead time</u>	<u>Comments</u>
Irby Utilities	Okonite	3,600	\$32.712	\$117,763.20	8 - 16 weeks	

<u>Vendor</u>	<u>Manufacturer</u>	<u>Qty.</u>	<u>Cost</u>	<u>Total</u>	<u>Lead time</u>	<u>Comments</u>
Power Line Supply	Okonite	3,600	\$32.81	\$118,116.00	38 weeks	

<u>Vendor</u>	<u>Manufacturer</u>	<u>Qty.</u>	<u>Cost</u>	<u>Total</u>	<u>Lead time</u>	<u>Comments</u>
RESCO	-	-	-	-	-	NO BID

<u>Vendor</u>	<u>Manufacturer</u>	<u>Qty.</u>	<u>Cost</u>	<u>Total</u>	<u>Lead time</u>	<u>Comments</u>
WESCO	-	-	-	-	-	NO BID

<u>Vendor</u>	<u>Manufacturer</u>	<u>Qty.</u>	<u>Cost</u>	<u>Total</u>	<u>Lead time</u>	<u>Comments</u>
-	-	-	-	-	-	-

Sealed bids due 4pm on 12/13/2021

Recommended : Irby Utilities

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8C

BY E-MAIL

April 27, 2022

Lawson-Fisher Associates P.C.
Attn: Ms. Piper Tittle, P.E.
525 West Washington Ave.
South Bend, IN 46601

RE: PROPOSAL FOR 2022 NUISANCE PLANT MONITORING
STURGIS HYDROELECTRIC PROJECT (FERC NO. 2964)
LOCKPORT TOWNSHIP, ST. JOSEPH COUNTY, MICHIGAN

Dear Piper:

Pursuant to your request, I have prepared the following proposal to perform the 2022 nuisance plant monitoring for the Sturgis Hydroelectric project, located in Lockport Township, St. Joseph County, Michigan.

SCOPE-OF-WORK

Under this scope-of-work, Environmental Research and Consulting, Inc. (ERC) will perform the 2022 nuisance plant monitoring program, as outlined in “Nuisance Plant Monitoring Plan for the Sturgis Hydroelectric Project (FERC No. 2964)” and amended by the FERC Order of June 21, 2016. The FERC Order of June 21, 2016 permitted a reduction in the monitoring frequency for purple loosestrife (*Lythrum salicaria*) to every three years but retained annual monitoring for Eurasian water milfoil (*Myriophyllum spicatum*). The nuisance plant monitoring conducted in 2021 included both species, so the monitoring in 2022 will be for Eurasian water milfoil only. The field work for this study will be conducted in late July 2022. ERC will submit a draft report presenting the results of the study to Lawson-Fisher Associates (LFA) by December 15, 2022. This report will include an analysis and discussion of the results of the 2022 milfoil survey in relation to the previous surveys.

COST PROPOSAL

Personnel Charge Rates

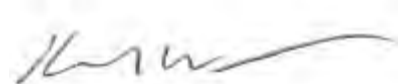
Principal	\$130/hr
Senior Environ. Specialist	\$70-85/hr
Environ. Specialist	\$55/hr
Word Processor	\$50/hr

It is estimated that the above scope-of-work can be completed at a cost of \$17,800. This cost assumes that a small boat and outboard motor will be provided by LFA or the City of Sturgis.

ERC's Standard Contract Terms for Consulting Services are attached and, hereby, made a part of this offer. Additional work outside of the scope of this proposal will be performed at the above-specified rates, upon your authorization.

I thank you for the opportunity to submit this proposal. If this proposal is acceptable to you, please sign where indicated below and return a copy to me. Please call if you have any questions.

Sincerely,
Environmental Research and Consulting, Inc.



Harold M. Brundage III
President

HMB/
Enclosure

Accepted and approved by _____ / _____
Signature Date

Print Name: _____

Title: _____

Company: _____

Attachment

Attachment 1

STANDARD CONTRACT TERMS FOR CONSULTING SERVICES

WARRANTY & LIMITATION OF LIABILITY

Environmental Research and Consulting, Inc. (ERC) warrants that work will be performed in accordance with published protocols and generally accepted standards of ordinary and reasonable skill and care. ERC MAKES NO OTHER WARRANTY, EXPRESSED OR IMPLIED. ERC is solely responsible for performance of this contract, and no officer or employee of ERC shall have any legal responsibility hereunder, individually, whether in contract or tort. Liability for injury or damage to property arising out of this work shall be limited to the amount covered by the general comprehensive liability insurance carried by ERC. In the event of any error, omission, or any breach of the above warranty, the sole and exclusive responsibility of ERC shall be to correct the deficient work at its own expense, and ERC will have no other liability whatsoever. In no event shall ERC be liable, in contract or tort, for any incidental or consequential damages. If this provision is in conflict with other contractual terms, it is understood that this provision will, in all cases, prevail.

HOLD HARMLESS INDEMNITY PROVISION

The CLIENT agrees to hold harmless and to indemnify ERC, its employees, and agents against all loss, liability, damage, and expense, including attorney's fees, arising out of claims for damages or other compensation on account of personal injury to any person assigned to ERC or invited by THE CLIENT to accompany and/or assist ERC employees and agents in connection with the performance of the services to be rendered by ERC.

PAYMENT TERMS

Invoices are considered due and payable upon receipt. Accounts over 30 days are subject to a 1.5 percent service charge per month. If an account must be referred for collection, the client agrees to add to any amounts owing, the costs to ERC for all collection and attorney's fees.

OWNERSHIP OF DOCUMENTS AND CONFIDENTIALITY

All reports, field data and notes, laboratory test data, calculations, estimates, drawings, and other documents prepared in the course of consulting service shall remain the property of ERC. Client agrees that all reports and other work ERC furnished to CLIENT or CLIENT'S agents which are not paid for, will be returned upon demand and will not be used for any purpose whatsoever. ERC shall maintain CLIENT'S project data and reports in strictest confidence, and will release such information to others only upon the express written permission from CLIENT.

USE OF REPORTS BY THIRD PARTIES

The results, findings, recommendations, or other documents prepared in the course of consulting service may not be distributed to, or relied upon, by any third party without the prior written consent of ERC.

CUSTODY OF MATERIALS

In the course of work, ERC may take custody of and transport soil and/or water samples from the CLIENT's site. Upon completion of evaluation and/or testing of such samples, ERC reserves the right to return the samples to CLIENT at CLIENT'S expense, and CLIENT agrees to accept such samples and the responsibility for their proper and legal disposal.

At no time, under any circumstances, will ERC personnel represent ERC or themselves as generators of waste, hazardous or otherwise, which may have to be removed from or disposed of on a site, and ERC personnel will not sign hazardous waste manifests on behalf of CLIENT.

RIGHT-OF-ENTRY

CLIENT will furnish right-of-entry on the site for ERC to conduct the work. ERC will take reasonable precautions to minimize damage to the land from use of equipment, but has not included in the fee the cost for restoration of damage which may result from operations. If ERC is required to restore the land to its former condition, this cost will be invoiced to CLIENT.

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10A

Final Assessment Roll - West South Street Sidewalk											
First Name	Last Name	Owner's Address	City	State	Zip Code	Parcel Number	Property Address	As-Built Sidewalk Square Feet	City Cost	Owner Cost	Lot Cost
VKK	Inc	46470 W 10 Mile Road	Novi	MI	48374	052-777-227-01	1040 S. Centerville	1400	\$2,772.00	\$2,772.00	\$5,544.00
Graphic Packaging	International, LLC	1500 Riveredge Pkwy, NW, Ste 100	Atlanta	GA	30328	052-530-116-00	305 W. South	1455	\$2,880.90	\$2,880.90	\$5,761.80
City of Sturgis	LDFA	130 N. Nottawa St.	Sturgis	MI	49091	052-630-018-00	617 S. Jefferson	662.5	\$1,311.75	\$1,311.75	\$2,623.50
									\$6,964.65	\$6,964.65	\$13,929.30
Final Assessment Cost per square foot =								\$3.96			

Preliminary Assessment Roll - West South Street Sidewalk											
First Name	Last Name	Owner's Address	City	State	Zip Code	Parcel Number	Property Address	Sidewalk Frontage	City Cost	Owner Cost	Lot Cost
VKK	Inc	46470 W 10 Mile Road	Novi	MI	48374	052-777-227-01	1040 S. Centerville	1400	\$5,600.00	\$5,600.00	\$11,200.00
Americraft	Carton Inc.	320 W Hanes Mill Road	Winston Salem	NC	27105	052-530-116-00	305 W. South	1455	\$5,820.00	\$5,820.00	\$11,640.00
Eric	Pierson	806 E Chicago Road	Sturgis	MI	49091	052-630-018-00	617 S. Jefferson	653	\$2,612.00	\$2,612.00	\$5,224.00
Initial Assessment Cost per square foot =								\$8.00	\$14,032.00	\$14,032.00	\$28,064.00



CITY OF
Sturgis
MICHIGAN

130 N. Nottawa St.
Sturgis, MI 49091
www.sturgismi.gov
Ph: 269-651-2321
Fax: 269-659-7295

Special Assessment Roll 2017 W. South Street New Sidewalk

TAX ID #	OWNER	ADDRESS	As-Built New Sidewalk (sft)	Owner Amount	City Amount	Total Lot Cost
052-777-227-01	VKK, Inc.	1040 S. Centerville Road	1400	\$2,772.00	\$2,772.00	\$5,544.00
052-530-116-00	Graphic Packaging International, LLC	305 W. South Street	1455	\$2,880.90	\$2,880.90	\$5,761.80
052-630-018-00	City of Sturgis LDFA	617 S. Jefferson Street	662.5	\$1,311.75	\$1,311.75	\$2,623.50
			Total =	\$6,964.65	\$6,964.65	\$13,929.30

STATE OF MICHIGAN
County of St. Joseph
City of Sturgis

To the City Commission of the City of Sturgis:

I hereby certify and report that the foregoing is the special assessment roll, and the assessment made by me pursuant to a resolution of the City Commission of said City, adopted on February 22, 2017 for the purpose of paying that part of the cost which the City Commission decided should be paid and borne by special assessment for the installation of sidewalks; that in making such assessment I have, as near as may be, and according to my best judgement, conformed in all things to the directions contained in the resolution of the City Commission herein before referred to, and the charter of said City relating to such assessments.

Barry J. Cox, P.E., Sturgis City Engineer

Date: June 7, 2022

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10B

Final Assessment Roll - S. Nottawa Street Sidewalk Repair											
First Name	Last Name	Owner's Address	City	State	Zip Code	Parcel Number	Property Address	As-Built Sidewalk Square Feet	City Cost	Owner Cost	Lot Cost
Jeffrey & Carrie	Evans	300 S. Nottawa St.	Sturgis	MI	49091	052-100-095-00	300 S. Nottawa Street	25	\$52.63	\$52.62	\$105.25
Paul V	Donovan	PO Box 949	Kalamazoo	MI	49005	052-100-103-00	302 S. Nottawa Street	265	\$557.83	\$557.82	\$1,115.65
Professional Climbers	Mark Poley	229 E. Clinton St	Burr Oak	MI	49030	052-100-103-00	302 S. Nottawa Street	40	\$0.00	\$168.40	\$168.40
Holy Angels	Catholic Church	402 S. Nottawa	Sturgis	MI	49091	052-100-108-00	402 S. Nottawa Street	502.5	\$1,057.77	\$1,057.760	\$2,115.53
Holy Angels	Catholic Church	402 S. Nottawa	Sturgis	MI	49091	052-100-108-00	402 S. Nottawa Street	50	\$0.00	\$210.50	\$210.50
Kimberly	Talbert	403 S. Nottawa	Sturgis	MI	49091	052-045-028-00	403 S. Nottawa Street	22.5	\$47.36	\$47.35	\$94.71
Kelly	Long	405 S. Nottawa	Sturgis	MI	49091	052-045-029-00	405 S. Nottawa Street	42.75	\$89.99	\$89.98	\$179.97
Claymore Real	Estate, LLC	215 Broadus St.	Sturgis	MI	49091	052-777-188-00	506 S. Nottawa Street	80	\$168.40	\$168.40	\$336.80
Richard Brammer &	Lindsay Johnson	101 Cottage	Sturgis	MI	49091	052-100-116-00	101 Cottage Street	160	\$336.80	\$336.80	\$673.60
									\$2,310.77	\$2,689.63	\$5,000.40
Final Assessment Cost per square foot =									\$4.21		

Preliminary Assessment Roll - South Nottawa Street Sidewalk Repair											
First Name	Last Name	Owner's Address	City	State	Zip Code	Parcel Number	Property Address	Sidewalk Frontage Square Feet	City Cost	Owner Cost	Lot Cost
Brad	Schmidt	416 Homestead Ct	Bluffton	IN	46714	052-100-095-00	300 S. Nottawa Street	5	\$100.00	\$100.00	\$200.00
Paul V	Donovan	PO Box 949	Kalamazoo	MI	49005	052-100-103-00	302 S. Nottawa Street	35.5	\$710.00	\$710.00	\$1,420.00
Holy Angels	Catholic Church	402 S. Nottawa	Sturgis	MI	49091	052-100-108-00	402 S. Nottawa Street	61.5	\$1,230.00	\$1,230.00	\$2,460.00
Holy Angels	Catholic Church	402 S. Nottawa	Sturgis	MI	49091	052-100-108-00	402 S. Nottawa Street	10	\$0.00	\$400.00	\$400.00
Kimberly	Talbert	403 S. Nottawa	Sturgis	MI	49091	052-045-028-00	403 S. Nottawa Street	5	\$100.00	\$100.00	\$200.00
Kelly	Long	405 S. Nottawa	Sturgis	MI	49091	052-045-029-00	405 S. Nottawa Street	4.5	\$90.00	\$90.00	\$180.00
Sharon & Karen	Ripple	407 S. Nottawa	Sturgis	MI	49091	052-045-030-00	407 S. Nottawa Street	5	\$100.00	\$100.00	\$200.00
John & Roseann	Davis	1400 Carlton	Sturgis	MI	49091	052-777-184-00	502 S. Nottawa Street	12	\$240.00	\$240.00	\$480.00
John & Roseann	Davis	1400 Carlton	Sturgis	MI	49091	052-777-188-00	506 S. Nottawa Street	16	\$320.00	\$320.00	\$640.00
City of Sturgis		130 N. Nottawa	Sturgis	MI	49091	052-777-196-00	596 S. Nottawa Street	20	\$400.00	\$400.00	\$800.00
Richard	Brammer	110 Cottage	Sturgis	MI	49091	052-100-116-00	110 Cottage Street	16.5	\$330.00	\$330.00	\$660.00
									\$8.00	\$3,620.00	\$4,020.00
Preliminary Assessment Cost per square foot =									\$8.00	\$3,620.00	\$4,020.00
										\$7,640.00	



CITY OF
Sturgis
MICHIGAN

130 N. Nottawa St.
 Sturgis, MI 49091
www.sturgismi.gov
 Ph: 269-651-2321
 Fax: 269-659-7295

Special Assessment Roll

2017 S. Nottawa Street Sidewalk Repair

TAX ID #	OWNER	ADDRESS	As-Built Sidewalk (sft)	Owner Amount	City Amount	Total Lot Cost
052-100-095-00	Jeffrey & Carrie Evans	300 S. Nottawa Street	25	\$52.62	\$52.63	\$105.25
052-100-103-00	Paul V Donovan	302 S. Nottawa Street	265	\$557.82	\$557.83	\$1,115.65
052-100-103-00	Professional Climbers - Mark Poley	302 S. Nottawa Street	40	\$168.40	\$0.00	\$168.40
052-100-108-00	Holy Angels Catholic Church	402 S. Nottawa Street	502.5	\$1,057.76	\$1,057.77	\$2,115.53
052-100-108-00	Holy Angels Catholic Church	402 S. Nottawa Street	50	\$210.50	\$0.00	\$210.50
052-045-028-00	Kimberly Talbert	403 S. Nottawa Street	22.5	\$47.35	\$47.36	\$94.71
052-045-029-00	Kelly Long	405 S. Nottawa Street	42.75	\$89.98	\$89.99	\$179.97
052-777-188-00	Claymore Real Estate, LLC	506 S. Nottawa Street	80	\$168.40	\$168.40	\$336.80
052-100-116-00	Richard Brammer & Lindsay Johnson	101 Cottage Street	160	\$336.80	\$336.80	\$673.60
			Total =	\$2,689.63	\$2,310.77	\$5,000.40

STATE OF MICHIGAN
 County of St. Joseph
 City of Sturgis

To the City Commission of the City of Sturgis:

I hereby certify and report that the foregoing is the special assessment roll, and the assessment made by me pursuant to a resolution of the City Commission of said City, adopted on February 22, 2017 for the purpose of paying that part of the cost which the City Commission decided should be paid and borne by special assessment for the repair of sidewalks; that in making such assessment I have, as near as may be, and according to my best judgement, conformed in all things to the directions contained in the resolution of the City Commission herein before referred to, and the charter of said City relating to such assessments.

Barry J. Cox, P.E., Sturgis City Engineer

Date: June 7, 2022

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10D

RESOLUTION

WHEREAS, Heartland Recreational Vehicles, LLC in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to Michiana Millworks, and

WHEREAS, on November 26, 1986, the City Commission established the Industrial Development District for the industrial property of Heartland Recreational Vehicles, LLC and

WHEREAS, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

WHEREAS, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

WHEREAS, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the (governmental unit), after granting this certificate, will exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted; and

WHEREAS, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

WHEREAS, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years.

NOW, THEREFORE BE IT RESOLVED, that the Sturgis City Commission does hereby approve the application of Heartland Recreational Vehicles, LLC for an “Industrial Facilities Exemption Certificate”.

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the completed application and the required attachments with the clerk of the local government unit. If you have any questions regarding the completion of this form, call 517-335-7460.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit

STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Heartland Recreational Vehicles, LLC		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 336214	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 1500 Haines Blvd., Sturgis, MI 49091		1d. City/Township/Village (indicate which) City of Sturgis	1e. County St. Joseph
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(10))		3a. School District where facility is located Sturgis	3b. School Code 75010
<input type="checkbox"/> Transfer <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Increase/Amendment		4. Amount of years requested for exemption (1-12 Years) 12	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Heartland RV is erecting the first 148,000 sq. ft. building in a future campus of up to four buildings. Each manufacturing facility will house recreational vehicle assembly operations and will provide excellent wages and benefits for the employees.

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	13,710,000.00 Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	13,710,000.00 Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	03/18/2022	10/31/2022	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements			<input type="checkbox"/> Owned <input type="checkbox"/> Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. ☒ Yes ☐ No

9. No. of existing jobs at this facility that will be retained as a result of this project. 0
10. No. of new jobs at this facility expected to create within 2 years of completion. 154

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) _____
b. TV of Personal Property (excluding inventory) _____
c. Total TV _____


12a. Check the type of District the facility is located in:
☒ Industrial Development District ☐ Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit)
11/26/1986
12c. Is this application for a speculative building (Sec. 3(8))?
☐ Yes ☒ No

APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name Louis Feil	13b. Telephone Number (574) 266-3787	13c. Fax Number (574) 970-1923	13d. E-mail Address lou@heartlandrvs.com
14a. Name of Contact Person Louis Feil	14b. Telephone Number (574) 266-3787	14c. Fax Number (574) 970-1923	14d. E-mail Address lou@heartlandrvs.com
▶ 15a. Name of Company Officer (No Authorized Agents) Louis Feil			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (574) 970-1923	15d. Date 05/02/2022
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 2831 Dexter Drive, Elkhart, IN 46514		15f. Telephone Number (574) 266-3787	15g. E-mail Address lou@heartlandrvs.com

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)		16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.		
16c. School Code		
17. Name of Local Government Body		▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

For faster service, email the completed application and additional required documentation to PTE@michigan.gov.

An additional submission option is to mail the completed application and required documents to:

Michigan Department of Treasury
State Tax Commission
PO Box 30471
Lansing, MI 48909

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

Instruction for Completing Form 1012, Industrial Facilities Tax Exemption (IFT) Application

The completed original application form 1012 and all required attachments, **MUST** be filed with the clerk of the local unit of government where the facility is or will be located. Complete applications must be received by the State Tax Commission by October 31 to ensure processing and certification for the following tax year. Applications received after the October 31 deadline will be processed as expeditiously as possible.

Please note that attachments listed on the application in number 16a are to be retained by the local unit of government, and attachments listed in number 16b are to be included with the application when forwarding to the State Tax Commission (STC).

(Before commencement of a project the local unit of government must establish a district, or the applicant must request in writing a district be established, in order to qualify for an IFT abatement. Applications and attachments must be received by the local unit of government **within six months of commencement of project.**)

The following information is required on separate documents attached to form 1012 by the applicant and provided to the local unit of government (city, township or village). (Providing an accurate school district where the facility is located is vital.)

1. Legal description of the real property on which the facility is or will be located. Also provide property identification number if available.
2. Personal Property Requirements: Complete list of new machinery, equipment, furniture and fixtures which will be used in the facility. The list should include description, **beginning date of installation** or expected installation by **month/day/year**, and costs or expected costs (see sample). Detail listing of machinery and equipment **must match amount shown** on question 6b of the application. Personal property applications must have attached a certified statement/affidavit as proof of the beginning date of installation (see sample).
3. Real Property Requirements: Proof of date the construction started (groundbreaking). Applicant must include one of the following if the project has already begun; building permit, footings inspection report, or certified statement/affidavit from contractor indicating exact date of commencement.
4. Complete copy of lease agreement as executed, if applicable, verifying lessee (applicant) has direct ad

valorem real and/or personal property tax liability.

The applicant must have real and/or personal property tax liability to qualify for an IFT abatement on leased property. If applying for a real property tax exemption on leased property, the lease must run the full length of time the abatement is granted by the local unit of government. Tax liability for leased property should be determined before sending to the STC.

The following information is required of the local unit of government: [Please note that only items 2, 4, 5, 6, & 7 below are forwarded to the State Tax Commission with the application, along with items 2 & 3 from above. The original is required by the STC. The remaining items are to be retained at the local unit of government for future reference. **(The local unit must verify that the school district listed on all IFT applications is correct.)**]

1. A copy of the notice to the general public and the certified notice to the property owners concerning the establishment of the district.
2. Certified copy of the resolution establishing the Industrial Development District (IDD) or Plant Rehabilitation District (PRD), which includes a legal description of the district (see sample). If the district was not established prior to the commencement of construction, the local unit shall include a certified copy or date stamped copy of the written request to establish the district.
3. Copy of the notice and the certified letters to the taxing authorities regarding the hearing to approve the application.
4. Certified copy of the resolution approving the application. The resolution must include the number of years the local unit is granting the abatement and the statement "the granting of the Industrial Facilities Exemption Certificate shall not have the effect of substantially impeding the operation of (governmental unit), or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in (governmental unit – see sample).
5. Letter of Agreement (signed by the local unit of government and the applicant per P.A. 334 of 1993 (see sample)).
6. Affidavit of Fees (signed by the local unit of government and the applicant), (Bulletin 3, January 16, 1998). This statement may be

incorporated into the Letter of Agreement (see sample).

7. Treasury Form 3222 (if applicable - *Fiscal Statement for Tax Abatement Request.*)

The following information is required for rehabilitation applications in addition to the above requirements:

1. A listing of existing machinery, equipment, furniture and fixtures which will be replaced or renovated. This listing should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs.
2. A rehabilitation application must include a statement from the Assessor showing the taxable valuation of the plant rehabilitation district, separately stated for real property (EXCLUDING LAND) and personal property. Attach a statement from the assessor indicating the obsolescence of the property being rehabilitated.

The following information is required for speculative building applications in addition to the above requirements:

1. A certified copy of the resolution to establish a speculative building.
2. A statement of non-occupancy from the owner and the assessor.

Please refer to the following Web site for P.A. 198 of 1974: www.legislature.mi.gov/. For more information and Frequently Asked Questions, visit www.michigan.gov/propertytaxexemptions.



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

PROJECT INFORMATION

Provided by Heartland RV



Manufacturing

of Jobs
over three years:

229

Capital Investment

\$16,000,000

WHY MICHIGAN

#1

in the nation for engineers

#1

in Automotive Manufacturing

Strength in *Business Facilities*
magazine's 2020 state rankings

Top 12

Business tax climate as
rated by the Tax Foundation

February 26, 2021

Dear Lou Feil and the Heartland RV team,

Thank you for recognizing Michigan as the best place for your expansion. Michigan has been built by hard-working, innovative people who put the world on wheels. Today, Michigan is bringing the manufacturing industry of tomorrow to life by ranking number three in the nation for percentage of workforce and number four for total employment in *Business Facilities* magazine's 2019 state rankings. As you will quickly learn, these qualities make Michigan the ideal place for you and your team to call home and be a part of a welcoming community.

Based on the information you've provided, we are pleased to offer a package of state and local incentives totaling \$5,251,297 including \$700,000 in state incentives from the Michigan Business Development Program (MBDP).

To accept this offer please sign, date and return this letter to the Michigan Economic Development Corporation before March 12, 2021. Upon acceptance, this offer will remain active for 90 days while due diligence is conducted, and the Michigan Strategic Fund Board considers the recommendation for incentive support. After March 12, 2021, the proposal may be subject to renegotiation.

Initial

PURE *M*ICHIGAN®

TOTAL INCENTIVE PROFILE FOR HEARTLAND RV

INCENTIVE	ESTIMATED VALUES
Michigan Business Development Program (MBDP)	\$700,000
6 Mill State Education Tax Abatement (14 years, 12-year abatement for each year of investment)	\$457,000
Property Tax Abatement- PA198 (Real and Personal Property; 14 years: 12-year abatement for each year of investment)*	\$2,125,000
Michigan New Jobs Training Program (MNJTP)**	\$1,969,297
TOTAL VALUE OF PROPOSED INCENTIVE	\$5,251,297

*Subject to formal application process, review, and Sturgis City Council approval.

**Community college initiative that provides financial assistance to companies that are moving to or expanding in Michigan. Please see attached informational materials.

Acceptance of this incentive package is subject to a business integrity review, background check process, and other general due diligence as required, the results of which are satisfactory to the MEDC, the Office of the Chief Compliance Officer, and related authorities. Proposed incentives are dependent on availability of funds each year through the legislative budget process. Incentive amounts are contingent upon the ability of the project to meet program requirements and are subject to an application review and approval process. Proposed tax abatements will vary based on actual site selected.

Incentive Details

Michigan Business Development Program (MBDP)

One of the 21st Century Jobs Fund's economic incentive programs in Michigan administered by the MEDC is the MBDP or "Program." The MBDP is designed to provide a grant, loan or other economic assistance to qualified businesses that make qualified investments, create qualified new jobs, or both, in Michigan. While the Program is operated and funded through the MSF, recommendations for awards under the Program are presented by the MEDC to the MSF Board. Under the Program, qualified new jobs are in addition to jobs already located in Michigan.

6 Mill State Education Tax Abatement

The MEDC can abate half or all of the 6-mill State Education Tax on new investment when the project presents significant economic benefits to Michigan, and when the project receives a property tax abatement under PA 198 of 1974.

Property Tax Abatement under PA 198 of 1974 (Non-Rehab) (Non-Border County)

Local units of government have the ability to reduce property taxes on new investment by 50% for manufacturers and high-tech businesses. These abatements can last up to 12 years and can provide relief on real property taxes. The local unit of government is responsible.

Michigan New Jobs Training Program (MNJTP)

Michigan New Jobs Training Program is a community college initiative that provides financial assistance to companies that are moving to or expanding in Michigan. This unique, customized program allows for businesses to partner with one of the state's 28 community colleges to develop a training program that produces the well-educated and highly-trained employees that are critical to compete in today's increasingly competitive global market.



Initial

PURE MICHIGAN*

PROJECT INFORMATION

Provided by Heartland RV



Manufacturing

of Jobs
over three years:

229

Capital Investment

\$16,000,000

Total Incentive

\$5,251,297

Company Representative

February 26, 2021

In choosing Michigan, you will be well positioned for continued success. You will have access to our hard-working, talented workforce; business-friendly climate; thriving communities; and services designed around synching business, talent, and place. All of this adds up to a work-life balance that is second-to-none.

Pure Michigan means Pure Opportunity for your business and we welcome the opportunity to help Heartland RV. If you have any questions, please contact Brenda Stewart at stewartb6@michigan.org or (517) 282-8541.

Sincerely,

Stacy Bowerman
Senior Vice President
Business Development Projects and Services

Attachments

cc: Brenda Stewart, MEDC
Erik Wilford, MEDC
Cathy Knapp, Southwest Michigan First Corporation

The undersigned agrees to accept the above incentives and services proposed by the MEDC subject to the conditions stated in this letter.

Date

PURE MICHIGAN*

Legal Description

E 50 A OF S 1/2 OF NE 1/4 & 2 RDS OFF N SIDE OF SE 1/4 SEC 35 T7S R10W, EXC STAPLETON IND PARK. ALSO: W HALF OF NW 1/4 OF NE 1/4 & W 30 A OF S 1/2 OF NE 1/4 OF SEC 35 T7S R10W EXC N 380 FT. ALSO: LOTS 4, 5, 6, 7, 8, 9, 13 & 15 OF STAPLETON INDUSTRIAL PARK. CITY OF STURGIS.

THE W HALF OF THE NW 1/4 OF THE NE 1/4 AND THE WEST 30 ACRES OF THE S 1/2 OF THE NE 1/4 OF SEC 35 T7S R10W EXCLUDING THE N 380 FT SPLIT OFF 027 11 FOR 2012

BUILDING PERMIT

City of Sturgis

130 N Nottawa
Sturgis, MI 49091
Ph 269/659-7230 Fax 269/659-7295

Permit # PB210497

1200 HAINES BLVD
052 777 027 20

(Location)

HEARTLAND RECREATIONAL VEHICLES L (Owner)
PO BOX 256
STURGIS MI 49091

****ISSUED: 12/03/21**

****EXPIRES 12/03/22**

PLEASE CALL (269) 659-7230
FOR AN INSPECTION 48 HOURS IN ADVANCE

(Applicant)

CDR CONSTRUCTION
109 E. CLINTON STREET #16 pH# (574) 361 4280
GOSHEN IN 46528

Work Description:

PHASED APPROVAL FOR FOOTINGS AND FOUNDATION WAS GRANTED ON 12/1/2021 AS PER PLANS DATED 11/29/2021.

3/18/22 - BUILDING PERMIT FOR CONSTRUCTION OF A NEW 164,184 SQ. FT. BUILDING, PARKING AREA AND EXTERIOR STORAGE AS PER APPROVED PLANS.**

** DEFERRED SUBMITTALS - PROVIDE CONSTRUCTION DRAWINGS AND SPECIFICATIONS FOR MEZZANINE ACCESSABILITY.

REQUIRED INSPECTIONS:

1) FOOTING INSPECTIONS: CONTACT OUR OFFICE TO SCHEDULE AN INSPECTION. ALL STEEL REINFORCEMENT MUST BE IN PLACE AND PROPERLY TIED PRIOR TO INSPECTIONS.

2) FOUNDATION INSPECTION: CONTACT OUR OFFICE WHEN ALL EXCAVATIONS AND FORMS IS IN PLACE, PRIOR TO ANY CONCRETE BEING PLACED.

3) INSULATION INSPECTION: CONTACT OUR OFFICE TO SCHEDULE AN INSPECTION PRIOR TO BACKFILL.

4) PRE-SLAB INSPECTION: CONTACT OUR OFFICE WHEN ALL REINFORCING STEEL AND BUILDING SERVICE EQUIPMENT IS IN PLACE, CONDUIT, PIPING ACCESSORIES, AND OTHER ANCILLARY EQUIPMENT ITEMS ARE IN PLACE BUT BEFORE ANY CONCRETE IS PLACED. ALL OTHER INSPECTIONS MUST BE COMPLETE PRIOR TO THIS INSPECTION.

SEE ADDITIONAL SHEET FOR MORE REQUIRED INSPECTIONS.

Permit Item	Work Type	Fee Basis	Item Total
PR (3) Value > \$100K	Plan Review	6,200,000.0	\$9,465.00
Fee Total:			\$34,775.00
Amount Paid:			34,775.00

CK # _____ Cash _____

Balance Due: \$0.00

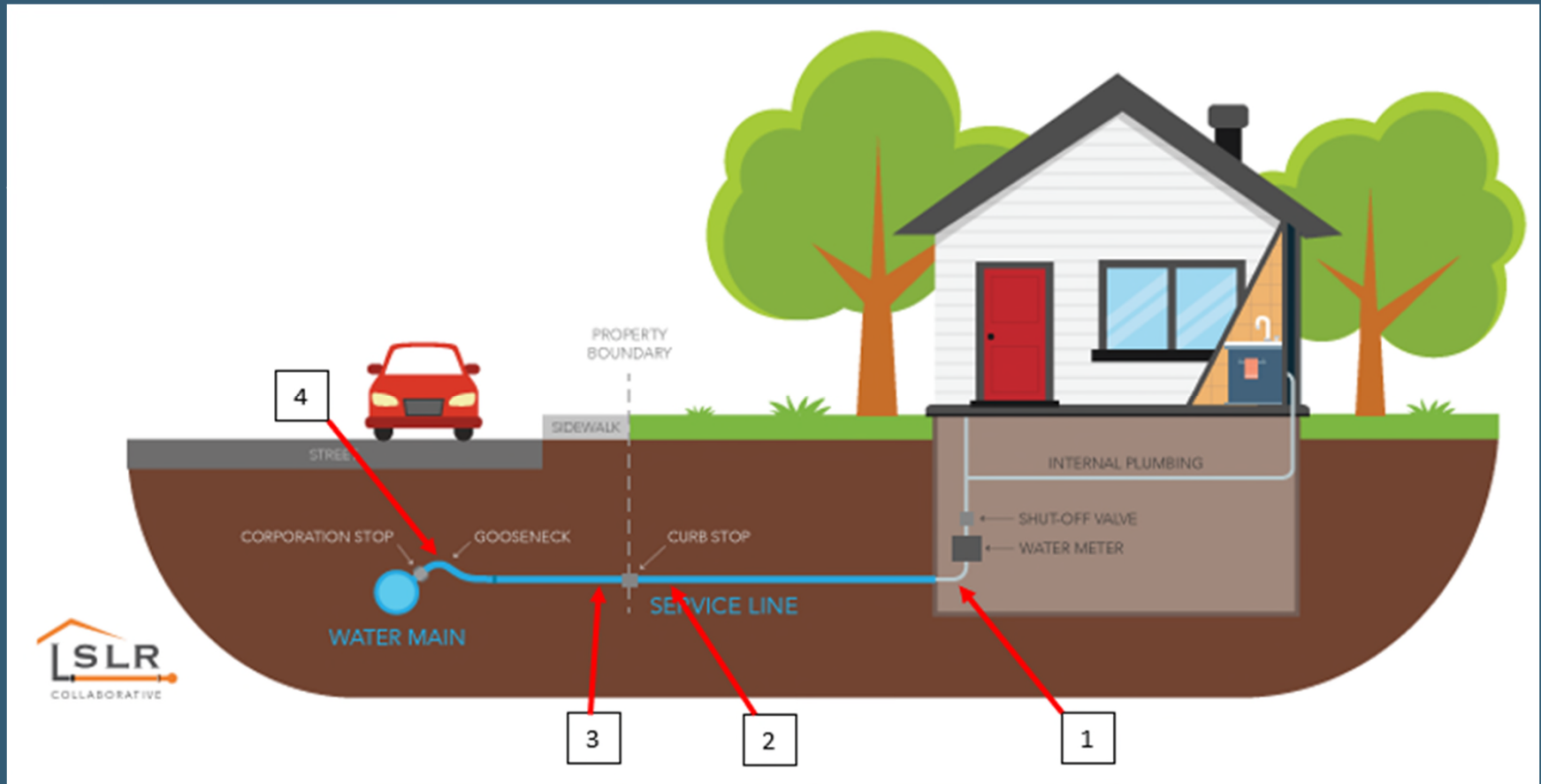
**I agree this permit is only for the work described, and does not grant permission for additional or related work which requires separate permits. I understand that this permit will expire, and become null and void if work is not started within 180 days, or if work is suspended or abandoned for a period of 180 days at any time after work has commenced; and, that I am responsible for assuring all required inspections are requested in conformance with the applicable code.

I hereby certify that the proposed work is authorized by the owner, and that I am authorized by the owner to make this application as his authorized agent. I agree to conform to all applicable laws of the State of Michigan and the local jurisdiction. All information on the permit application is accurate to the best of my knowledge.

Payment of permit fee constitutes acceptance of the above terms.

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10E



EGLE

Task Order

In accordance with paragraph 1.01 of the Standard Form of Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated February 27, 2014 (“Agreement”), Owner and Engineer agree as follows:

1. Specific Project Data

A. Title: Drinking Water Asset Management (DWAM) Grant Assistance

B. Background/Description:

The City was awarded a DWAM Grant by The Michigan Department of Environment, Great Lakes, and Energy (EGLE) for a distribution system materials inventory (DSMI). The grant will be used to hire a Contractor to field verify 354 randomly selected water service lines on each side and at a minimum of 18 inches away from the curb stop. This Task Order provides professional engineering services to prepare a Project Manual with Bidding Documents, bidding assistance, grant administration, and GIS services.

C. Work Scope:

This task order is to provide Design, Bid and Construction Engineering Phase Services for the EGLE DWAM Grant. F&V will prepare the Project Manual and Bidding Documents. F&V will bid the project, on the City's behalf, as well as providing grant administration and GIS services. F&V will issue the Notice of Award, review Performance and Payment Bonds, Certificates of Insurance, prepare Conformed to Contract Documents, issue a Notice to Proceed and assemble the contract documents. F&V will also provide construction phase services.

Design Phase

Design phase services will include:

- Preparation of draft Project Manual and Bidding Documents.
- Randomization of the City water customer list per EGLE guidelines.
- Preparation of a water system map highlighting the 354 water services lines to be evaluated.
- Perform internal QA/QC review of the design documents.
- Meet with the City to review design documents.
- Incorporate review comments from the City and prepare final design / bid documents.

Bid Phase

Bid phase services will include:

- Answer questions from prospective bidders.
- Issue Addenda, as required. One addendum is assumed.
- Assist City with evaluating the bids.
- Prepare Notice of Award letter.
- Prepare Conformed to Contract Documents.
- Review Contractor's Performance and Payment Bonds and Certificates of Insurance.
- Prepare Notice to Proceed and assemble contract documents.

Construction Phase

Construction phase services will include:

- Schedule and participate in the preconstruction meeting.
- Participate in progress meetings, three (3) assumed.
- Answer contractor questions, or requests for information (RFI). Three (3) RFI's are assumed.
- Prepare and provide digital inspection form to be used by Contractor.
- Prepare and provide GIS layer with data gathered by Contractor.

2. Services of Engineer

The work scope is to provide Design, Bid and Construction Engineering Phase professional services. The following paragraphs from Exhibit A of the Standard Form of Agreement Between Owner and Engineer for Professional Services – Task Order Edition, are incorporated by reference, along with a brief summary:

A1.02 – Preliminary Design Phase

- A.1- Prepare preliminary design documents.
- A.5, A.6 & B.- Furnish preliminary design documents (PDF version) for City's review. Meet with City to review comments.

A1.03 – Final Design Phase

- A.1- Prepare final design documents.
- A.4 - Prepare and furnish Bidding Documents for review and approval by City.

A1.04 – Bidding Phase A.1 - Assist the Owner in advertising for and obtaining bids.

- A.2- Answer bidder questions. Issue addenda, one assumed.
- A.6- Assist with evaluating bids.

A1.05 – Construction Phase

- A.4 - Participate in a pre-construction conference.
- A.5 – Receive, review, and determine acceptability of Contractor schedule.
- A.9- Issue necessary clarifications and interpretations of the contract documents. Three (3) RFI's are assumed.
- A.10- Assist with drafting change order language.
- A.15 - Review Applications for Payment.
- A.16 - Review Contractor's Completion Documents.

3. Owner's Responsibilities

Owner shall take those responsibilities set forth in Article 2 and in Exhibit B.

As necessary part-time observation of the construction work.

4. Times for Rendering Services

The time for rendering services is the term of the Agreement, as identified in Article 3.01.A of the Agreement. The times for rendering services are as follows.

<u>Phase</u>	<u>Proposed Completion Date</u>
<u>DSMI Project Manual</u>	<u>2 weeks after authorization</u>
<u>Bidding Assistance</u>	<u>2 weeks after DSMI Project Manual is approved</u>
<u>Grant Administration</u>	<u>Monthly while grant is open</u>
<u>GIS Services</u>	<u>As Contractor obtains field data</u>

5. Payments to Engineer

A. Owner shall pay Engineer for Services rendered as follows:

Category of Services	Compensation Method	Estimate of Compensation for Services
<i>DSMI Project Manual</i>	<i>Standard Hourly Rates</i>	<i>\$6,000.00</i>
<i>Bidding Assistance</i>	<i>Standard Hourly Rates</i>	<i>\$5,000.00</i>
<i>Grant Administration</i>	<i>Standard Hourly Rates</i>	<i>\$7,500.00</i>
<i>GIS Services</i>	<i>Standard Hourly Rates</i>	<i>\$10,000.00</i>
TOTAL FEES =		\$28,500.00

C. The terms of payment are set forth in Article 4 of the Agreement and in Exhibit C.

6. Consultants:

None.

7. Other Modifications to Master Agreement:

None.

8. Attachments:

None.

9. Documents Incorporated by Reference:

None.

10. Terms and Conditions:

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is _____

OWNER
City of Sturgis

Signature _____ Date _____

Michael Hughes
Name

City Manager
Title

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Barry Cox
Name

City Engineer
Title

130 N. Nottawa St.
Address

bcox@sturgismi.gov
E-Mail Address

(269) 659-7249
Phone

Fax

Sturgis Purchase Order No.: _____

ENGINEER
Fleis & VandenBrink Engineering, Inc.

Signature _____ Date _____

Matthew G. Johnson, P.E.
Name

Regional Manager / Associate
Title

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Jeffrey S. Wingard, P.E.
Name

Project Manager
Title

4798 Campus Drive, Kalamazoo, MI 49008
Address

jwingard@fveng.com
E-Mail Address

(269) 385-0011
Phone

(269) 382-6972
Fax

F&V Vendor No.: 00776

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10F

Federal Aid Buyout Pilot Program Guidelines for Fiscal Year 2023

June 3, 2022

Public Act (PA) 49 of 2022 was approved by the Governor on March 29, 2022, and has an effective date of October 1, 2022. PA 49 amends 1951 PA 51 section 10o (MCL 247.660o), as amended by 2000 PA 188. It directs the Michigan Department of Transportation (MDOT) to develop a Federal Aid Buyout program.

PA 49 Overview

A copy of PA 49 is in Appendix 1. The requirements outlined in the legislation include:

- Buyout projects must be in the federally approved Statewide Transportation Improvement Program (STIP), either in a Metropolitan Planning Organization (MPO) transportation improvement program (TIP) or in the rural transportation improvement program based on the project location (*subsection 9*).
- MDOT is directed to create an announcement, instructions, forms, and deadlines, and make them available online (*subsection 9*).
- Buyouts must be awarded in the order received (*subsection 9*).
- The exchange rate is 90 cents per dollar of federal aid programmed to the job phase as listed in the STIP (*subsection 10*).
- MDOT must receive sufficient obligation authority to complete the buyout (*subsection 11*).
- The local agency must complete the project that was funded in the buyout:
 - Surplus funds can be used on any federal aid eligible project or returned to MDOT (*subsection 12*).
 - Completed work must be reported to the transportation asset management council investment reporting tool or any successor system (*subsection 12*).
 - If the local agency cannot complete the project within 3 years, they must notify MDOT, MPO or Rural Task Force (RTF), and identify an alternative project, that is federal aid eligible, that can be constructed within the original 3-year period or return the funds to MDOT (*subsection 13*).
 - Must follow policy that governs the number of force accounts and the total amount of money spent on force account project cost authorizations in a fiscal year (*subsection 14*).
 - Contracts between local road agencies and contractors must contain a federal wage and benefits schedule consistent with Section IV of Form Federal Highway Administration 1273, revised May 1, 2012, or any successor form (*subsection 15*).

The state trunkline funding made available for Fiscal Year (FY) of the buyout program will be not less than the following amounts: (*subsection 8*)

FY 2023 - \$25 million

FY 2024 - \$35 million

FY 2025 and in every subsequent fiscal year - \$45 million

This could be subject to change if there is a decrease in available state funding.

Federal Aid Buyout Program Overview

The Federal Aid Buyout Program is a voluntary program which allows local agencies eligible to receive federal aid transportation funds under the Surface Transportation Block Grant program (STBG) to exchange those federal funds with MDOT for state transportation dollars. The purpose of the Federal Aid Buyout Program is to allow flexibility and enable the most efficient use of federal highway aid and other transportation dollars.

State money will be exchanged at a rate of 90 cents per dollar of qualifying federal funding as programmed for the project being exchanged in the federally approved STIP at the point in time when the exchange is awarded. Please see details on qualified federal funding the Project Eligibility Section. The amounts of the buy-out will be capped at 90% of the STIP approved federal amount. If the available amount of federal aid is decreased from the estimated amount for a given fiscal year, then the amount of the exchange may be decreased to maintain fiscal constraint.

Local agencies will follow the current MPO or RTF project selection process that is appropriate for the location of the project and the STBG template being utilized. Once the exchange is complete the local agency will utilize their own letting process rather than going through the MDOT Local Agency Programs (LAP) process. If a local agency wishes to utilize the force account process with exchanged funds, the local agency shall follow the current MDOT policy regarding the number of force account projects and the total amount of money spent on each force account project in a given fiscal year.

Contracts between local road agencies and contractors for projects funded from state money exchanged for federal aid obligation authority must contain a federal wage and benefits schedule consistent with, and incorporating the requirements of, Section IV of Form FHWA 1273, revised May 1, 2012, or any successor form, and provide that covered workers are third-party beneficiaries of these contract requirements. It is the responsibility of the local agency to maintain relevant records and demonstrate that this requirement is followed.

Once the exchange is complete the project will be removed from the STIP unless the MPO designates the project as regionally significant. If a project is designated as regionally significant then the programming of the project will be modified to reflect the funding as 100% local funds and it will remain on the MPO TIP. Once it has been reported as completed by the local agency it will be marked as completed in JobNet, which will be reflected on the TIP.

All exchanged funds must be expended within three years from the time that the local agency receives the state funds. The federally approved project that is exchanged must be completed, as it was described in the STIP or with additions to the description in the STIP. If the project for which federal aid obligation authority was exchanged cannot be completed within three years from the time that the local agency receives the state funds, the local road agency must notify MDOT and the MPO or RTF and identify an alternate project eligible for federal aid that can be constructed within the three year

period from the time that the local agency receives the state funds or return the money to MDOT. This should only be done in cases where a project cannot be completed because of circumstances beyond the control of the local agency. Once the exchanged project or alternate project is completed any exchanged funds not utilized may be used for the local agencies federal aid eligible activities and improvements (excluding routine maintenance) as outlined in Section 10c(l) of Michigan Public Act 51 of 1951 {MCL247.660c, Section 10c(l)}, OR, as matching funds on any federal aid project undertaken by the local agency. (See Appendix 2).

Demonstration of compliance to the federal aid buyout program is the responsibility of the local agency. The local agency will report completed work to the Transportation Asset Management Council investment reporting tool or any successor system. The local agency will also report to MDOT once the project is completed. The information reported will include confirmation that the federal wage and benefits were adhered to, confirmation that the force account policy was adhered to, the amount spend on the project, and what federal aid eligible activity any surplus funds were spend on.

To ensure that the opportunity to participate in the program is spread across more participants rather than a few large projects. The maximum amount of an exchange is \$2,500,000 per project. Exchanges will be honored in the order they are received, as described in the Buyout Program Timeline Section, until the minimum program amount is reached. The program will be closed each FY once the addition of a project to the list of exchanges meets or exceeds the program minimum as listed in the PA 49 Overview Section.

Project Eligibility

The federal aid buyout program is limited to the construction phase of a project. In order to be eligible projects must be in the federally approved STIP. The STIP is comprised of 14 separate documents: 13 individual MPO TIPs and one statewide non-MPO Rural TIP document. The geographic location of the project will determine which document the project will be included in. This requirement ensures that the federal planning process is followed for project selection.

The program is limited to projects programmed with STBG and/or STBG flex funding as the only federal funding in the project. Projects with other federal funding sources programmed in addition to STBG funding are not eligible. Projects with state funding sources, such as Transportation Economic Development Fund Category D, programmed as match or in addition to the STBG federal sources are eligible but **only the amount programmed to the STBG federal funding will be included in the exchange. The state funding will go back to the allocation of origin** and can be reprogrammed per the regulations of that program.

The table below is a list of the eligible templates and financial system codes as programmed in JobNet.

Eligible Templates and Financial System codes

Template	Financial System code (FinSys)
STP-TMA	STU
STP Flex - TMA	ST
STP- Small MPO	STUL
STP Flex - Small MPO	ST
STP - Small Urban	STUL
STP Flex - Small Urban	ST
STP- Rural/Flexible	STL
STP- Rural- Urban Counties	STL
STP- Flexible- Urban Counties	ST

The amounts of the exchanges will be capped at 90% of the STIP approved federal amount.

Example:

Federal Estimated Amount	State Estimated Amount	Local Estimated Amount	Total Estimated Amount	Federal Exchange Amount (90% of Fed)
\$80,000	\$0	\$20,000	\$100,000	\$72,000

If the available amount of federal aid is decreased from the estimated amount for a given fiscal year, then the amount of the exchange may be decreased.

Projects that are utilizing advance construction are not eligible for an exchange as there is no guarantee of the obligation authority in future years.

Only the Construction (CON) phase is eligible. Early Preliminary Engineering (EPE), Preliminary Engineering (PE), and Right of Way (ROW) phases are not eligible for an exchange. Utilizing federal funds for the PE phase for a project in which a local agency intends to exchange the CON Phase is not recommended. If federal funds are used for PE, the local agency would need to meet all the federal procurement requirements for such services, and those services would need to be completed before project construction could begin. Also, the project's design would have to meet the federal requirements. In addition, if federal funds were to be used for right of way or property acquisition, such acquisition(s) would also need to meet current federal property acquisition requirements. Due to the length of time required for approvals of these

services, using federal funds for preliminary phases for a construction phase that is exchanged is not recommended.

Federal allocation that has been purchased in the Local Federal Fund Exchange (LFFE) program is not eligible for the federal aid buyout program.

Exchange Award Timeline

In FY 2023 we have a compressed schedule due to the date that the Act was approved. The timeline for award selection for future FYs was developed in consideration of LAP timeline for project submittals. This will allow a local agency that is not successful in obtaining a federal aid buyout exchange time to take their project through the LAP process or to participate in the LFFE. Key milestones considered were that a local agency should get National Environmental Policy Act documents to LAP by March for the following FY obligations and July is when grade inspection packages should be submitted to LAP for the following FY obligations.

Exchange Selection Action	FY 2023 Call	Future Calls
Call for Exchanges for FY	June 2022	November 1 st of prior FY
Exchange Requests Due	June 30, 2022	January 3 rd of prior FY
Awarded Exchanges Announcement	August 1, 2022	Mid-February of prior FY

Exchange requests will be e-mailed to MDOT-FederalAidBuyout@michigan.gov. The call for exchange requests will be sent out 2 weeks before the call opens. An application form will be provided with the call for exchanges. The form must be completed, signed, and attached to the exchange request e-mail. A separate form and e-mail must be submitted for each project that a local agency wishes to exchange. The call will start at a specific time on the first day of the call for exchange applications and close at a specific date and time as specified in the call letter. The **received** timestamp on the email will identify the order received. There will be an auto generated “received” e-mail send to the submitter to confirm receipt of the exchange request. MDOT will publish a received list on the MDOT website for review to allow an agency to dispute the list. Local agencies will have seven calendar days to submit proof that they sent an email which was not received by MDOT. MDOT will require seven calendar days to review the discrepancy. Once any disputes are settled a final list will be published.

Process Outline

1. A call for federal aid exchange requests is announced within 14 days in advance of the actual call date with detailed instructions in the call letter.

2. Acceptance of submission of requests for exchanges will open at a specific date and time (ex: June 15, 2022, at 8:00 am eastern time) and close at a specific date and time as specified in the call letter or once the minimum amount for the program has been reached.
3. Once the list of exchange requests has been developed and arranged in the order received, MDOT will publish the list of exchanges including the agency name, the date/time received, and the amount of the exchange on LAPs website for 2-weeks. This posting will be announced through the LAP, MPO, RTF and Small Urban program GovDelivery listservs. This will allow local agencies to contact MDOT if there is any discrepancy because of technology or other error. Any discrepancies will be reviewed on a case-by-case basis.
4. The final list of awarded exchanges will be posted to the LAP website, announced through the LAP, MPO, RTF and Small Urban program GovDelivery listservs, and sent directly to the agencies with awarded exchanges.
5. Once the federal aid allocations are available in SIGMA, usually mid-October of the FY of the exchange, the appropriate allocation amount will be transferred from the allocation and template in which the exchanged project was programmed to a template that was created to hold transfers until they move to trunkline.
6. Projects will be abandoned in JobNet unless the MPO deems the project regionally significant. If designated as regionally significant the project programming will be changed to reflect 100% local funds and a note will be added to the comment section on the STIP page in JobNet stating that the project has been awarded an exchange through the Federal Aid Buyout Program.
7. A contract request and required information will be sent to MDOT contract service division (CSD). CSD will develop the contract and send it to the local agency for signature.
8. The contract is entered into by MDOT and the Local Agency.
9. Once sufficient obligation authority is received by MDOT the appropriate obligation authority will be transferred from the local non-RTF and local RTF Obligation Authority to the Trunkline Obligation Authority.
10. Once sufficient state funding is received by MDOT, and the obligation authority has been transferred the local agency will receive a lump sum payment in the amount of the exchange through the same process as Michigan Transportation Fund (MTF) monthly payments are received. The anticipated time frame for this would be January/February of the FY of the exchange.
11. The local agency will complete the project as agreed to and utilize any surplus funding within the -year timeframe as described in these program guidelines.
12. The local agency reports the completed project in the transportation asset management council investment reporting tool or any successor system.
13. The Local agency emails the MDOT Federal Aid Buyout Program Manager, utilizing the MDOT-FederalAidBuyout@michigan.gov e-mail to inform them that the project is completed and to give additional information. The information reported will include confirmation that the federal wage and benefits were

adhered to, confirmation that the force account policy was adhered to (if applicable), the amount spent on the project, and what federal aid eligible activity any surplus funds were spent on.

Please submit any comments, concerns, or questions regarding the Federal Aid Buyout Program to MDOT-FederalAidBuyout@michigan.gov.

Appendix 1

Act No. 49
Public Acts of 2022
Approved by the Governor
March 29, 2022
Filed with the Secretary of State
March 29, 2022
EFFECTIVE DATE: October 1, 2022

STATE OF MICHIGAN 101ST LEGISLATURE REGULAR SESSION OF 2022

Introduced by Senators Runestad and Barrett

ENROLLED SENATE BILL No. 465

AN ACT to amend 1951 PA 51, entitled “An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; to investigate and study the tolling of roads, streets, highways, or bridges; and to repeal acts and parts of acts,” by amending section 10o (MCL 247.660o), as amended by 2000 PA 188.

The People of the State of Michigan enact:

Sec. 10o. (1) Twenty-three to twenty-seven percent of the DOT-FHWA highway research, planning, and construction federal funds appropriated to this state from the federal government for road and bridge construction must be allocated to programs administered by local jurisdictions after deduction of the following:

- (a) Funds that are specifically allocated at the federal level to this state or local jurisdictions.
- (b) Funds allocated by the department to this state and to local jurisdictions through a competitive process.

(2) Federal aid excluded from the calculation of funding allocated to programs administered by local jurisdictions in subsection (1) includes, but is not limited to, congestion mitigation and air quality funds, federal bridge funds, transportation enhancement funds, funds distributed at the discretion of the United States Secretary of Transportation, and congressionally designated funds.

(3) The funds must be distributed to eligible local agencies for transportation purposes in a manner consistent with state and federal law.

(4) It is the intent of the legislature that federal aid to highways allocated to local jurisdictions in subsection (1) be distributed in a manner that produces a 25% average allocation of applicable funds to programs for local jurisdictions in each fiscal year through the fiscal year ending September 30, 2000. Beginning in the fiscal year ending September 30, 1999, the average allocation of applicable federal aid to highway funds to programs for local jurisdictions must be the average of the amount distributed to local jurisdictions under subsection (1) and similarly calculated distributions in each succeeding fiscal year. The average allocation percentage described in this subsection must be adjusted to reflect any agreements made by the department with local jurisdictions regarding the state buyout of local federal aid.

(5) Subject to subsections (6) to (15), the department shall award money from the state trunk line fund to local road agencies in exchange for federal aid obligation authority allocated to local-agency projects as provided in this section, if allowed by federal law and rules.

(6) The department must make available money from the state trunk line fund in exchange for federal aid obligation authority awarded to local road agencies in the amounts described in subsection (8) unless the amount must be reduced to do either or both of the following:

(a) Match all available federal aid including reapportionments, redistributions, or other awards of federal aid obligation authority.

(b) Provide for debt service, the minimum state-funded program, routine maintenance of state trunk lines, administration, and all other functions of the department.

(7) If the department reduces the amount of money available from the state trunk line fund under subsection (6), the department must submit a letter to the chairpersons of the senate and house of representatives transportation committees, the chairpersons of the senate and house of representatives transportation appropriations subcommittees, the senate majority leader, and the speaker of the house of representatives explaining why the department is unable to match available federal aid or perform its essential functions.

(8) Except if reduced under subsection (6), the amount of money available from the state trunk line fund in exchange for federal aid obligation authority awarded to local road agencies must be not less than the following amounts:

- (a) In the fiscal year ending September 30, 2023, \$25,000,000.00.
- (b) In the fiscal year ending September 30, 2024, \$35,000,000.00.
- (c) In the fiscal year ending September 30, 2025, and in every subsequent fiscal year, \$45,000,000.00.

(9) Local road agencies may apply for state money in exchange for 100% of the federal aid obligation authority allocated by the department to a local road agency project in a metropolitan planning organization transportation improvement program or in the rural transportation improvement program, in the manner and on the schedule determined by the department. The department must publish announcements, instructions, forms, and deadlines on its website. If applications are received that request more state money than is available to be exchanged in a fiscal year, awards must be made in the order received.

(10) State money must be exchanged with local road agencies for federal aid obligation authority in an amount equal to 90 cents per dollar of all federal aid obligation authority allocated in the approved transportation improvement plan to each project for which authority is exchanged.

(11) The department must pay state money exchanged for federal aid obligation authority to local road agencies when sufficient federal aid obligation authority is received from the Federal Highway Administration to cover the exchanges, not including any year-end redistributions.

(12) The first priority for the use of state money exchanged for federal aid obligation authority must be the local road agency project for which the federal aid obligation authority was originally proposed. If the state money exchanged for federal aid obligation authority exceeds the cost of the original project, any surplus must be applied to

federal-aid-eligible projects by the local road agency or returned to the department. Completed work must be reported to the transportation asset management council investment reporting tool or any successor system.

(13) State money exchanged for federal aid obligation authority must be expended not later than 3 years after the exchange. If the project for which federal aid obligation authority was exchanged cannot be completed within 3 years, the local road agency must notify the department and its metropolitan planning agency or rural task force and identify an alternate project eligible for federal aid that can be constructed within the original 3-year period, or return the money to the department.

(14) In accordance with 23 USC 112, 23 CFR 635.104(b), and Federal Highway Administration Directive 5060.1, a local road agency that is awarded state money in exchange for federal aid obligation authority shall follow the policies adopted by the department that govern the number of force accounts and the total amount of money spent on force account project cost authorizations in a fiscal year. For each fiscal year in which a local road agency is awarded state money in exchange for federal aid obligation authority, the local road agency must certify to the department that the limits in this subsection are not exceeded. This subsection applies only to state money awarded in exchange for federal aid obligation authority as described in this section and not to any money garnered through any other means.

(0) Contracts between local road agencies and contractors for projects funded from state money exchanged for federal aid obligation authority must contain a federal wage and benefits schedule consistent with, and incorporating the requirements of, Section IV of Form FHWA 1273, revised May 1, 2012, or any successor form, and provide that covered workers are third-party beneficiaries of these contract requirements.

(1) As used in this section:

(a) “Federal aid obligation authority” means federal aid obligation authority and an equal amount of contract authority.

(b) “Minimum state-funded program” includes, but is not limited to, preservation, preventive maintenance, maintenance, operations, safety, administration, and all other essential functions not eligible for federal aid, as determined by the department.

Appendix 2

Michigan Public Act 51 of 1951 {MCL247.660c, Section 10c(l)}

(l) "Preservation" means an activity undertaken to preserve the integrity of the existing roadway system. Preservation does not include new construction of highways, roads, streets, or bridges, a project that increases the capacity of a highway facility to accommodate that part of traffic having neither an origin nor destination within the local area, widening of a lane width or more, or adding turn lanes of more than 1/2 mile in length. Preservation includes, but is not limited to, 1 or more of the following:

- (i) Maintenance.
- (ii) Capital preventive treatments.
- (iii) Safety projects.
- (iv) Reconstruction.
- (v) Resurfacing.
- (vi) Restoration.
- (vii) Rehabilitation.
- (viii) Widening of less than the width of 1 lane.
- (ix) Adding auxiliary weaving, climbing, or speed change lanes.
- (x) Modernizing intersections.
- (xi) Adding auxiliary turning lanes of 1/2 mile or less.
- (xii) Installing traffic signs in new locations, installing signal devices in new locations, and replacing existing signal devices.

Task Order

In accordance with paragraph 1.01 of the Standard Form of Agreement Between Owner and Engineer for Professional Services – Task Order Edition, dated February 27, 2014 ("Agreement"), Owner and Engineer agree as follows:

1. Specific Project Data

A. Title: City of Sturgis
N. Franks Avenue Reconstruction
Design and Bidding Phase

B. Background/Description:

The purpose of this task order is to prepare an environmental review, complete design drawings and special provisions to upgrade N Franks Avenue from E. Hatch Street to the proposed roundabout at E. Lafayette Road with a new 40-foot back of curb to back of curb road.

The proposed project includes the following roadway improvements to be constructed in three stages.

Stage 1

- Remove and replace a portion of N. Franks Ave starting at the existing drainage structures at the north spring point of the north Doyle Community Center parking lot entrance continuing north to the end of asphalt pavement.
 - Back of curb will match the existing back of curb and widen out to 40-foot back of curb as the road continues north.
- Upgrade the existing N. Franks Avenue 20-foot-wide gravel road starting at the pavement material transition north of Doyle Community Center continuing to the north end of gravel.
- Reconstruct the entrance to the Spence Softball Complex.

Stage 2

Reconstruct the existing 24-foot-wide asphalt road from the softball field entrance continuing north and tie into the proposed roundabout (planned for 2023 construction) at the E. Lafayette Street intersection.

Stage 3

- Cold Mill 1.5-inches of existing HMA and repave 1.5-inches of HMA from the north spring point of E. Hatch Street continuing north to the north spring point of the north Doyle Community Center parking lot entrance.
- Upgrade existing non-compliant ADA ramp to current standards.

The project also includes the following improvements.

- 40-foot back-to-back roadway with 12-foot travel lanes (north and south bound) and a

center turn lane or bike lanes as decided by the City during the Preliminary Engineering Phase of the project.

- 10-foot-wide, multi-use asphalt path constructed one-foot off the right of way connecting to the existing path at the Doyle Community Center and continue north to the concrete sidewalk at the proposed roundabout.
- City of Sturgis standard for streetlights will be installed from the roundabout continuing south to the Doyle Community Center north entrance between the asphalt path and the curb.

The City of Sturgis received Federal and State Small Urban Funding to assist in financing the project. The project will follow all Michigan Department of Transportation (MDOT), Local Agency Program Requirements, and schedule. The 2023 Local Agency Programs Project Planning Guide has not been released and the proposed project schedule assumes the 2023 guide will be similar to the 2022 guide submittal dates. The project schedule is based on receiving obligation by August of 2023.

C. Work Scope:

This task order is to provide Preliminary Design Phase, Final Design, and Bidding Phase engineering services.

The work scope to complete the preliminary design portion of the project includes:

1. Supplement the existing topographic survey completed by F&V in 2021 with new Topographic survey extending to E. Hatch Street.
2. Obtain ASCE Subsurface Utility Collection Level C information for electric, gas, telephone, cable TV, water, and sanitary sewer.
3. Subcontract with an Archeologist and submit State Historic Preservation Office (SHPO) notification on behalf of City.
4. Complete a storm sewer design per the MDOT drainage manual and supplement drainage with leaching basins to provide drainage for a 10-year design storm.
5. Complete Local Agency Environmental Clearance Form 5323 and submit to MDOT on behalf of City.
6. Complete, design, and prepare construction drawings including:
 - Title Sheet
 - Alignment Plan
 - Cross-sections, Notes, and Details
 - Existing Conditions/Removals Sheet
 - Plan and Profile Sheet
 - Lighting Plan
 - Intersection Details
 - Construction Staging & Barricading Plans
 - Pavement Marking Plans
 - Maintaining Traffic Plan

*Mill and Resurfacing will be completed using plan sheets without a profile.
7. Prepare programming application for City submittal to MDOT as required.
8. Prepare opinions of the probable construction cost for the project.

9. Review preliminary plans, special provisions, and opinion of probable construction cost with the City.
 - One set of electronic (PDF) Preliminary Plans and special provisions will be submitted to the City at 75% complete to incorporate comments in MDOT Grade Inspection submittal.
10. Coordinate with MDOT and the City to include right of entry permits are included for the railroad property.
11. Schedule and attend Grade Inspection Meeting with MDOT. One meeting is assumed.

Additional construction phase services can be provided under supplemental task order(s) once the project design has been completed.

The work scope to complete the final design portion of the project includes:

1. Complete design and prepare final plans, specifications, and opinion of probable cost, incorporating City and MDOT comments from the preliminary design review.
2. Review final plans, special provisions, and opinion of probable cost with the City.
 - One set of electronic (PDF) preliminary plans and special provisions will be submitted to the City at 95% complete to incorporate comments in MDOT final submittal.
 - The proposed schedule assumes the City will return comments in 5 business days from receipt.
3. Prepare final bid package including special provisions, bid items, probable construction costs, and plans.
4. Provide to the City a legal description of the road centerline to allow the City to submit the street for ACT 51 funding. City will provide north and south descriptions for connection points.

The work scope to complete the bidding portion of the project includes:

1. Answer questions during MDOT bid period and issue clarifications, if necessary.
2. Prepare and distribute bid documents including three (3) full-sized sets of plans and special provisions to the City.
3. Answer questions during bid period and issue addenda, if necessary.

The following assumptions are part of this task order.

- The project does not require any additional right-of-way acquisition and the City controls the property per MDOT Local Agency Requirements.
- This project requires completion of MDOT Local Agency Environmental Clearance From 5232 to meet the National Environmental Protection Agency (NEPA) Local Agency requirements. A full environmental assessment is not required.

2. Services of Engineer

The work scope is to provide preliminary design phase, final design phase, and bidding phase service Engineering professional services. The following paragraphs from Exhibit A of the Standard Form of

Agreement Between Owner and Engineer for Professional Services – Task Order Edition, are incorporated by reference, along with a brief summary:

A1.02 – Preliminary Design Phase, in its entirety.

A1.03 – Final Design, include paragraphs:

A.1 through A.5- Final design drawings and specifications will be prepared.

A1.02 – Bidding or Negotiation Phase, include paragraphs:

A.2.

3. Owner's Responsibilities

Owner shall take those responsibilities set forth in Article 2 and in Exhibit B.

4. Times for Rendering Services

The time for rendering services is the term of the Agreement, as identified in Article 3.01.A of the Agreement. The times for rendering services are as follows based on approval by the City Commissioner at their June 15, 2022 meeting.

<u>Phase</u>	<u>Proposed Completion Date</u>
<u>Preliminary Design Phase Services</u>	<u>March 2023 MDOT</u>
<u>Final Design Phase Services</u>	<u>June 2023 Final MDOT Submittal</u>
<u>Bidding Phase Services</u>	<u>October 2023 Bid opening</u>

5. Payments to Engineer

A. Owner shall pay Engineer for Services rendered as follows:

<i>Category of Services</i>	<i>Compensation Method</i>	<i>Estimate of Compensation for Services</i>
<i>Preliminary Design Phase</i>	<i>Standard Hourly Rates</i>	<i>\$36,500</i>
<i>Final Design Phase</i>	<i>Standard Hourly Rates</i>	<i>\$15,500</i>
<i>Bidding Phase</i>	<i>Standard Hourly Rates</i>	<i>\$500</i>
TOTAL FEES =		\$52,500

C. The terms of payment are set forth in Article 4 of the Agreement and in Exhibit C.

6. Consultants

F&V will subcontract with Orbis Environmental Consulting to complete the Archeology review.

7. Other Modifications to Master Agreement:

None.

8. Attachments:

None.

9. Documents Incorporated by Reference:

None.

10. Terms and Conditions:

Execution of this Task Order by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this Task Order signed by Owner.

The Effective Date of this Task Order is June 16, 2022

OWNER
City of Sturgis

ENGINEER
Fleis & VandenBrink Engineering, Inc.



6-9-2022

Signature _____ Date _____

Michael Hughes
Name

City Manager
Title

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Barry Cox
Name

City Engineer
Title

130 N. Nottawa
Address

Bcox@sturgismi.gov
E-Mail Address

(269) 659-7249
Phone

(269) 659-7295
Fax

Sturgis Purchase Order No.: _____

Signature _____ Date _____

Matt Johnson, P.E.
Name

Regional Manager
Title

DESIGNATED REPRESENTATIVE FOR TASK ORDER:

Larry Hummel, P. E
Name

Project Manager
Title

2960 Lucerne Drive SE, Suite 100
Grand Rapids, MI 49546
Address

lhummel@fveng.com
E-Mail Address

(616) 369-8160
Phone

(616) 977-1005
Fax

F&V Vendor No.: 00776

N. Franks Avenue Extension

	204 Street & Sidewalk Improvements		TOTAL PROJECT
	N. Franks Ave. Roundabout		
	FY 2021-2022	FY 2023-2024	
BUDGETED FUNDS	\$ 100,000.00	\$ 450,000.00	\$ 550,000.00

Notes

OPTION 1

PROJECT COSTS				
Design and Bid Phase Engineering	Recommended	\$ 52,500.00	\$ -	\$ 52,500.00
Construction Award	<i>Estimated</i>	\$ -	\$ 648,000.00	\$ 648,000.00
Contingency Budget	<i>Estimated</i>	\$ -	\$ 65,000.00	\$ 65,000.00
Construction Phase Engineering	<i>Estimated</i>	\$ -	\$ 64,500.00	\$ 64,500.00
TOTAL PROJECT COST		\$ 52,500.00	\$ 713,000.00	\$ 777,500.00
LESS GRANT FUNDS		\$ -	\$ 456,204.00	\$ 456,204.00
TOTAL CITY COST		\$ 52,500.00	\$ 256,796.00	\$ 321,296.00
OVER (UNDER) BUDGET		(47,500.00)	(193,204.00)	(228,704.00)

Notes
TO #7
~ 10% of Project Cost
\$375,000 in Small Urban + \$81,204 in HIP COVID-19 Funds

OPTION 2

PROJECT COSTS				
Design and Bid Phase Engineering	Recommended	\$ 52,500.00	\$ -	\$ 52,500.00
Construction Award	<i>Estimated</i>	\$ -	\$ 648,000.00	\$ 648,000.00
Contingency Budget	<i>Estimated</i>	\$ -	\$ 65,000.00	\$ 65,000.00
Construction Phase Engineering	<i>Estimated</i>	\$ -	\$ 64,500.00	\$ 64,500.00
TOTAL PROJECT COST		\$ 52,500.00	\$ 713,000.00	\$ 777,500.00
LESS GRANT FUNDS		\$ -	\$ 337,500.00	\$ 337,500.00
TOTAL CITY COST		\$ 52,500.00	\$ 375,500.00	\$ 440,000.00
OVER (UNDER) BUDGET		(47,500.00)	(74,500.00)	(110,000.00)

Notes
TO #7
~ 10% of Project Cost
90% of Small Urban; forgo HIP COVID-19 Funds

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10G

INVITATION TO BID and BID
For
PUMP RECONDITIONING, WELL CLEANING & SHOCK DISINFECTION

Bid of _____ (Bidder), organized and existing under the laws of or a resident of the State of _____, doing business as a corporation, a partnership or an individual (circle one).

To the City of Sturgis (City).

1. City will receive sealed Bids for PUMP RECONDITIONING, WELL CLEANING & SHOCK DISINFECTION at the City of Sturgis, City Manager's Office, 130 N. Nottawa Street, Sturgis, Michigan 49091 until Monday, June 6th, 2022, 4:00 p.m., local time. No Bids will be received after this date and time. Bids must be submitted on this form and shall be enclosed in an opaque, sealed envelope, marked with "BID ENCLOSED – THURSTON WOODS WELL #7", and the name and address of the Bidder. Do not submit an envelope so marked unless a valid Bid is enclosed.
2. Bids may not be withdrawn for a period of 30 days after the actual date of opening thereof. This time period may be extended by mutual agreement of the City and any Bidder or Bidders. It is anticipated that a recommendation for award will be submitted to the Sturgis City Commission for consideration at its meeting on Tuesday, June 15th, 2022.
3. The City reserves the right to waive any irregularities and to reject any and all Bids. Subject to CITY OF STURGIS Purchasing Policy & Guidelines section 2.1
4. The undersigned Bidder proposes and agrees, if this Bid is accepted, to accept a Purchase Order, and to Provide all Labor, Equipment and Materials to Remove, Inspect, Recondition, Reinstall and Disinfect (1) Vertical Turbine Pump, for the City's Thurston Woods Well #7. as specified or indicated on or before September 30th, 2022.
5. Bidder has visited the site and/or has become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance and furnishing of the work.
6. This Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; Bidder has not solicited or induced any person, firm or corporation to refrain from bidding; and Bidder has not sought by collusion to obtain for itself any advantage over any other Bidder or over the City.
7. Specifications: See attached Exhibit's "A & B", for Scope of work. Exhibit "A" is for Vertical Turbine Pump Reconditioning of the City's Thurston Woods Well #7. Exhibit "B" is for Cleaning and Shock Sterilization of the same Well.

8. **GENERAL REQUIREMENTS**

1. Insurance

The Contractor shall at all times during the Contract maintain in full force and effect Employer's Liability, Workmen's Compensation, Public Liability and Property Damage Insurance, including contractual liability coverage and shall make City of Sturgis a certificate holder of any such insurance. The certificates shall contain the following express obligation:

"This is to certify that the policies of insurance described herein have been issued to the insured for whom this certificate is executed and are in force at this time. In the event of cancellation or material change in a policy affecting the certificate holder, thirty (30) days prior written notice will be given to the certificate holder."

For the purpose of the Contract, the Contractor shall carry the following types of insurance in at least the limits specified below:

Workers Compensation Insurance:

- | | |
|---|---------------|
| 1. State: | Statutory |
| 2. Applicable Federal (e.g., Longshoreman's): | Statutory |
| 3. Employer's Liability: | \$ 500,000.00 |

Errors and Omission Insurance with a minimum of \$1M per claim/\$2M aggregate

General Liability Insurance:

- | | |
|--|-----------------|
| 4. General Aggregate | \$ 1,000,000.00 |
| 5. Products-Completed Operations Aggregate | \$ 1,000,000.00 |
| 6. Personal and Advertising Injury | \$ 1,000,000.00 |
| 7. Each Occurrence (Bodily Injury and Property Damage) | \$ 1,000,000.00 |
| 8. Property Damage liability insurance shall provide Explosion, Collapse and Underground coverages where applicable. | |
| 9. Excess or Umbrella Liability: | |
| a. General Aggregate | \$ 2,000,000.00 |
| b. Each Occurrence | \$ 2,000,000.00 |
| 10. Contractual Liability: | |
| a. Bodily Injury: | |
| i. Each Person | \$ 1,000,000.00 |
| ii. Each Accident | \$ 1,000,000.00 |
| b. Property Damage: | |
| i. Each Accident | \$ 1,000,000.00 |
| ii. Annual Aggregate | \$ 1,000,000.00 |
| 11. Contractor's Pollution Liability | \$ 1,000,000.00 |

Automobile Liability (including hired and non-owned vehicles):

- | | |
|--|-----------------|
| 12. Bodily Injury: | |
| a. Each Person | \$ 1,000,000.00 |
| b. Each Accident | \$ 1,000,000.00 |
| 13. Property Damage: | |
| a. Each Accident | \$ 1,000,000.00 |
| 14. MCS 90 Endorsement on Vehicle Insurance: | Statutory |

To the extent permitted by law, all or any part of any required insurance coverages may be provided under a plan or plans of self-insurance. The coverages may be provided by the Contractor's parent corporation.

2. License

All Bidders must be Contractors, Licensed to perform Well & Pump work in the State of Michigan.

3. Experience

A minimum of (5) years experience as a Well Drilling Contractor is required.

4. Permits

Contractor is responsible for obtaining all necessary NPDES permits for discharging well chemicals.

Suggested Practices for Waterworks Design, Construction, and Operation for Type 1 Public Water Supplies In accordance with the Michigan Safe Drinking Water Act 1976 PA 399, as Amended, and the Administrative Rules.

Part 8.32 Disposal of Chlorinated Solution states “Caution must be exercised in disposing of spent solutions of chlorine from any water works facility (wells,... etc) as to not harm vegetation or wildlife, nor upset any sewerage system. Water additives such as chlorine shall not be discharged to a surface water body, sewer, or drain. Dechlorination equipment shall be used prior to discharge if detectable levels of chlorine from disinfection are present in the discharge. If water will reach a surface water body and certain provisions cannot be met, a NPDES permit is required. A general NPDES permit (MIG640000) is available for waste water discharge from a potable water supply.

10. If Bidders have questions, they may contact Mr. Rick Miller, Director of Public Services, at (269) 651-2879.

11. Bidder will complete the Work for the following price:

Base Bid _____ (\$ _____)
words (figures)

Submitted On _____, 2022

By: _____ (firm or corporation name)

By: _____ (name of person authorized to sign)

Title: _____

Bidder's Business Address:

Phone Number _____ Fax Number _____

E-mail _____ State Contractor License Number _____

Notary Statement:

State of

County of

On this the _____ day of _____, 2022, before me, a Notary Public, personally appeared, or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to within the instrument, and acknowledged that he /she executed it.

Witness: My hand and Official Seal

(Seal)

Signature of Notary Public

My Commission Expires: _____

EXHIBIT "A"

SCOPE OF WORK: VERTICAL TURBINE PUMP RECONDITIONING

PRE-CLEAN FLOW TEST:

The Contractor will perform a 4-step pre-clean flow test through the existing pump to determine **at a minimum**, TDH, Specific Capacity, voltage, and amperage. The pump can be discharged through a hydrant that is located just 15 feet away on the north side of the building. When discharging large quantities of water from the well, temporary piping will have to be run to the north side of the park which is a distance of slightly more than 600 feet.

REMOVE for INSPECTION:

The Contractor will: provide all labor, equipment and materials required to pull 130' of 10" column pipe x 1-1/2" SS vertical turbine inner column assembly; 6-stage Floway 15DKL bowl assembly and 10' of 10" Suction pipe. Transport to their facility, clean and visually inspect. Immediately following inspection, a report detailing the exact condition of the pump components will be provided to the owner.

REINSTALLATION:

The Contractor will: provide all labor and equipment to reinstall all well pump components; disinfect well using (1,000) gallons of a 200 ppm solution of NSF approved sodium hypochlorite; neutralize chlorine solution with NSF approved Sodium Metabisulfite and pump out to waste. Conduct a 4-step flow test to determine TDH, specific capacity, check voltage and amperage of electric motor, conduct vibration analysis on motor using a certified and calibrated instrument. Obtain a water sample and have analyzed for coliform bacteria.

REPLACEMENT PARTS & COMPONENTS:

The Contractor will: replace normal wearing parts as follows: (1) stuffing box bearing, (1) water slinger, (1) set of packing, (1) copper air line complete with gauge and fittings, (1) pressure gauge complete with petcock and fittings, (1) set of discharge bolts, nuts and gasket, (All) stainless steel shaft couplings, (All) stainless steel shaft sleeves, (1) set of Neoprene line shaft bearings, (All) 10" x 1-1/2" brass/bronze or stainless steel drop-in style bearing retainers, (1) set of bearings for bowl assembly, (1) set of stainless steel bolting for bowl assembly, (1) 1-1/2" x 63 1/2" stainless steel pump shaft stock for head shaft, (1) 2-1/4" x 1 1/2" x 108" to 120" stainless steel pump shaft stock for impeller shaft, (all) bronze stock for oversized wear rings.

MACHINE WORK:

The Contractor will: per manufacturers recommended specifications -

Fabricate (1) stainless steel head shaft, skim-cut impellers, fabricate oversized bronze wear rings, fabricate (1) stainless steel impeller shaft.

NOTE: Owner shall inspect machine work before bowl assembly is re-assembled

SHOP WORK:

The Contractor will: disassemble, clean, repair, and reassemble bowl assembly. Sandblast column and paint with NSF approved rust inhibitor coating. Sandblast discharge head, rebuild and paint with NSF approved rust inhibitor coating. Straighten all shafting to within .003 T.I.R.

NOTE: Owner shall inspect repair work before it is delivered to the site.

ADDITIONAL PRICING:

The Contractor will provide with this bid pricing for the following pump components. One or all of these may be used should it be determined that they are necessary to complete the pump repair:

- 1) (1) 5' top section of 10" schedule 40 column pipe TBE (threaded both ends)
- 2) (1) 5' bottom section of 10" schedule 40 column pipe T&C (threaded & coupled)
- 3) (1) 10' section of 10" schedule 40 column pipe T&C (threaded & coupled)
- 4) (12) 10' sections of 10" schedule 40 column pipe T&C (threaded & coupled)
- 5) (1) 10' section of 10" schedule 40 suction pipe T&C (threaded & coupled)

- 6) (1) Weir/Floway 15 DKL intermediate bowl stage
- 7) (1) Weir/Floway 15 DKL suction bowl stage
- 8) (1) Weir/Floway 15 DKL complete bowl assembly (Rated 1400 GPM @250' TDH @1190 RPM @ 83.5% efficiency. Must have stainless steel collets and bronze wear rings) or equivalent
- 9) (1) 10' section of 1 ½" stainless steel line shaft with stainless steel sleeves TBE (threaded both ends)
- 10)(12) 10' sections of 1 ½" stainless steel line shaft with stainless steel sleeves TBE (threaded both ends)
- 11) (1) 5' bottom section of stainless steel line shaft with stainless steel sleeves TBE (threaded both ends)

NOTES:

- 1) Pump bowl assembly manufacturer is Weir/Floway
- 2) Pump information: 6-stage, Type - 15DKL, S.N. 0116968W
- 3) City staff will transport the 125 H.P. electric pump motor to a local repair facility for service or repair, and deliver it back to the well site for reinstallation.
- 4) All pump bowl assembly replacement parts must be Weir/Floway to maintain interchangeability, uniformity and reliability. No other manufacturer's repair or replacement parts will be accepted.
- 5) If following inspection it is determined by both the City and the contractor that major components require replacement, they will be replaced using the prices supplied with this bid.
- 6) If a pump bowl assembly other than Weir/Floway is submitted as a replacement it must be at least 83.5% efficient at design, must be Cast Iron & Bronze Fitted, must include Stainless Steel Impeller Shaft and Collets, must include Bronze Wear Rings, and must be fitted for 10" Suction and Discharge Piping. (Threads on new pump bowl shaft must mate with threads on existing shafting).

EXHIBIT “B”

SCOPE OF WORK: WELL CLEANING & SHOCK DISINFECTION

PHASE 1: PRE-EVALUATION:

- Permanent Pump must be removed from Well.
- Measure Well for Total Depth using a flexible tape measure.
- Back flush Well with system water for 24 hours. Accomplish this by lowering a clean/chlorinated ¾” hose below static water level and letting system water run into the Well for a 24-hour period.
- Televis the entire Well bore (casing and screen) using a color camera that has a “Down-hole and Right-Angle” views. Camera must be equipped to fully light a 20” Well. Document: Total Depth, Top of Screen and all weld joints.
- Make a CD copy of the Video log for the Owner entitled: “Pre-Evaluation.”

PHASE 2: MAINTENANCE CLEANING:

- Contractor will mobilize to site with 60-L OR 22-W truck mounted equipment or the equivalent that will provide sufficient “spudding” action to clean Well (if other than a 60-L or 22-W, the equipment must be approved by the City), 1000 gallon tank, double-disc surge-block, Well-brush, air-lift assembly and all other ancillary equipment to accomplish the following:
 1. Mix and inject (1) 1000 gallon Sulfamic Acid treatment (500 lbs of Sulfamic/1,000 gallons of water).
 2. Agitate Acid treatment with the “Spudding” action of the 22-W for (8) hours. Disc tool must be set within the screen area.
 3. Pump acid mixture into contractor’s 1,000 gallon tank and neutralize. Once mixture is neutralized, pump to nearest storm water drain. Purge Well until water is potable.
 4. Mix and inject (1) 1,000 gallon Chlorine treatment using 50 gallons of Liquichlor (12.5%)/1,000 gallons of water. Must use Sodium Hypochlorite NOT Calcium Hypochlorite.
 5. Agitate Acid treatment with the “Spudding” action of the 60-L or 22-W for (8) hours. Disc tool must be in the screen area.
 6. Pump chlorinated mixture into contractor’s 1,000 gallon tank and neutralize. Once mixture is neutralized, pump to nearest storm water drain. Purge Well until water is potable.
 7. Install brush assembly and brush-clean the entire length of casing and all screen.
 8. Install air-lift assembly to the bottom of the Well and clean the bottom of any sediment, sand and/or debris brought into the Well bore by the aforementioned process.

PHASE 3: POST-EVALUATION:

- All cleaning equipment must be removed from Well.
 - Back flush Well with system water for 24 hours. Accomplish this by lowering a clean/chlorinated ¾” hose below static water level and letting system water run into the Well for a 24-hour period.
 - Televis the entire Well bore (casing and screen) using a color camera that has a “Down-hole and Right-Angle” views. Camera must be equipped to fully light a 20” Well. Document: Total Depth, Top of Screen, all weld joints and general condition of the screen & casing.
 - Make a CD copy of the Video log for the Owner entitled: “Post-Evaluation.”
-
- Mix and inject (1) 1,000 gallon Chlorine treatment using 10 gallons/1,000 gallons of water). of Liquichlor (Sodium Hypochlorite NOT Calcium Hypochlorite).

- Measure out Well using flexible tape measure.
- Cap Well until Permanent pump is reinstalled.

Note:

Any deviations to the cleaning procedure as provided in this document, must be noted in bid!

Well Cleaning & Pump Reconditioning

6/6/2022

Bid Tabulation Sheet

Additional Parts

Pricing

Base Bid Total

Katz Well Drilling Inc.
1479 E. Michigan Ave.
Battle Creek, MI 49014

No Bid

North American Pump
901 Nelson Parkway
Wakarusa, IN 46573

\$40,650.00

\$29,517.00

Peerless-Midwest Inc.
55860 Russell Industrial Parkway
Mishawaka, IN 46545

\$37,850.00

\$52,113.00

Raymer
1357 Comstock St.
Marne, MI 49435

No Bid



North American Pump

901 Nelson Parkway
Wakarusa, IN 46573
Phone: 574-862-2183
Fax: 574-862-3126

Quote No. **62222**

QUOTATION

Customer

Name City of Sturgis
Address _____
City _____ State _____ ZIP _____
Phone _____

Date 6/2/2022

Page 1 of 1

Preference Thurston Woods
Well 7 Bid

WE ARE PLEASED TO SUBMIT THE FOLLOWING QUOTATION FOR YOUR CONSIDERATION

Qty	Description	Unit Price	AMOUNT
<u>Additional Pricing</u>			
1	1.) 10" x 5' TBE Column Pipe	\$ 430.00	\$ 430.00
1	2.) 10" x 5' T&C Column Pipe	\$ 475.00	\$ 475.00
1	3.) 10" x 10' T&C Column Pipe	\$ 650.00	\$ 650.00
12	4.) 10" x 10' T&C Column Pipe	\$ 650.00	\$ 7,800.00
1	5.) 10" x 10' T&C Suction Pipe	\$ 375.00	\$ 375.00
1	6.) Floway 15DKL Intermediate Bowl Stage	\$ 895.00	\$ 895.00
1	7.) Floway 15DKL Suction Bowl Stage	\$ 865.00	\$ 865.00
1	8.) Floway complete bowl assembly (would replace with Flowserve bowl assembly matched to similar specs.) 6 stg. 15EHL	\$ 11,952.00	\$ 11,952.00
1	9.) 1-1/2" x 10' SS Lineshaft TBE	\$ 450.00	\$ 450.00
12	10.) 1-1/2" x 10' SS Lineshafts TBE	\$ 450.00	\$ 5,400.00
1	11.) 1-1/2" x 5' SS Lineshaft TBE	\$ 225.00	\$ 225.00
DELIVERY		F.O.B.	
		TERMS	

IMPORTANT

PRICES GOOD FOR ACCEPTANCE WITHIN 30 DAYS,
UNLESS SUCH TIME IS EXTENDED IN WRITING.

RESPECTFULLY SUBMITTED,

Hunter Reece

Peerless Midwest

Thurston Woods Well #7

Exhibit "A" Additional Pricing:

- 1) (1) 5' top section of 10" schedule 40 column pipe TBE (threaded both ends) **\$922.00**
- 2) (1) 5' bottom section of 10" schedule 40 column pipe T&C (threaded & coupled) **\$950.00**
- 3) (1) 10' section of 10" schedule 40 column pipe T&C (threaded & coupled) **\$1,338.00**
- 4) (12) 10' sections of 10" schedule 40 column pipe T&C (threaded & coupled) **\$16,056.00**
- 5) (1) 10' section of 10" schedule 40 suction pipe T&C (threaded & coupled) **\$1,328.00**
- 6) (1) Weir/Floway 15 DKL intermediate bowl stage **\$3,625.00**
- 7) (1) Weir/Floway 15 DKL suction bowl stage **\$5,491.00**
- 8) (1) Weir/Floway 15 DKL complete bowl assembly (Rated 1400 GPM @ 250' TDH @ 1190 RPM @ 83.5% efficiency. Must have stainless steel collets and bronze wear rings) or equivalent **\$15,905.00**
- 9) (1) 10' section of 1 ½" stainless steel line shaft with stainless steel sleeves TBE (threaded both ends) **\$480.00**
- 10) (12) 10' sections of 1 ½" stainless steel line shaft with stainless steel sleeves TBE (threaded both ends) **\$5,760.00**
- 11) (1) 5' bottom section of stainless steel line shaft with stainless steel sleeves TBE (threaded both ends) **\$258.00**

Well Pump Overhaul Repair Parts

Lakeview Well #3

Items Replaced during overhaul in March of 2002 -

75 feet of Stainless Steel line-shaft
3 - 10-foot sections of 10-inch column pipe
1 - 5-foot section of 10-inch column pipe
New pump bowl assembly

Items Replaced during overhaul in October of 2011

100 feet of 10 inch column pipe
2 intermediate stage bowl assembly castings
1 suction stage bowl assembly casting

Items replaced during overhaul in September of 2017

10 feet of 10 inch suction pipe

Oaklawn Well #5

Items replaced during overhaul in March of 1988

5 - 10-foot sections of 10-inch column pipe
1 - 5-foot section of 10-inch column pipe
1 intermediate stage bowl assembly casting

Items replaced during overhaul in March of 1998

4 - 10-foot sections of 10-inch column pipe
1 - 5-foot section of 10-inch column pipe
1 bronze pump impeller
Manufactured "L" shaped wear rings

Items replaced during overhaul in February of 2005

4 - 10-foot sections of 10-inch column pipe
1 - 5-foot section of 10-inch column pipe
10 feet of 10 inch suction pipe
8 spyder bearing assemblies
1 complete pump bowl assembly

Items replaced during overhaul in September of 2014

70 feet of 10 inch column pipe
10 feet of 10 inch column pipe

Thurston Woods Well #6

Items replaced during overhaul in March of 1997

135 feet of 1 1/2" line-shaft
3 - 10-foot sections of 10-inch column pipe
1 - 5-foot section of 10-inch column pipe

Items replaced during overhaul in April of 2009

8 - 10-foot sections of 10-inch column pipe
1 - 5-foot section of 10-inch column pipe
10 feet of 10 inch suction pipe
135 feet of 1 1/2" line-shaft

Thurston Woods Well #7

Items replaced during overhaul in October of 2013

5 - 10-foot sections of 10-inch column pipe
1 - 5-foot section of 10-inch column pipe

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10H

May 11, 2022

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

RE: City of Sturgis_Sturges-Young Auditorium
Lower Restrooms_Design & Budgeting Proposal

Dan,

We are pleased to provide the following design and construction budgeting proposal associated with the renovation of the existing restrooms at the lower level of the Sturges-Young Auditorium. This proposal is based on the attached budget breakdown that includes providing design services like the previous project completed on the main level of the Sturges-Young Auditorium, except for the single use ADA restroom. Frederick Construction will be assisting G.H. Forbes with MEP investigations like the previous project.

Total Cost Estimate for Design and Budgeting.....\$ 25,597.00

- Please see attached breakdown of all fees
- Please note that Frederick Construction may waive some or all the estimating time within this budget if the project moves forward to construction.

Thank you for the opportunity and please contact me with any questions or concerns.

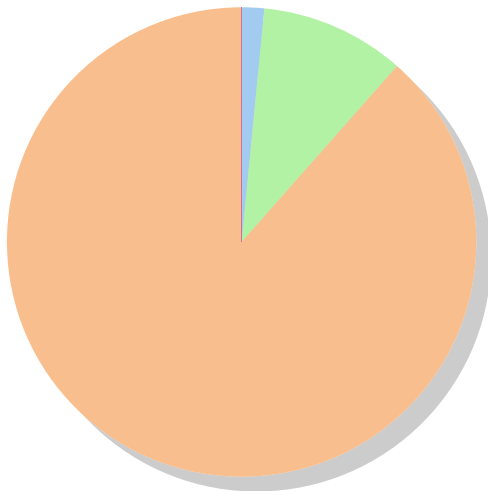
Sincerely,
Ryan D. Collins
Ryan D. Collins
Senior Estimator

Estimate: 181737 Sturges-Young Auditorium_Lower Level Restroom Design & Budgeting

Unit Cost by Division Summary

Item Code	Description	Quantity	Unit	Material Unit Cost	Material Total	Labor Unit Cost	Labor Total	Subcontractor Unit Cost	Subcontractor Total	Total
01 General Requirements										
01.2000.0010	Estimating Time for Budgets & Site Investigations	24.00	HR	0.00	0.00	75.00	1,800.00	0.00	0.00	1,800.00
01.2400.1000	Architectural Fees_G.H. Forbes	1.00	LS	0.00	0.00	0.00	0.00	20,590.00	20,590.00	20,590.00
01.3000.1000	Administrative Requirements_FC Allowance	8.00	HR	0.00	0.00	65.00	520.00	0.00	0.00	520.00
01.5000.1210	Printing & Plan Reproduction_FC Allowance	1.00	AL	200.00	200.00	0.00	0.00	0.00	0.00	200.00
01.7000.1100	Fuel for Site Visits & Meetings	2.00	EA	80.00	160.00	0.00	0.00	0.00	0.00	160.00
01 - General Requirements Totals					\$360.00		\$2,320.00		\$20,590.00	\$23,270.00

Estimate Summary



Description		Total
Sub-Total (Base Cost)		\$23,270.00
Sub-Total (Direct Cost)		\$23,270.00
Overhead & Profit	10.0000%	2,327.00
Total Estimate		\$25,597.00

- Material [\$360]
- Labor [\$2,320]
- SubContractor [\$20,590]
- Equipment [\$0]
- Other [\$0]

May 10, 2022

Mr. Ryan Collins

Frederick Construction

RE: Sturges Theater – Ground Floor Restroom Renovation

Dear Mr. Collins,

G.H. Forbes Associates (Forbes) is pleased to offer professional services for the ground-floor restroom renovation at the Sturges-Young Auditorium located in Sturgis, Michigan. We understand that the scope of work will be similar to the first-floor restroom renovation that we recently worked with Frederick Construction to renovate. The project scope will include updated finishes, new lighting, new plumbing fixtures, exhaust fans, partitions and accessories to match those on the first-floor renovation. The existing floor mounted urinals will be replaced with wall hung urinals with a new plumbing wall. The area of work includes the ground floor men's, women's, powder room and janitor's closet. No unisex or accessible toilet rooms will be provided on the ground-floor level.

FEES

Forbes – Architect and Project Manager	\$10,140
PBA – Mechanical and Electrical Engineering	\$9,500
Forbes markup on Consultants (10%)	\$950

Total Lump Sum Fee: \$ 20,590

Excluded:

Construction Administration

Cost Estimating

PBA has not included any site visits during design.

We hope that you find this proposal responsive to your needs. Please advise of any questions or concerns regarding this proposal.

Sincerely,

G.H. FORBES ASSOCIATES ARCHITECTS, P.C.

Theresa Scherwitz

Digitally signed by Theresa Scherwitz
DN: C=US, E=tscherwitz@ghfaa.com,
O=G.H. Forbes Associates,
CN=Theresa Scherwitz
Date: 2022.05.10 09:20:07-04'00'

Theresa Scherwitz, AIA, LEED AP

Principal

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10 I

CITY OF STURGIS AND
STURGIS LOCAL DEVELOPMENT FINANCING AUTHORITY
OPERATING AGREEMENT

THIS OPERATING AGREEMENT is made this ____ day of _____, 2022, by and between the following parties:

- The City of Sturgis, a Michigan municipal corporation, with offices at 130 N. Nottawa, Sturgis, Michigan 49091 (the “**City**”);
- The City of Sturgis Local Development Finance Authority, an authority established under Act 57 of the Michigan Public Acts of 2018, as amended (“**Act 381**”), with offices at 130 N. Nottawa, Sturgis, Michigan 49091 (the “**LDFA**”);
 - A. The City established the LDFA in August of 2008 to eliminate the causes of unemployment, underemployment, and joblessness therefore benefiting the economic growth of the state. Further, the creation of jobs and the promotion of economic growth stabilize and strengthen the tax bases upon which the City relies and therefore utilizing tax increment financing as a way to eliminate causes of unemployment, underemployment, and joblessness benefits the City.
 - B. The City and LDFA approved the most recent Development and Tax Increment Financing Plans (“**Plans**”) for the LDFA on April 13, 2022. These Plans address the boundaries, authority, eligible projects, and eligible uses of tax capture funds related to the LDFA. These Plans, as well as any amendments to them during the term of the is agreement shall be included as Exhibit A.
 - C. The LDFA exists as a discretely presented component unit of the City for the purposes of accounting and annual audit and the LDFA’s budget is incorporated with the City’s budget approved annually by the Sturgis City Commission.
 - D. The LDFA intends to pursue several infrastructure projects (“**Projects**”) within the corporate boundaries of the City of Sturgis as outlined in the Plans. These projects have been identified by the LDFA and City as joint infrastructure needs.
 - E. The LDFA intends to use the revenues from property taxes that are generated from an increase in the taxable value of the LDFA District to finance Projects over the term of the Plans.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, the parties agree as follows:

ARTICLE I GENERAL CONDITIONS

1.1 Term. This agreement shall run for the duration of the Plans. If the Plans are amended, the term shall be automatically extended to reflect the new duration of the Plans unless one of the parties provides notice to terminate. Following the end of the term of this agreement, section 2.4 of the agreement and any associated provisions shall remain in effect until all Infrastructure Assets, as defined in section 2 below have been contributed to the City.

1.2 Provision of Services. The City shall provide administrative services to the LDFA. These services shall include financial and accounting, human resources, general staffing, engineering, technical, and other services as generally provided by the City to its funds or departments.

- (a) Fees. In exchange for these administrative services, the LDFA shall pay to the City an “administrative reimbursement” calculated on an annual basis and paid on a monthly basis. This fee shall be set by the Sturgis City Commission and provided to the LDFA through the City’s budget process. An explanation of the formula for the fee will be provided to the LDFA during the budget process on the request of the LDFA Board.

ARTICLE II CAPITAL IMPROVEMENTS

2.1 In General. The City and LDFA will work jointly to plan and procure the Projects outlined in the Plans over the life of this agreement. Following construction of a Project, the resulting infrastructure improvement such as water main, electrical substation, road segment, etc. (“**Infrastructure Asset**”) will be handled as per the terms of this section.

2.2 Capital Budgeting. The City and LDFA shall annually approve a six-year capital improvement budget (“**LDFA Capital Budget**”) outlining the Projects to be completed and estimated costs of construction. All projects included in the LDFA Capital Budget must be included in the Plans.

2.3 Procurement.

- (a) Capital Purchases. All infrastructure assets and capital items purchased by the LDFA over \$30,000.00, including services related to the purchase or construction of a Infrastructure Asset must either be included in the approved LDFA Capital Budget for that fiscal year or must be approved by votes of both the City Commission and LDFA Board.
- (b) Bidding. As part of the administrative services provided in section 1.2 of this Agreement, the City shall assist the LDFA in bidding Projects or

acquiring contracted bidding services as deemed necessary and financially practical.

- (c) Purchasing Guidelines. The LDFA shall follow the City of Sturgis Purchasing Policy & Guidelines as amended (“**Purchasing Policy**”) for all purchases under this agreement. The Purchasing Policy, as amended during the term of this Agreement, shall be included as Exhibit B. In any cases where this Agreement and the Purchasing Policy conflict, this Agreement shall control.
- (d) Approval of Bids. All bids for Projects shall be presented to the Sturgis City Commission for review and recommendation to the LDFA Board. The LDFA Board shall approve all bids for Projects and enter contracts with the approved bidder.

2.4 Ownership of Infrastructure Assets. Following completion of a Project, the LDFA shall maintain ownership of an Infrastructure Asset until such time as all financing for the Project has been paid. At such time the LDFA will transfer the Infrastructure Asset to the City of Sturgis as contributed capital at no cost to the City.

2.5 Maintenance of Infrastructure Assets. While still under the term of a financing agreement and ownership of the LDFA, Infrastructure Assets will be managed and maintained by the City of Sturgis. All costs associated with repair or maintenance will be the responsibility of the City.

ARTICLE III EVENTS OF DEFAULT AND REMEDIES

3.1 Events of Default. If either party fails to uphold the provisions of this Agreement, it shall be considered an event of default.

3.2 Remedies in Event of Default. If any event of default as defined above occurs, the party in default has 30 days to cure the default. After this period, the non-defaulting party has the right, but not the obligation, to terminate this Agreement effective immediately.

ARTICLE IV MISCELLANEOUS

4.1 Assignment. This Agreement may not be assigned by any of the parties without the prior written consent of all of the other parties, which shall not be unreasonably withheld.

4.2 Amendment. This Agreement contains the entire understanding and agreement of the parties as to the subject matter hereof and may be amended only by written agreement of all parties.

4.3 Notices. Any notice, request, or other communication given under this Agreement to any party must be in writing and will be deemed given either when delivered personally or by express courier or by registered or certified U.S. mail or by email (with return email confirming receipt) to such party at the address set forth below, unless the receiving party has designated in writing a different address by providing notice in compliance with this Section:

If to the City:

City of Sturgis
130 N. Nottawa
Sturgis, Michigan 49091
Attention: Michael L. Hughes
mhughes@sturgismi.gov

If to the LDFA:

City of Sturgis Local Development Finance Authority
130 N. Nottawa
Sturgis, Michigan 49091
Attention: Andrew Kuk
akuk@sturgismi.gov

4.4 Waiver. No delay on the part of any party hereto in the exercise of any right or remedy shall operate as a waiver of such right or any other right; a waiver on any one occasion shall not be construed as a bar to or waiver of any subsequent breach of the same or any other provision of this Agreement on a future occasion.

4.5 Enforceability. This Agreement shall be enforceable only by the parties hereto and no other person shall have the right to enforce any provision contained herein.

4.6 Severability. In case any one or more of the provisions contained in this Agreement or any document, instrument, or agreement required hereunder should be declared invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein will not be affected or impaired in any way.

4.7 Governing Law. This Agreement and the rights and obligations of the parties under this Agreement is to be governed by, and construed and interpreted in accordance with, the laws of the State of Michigan.

4.8 Recording of Agreement. This Agreement may be recorded with the St. Joseph County Register of Deeds at the election of any Party.

4.9 Captions. The captions contained in this Agreement are for convenience for reference only and do not limit or define the provisions of this Agreement or affect the interpretation or construction thereof.

4.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, will be deemed to be an original, but all such counterparts taken together constitute but one and the same agreement.

The parties have executed this Agreement as of the date set forth above.

CITY OF STURGIS

By: _____
Jeffery Mullins
Mayor

By: _____
Kenneth Rhodes
City Clerk

CITY OF STURGIS LOCAL
DEVELOPMENT FINANCE
AUTHORITY

By: _____
Chairperson

EXHIBIT A

City of Sturgis Development and Tax Increment Financing Plans
(As Amended During the Term of the Agreement)

EXHIBIT B

City of Sturgis Purchasing Policy & Guidelines
(As Amended During the Term of the Agreement)