



AGENDA
CITY COMMISSION MEETING
WEDNESDAY, SEPTEMBER 25, 2024
CITY HALL | 130 N. NOTTAWA ST.
WIESLOCH RAUM

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
 - A. Action of Minutes of Previous Meetings
 - **APPROVE** the minutes from the September 9, 2024 work session as presented.
 - **APPROVE** the minutes from the September 9, 2024 regular meeting as presented.
 - B. Pay Bills
 - **AUTHORIZE** the payment of the City bills in the amount of \$1,887,813.06 as presented.
 - C. MML Liability and Property Pool Board of Directors Election
 - **APPROVE** submittal of ballot for the Michigan Municipal League Liability Property Pool Board of Directors as presented and **AUTHORIZE** the City Manager to sign all necessary documents.
 - D. MDOT State Trunkline Maintenance Contract
 - **APPROVE** the MDOT State Maintenance Contract as presented and **AUTHORIZE** City Manager Andrew Kuk to sign all necessary documents.
9. UNFINISHED BUSINESS - None
10. NEW BUSINESS
 - A. Stateline Substation Design – Chris McArthur
 - B. Department of Energy 247 Hydroelectricity Incentives Grant – Chris McArthur
 - C. PA 152 Election – Holly Keyser
 - D. Budget Amendments – Holly Keyser
11. COMMISSIONER / STAFF COMMENTS
12. ADJOURN

Manager's Report

SEPTEMBER 25, 2024



CITY OF
Sturgis
MICHIGAN

Submitted by:

A handwritten signature in black ink, appearing to read "Andrew Kuk", is written over a white background.

Andrew Kuk
City Manager

8. Consent Agenda

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the Consent Agenda for September 25, 2024 as presented.

Staff Recommendation:

APPROVE

8A. Action of Minutes of Previous Meetings

Consent Agenda Motion:

APPROVE the minutes from the September 9, 2024 work session as presented.

Consent Agenda Motion:

APPROVE the minutes from the September 9, 2024 regular meeting as presented.

8B. Pay Bills

Consent Agenda Motion:

AUTHORIZE the payment of the City bills in the amount of \$1,887,813.06 as presented.

8C. MML Liability and Property Pool Board of Directors Election

Included in your packet is information and a proposed ballot for the Michigan Municipal League Liability and Property Pool Board of Directors. As a member of the pool, the City has voting rights for board representatives. Staff is recommending voting for the incumbents, Thad Beard, City of Rockford and Dan Swallow, City of Tecumseh.

Consent Agenda Motion:

APPROVE submittal of ballot for the Michigan Municipal League Liability Property Pool Board of Directors as presented and AUTHORIZE the City Manager to sign all necessary documents.

Included in your packet:

1. Information Letter and Ballot

8D. MDOT State Trunkline Maintenance Contract

The Michigan Department of Transportation is requesting that the City of Sturgis enter into a new 5-year contract to maintain portions of the State Trunkline within the City limits. The types of maintenance performed include snow removal, anti-icing liquid, road salt application, sweeping, crack sealing, pothole patching, and catch basin cleaning.

The previous contract went into effect on October 1, 2019 and expires on September 30, 2024. This contract will be in effect from October 1, 2024 through September 30, 2029. There are no significant changes in the terms from the previous contract.

Consent Agenda Motion:

APPROVE the MDOT State Trunkline Maintenance Contract as presented and AUTHORIZE City Manager Andrew Kuk to sign all necessary documents.

Included in your packet:

1. MDOT Contract

10. New Business

A. Stateline Substation Design

Staff: Chris McArthur

The Stateline substation design project includes the construction of a new 69kV:12.5kV electrical substation to reduce loading on the City of Sturgis' Southeast Substation. This will support load growth along the southern portion of the service territory and support the integration of the proposed 10 MW battery storage facility.

The new substation will include installation of a two-line 69kV dead-end structure, 69kV bus, two 69kV breakers, two 69kV circuit switchers, two 15/20/25MVA power transformers with LTC, five 15kV distribution circuit breakers, plus fence, metering, control house, and all associated protective relaying. Distribution circuit design will include four (4) circuit exits to riser structures outside the substation connecting to existing overhead circuits. Proposed 69kV transmission connection will include routing the existing AEP 69kV line into the new substation. One construction contract will be prepared covering site work, substation construction, 69kV transmission connection, plus connection of the four (4) 12.5kV distribution circuits.

As part of our 5-year contract with Verdantas (formally GRP Engineering) approved in June 2023, they will manage the project for the City of Sturgis, complete engineering design, assist with material procurement, prepare and process one construction contract, perform construction observation, and perform start-up and function testing of the substation. Verdantas' fee structure is broken into two phases: Engineering Design and Material Procurement in the amount of \$252,000.00 and Contract Administration / Start-Up & Commissioning \$76,000.00.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the proposal from Verdantas for the Stateline substation design in the amount of three hundred twenty-eight thousand dollars (\$328,000.00) as presented.

Staff Recommendation:

APPROVE

Information Included in Packet:

1. Proposal from Verdantas

10. New Business

B. Department of Energy 247 Hydroelectricity Incentives Grant

Staff: Chris McArthur

In October of 2023, the Electric department through Power Systems Engineering applied for the Section 247 of the Energy Policy Act of 2005 Maintaining and Enhancing Hydroelectricity Incentives Grant. The total amount requested was \$1.35 million with a total project cost estimated at \$4.5 million.

The grant funds would be used to help fund the embankment rehabilitation project at the hydro dam. The proposed repairs at the Sturgis Dam would address ongoing seepage at the toe of slope of the main earthen embankment, along with addressing stability issues with the downstream slope of the earthen embankment via flattening of the embankment slope. In addition to the seepage and slope stability issues, several other project components have been identified and will be combined with the main earthen embankment repair, including raising the crest of the detached earthen embankment, raising the concrete spillway abutment wall to match the reconstructed earthen embankment critical section, removing and replacing the grout mattress with riprap on the upstream earthen embankment slope, construction of an American's with Disabilities Act (ADA) compliant path to the St. Joseph River, and addressing surface drainage along the toe of the dam and access road.

Review of Final Design Plans and Specifications is ongoing with the Federal Energy Regulatory Commission (FERC). Construction is targeted to begin in Fall 2025 and is budgeted for in the FY 2025-2026 Capital Budget.

In September of this year the City received notice that we were recommended for negotiation for an incentive award by the Grid Deployment Office (GDO). With this notification more data is being requested by the GDO for this project which will require approval and signatures by an authorized official.

Proposed Motion:

Move that the Sturgis City Commission AUTHORIZE/NOT AUTHORIZE City Manager Andrew Kuk to sign all necessary documents related to grant negotiations with the Department of Energy as presented.

Staff Recommendation:

AUTHORIZE

Information Included in Packet:

1. DOE Negotiation Letter

10. New Business

C. PA 152 Election

Staff: Holly Keyser

Public Act 152 limits the amount public employers may pay for government employee medical benefits. This legislation provides a maximum per year amount (hard cap) that a public employer would pay for health insurance benefits, including premiums and contributions to flexible benefits or health savings accounts. For 2025, these maximum levels are \$7,718.26 for single, \$16,141.28 for two-person, or \$21,049.85 for a family; the City's current premiums for the PPO plan are above these levels.

The legislation also provides two alternatives for local municipalities. First, by a majority vote of the City Commission, the City could "opt-in" to an 80/20% cost-sharing arrangement where the City would pay no more than 80 percent of the total annual costs of all the medical benefit plans. The second alternative is that with two-thirds vote of the City Commission, the City can "opt-out" and exempt the City from the requirements of this Act for the next year. The law requires action on either alternative be taken by December 31, 2024 for 2025.

Last year the Commission approved a resolution which included exercising the opt-out provision, setting employee contributions at 20% for 2024, and establishing modified contribution levels for a high deductible plan option. City staff is recommending that the Commission opt-out again this year in order to continue this hybrid approach. With no action by the Commission, the hard caps would go into effect January 1, 2025 for non-union employees.

Currently, the City offers a high-deductible plan with a health savings account to all eligible employees. Because of the savings associated with this plan, combined with the significant increases in deductibles, City staff is recommending that the employee contribution be set at \$200.00 for a single contract or \$300.00 for all others. Under this recommendation, if an employee participates in the available health incentives, the employee contribution would be zero.

For employees opting out of coverage, the rebate they receive for opting out of medical insurance is recommended to remain at \$3,500.00 for 2025 with an additional \$200 for also declining dental coverage. City staff is recommending the City contribute \$1,200.00 to employee Health Savings Accounts in 2025, a continuation of the amount approved for 2024.

The resolution included in the packet addresses all of the above recommendations.

Proposed Motion:

Move that the Sturgis City Commission ADOPT/NOT ADOPT the Resolution to Control Municipal Health Care Costs as presented.

Staff Recommendation:

ADOPT

Included in your packet:

1. 2025 Resolution
2. Public Employer Contributions to Medical Benefit Plans Annual Cost Limitations

10. New Business

D. Budget Amendments

Staff: Holly Keyser

Included in your packet is a memo from City Controller Holly Keyser regarding budget amendments for Fiscal Year 2023-2024. In accordance with the Uniform Budgeting and Accounting Act, governmental funds need to be amended to reflect changes in the expected revenue and operating expenditures incurred in the 2023-2024 fiscal year, as compared to those originally estimated.

Proposed Motion:

Move that the Sturgis City Commission APPROVE/DENY the Budget Amendments for Fiscal Year 2023-2024 as presented.

Staff Recommendation:

APPROVE

Information Included in Packet:

1. Budget Amendment Memo

Noteworthy Meetings / Events

- DDA Promotion Committee Meeting | September 9th
- MML Annual Convention | September 11th – September 13th
- SBGP MAP Meeting | September 17th
- Planning Commission Meeting | September 17th
- St. Joseph County Brownfield Authority Monthly Meeting | September 19th
- Downtown Parking Lot Open House | September 19th

Upcoming Events

- Willer's 90 Year Celebration | 9:30am-7pm | September 27th
- Barbecue Fest | Downtown | 12pm-7pm | September 28th
- Josh Gracin | SYCA | 7:30pm | September 28th
- Blind Island Brewery Business After Hours | 5pm-7pm | October 7th
- City Resident Community Clean-up Day | DPS | 8am-12pm | October 19th

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8A

WORK SESSION - STURGIS CITY COMMISSION
MONDAY, SEPTEMBER 9, 2024
WIESLOCH RAUM – CITY HALL

Mayor Perez called the meeting to order at 5:00 p.m.

Commissioners present: Bir, Nieves, Smith, Harrington, Hile, Vice-Mayor Miller, Mayor Perez
Commissioners absent: Mullins

Also present: City Attorney, City Manager, City Controller, Electric Department Superintendent,
City Clerk

Bob Lalond, MPPA, provided details on a potential battery storage project that would provide peak shaving on the electric transmission system. City Manager Andrew Kuk explained that the project would be submitted to the USDA soon. The City Commission had consensus to move forward with the project.

The meeting was adjourned at 5:30 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**REGULAR MEETING - STURGIS CITY COMMISSION
MONDAY, SEPTEMBER 9, 2024
WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

The Invocation was given by Vice-Mayor Miller.

Commissioners present: Bir, Nieves, Smith, Harrington, Hile, Vice-Mayor Miller, Mayor Perez
Commissioners absent: Mullins

Also present: City Attorney, City Manager, City Controller, Electric Department Superintendent,
City Engineer, City Clerk

City Controller Holly Keyser presented third quarter financials. Discussion followed.

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

Voting yea: Seven Voting nay: None Absent: Mullins MOTION CARRIED

Moved by Comm. Hile and seconded by Comm. Smith to approve the Consent Agenda of September 9, 2024 as presented.

8A. Action of Minutes of Previous Meetings

APPROVE the minutes from the August 28, 2024 regular meeting as presented.

B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$2,544,589.66 as presented.

C. Thurston Woods 5K Run for the Residents

APPROVE the Thurston Woods Run for the Residents 5K on October 19, 2024 as presented.

D. Electric Rate Schedule Correction

APPROVE the Electric Rate Schedule amendments for Rate D through Rate PP Time of Use for rates beginning October 1, 2025 and October 1, 2026 as presented.

E. Sturgis Township Property Transfer – 71541 M-66

ADOPT the resolution transferring parcel #75-015-024-006-01 into the City under parcel #75-052-777-456-00 as presented.

Voting yea: Seven Voting nay: None Absent: Mullins MOTION CARRIED

City Manager Andrew Kuk and SNP Director Kathryn Myers provided information on a community wide clean up that would be located at the DPS site. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Smith to approve the Sturgis Neighborhood Program Community Clean-up Day on October 19, 2024 from 8am-12pm as presented.

Voting yea: Seven Voting nay: None Absent: Mullins MOTION CARRIED

City Engineer Barry Cox provided details on the elimination of loading zones on US 12 downtown as required by MDOT. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Smith to rescind Traffic Control Order #19-04 as presented.

Voting yea: Seven Voting nay: None Absent: Mullins MOTION CARRIED

Electric Department Superintendent Chris McArthur provided details on a grant agreement for tree removal. Discussion followed.

Moved by Comm. Hile and seconded by Comm. Smith to approve the Grid Resilience Program Grant Agreement with the Michigan Department of Environment, Great Lakes, and Energy for Project # MEO-24-059 as presented and authorize City Manager Andrew Kuk to sign all necessary documents.

Voting yea: Seven Voting nay: None Absent: Mullins MOTION CARRIED

City Manager Andrew Kuk explained that some of the Barbeque Fest, on September 28th, vendors have requested to use two parking spots on US12 the day prior to the event to set up and begin preparation. The City Commission had consensus to allow this.

The meeting was adjourned at 6:45 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8B

Accounts Payable Bill Proof - CITY OF STURGIS, MI

Date: 9/25/2024 Month: 12

Date	Check#	Vendor	VendorName	Amount
09/13/2024	PR0645M	00061	CITY OF STURGIS PAYROLL	347,427.24
08/16/2024	T17026M	04088	BLUE CROSS BLUE SHIELD OF MI	29,318.19
08/23/2024	T17027M	04088	BLUE CROSS BLUE SHIELD OF MI	75,184.61
08/30/2024	T17028M	04088	BLUE CROSS BLUE SHIELD OF MI	71,008.80
09/06/2024	T17029M	04088	BLUE CROSS BLUE SHIELD OF MI	40,130.45
09/23/2024	T17030M	03770	MICHIGAN GAS UTILITIES	43.77
09/23/2024	T17031M	03770	MICHIGAN GAS UTILITIES	8,685.15
09/23/2024	T17032M	03770	MICHIGAN GAS UTILITIES	44.36
09/03/2024	T17033M	05903	WEST SIDE BEER DISTRIBUTING	189.30
09/05/2024	T17034M	03245	IMPERIAL BEVERAGE	235.80
09/11/2024	T17035M	00512	CAMOCO FUEL SYSTEM	14,659.09
09/23/2024	T17036M	04389	FRONTIER COMMUNICATIONS A	57.36
09/25/2024	T17037M	04389	FRONTIER COMMUNICATIONS A	396.64
09/02/2024	T17038M	04197	MI PUBLIC POWER AGENCY	194,565.00
09/09/2024	T17039M	04197	MI PUBLIC POWER AGENCY	207,809.01
09/25/2024	T17040M	03770	MICHIGAN GAS UTILITIES	56.25
09/25/2024	T17041M	03770	MICHIGAN GAS UTILITIES	57.40
09/27/2024	T17042M	03770	MICHIGAN GAS UTILITIES	42.17
09/26/2024	T17043M	03770	MICHIGAN GAS UTILITIES	73.70
09/27/2024	T17044M	03770	MICHIGAN GAS UTILITIES	18.67
09/27/2024	T17045M	03770	MICHIGAN GAS UTILITIES	75.32
09/27/2024	T17046M	03770	MICHIGAN GAS UTILITIES	39.51
09/16/2024	T17047M	04197	MI PUBLIC POWER AGENCY	213,320.14
09/13/2024	T17048M	00062	CITY OF STURGIS-EMPLOYEE INS	72,455.49
09/13/2024	T17049M	00063	CITY OF STURGIS TAX TRANSFER	19,246.43
09/13/2024	T17050M	00064	INTL CITY MGMT ASSOC RETR CORP	10,122.60
09/13/2024	T17051M	00065	DOYLE MEMBERSHIP TRANSFER	2,946.64
09/13/2024	T17052M	03229	CITY OF STURGIS-WORKERS COMP	3,123.73
09/13/2024	T17053M	05123	COMERICA BANK-INST TRUST SERV	32,025.54
09/13/2024	T17054M	05588	ALERUS FINANCIAL/MERS TRANSFER	3,237.46
09/13/2024	T17055M	06190	HEALTH EQUITY/HSA PR TRANSFER	400.00
Manual Total				1,346,995.82
09/25/2024	249977	00066	ACTION QUICK PRINT PLUS	784.76
09/25/2024	249978	06156	AGILE TICKETING SOLUTIONS LLC	135.96
09/25/2024	249979	00296	ALECIA J LARIMER	44.07

Accounts Payable Bill Proof - CITY OF STURGIS, MI

Date: 9/25/2024 Month: 12

09/25/2024	249980	00332	ALEXANDER CHEMICAL CORP	345.00
09/25/2024	249981	00296	ALEXANDER SCHESKE	50.00
09/25/2024	249982	00002	ALL-PHASE ELECTRIC SUPPLY	5,764.70
09/25/2024	249983	06119	AMAZON.COM SALES INC	3,601.33
09/25/2024	249984	06318	AMBULANCE BILLING NETWORK LLC	1,490.01
09/25/2024	249985	02292	ASPLUNDH TREE EXPERT CO	5,408.30
09/25/2024	249986	00130	BANDHOLTZ PAINT MFG CO	55.80
09/25/2024	249987	05001	BAUCKHAM THALL SEEGER	1,851.57
09/25/2024	249988	06117	BENITA ANN LEWIS	30.00
09/25/2024	249989	02749	HARLAN BLOOD	15.00
09/25/2024	249990	00132	BOFA INC	48.00
09/25/2024	249991	00005	BOGEN CONCRETE INC	1,348.25
09/25/2024	249992	00006	BOLAND TIRE INC	869.64
09/25/2024	249993	05991	BORGESS MEDICAL GROUP	108.00
09/25/2024	249994	03327	BOUND TREE MEDICAL LLC	698.84
09/25/2024	249995	06474	BROWN EQUIPMENT COMPANY	421.91
09/25/2024	249996	06416	BX2 EXCAVATING LLC	9,600.00
09/25/2024	249997	03343	BYLER ELECTRIC INC	960.00
09/25/2024	249998	00364	CAROL DUSTIN	280.00
09/25/2024	249999	04673	CDW GOVERNMENT LLC	403.68
09/25/2024	250000	01323	CITY OF COLDWATER	260.00
09/25/2024	250001	06296	CIVICPLUS LLC	2,465.53
09/25/2024	250002	06549	CODY J PENNY	56.00
09/25/2024	250003	03605	COLDSPRING GRANITE COMPANY	316.80
09/25/2024	250004	02213	COMPASS MINERALS	6,691.40
09/25/2024	250005	03059	CONCORD EXCAVATING, LLC	128,200.46
09/25/2024	250006	05108	CORRIGAN OIL CO	1,192.01
09/25/2024	250007	06325	COTTIN'S HARDWARE	470.96
09/25/2024	250008	06158	CULLIGAN WATER OF STURGIS	223.00
09/25/2024	250009	05909	TONY D'HAESE	56.00
09/25/2024	250010	00041	DELILA HERSHBERGER	180.00
09/25/2024	250011	02005	DELL MARKETING LP	5,029.80
09/25/2024	250012	00160	DURY OIL CO	108.56
09/25/2024	250013	06014	EGANIX INC	840.00
09/25/2024	250014	05154	ELECTRICAL POWER PRODUCTS INC	44,233.00
09/25/2024	250015	00166	ELHORN ENGINEERING CO	2,841.00
09/25/2024	250016	05634	ENERGY RECOVERY SYSTEMS	10,095.57

Accounts Payable Bill Proof - CITY OF STURGIS, MI

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09/25/2024	250017	05745	ERICA VARGAS SARCO	40.00
09/25/2024	250018	05434	F & F GRINDING SERVICE	205.00
09/25/2024	250019	06572	FAMILY FARMS LLC	1,668.00
09/25/2024	250020	01204	FERGUSON DBA POLLARDWATER	76.81
09/25/2024	250021	05841	FERGUSON FACILITIES SUPPLY	386.88
09/25/2024	250022	05490	FERGUSON WATERWORKS #3386	26,705.29
09/25/2024	250023	00776	FLEIS & VANDENBRINK	19,396.00
09/25/2024	250024	06287	FOCAL POINT STUDIOS	1,000.00
09/25/2024	250025	04389	FRONTIER COMMUNICATIONS A	99.48
09/25/2024	250026	02082	GECKO SECURITY LLC	50.00
09/25/2024	250027	00608	GLEN OAKS COMMUNITY COLLEGE	555.72
09/25/2024	250028	06367	GMES LLC DBA FARWEST	29.25
09/25/2024	250029	00183	GRAINGER INC	179.81
09/25/2024	250030	06408	GRAND IMPRESSIONS PROP MAINT	185.00
09/25/2024	250031	00296	GREENBUD TECHNOLOGIES LLC	527.76
09/25/2024	250032	04243	GRP ENGINEERING INC	11,800.00
09/25/2024	250033	06219	HAVILAND PRODUCTS COMPANY	1,035.00
09/25/2024	250034	03515	HYDROCORP	4,625.50
09/25/2024	250035	05365	HYPE BRAND MANAGEMENT	4,000.00
09/25/2024	250036	05522	INTERSTATE BATTERIES-GREAT LKS	42.95
09/25/2024	250037	01101	JANENE KOSMAN	100.00
09/25/2024	250038	06314	JODIE M JOHNSON	20.00
09/25/2024	250039	05842	JOHN DEERE FINANCIAL	27.34
09/25/2024	250040	06217	JOHN J FLOWERS	40.00
09/25/2024	250041	06482	KENDRICK STATIONERS	102.74
09/25/2024	250042	00296	KEY VENTURES	23.66
09/25/2024	250043	01656	KOORSEN FIRE & SECURITY INC	270.80
09/25/2024	250044	00581	KRONTZ GENERAL MACHINE & TOOL	4,437.00
09/25/2024	250045	04071	KS AUTO SERVICE INC	1,257.08
09/25/2024	250046	04039	LAKELAND ASPHALT CORP	1,297.88
09/25/2024	250047	05977	LAKELAND INTERNET LLC	106.94
09/25/2024	250048	00296	LAURA AND PHILLIP M OWNBEY	78.26
09/25/2024	250049	00296	LAURA AND PHILLIP OWNBEY	38.16
09/25/2024	250050	03684	LEXISNEXIS RISK SOLUTIONS	100.00
09/25/2024	250051	00296	LILLY A WHITE	58.60
09/25/2024	250052	06571	M & K JETTING AND TELEVISION	12,706.87
09/25/2024	250053	05156	M A A C PROPERTY SERVICES	4,225.16

Accounts Payable Bill Proof - CITY OF STURGIS, MI

Date: 9/25/2024 Month: 12

09/25/2024	250054	06250	MARANA GROUP	1,147.42
09/25/2024	250055	03707	MARCELLUS METALCASTERS	11,567.20
09/25/2024	250056	06129	MARJORIE BERYL SHELITO	200.00
09/25/2024	250057	06155	MERCER SEPTIC AND EXCAVATING	2,380.00
09/25/2024	250058	03774	STATE OF MICHIGAN	30.00
09/25/2024	250059	03774	STATE OF MICHIGAN	198.00
09/25/2024	250060	00024	STATE OF MICHIGAN - MDOT	27,895.77
09/25/2024	250061	04014	MILLERS SALES & SERVICE	42.11
09/25/2024	250062	06575	MUSIC EXPRESS	1,500.00
09/25/2024	250063	06267	NEW CREATIONS LANDSCAPE LLC	3,306.41
09/25/2024	250064	00255	NIBLOCK EXCAVATING INC	6,677.55
09/25/2024	250065	00041	NICOLE OLIVER	180.00
09/25/2024	250066	06491	ONLINE INFORMATION SERVICES	201.87
09/25/2024	250067	04537	NICK PERRY	365.00
09/25/2024	250068	03104	PHILLIPS STEEL CORPORATION	280.15
09/25/2024	250069	05042	PLANT GROWTH MANAGEMENT SYSTEM	5,600.40
09/25/2024	250070	00485	POWER LINE SUPPLY	1,303.73
09/25/2024	250071	02338	RAM PRODUCTION BACKLINE INC	2,250.00
09/25/2024	250072	00537	REGULATORY COMPLIANCE SERVICES	395.00
09/25/2024	250073	05739	RENEWABLE WORLD ENERGIES LLC	2,934.99
09/25/2024	250074	00035	RESCO	4,467.60
09/25/2024	250075	06547	REVEL ROAD TOURING LLC	6,000.00
09/25/2024	250076	06038	REVOLUTION HEALTH, P.C.	214.00
09/25/2024	250077	06521	RICKETT'S LAWN CARE	140.00
09/25/2024	250078	00277	RS TECHNICAL SERVICES INC	1,230.00
09/25/2024	250079	00608	SARAH LEHMAN	60.00
09/25/2024	250080	05765	SELKING INTERNATIONAL	3,950.31
09/25/2024	250081	06280	SHOULDice INDUSTRIAL	27,109.90
09/25/2024	250082	06440	SOLBERG KNOWLES & ASSOCIATES	4,913.00
09/25/2024	250083	00296	SONYA L CARTER	5.84
09/25/2024	250084	02880	ST JOE CO TRANSPORTATION AUTH	500.00
09/25/2024	250085	01546	ST JOSEPH CO ROAD COMMISSION	1,327.54
09/25/2024	250086	06231	STANLEY STEEMER	5,380.83
09/25/2024	250087	00488	STATE SYSTEMS RADIO INC	195.00
09/25/2024	250088	06222	STEAM TEAM HOME SERVICES	898.00
09/25/2024	250089	04274	STEENSMA LAWN & POWER EQUIP	1,374.66
09/25/2024	250090	06525	STRAIGHT LINE MOWING	100.00

Accounts Payable Bill Proof - CITY OF STURGIS, MI

Date: 9/25/2024 Month: 12

09/25/2024	250091	06487	STURGIS ACE HARDWARE	1,042.10
09/25/2024	250092	01021	STURGIS COMMUNITY FOUNDATION	38,845.00
09/25/2024	250093	00042	STURGIS ELECTRIC MOTOR	2,250.00
09/25/2024	250094	05918	THE STURGIS HISTORICAL SOCIETY	1,690.00
09/25/2024	250095	04140	SWICK BROADCASTING COMPANY	800.00
09/25/2024	250096	06107	TALIA YEOMAN	385.00
09/25/2024	250097	00046	TELE-RAD INC	177.50
09/25/2024	250098	06091	THE ARMSTRONG MONITORING CO	1,669.00
09/25/2024	250099	05777	TRACE ANALYTICAL LABORATORIES	70.50
09/25/2024	250100	04714	ULINE	911.40
09/25/2024	250101	06384	USA BLUEBOOK	870.93
09/25/2024	250102	03331	UTILITIES INSTRUMENTATION SERV	1,360.00
09/25/2024	250103	04453	VERIZON WIRELESS	2,307.00
09/25/2024	250104	03511	WASTE MANAGEMENT	8,729.75
09/25/2024	250105	03872	JORY WEBB	420.00
09/25/2024	250106	04994	W MICHIGAN INTERNATIONAL LLC	4,541.45
09/25/2024	250107	06451	WILCOX NEWSPAPERS	145.00
09/25/2024	D02407	04732	ALTA EQUIPMENT COMPANY	1,109.61
09/25/2024	D02408	00335	ALTEC INDUSTRIES, INC.	313.69
09/25/2024	D02409	00340	AMERICAN SAFETY & FIRST AID	348.90
09/25/2024	D02410	02983	CINTAS LOCATION #351	1,920.79
09/25/2024	D02411	06244	EMERGENCY VEHICLES PLUS	2,088.26
09/25/2024	D02412	06505	GALLS LLC	187.79
09/25/2024	D02413	00019	KENDALL ELECTRIC INC	1,049.01
09/25/2024	D02414	03944	LINDE GAS & EQUIPMENT INC	45.30
09/25/2024	D02415	06238	LUBRICATION ENGINEERS, INC	4,365.84
09/25/2024	D02416	05121	MICKEY'S LINEN	526.96
09/25/2024	D02417	06069	NAPA AUTO PARTS	556.96
09/25/2024	D02418	01411	NCL OF WISCONSIN INC	633.40
09/25/2024	D02419	05932	O'REILLY AUTO ENTERPRISES LLC	59.97
Automatic Total				540,817.24
Grand Total				1,887,813.06

PAYROLL DISBURSEMENT
FOR PAYROLL ENDING 09/08/2024
PR0645M PAYROLL DATE 09/13/2024

GENERAL	\$160,928.69
MAJOR STREET	6,869.23
LOCAL STREET	4,745.19
CEMETERY	5,161.33
AIRPORT	1,269.38
BUILDING	3,577.48
HOUSING DEPARTMENT	55.50
STURGES-YOUNG CENTER FOR THE ARTS	6,251.37
RECREATION	3,092.70
DOYLE RECREATION CENTER	8,983.44
AMBULANCE	13,880.92
ELECTRIC	91,333.58
SEWER	19,740.45
WATER	19,094.78
MOTOR VEHICLE	2,443.20
Payroll Sub-Total	\$347,427.24

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8C



michigan
municipal
league

liability &
property
pool

1675 Green Road
Ann Arbor, MI 48105
P: 734-662-3246
800-653-2483
F: 734-662-8083
mml.org

To: Members of the MML Liability & Property Pool
From: Michael J. Forster, Fund Administrator
Date: September 9, 2024
Subject: Pool Director Election

Dear Pool Member:

Enclosed is your ballot for this year's Board of Directors election. Two (2) incumbent Directors have agreed to seek re-election. You may also write in one or more candidates if you wish.

A brief biographical sketch of each candidate is provided for your review.

I hope you will affirm the work of the Nominating Committee by returning your completed ballot in the enclosed return envelope, no later than November 8th. Alternately, you may complete your ballot online:

Go to www.mml.org. At the top of the page, hover over *Programs & Services* and select *Risk Management* from the drop-down list. Next, look for the *Jump To* panel and select *Liability & Property Pool*. The ballot link is on the next page, in the *Jump To* panel, under *Online Forms*.

The MML Liability & Property Pool is owned and controlled by its members. Your comments and suggestions on how we can serve you better are very much appreciated. Thank you again for your membership in the Pool, and for participating in the election of your governing board.

Sincerely,

A handwritten signature in black ink that reads "Michael J. Forster".

Michael J. Forster
Pool Administrator
mforster@mml.org

THE CANDIDATES

Three-year terms beginning January 1, 2025

Thad Beard, Manager, City of Rockford



Thad has over 23 years' experience in municipal government and has been the city manager of Rockford since 2017. He previously served as the City of Otsego's manager for 17 years and as the City of Wayland's assistant manager for three years before that. He is a member of the Michigan Municipal Executives and former member of its Board of Directors. Thad grew up in Kalamazoo, received an undergraduate degree from Great Lakes Christian College and a master's degree from Western Michigan University. Thad is seeking election to his second term.

Dan Swallow, Manager, City of Tecumseh



Dan has more than 18 years' experience as a municipal official and has been the City Manager of Tecumseh since 2015. Previously, his government career included tenures with the Toledo Metropolitan Area Council of Governments, Van Buren Township, and as the Economic & Community Development Director for the City of Monroe. He has credentials from the American Institute of Certified Planners (AICP) and actively participates in the Michigan Association of Planning and Michigan Municipal Executives. Dan grew up in the small northeastern Michigan community of Alpena. Dan is seeking election to his second term.

Michigan Municipal League
Liability & Property Pool

OFFICIAL BALLOT - 2024

Vote for two Directors by marking the line to the left of the name for three-year terms beginning January 1, 2025.

_____ Thad Beard, Incumbent
Manager, City of Rockford

_____ Dan Swallow, Incumbent
Manager, City of Tecumseh

Write-in Candidate

I hereby certify that:

(Municipality/Agency)

by action of its governing body, has authorized its vote to be cast for the above persons to serve as Director of the Michigan Municipal League Liability & Property Pool.

Official Signature
Date:

**Ballot deadline:
November 8, 2024**

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 8D

MICHIGAN DEPARTMENT OF TRANSPORTATION
STATE TRUNKLINE MAINTENANCE CONTRACT
MUNICIPALITY

This Contract made and entered into by and between the Michigan Department of Transportation (MDOT), and the MUNICIPALITY, a Michigan municipal corporation (Municipality).

RECITALS:

MDOT is authorized by 1925 PA 17 Section 2, MCL 250.62 to contract with the Municipality for the construction, improvement, or maintenance of state trunkline highways and appurtenant facilities. MDOT, subject to the approval of the State Administrative Board; and

MDOT has affirmatively found that contracting with this Municipality for the maintenance of state trunkline highways and bridges within its contract area, is in the best public interest; and

MDOT has so advised the State Transportation Commission and the Appropriations Committees of the Senate and House of Representatives in accordance with 1951 PA 51 Section 11c, MCL 247.661c; and

The parties agree as follows:

SECTION 1. SCOPE OF WORK

- A. Services Provided: For the term of this Contract, the Municipality agrees to maintain the state trunk line highways and, if applicable, appurtenant facilities within the Contract Area by performing maintenance work. Maintenance work will be performed under the direction of the Region Engineer of MDOT or a designee of the Region Engineer, acting under the general direction of the Engineer of Transportation Systems Management and Operations (TSMO) of MDOT. Work performed under this Contract will be performed in accordance with accepted maintenance practices and/or specifications provided by MDOT as identified in a written Letter of Understanding. For maintenance work not covered by the Field Activity Budget, a Transportation Work Authorization (TWA) will be issued by the Region Engineer.
1. A written Letter of Understanding shall be drafted by MDOT and signed by both MDOT and the designated representative of the Municipality. The letter shall

remain in effect until either replaced or modified by the Region Engineer and approved by the Municipality. The letter will outline the number and type of maintenance activities to be performed under this Contract (A sample Letter of Understanding is attached as Appendix F). The Letter of Understanding shall provide sufficient detail of the work activities to be performed, expectations or outcomes from the performance of this work, and identification of budget line items for budgeting and billing purposes. Attachment G (Municipality Firm Unit Prices) and H (Municipality Snow Hauling Calculation Form) will be attached to the Letter of Understanding.

2. The executed Letter of Understanding and all subsequent approved revisions thereto, are incorporated herein by reference as if the same were repeated in full herein.
 3. If the Municipality is unable to perform any of the services outlined in the Letter of Understanding on a twenty-four (24) hour, seven (7) day-a-week basis, the Municipality will immediately notify MDOT. MDOT will work with the Municipality to ensure that the services defined in the Letter of Understanding are performed.
 4. The Municipality and MDOT may agree to include additional maintenance items to be covered under this Contract. Such items may include, but are not limited to, maintenance of traffic control devices (signals), freeway lighting and intelligent traffic systems (ITS). All such work will be listed in the Letter of Understanding, as set forth in Appendix F, included in the line item budget and defined in a supplemental scope.
 5. The Municipality shall be responsible for providing all traffic control necessary to complete the work as outlined in this Contract unless otherwise agreed to by MDOT.
 6. The Municipality and MDOT may enter into separate agreements for the shared payment of installation, maintenance, and energy costs for traffic control devices.
- B. Specifications and Performance: The Municipality will provide personnel, equipment, materials, and facilities to perform the maintenance work under the terms of this Contract in a manner consistent with MDOT's established guidelines for winter and non-winter maintenance activities.

The Municipality shall perform all maintenance work under this Contract in accordance with accepted maintenance practices and/or specifications provided by MDOT and in accordance with the approved Budget and annual Work Plan.

When MDOT recognizes that a certain maintenance activity, is not in compliance with accepted maintenance practices and/or specifications, it will, within sixty (60) days of the billing of work, issue a written notice to the Municipality. Upon issuance of the first written

notice, MDOT will work with the Municipality to develop a corrective action plan. Once both MDOT and the Municipality are satisfied with the corrective action plan, MDOT and the Municipality will approve the plan for implementation. MDOT will reimburse the Municipality for the cost of the non-compliant work. Once the corrective work is completed in accordance with the corrective action plan, the Municipality will submit the cost for the corrective work for full reimbursement by MDOT. The Municipality agrees that if corrective work is not in accordance with the corrective action plan, the Municipality will not invoice MDOT for the non-compliant corrective work.

If MDOT determines that the corrective work is not in compliance with the corrective action plan, within thirty (30) days it will issue a second written notice to the Municipality describing the unacceptable corrective work, the reason for rejection, and include a written copy of MDOT's maintenance practices and/or specifications, if applicable. Work not meeting the corrective action plan will be corrected by the Municipality in accordance with the second written notice and the previously approved corrective action plan, without additional charge to MDOT. If MDOT, upon completion of the Municipality's second attempt to correct the non-compliant work, determines that the work is still not in compliance, MDOT will have the non-compliant work corrected by other means at MDOT's expense and the Municipality will reimburse MDOT for such expense through Maintenance Local Agency Payment System (MLAP). If there is a disagreement between MDOT and the Municipality regarding whether or not the corrective work meets MDOT's maintenance practices and/or specifications, the Municipality may request the Dispute Resolution Process as outlined in Section 26.

- C. Permits: At the request of the Region Engineer, the Municipality may agree to inspect work performed by permit or otherwise assist MDOT with permits. In such event:
1. MDOT will require all Permit Applicants to "save harmless" the State of Michigan, Transportation Commission, MDOT, and all officers, agents, and employees thereof, and the Municipality, their officials, agents, and employees, against any and all claims for damages arising from operations covered by the permit as a condition of all permits issued by MDOT.
 2. MDOT will further require Permit Applicants to provide Commercial general liability insurance, including coverage for contractual liability, completed operations, and/or product liability, X (Explosion), C (Collapse), & U (Underground), and a contractor's protective liability policy with a blasting endorsement when blasting is involved, or Commercial general liability insurance which includes all the above, naming as additional parties insured on all such policies, the State of Michigan, Transportation Commission, MDOT, and all officers, agents, and employees thereof, the Municipality their officials, agents, and employees. The Permit Applicant will provide written proof of the insurance to MDOT. MDOT may waive this requirement for permits issued to governmental entities or public utilities.

3. The amounts of such insurance will be no less than:

Commercial General Liability Insurance:

The minimum limits shall be \$1,000,000 each occurrence and \$2,000,000 aggregate.

Combined single limit for bodily injury and property damage liability shall be \$1,000,000 each occurrence.

The insurance limits above may be attained through an umbrella policy.

- D. Transportation Work Authorizations: TWA's may be issued by the Region Engineer for both Maintenance work and non-maintenance work. This work may be performed by the Municipality, or a subcontractor as set forth in Section 9 of this Contract. TWA's will be performed in accordance with MDOT's accepted maintenance practices and specifications and as required in the TWA. The Municipality will provide the necessary supervision or inspection to ensure that the work is performed in accordance with the TWA. In the event the Region Engineer finds the work performed not in compliance with MDOT's accepted maintenance practices or the specifications on the TWA, then the corrective action specified in Subsection 1 (B) will be followed.
- E. The Region Engineer is authorized to issue written orders, as necessary, for the performance of maintenance work under the provisions of this Contract.

SECTION 2. RESERVED FOR FUTURE USE

SECTION 3. INTEGRATION OF STATE AND MUNICIPAL WORK

The Municipality will furnish qualified personnel and adequate equipment and may furnish materials, as set forth in this Contract, as needed to perform maintenance on state trunkline highways, consistent with MDOT's established core level of service for winter and non-winter maintenance activities, an approved annual budget, work plan, and work schedule. Personnel and equipment may be used on the local road system and state trunkline highways as conditions warrant.

SECTION 4. HIGHWAY MAINTENANCE CONTRACT ADMINISTRATOR

The Municipality hereby designates Holly Keyser as Contract Administrator on state trunkline highways, who will be responsible for budget and the administration of the Contract. The Municipality's title for this position is Controller. In the event the Municipality desires to replace the Contract Administrator, the Municipality will notify MDOT within (30) days of the change in writing.

SECTION 5. SUPERVISION

The Municipality hereby designates Thomas R. Sikorski or others functioning in the same capacity as Highway Maintenance Foremen, hereinafter referred to as the "Foremen", who will oversee all work covered by this Contract and be responsible to the Contract Administrator. The Municipality will notify MDOT in writing within (30) days of any change in the above personnel. The Municipality will be reimbursed for actual time worked by the Foremen on state trunkline Highway maintenance when supported by daily timecards signed by their immediate supervisor or electronic timekeeping approved by their assigned supervisor subject to the provisions of Subsection 16(B).

SECTION 6. WAGE SCHEDULE

Wages paid by the Municipality for work on state trunkline highways will be the same as on street work for the Municipality. A copy of the union agreement or HR Wage Schedule will be provided to MDOT upon request.

No "stand by at home" pay will be included in charges for work on state trunkline highways.

MDOT will reimburse the Municipality for Direct Labor Overhead costs on all labor costs properly chargeable to MDOT, including but not limited to, vacation, sick leave, holiday pay, workers' compensation, retirement, social security, group life insurance, hospitalization, longevity, unemployment insurance, and military leave, hereinafter referred to as "EMPLOYEE BENEFITS," in accordance with Section 16.

SECTION 7. MATERIALS TO BE ACQUIRED AND SPECIFICATIONS

Material necessary for the performance of this Contract, may be purchased by the Municipality unless otherwise directed by the Region Engineer. The Municipality will advertise and receive competitive bids when such purchases exceed Ten Thousand Dollars (\$10,000.00), or if required by federal or state law. The Municipality shall select the lowest qualified bid.

The Municipality will retain documentation that such bids were taken. Failure to retain documentation that such bids were taken may result in denial of reimbursement of the costs of such materials.

The following materials: bituminous pre-mixed materials, bituminous materials, aggregates (except ice control sand), bulk salt and traffic control devices used on state trunkline highways by the Municipality, will conform to current or supplemental specifications of MDOT, unless otherwise approved in advance by the Region Engineer. The Region Engineer may require approval by MDOT's Construction Field Services Division, or by a laboratory approved by the Construction Field Services Division. Copies of approvals will be placed on file in the offices of the Municipality and the Region Engineer. If MDOT-owned materials are stored jointly with Municipality-owned materials, proper and adequate inventory records must be maintained by the Municipality clearly indicating the portion that is MDOT-owned.

SECTION 8. PRICE SCHEDULE OF MATERIALS AND SERVICES

Materials produced and/or supplied by the Municipality may be furnished at a firm unit price subject to approval of source and price by the Region Engineer. Firm unit prices are not subject to unit price adjustment by review/audit. The term "review/audit" hereafter will be referred to as "review".

The Municipality may change, add, or delete firm unit prices when requested in writing and approved by the Region Engineer at least sixty (60) days prior to the effective date of the change, addition, or deletion. All changes will be submitted with the Firm Unit Prices form, Appendix G.

 X No, Firm Unit Price items will not be used.

 Yes, Firm Unit Price items will be used.

MDOT may review all records necessary to assess the accuracy of the material quantities for all materials on the Firm Unit Price List for which the Municipality requests reimbursement.

Items purchased from a vendor source or vendor stockpile for direct use on the state trunkline highways are not eligible for firm unit price consideration and should be billed at vendor pricing.

Reimbursement for all materials supplied by the Municipality which are not included in the firm unit price schedule will be reimbursed in accordance with Section 16(E). MDOT may review all records for materials purchased from a vendor source or vendor stockpile for direct use on state trunkline highways.

SECTION 9. SUBCONTRACTS

The Municipality may subcontract any portion of the work to be performed under this Contract. Bidding/price solicitation and subcontracts will comply with applicable law and conform to the Municipality's contracting process except as modified herein. All subcontracted work will require the Municipality to submit a Quotation Request for Services or Equipment (Form 426) along with relevant bid and contract documents and bid or quote tabulation.

All subcontracted work will be performed in accordance with the established Scope of Work outlined on Form 426 and any specifications developed by the Municipality and/or MDOT for the subcontracted work. The scope of work and any specifications must be approved by the Region Engineer. The Municipality will provide the necessary supervision or inspection to assure the subcontracted work is performed in accordance with the scope of work and specifications. At no time will the Municipality pay for subcontracted work until the work has been inspected and approved by the Municipality for compliance with the scope of work and specifications.

Emergency work will be subcontracted based on a verbal approval given by the Region Engineer. The work must be supported by the submission of a Form 426 and summary of emergency work within 15 days of completion.

The parties agree to extend the terms of the Contract if subcontracted work is incomplete at the conclusion of the Contract term. This provision shall not apply if this Contract is terminated by the Municipality or MDOT. In situations where this Contract is terminated by the Municipality or MDOT, all subcontracts shall be deemed terminated as of the date the Contract is terminated. The Municipality must incorporate this provision into all subcontracts.

County and/or Municipality-based advantage programs, hereinafter the "CBA Process", or any type of preference program which awards contracts based on criteria other than low bid through the competitive bidding process, may not be used for any work under this Contract.

Failure to obtain the necessary approvals or to retain the documentation that the bids, prices, or rate quotations were solicited as required in this section may result in a denial of the reimbursement of the costs.

The term of any subcontract will not exceed five (5) years including any extensions.

For subcontracts involving the items of Drainage Structure Cleanout, Curb Sweeping, and Area Mowing, the Municipality will include a cancellation clause that will allow the Municipality to cancel the subcontract if funds are not made available by MDOT.

All Subcontracts shall be awarded to the lowest qualified bid. Subcontract solicitation and approval process will be as follows:

- A. **Subcontracts less than \$25,000:** The Municipality will solicit either a bid price, or rate quotation from three or more qualified sources. Documentation of solicitation from all qualified sources must be retained. Region Engineer approval of Form 426 is required.
- B. **Subcontracts \$25,000 or greater:** The Municipality will advertise and award by competitive bid. Advertisements must clearly define the scope of work, performance specifications, MDOT contract terms, and the location of work to be performed. Documentation of the solicitation from all qualified sources must be retained. Region Engineer approval of Form 426 is required.

State Administrative Board requirements for Contracts and Amendments (previously referred to as overruns, extra work and adjustments), are outlined and set forth in Appendix E, attached hereto and made a part hereof.

SECTION 10. NON-DISCRIMINATION

In connection with the performance of maintenance work under this Contract, the Municipality (hereinafter in Appendix C referred to as the "Contractor") agrees to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix C, attached hereto and made a part hereof. The Municipality further covenants that it will comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this Contract.

SECTION 11. ANTI-KICKBACK

No official or employee of the Municipality or of the State of Michigan will receive remuneration (directly or indirectly) for the purchase of materials, supplies, equipment, or subcontracts in connection with the performance of this Contract.

SECTION 12. SCOPE OF CONTRACT

It is declared that the work performed under this Contract is a governmental function which the Municipality performs for MDOT. This Contract does not confer jurisdiction upon the Municipality over the state trunkline highways encompassed by this Contract or over any other state trunkline highways. This Contract may not be construed to confer temporary or concurrent jurisdiction upon the Municipality over a state trunkline highway. Nothing inconsistent with the underlying statutory jurisdiction, duties, prerogatives, and obligations of MDOT is herein intended. The parties hereto further declare that this Contract is not made for the benefit of any third party.

SECTION 13. INSURANCE

- A. The Municipality will furnish MDOT with a certificate of automobile liability insurance, which complies with the No-Fault Automobile Insurance laws of the State of Michigan, MCL 500.3101, *et seq.* The Insurance coverage will include vehicles owned, leased or rented by the Municipality. Such insurance will not be less than Two Hundred and Fifty Thousand Dollars (\$250,000.00) for bodily injury or death of any one person. Coverage for public liability, property damage, and combined single limit will also comply with the No-Fault Automobile Insurance laws of the State of Michigan. The Municipality will provide thirty (30) days' notice to MDOT prior to cancellation, termination, or material change of the policy. The certificate of said insurance, on MDOT Form 428 (Certificate of Insurance for State Highway Maintenance Contract) covering public liability and property damage, indicating thereon the policy number, and the aforesaid thirty (30) days' notice provisions and the limits of liability, will be submitted to MDOT. The Municipality agrees to review its insurance programs with its statewide association in an effort to obtain cost savings and efficiency for MDOT.

If the Municipality is self-insured, a copy of the Secretary of State's Certificate of Self-insurance will be submitted.

- B. In the event the Municipality receives a Notice of Intent to File Claim and/or any complaint filed by a person seeking to recover damages from the Municipality for its alleged acts or omissions on a state trunkline highway, the Municipality will provide a copy of such notice to the Assistant Attorney General, within fifteen (15) days of receipt of said notice or complaint. The Notice of Intent to File Claim and/or any complaint filed by a person seeking to recover damages from the Municipality will be sent to:

Assistant Attorney General
Division Chief
Transportation Division
Van Wagoner Building - 4th Floor
425 West Ottawa Street
P.O. BOX 30050
Lansing, Michigan 48909

Thereafter, the Municipality will provide copies of pleadings and other information regarding the claim or lawsuit when requested by an Assistant Attorney General

SECTION 14. WORKERS' DISABILITY COMPENSATION

The Municipality will comply with the Michigan Workers' Disability Compensation Act, MCL 500.3400, *et seq.* for all employees performing work under this Contract.

SECTION 15. BUDGET

Each MDOT fiscal year, the Region Engineer will prepare separate budgets for winter and non-winter maintenance in accordance with MDOT guidelines. The Region Engineer, in consultation with the Municipality, shall develop an annual Work Plan which shall include non-winter maintenance activities, a proposed schedule, and the estimated cost for such activities. The sum of those estimated costs will constitute the non-winter Budget and will be distributed monthly in accordance with the proposed schedule.

MDOT agrees that, once established, the fiscal year non-winter maintenance will not be reduced, except as otherwise provided in this Contract. The Budget for winter maintenance activities will be based on a five-year (5) average of winter expenditures which includes the costs for labor, fringe benefits, equipment, MDOT Salt Stores, Municipality-supplied road salt, winter sand, other de-icing chemicals and overhead. Notwithstanding the foregoing, MDOT will establish a statewide holdback fund amount not to exceed thirty percent (30%) of the five (5) year winter average. The statewide holdback funds will be used to cover Winter Overruns of the Municipality, other contract road agencies, and MDOT direct forces. The statewide holdback funds will also be used to pay any budget review adjustments owed to contract agencies. MDOT will distribute any remaining funds in the statewide holdback to contract agencies and MDOT direct forces based on a prioritization of statewide non-winter maintenance needs.

The Region Engineer and the Municipality will review the non-winter maintenance Budget together at least every other month. Any adjustments to the proposed work plan to curtail or expand operations will be addressed in this Budget review. During winter operations,

the winter Budget will be reviewed by the Region Engineer and the Municipality every month to conduct the same review.

MDOT and Municipality will meet between March 1 and May 15 of each fiscal year to develop a supplemental summer program. The supplemental summer program will be funded by the remainder of the winter Budget, if any. The work activities proposed in the supplemental summer program will be prioritized to support MDOT's preservation strategy. The remainder of the winter Budget will be released to the Municipality two weeks after the final bill is received by MDOT covering the winter season as defined in the Winter Letter of Understanding.

If the Municipality's winter overruns (including benefits and overhead) exceed MDOT's winter budget and holdback funds statewide, MDOT will seek additional funding to address the overruns including a supplemental appropriation from the State Budget Office. MDOT reserves the right to reduce the non-winter maintenance Budget if efforts to secure additional funding are unsuccessful.

SECTION 16: REIMBURSEMENT SCHEDULE

MDOT will reimburse the Municipality for costs incurred in the performance of the work covered by this Contract, except as set forth in Sections 18, 19, 20, and 21. To be eligible for reimbursement under this Section, costs must be submitted to MDOT's Maintenance Local Agency Payment (MLAP) system prior to the start of the review for each respective year of the Contract period.

- A. Requests for reimbursement shall be made through MLAP at least bi-monthly (every other month) on the basis of certified statement of charges prepared and submitted by the Municipality within fifteen (15) days from the end of each bi-monthly period. Costs submitted beyond sixty (60) days from the end of each bi-monthly period will include written justification for the delay and will be paid only upon approval of the Region Engineer. Municipalities with a line-item budget contract of \$100,000 or greater **shall** submit request for reimbursement on a **monthly** basis.
- B. MDOT will reimburse the Municipality for the cost of all labor employed in the performance of this Contract. The reimbursement will include the expense of permit inspections, field and office engineering, and reviewing expenses in connection with force account work by subcontractors.
- C. MDOT will reimburse the Municipality for the cost of MDOT's share of the cost of EMPLOYEE BENEFITS as referred to in Section 6 as a percentage of payroll. The percentage shall be developed using MDOT Form 455M (Report of Employee Benefit Costs for the Municipality) and shall conform with the general accounts of the Municipality on the Municipality's previous fiscal years' experience. These charges are subject to review in accordance with Section 25.

- D. MDOT will reimburse the Municipality for the cost of MDOT's share of the actual cost of Municipality owned or purchased energy.
- E. MDOT will reimburse the Municipality for the cost of purchased bulk (measured by volume or weight) materials and Non-Bulk (measured by area or count) material used in the performance of this Contract. The Municipality shall deduct all discounts or rebates in excess of two percent (2%), to establish the reimbursed cost.
- F. MDOT will reimburse the Municipality for the cost of handling materials furnished by the Municipality and materials furnished by MDOT as follows:
1. **Bulk Items (measured by volume or weight):**
The direct expenses of handling, such as unloading, processing, stockpiling, heating, or loading for materials in bulk, bags or drums such as aggregates, bituminous materials and chemicals, on condition that reimbursement of such expenses is not provided elsewhere herein, and these costs can be identified within the records of the Municipality. When bulk items intended for use on the state trunkline are co-mingled with the Municipality's materials for their local roads, MDOT will only reimburse the Municipality for the cost of handling the portion expected to be used on the state trunkline highways. The Municipality will establish a rate of use annually, based on the previous year's use to identify MDOT's share of handling cost. The Municipality's established rate is subject to adjustment by review.
 2. **Non-Bulk Items (measured by area or count):**
A five percent (5%) handling and storage charge may be added to the purchase price of all materials measured by area or count provided such materials are stocked in and distributed from approved storage facilities. When reported by the Municipality, charges for handling and storage in excess of five percent (5%) will be reimbursed to the Municipality upon review, provided that these charges can be identified and supported within the records of the Municipality.
- G. Equipment owned by the Municipality will be reimbursed at the established rental rates found in Schedule C, Report 375 Equipment Rental Rates, issued annually by MDOT. Rented equipment will be reimbursed at actual cost for the equipment rental.
- H. MDOT will reimburse the Municipality for the amounts paid by the Municipality to a subcontractor as set forth in Section 9.
- I. MDOT will reimburse the Municipality for the cost of labor, materials, and equipment rental incurred in connection with engineering, supervision, and inspection of subcontract work.

J. Overhead in Accordance with Attached Overhead Schedule.

MDOT will reimburse the Municipality for overhead costs at the appropriate percentage rate as indicated in Appendix B. The overhead rate shall be based upon the original annual budget established for the Municipality and shall not change.

The overhead amount payable under Section 16(I) is reimbursement to the Municipality for all costs and expenses arising out of the performance of this Contract not specifically described in other sections of this Contract. This reimbursement includes salary and expenses (including transportation) of the Foreman (except as noted in Section 16(K)), salaries of clerical assistants, including radio communication staff, office expense, storage rentals on Municipality owned property, and the cost of small road tools. Work tools without a power assist and used in a road or a bridge maintenance activity, are considered small road tools. Small road tools do not have an equipment rental rate listed in Schedule C, Report 375, Equipment Rental Rates. Small road tools are reimbursed as an overhead cost.

K. MDOT will reimburse the Municipality for MDOT'S pro-rata share of the cost to maintain chemical storage facilities as provided for in the chemical storage facility contracts between the Municipality and MDOT.

L. The Municipality will be reimbursed as a direct cost for work performed by the Foreman making regular inspections of state trunkline highways in accordance with written instructions from the Region Engineer. This time shall be specifically recorded on daily time sheets and reported as a direct labor charge.

It is further agreed that in smaller municipalities, the Foreman designated above may at times be engaged in tasks other than those of a strictly supervisory nature, such as operator of a truck or other highway equipment. The Municipality may be reimbursed for this time worked on state trunklines, provided that all such time for non-supervisory work is specifically recorded on the daily time sheet and reported on the Maintenance Payroll Report Form 410A. The exact dates on which the Maintenance Superintendent so worked, the number of hours worked, and the number of hours worked under each classification shall be indicated on the Maintenance Payroll Report Form 410A. **The completed Form 410A shall be uploaded to MDOT's MLAP system.**

SECTION 17: ELECTRONIC FUNDS TRANSFER

Public Act 533 of 2004 requires that payments under this Contract be processed by electronic funds transfer (EFT). The Municipality is required to register to receive payments by EFT at the SIGMA Vendor Self Service (VSS) website (www.michigan.gov/SIGMAVSS).

SECTION 18: SNOW HAULING

MDOT will share in the cost of snow hauling if each snow hauling effort is approved by the Region Engineer. The frequency (annually, each storm, etc.) will be at the discretion of the Region Engineer and will be detailed in the Letter of Understanding. The Municipality should denote snow hauling charges as Activity 149, Other Winter Maintenance, on Trunk Line Maintenance Reports. Prior written authorization from the Region Engineer shall be required for each snow haul event outside the parameters in the Letter of Understanding and shall be kept on file for review purposes.

MDOT'S share of snow hauling will be calculated on the Municipality Snow Hauling Calculation Form, Appendix H. The completed form will be submitted to the Region Engineer. The snow hauling percentage will be based on the ratio of the width of area designated for traffic movement to the width of the total area agreed upon for snow hauling. MDOT is not responsible for snow removal in parking lanes or sidewalks and will subtract the area of parking lanes and sidewalks from the total area of the state trunkline highway right-of-way to determine the area designated for traffic movement.

MDOT'S reimbursement for snow hauling from state trunkline highways will be paid at the below percent of actual charges supported by proper documentation.

 50 percent (%)

The Municipality agrees that it will prohibit additional snow from being deposited on the highway right-of-way from side streets.

SECTION 19: PAVEMENT MARKING

Compensation for the item of Special Markings Paint & Tape will be made on the basis of actual expenditure only, except in no case will the Municipality be compensated for a total expenditure in excess of the amount designated for Special Markings Paint & Tape in the Line Item Budget for the appropriate MDOT fiscal year. Compensation for Special Markings Paint & Tape is limited to only painting authorized by the Region Engineer. The Municipality shall not include charges for curb painting in the routine maintenance cost for state trunkline maintenance.

SECTION 20: COMPENSATION FOR AESTHETIC WORK ITEMS

Compensation for the items of Curb Sweeping, Area Mowing and Litter Pickup will be made on the basis of actual expenditures only, except that in no case will the Municipality be compensated for a total expenditure in excess of the budget amount designated each of these three work activities on the Summary of the Field Activity Budget for the appropriate MDOT fiscal year.

The number of work operations for each of these three activities will be agreed upon between the Municipality and Region Engineer; and reflected in each line activity budget amount.

SECTION 21: TREES AND SHRUBS

Except for emergency work, the Municipality must request MDOT'S written approval to remove dead trees and/or trim trees prior to the start of work. MDOT will pay all costs to remove dead trees. MDOT and Municipality shall equally share costs when state and local forces combine efforts to trim trees within the trunkline right-of-way as approved by the Region Engineer.

SECTION 22: EQUIPMENT LIST

The Municipality will furnish MDOT a list of the equipment it uses during performance under this Contract, on MDOT form 471 (Equipment Specifications and Rentals.) This form shall be uploaded to the Files page in MDOT's MLAP system.

SECTION 23: RECORDS TO BE KEPT

- A. The Municipality will establish and maintain accurate records, in accordance with generally accepted accounting principles of all expenses incurred for which payment is sought or made under this Contract, said records to be hereinafter referred to as the "RECORDS." Separate accounts will be established and maintained for all costs incurred under this Contract. The Municipality will retain the following RECORDS, and others, in accordance with generally accepted accounting principles:
 - 1. Retain daily timecards or electronic timekeeping files for employees and equipment indicating the distribution of time to route sections and work items. Daily timecards must be signed by the employee, the immediate supervisor and by the timekeeper when the timekeeper is employed. If the Municipality uses crew-day cards, it will

retain crew-day cards backed by a time record for the pay period signed as above, in lieu of daily individual timecards detailing the time distribution. If the Municipality uses electronic timekeeping, it will retain data files detailing time distribution and assigned supervisor approval.

2. Retain properly signed material requisitions (daily distribution slips) which indicate type of material, quantity, units of measure, the date of distribution and the distribution to route sections and work items.
 3. Retain additional cost records to support and develop unit cost charges and percentages as applied to invoice costs. Cost records are not necessary in support of the overhead percentage or the five percent (5%) handling charge.
- B. The Municipality will maintain the RECORDS for at least three (3) years from the date of MDOT'S receipt of the statement of charges for the quarter ending September 30 of each year of this Contract period. In the event of a dispute regarding allowable expenses or any other issue under this Contract, the Municipality will thereafter continue to maintain the RECORDS at least until that dispute has been finally decided and the time for all available challenges or appeals for that decision has expired.

The Municipality will maintain all RECORDS supporting equipment usage from the time of equipment purchase to disposal to support any gain or loss from equipment disposed.

Representatives of MDOT may inspect, copy or review the RECORDS at any mutually acceptable time. However, the Municipality cannot unreasonably delay the timely performance of the review.

SECTION 24: COST CERTIFICATION, REIMBURSEMENT AND ADJUSTMENT

The Municipality hereby certifies that, to the best of the Municipality's knowledge, the costs reported to MDOT for this Contract will represent only those items which are properly chargeable in accordance with the Contract. The Municipality also hereby certifies that it has read the Contract terms and is aware of the applicable laws, regulations, and terms of the Contract that apply to the reporting of costs incurred under the terms of this Contract.

SECTION 25: CONTRACT REVIEW AND RESPONSE

- A. The Municipality's records will be subject to review within the statute of limitations, and the review period will coincide with the Municipality's fiscal year, unless the Contract is terminated or not renewed.

Charges by the Municipality for maintenance of state trunkline highways and authorized non-maintenance work performed under this Contract will not be adjusted (increased or decreased) by review after twenty-four (24) months subsequent to the date of MDOT'S receipt of certified statement of charges for the quarter ending September 30 of each year of this Contract period. This limitation will not apply in case of fraud or misrepresentation of material fact or if mutually agreed to in writing.

The firm unit prices for aggregates and bituminous materials that are processed and furnished by the Municipality will not be subject to adjustment.

If any adjustments are to be made, the Municipality will be notified of the tentative exceptions and adjustments within the above twenty-four (24) month period. The twenty-four (24) month period is intended only as a limitation of time for making adjustments and does not limit the time for payment of such amounts. In the event that a review performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Contract or questions the allowability of an item of expense, MDOT will promptly submit to the Municipality a Notice of Review Results and a copy of the Review Report, which may supplement or modify any tentative findings communicated to the Municipality at the completion of a review.

- B. Within sixty (60) days after the date of the Notice of Review Results, the Municipality will submit to MDOT a written response, hereinafter referred to as the "Response", to the Notice of Review Results indicating one of the following options:
1. The Municipality concurs with the Notice of Review Results and will either repay the amount of any overpayment to MDOT and/or or be reimbursed the amount of any underpayment by MDOT.
 2. The Municipality does not concur with Notice of Review Results. The "Response" will explain the nature and basis for any disagreement as to a disallowed item of expense, and/or,
 3. The "Response" will include a written explanation as to any questioned item of expense. The "RESPONSE" will be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned item of expense. Where the documentation is voluminous, the Municipality may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MDOT. The RESPONSE will refer to and apply the language of the Contract.
 4. The Municipality agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MDOT to make a final decision to either allow or disallow any items of questioned cost.

MDOT will review submitted RESPONSE and attached documentation from the Municipality. MDOT will reply in writing acknowledging receipt of the Municipality RESPONSE. The submitted RESPONSE and attached documentation from the Municipality will be referred to the MDOT Appeal Panel. See Section 26, “Dispute Resolution Process”.

SECTION 26: DISPUTE RESOLUTION PROCESS

A. Contract Disputes

For review disputes refer to Section 26 (B) below, all other disputes between the parties shall be resolved under the terms of this section. It is the intent that each party may communicate concerns relative to the contract and resolve any issues as they arise. After a contract issue has been resolved, a summary of the agreed upon resolution shall be jointly drafted and distributed. Some issues may require ongoing communication to resolve and may become an item for negotiation during the next review and renegotiation of the Contract.

If the parties are unable to resolve any dispute, the parties must meet with the Engineer of TSMO or designee. The following are steps to resolve the dispute without the need for formal legal proceedings:

- 1) The representative of the Municipality and MDOT must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with the dispute. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any legal proceeding.
- 2) During negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other’s position.
- 3) The specific format for the discussions shall be left to the discretion of the designated Municipality and MDOT representatives but may include the preparation of agreed upon statement of fact or written statements of position.
- 4) Statements made by the Municipality or MDOT during Dispute Resolution may not be introduced as evidence by either party in any judicial action related to or under this Contract.
- 5) In cases where disputes have not been resolved, any remaining issues will be referred to the MDOT Appeal Panel which consists of four Bureau Directors, three of which will constitute a quorum.

- 6) Every effort will be made to complete this process within 90 calendar days by both parties.

B. Review Disputes

For review disputes the submitted “Response” and attached documentation from the Municipality will be referred to the MDOT Appeal Panel. The Appeal Panel consists of four Bureau Directors, three of which will constitute a quorum.

- 1) MDOT will provide the Municipality with an opportunity to appear before the Appeal Panel to explain and support their Response.
- 2) After an Appeal Panel written decision, the Municipality will either accept the decision or file a lawsuit in a court of proper jurisdiction to contest MDOT’s decision. The filing of a lawsuit must be initiated by the Municipality within thirty (30) days of the receipt of the Appeal Panel’s written decision. MDOT will not withhold or offset the funds in dispute if the Municipality files a lawsuit in a court of proper jurisdiction.
- 3) If the Municipality fails to repay an overpayment or reach an agreement with MDOT on a repayment schedule within the thirty (30) day period, the Municipality agrees that MDOT will deduct all or a portion of an overpayment from any funds due the Municipality by MDOT under the terms of this Contract.
- 4) Every effort will be made to complete this process within 60 calendar days by both parties.

This section shall not be construed to prevent either party from initiating, and a party is authorized to initiate, an action for breach of this Contract or for any other relief allowed by law earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to the other party, or under Injunctive Relief below. If a dispute is not resolved through the Dispute Resolution Process, either party may initiate an action for breach of this Contract, or any other relief allowed by law in a court of proper jurisdiction. Time periods may be extended if agreed upon by both parties.

Injunctive Relief

The only circumstance in which disputes between MDOT and the Municipality shall not be subject to the provisions of this Dispute Resolution Process is when a party makes a good faith determination that it will suffer irreparable harm due to a breach of the terms of the Contract by the other party and that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in Section 28.

SECTION 27: TERM OF CONTRACT

This Contract will be in effect from October 1, 2024 through September 30, 2029.

SECTION 28: CONTRACT TERMINATION OR EXPIRATION

- A. For convenience, MDOT may terminate this Contract by providing written notice to the Municipality at least two (2) years prior to the beginning of the Contract year to which the termination, applies.

The Municipality may terminate this Contract by providing written notice to MDOT at least two (2) years prior to the beginning of the Contract year to which the termination applies.

In the event either party provides notice of an intent to terminate the Contract as provided in this subsection, the Contract shall terminate at the beginning of the Contract year (October 1), two years following the date of the notice. For greater clarity, the parties do not intend for the Contract to terminate as of the date of the notice. Notwithstanding any other provision to the contrary, if a party provides notice of its intent to terminate the Contract as provided in this subsection and the Contract will expire before the two-year notice period has lapsed, the parties agree that the Contract shall be automatically renewed and continue in full force and effect until October 1, two years following the date of the notice.

- B. If a new Contract has not been executed by the parties within 120 days following the expiration of this Contract, this Contract shall be deemed automatically renewed as of the date of expiration and continue in full force and effect for two years following such date. After those two years have lapsed, the Contract shall be deemed terminated.
- C. Notwithstanding any provision of this Contract to the contrary, upon termination of this Contract "for cause", the Municipality must, for a period of time specified by MDOT (not to exceed 90 calendar days), provide all reasonable transition assistance requested by MDOT, to allow for the terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to MDOT or its designees. This Contract will automatically be extended through the end of the transition period.

SECTION 29: STATE OF MICHIGAN ADMINISTRATIVE BOARD RESOLUTION

The provisions of the State Administrative Board Resolution 2017-2, April 25, 2017, are set forth in Appendix D, attached hereto and made a part hereof.

SECTION 30: CONTRACTUAL INTERPRETATION

All capitalized words and phrases used in this Contract have the meaning set forth in Appendix A.

All words and phrases not specifically defined in Appendix A shall be construed and understood according to the ordinary meaning of the words used, but technical words and phrases shall have the meanings set forth in MDOT's publications, manuals, advisories, or guides, as applicable. If no MDOT publication, manual, advisory or guide is applicable, such technical words shall be construed and understood according to the usual and accepted meaning used in the industry or field to which they relate and any words or phrases that have a specialized meaning in the law, shall be construed and understood according to such specialized meaning.

SECTION 31: AUTHORIZED SIGNATURE

This Contract will become binding on the parties and of full force and effect upon signing by the duly authorized official of the Municipality and of MDOT and upon adoption of a resolution approving said Contract and authorizing the signature thereto of the respective official of the Municipality, a certified copy of which resolution will be sent to MDOT with this Contract, as applicable.

MUNICIPALITY

BY: _____
TITLE:



BY: _____
TITLE: MDOT Director

APPENDIX A

DEFINITIONS

Annual Work Plan: A schedule developed by the Municipality and Region Engineer's designee of the routine maintenance work to be performed annually on state trunklines by the Municipality.

Budget: The funds allocated to the Municipality for the fiscal year beginning October 1. Budget may also be referred to as Annual Budget or Field Activity Budget or Maintenance Budget.

Chemical Storage Facilities: Bulk salt storage buildings.

Competitive Bidding: A procurement process that involves advertising work so that qualified vendors can submit bids to perform the work. The contract is then awarded to the lowest qualified bidder.

Contract Administrator: An individual designated by the Municipality responsible for supervising all work covered under this Contract.

Department: The Michigan Department of Transportation.

Engineer of Transportation System Management and Operations (TSMO): The Department's designated engineer of TSMO.

Equipment Questionnaire: A report prepared by the Municipality and forwarded to the Department to substantiate the previous year's actual equipment costs.

Foremen: A person(s) designated by the Municipality responsible for overseeing all work covered under this Contract and is responsible to the Contract Administrator.

Maintenance Work: Routine activities performed on a regular basis or in response to uncontrollable events upon the state trunklines. Also includes planned activities to state trunklines to preserve functional condition and any work authorized by a TWA.

Maintenance of State Trunkline highways/lane miles maintained: The Municipality is to provide the winter and non-winter maintenance activities on its miles as identified within the work plan.

Michigan State Transportation Commission: The policy-making body for all state transportation programs. The Commission establishes policy for the Michigan Department of Transportation in relation to transportation programs and facilities and other such works as related to transportation development as provided by law. Responsibilities of the Commission include the development and implementation of comprehensive transportation plans for the entire state, including aeronautics, bus and rail transit, providing professional and technical assistance, and overseeing the administration of state and federal funds allocated for these programs.

Non-Winter Maintenance Budget: The portion of the Budget allocated to non-winter maintenance activities.

Office of Commission Audit (OCA): The office that reports directly to the Michigan State Transportation Commission. The Office of Commission Audits is charged with the overall responsibility to supervise and conduct review activities for the Department of Transportation. The auditor submits to the Commission reports of financial and operational audits and investigations performed by staff for acceptance.

Region Engineer: The Department's designated chief engineer responsible for the oversight of each region of the Department or that region's designee.

Review: A financial statement review is a service under which the accountant obtains limited assurance that there are no material modifications that need to be made to an entity's financial statement for them to be in conformity with the applicable financial reporting framework. OCA's review will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States. A review consists primarily of inquiries of personnel and the application of analytical procedures to data.

Schedule C Equipment Rental Rates: The department's annual list of statewide hourly equipment rental rates that shall be charged for the use of road equipment calculated from the average costs submitted by each agency in the "Equipment Questionnaire".

Small Road Tools: Hand tools which do not have power assist (non-powered) used for general road and bridge maintenance such as rakes, shovels, brooms, etc.

Small Power Tools: Work tools powered by electricity or battery power and have a rental rate assigned.

State Administrative Board: A Board that consists of the Governor, Lieutenant Governor, Secretary of State, Attorney General, State Treasurer, and the Superintendent of Public Instruction. The DTMB designates a Secretary to the State Administrative Board and provides for staff support. The State Administrative Board has general supervisory control over the administrative activities of all state departments and agencies, including but not limited to, the approval of contracts and leases, oversight of the state capital outlay process and the settlement of small claims against the state. The State Administrative Board functions through three standing committees (Finance and Claims, Building, Transportation and Natural Resources) which make recommendations to the Board. The State Administrative Board meets the first and third Tuesday of each month.

State Trunkline Highway: A road, highway, or freeway under the jurisdiction of the Department, and usually numbered as an M, US, or Interstate Route.

Termination for Cause: The exercise of MDOT's right to terminate this Contract "for cause", in whole or in part, if the Municipality, as determined by MDOT: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose MDOT to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

Termination Date: The date the contract is no longer effective.

Transportation Work Authorization (TWA): A written order for work not covered by the Budget. Funding for the TWA is reimbursed to the Municipality in addition to the annual Budget.

Transportation and Natural Resources Committee: A committee that approves the award of Michigan Department of Transportation (MDOT) contracts and agreements; Department of Natural Resources (DNR) oil, gas, and mineral leases; conveyance of submerged lands. The committee meets the Wednesday before the State Administrative Board meeting. The agenda is prepared by MDOT and DNR.

Winter Maintenance: Maintenance Work centered on the process to remove snow and ice from the trunkline to provide a reasonably clear and bare driving surface under prevailing winter conditions. The activity numbers that define the Budget line items for winter maintenance are:

1410: Winter maintenance

1440: Winter road patrol (*See winter maintenance patrol below*)

1490: Other winter maintenance (*Shall include maintenance items resulting from winter maintenance, but not actual winter maintenance, i.e. sweeping and flushing immediately after winter ends*)

This work includes all material costs required to conduct work under the above activity numbers.

Winter Maintenance Patrol: An employee assigned to monitor state trunkline road conditions during the winter at times outside the normal workday, i.e. 2nd or 3rd shift.

Work Plan: An annual outline of maintenance activities to be performed under this Contract. The components of the plan include the amount of Budget allocated to each routine maintenance activity group, a list of prioritized maintenance activities, and may include a proposed timeframe for completion.

APPENDIX B

MICHIGAN DEPARTMENT OF TRANSPORTATION

MUNICIPALITY CONTRACT

OVERHEAD SCHEDULE

Effective October 1, 2024, through September 30, 2029

Original Annual Budget Amount	Percent Allowed for Overhead	Percent Allowed for Small Tools	Total Percent Allowed
Up to \$25,000 _____	11.00 _____	.50 _____	11.50
\$25,001 to \$50,000 _____	10.25 _____	.50 _____	10.75
\$50,001 to \$75,000 _____	9.50 _____	.50 _____	10.00
\$75,001 to \$100,000 _____	8.75 _____	.50 _____	9.25
\$100,001 and over _____	8.00 _____	.50 _____	8.50

APPENDIX C

PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

APPENDIX D

**STATE ADMINISTRATIVE BOARD
RESOLUTION 2017-2
PROCEDURES APPLICABLE TO MDOT CONTRACTS AND GRANTS
AND
RECISSION OF RESOLUTION 2011-2**

WHEREAS, the State Administrative Board (“Board”) exercises general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of this State, and of all State institutions pursuant to Section 3 of 1921 PA 2, MCL 17.3;

WHEREAS, the Board may adopt rules governing its procedures and providing for the general conduct of its business and affairs pursuant to Section 2, of 1921 PA 2, MCL 17.2;

WHEREAS, exercising its power to adopt rules, the Board adopted Resolution 2011-2 on August 30, 2011, establishing a \$500,000 or more threshold for Board approval of the Michigan Department of Transportation (“MDOT”) Professional Engineering Consultant Contracts and Construction Contracts and increasing the threshold for Board approval for Service Contracts to \$250,000 or more for initial contracts and \$125,000 or more for an amendment to a Service Contract;

WHEREAS, the Board has adopted Resolution 2017-1, raising the threshold for Board approval of contracts for materials and services to \$500,000 or more for the initial contract and \$500,000 or more for contract amendments, and rescinding Resolution 2011-1;

WHEREAS, MDOT is a party to a considerable number of contracts, the majority of which are funded via grants administered by federal agencies including the U.S. Department of Transportation’s Federal Highway Administration, Federal Transit Administration, Federal Railroad Administration, and Federal Aviation Administration, which oversee MDOT’s administration of such contracts and amendments thereto;

WHEREAS, MDOT has implemented internal procedures to assure the proper expenditure of state and federal funds and is subject to financial and performance audits by the Office of Commission Audits pursuant to 1982 PA 438, MCL 247.667a;

WHEREAS, MDOT is a party to a significant number of contracts which by their nature involve substantial consideration and often require amendments arising out of changes in scope, differing field conditions and design errors and omissions;

WHEREAS, delays in the approval of amendments to contracts can result in postponement of payments to subcontractors and suppliers; work slowdowns and stoppages; delays in the completion of projects; exposure to additional costs; and exposure to litigation arising out of contractor claims; and

WHEREAS, recognizing the Board's duty to promote the efficiency of State Government, the Board resolves as follows:

1. Resolution 2011-2 is rescinded.
2. A contract for professional design, engineering or consulting services requiring MDOT prequalification in connection with the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Professional Engineering Consultant Contract") or a contract for the construction or physical improvement of a street, road, highway, bridge, transit or rail system, airport or other structure congruous with transportation ("Construction Contract") must be approved by the Board prior to execution by MDOT if the amount of the contract is \$500,000 or more. MDOT may obtain approval of the solicitation of a Professional Engineering Consultant Contract or a Construction Contract which, based on the estimate prepared by an engineer employed by the State of Michigan, is estimated to be \$500,000 or more. A contract arising out of such solicitation must be approved by the Board prior to execution by MDOT if the amount of the contract exceeds 110% of the State engineer's estimate.
3. An amendment to a Professional Engineering Consultant Contract or a Construction Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments exceed 10% of the original contract, except that an amendment to a Professional Engineering Consultant Contract or a Construction Contract need not be approved by the Board if: a) approved in accordance with applicable federal law or procedure by a representative of a federal agency contributing funds to the project that is the subject of the contract; or b) approved in accordance with MDOT's internal procedures provided the procedures include approval by at least one MDOT employee who has managerial responsibility and is neither the project manager nor directly involved in the administration of the project.
4. A contract for services not requiring MDOT prequalification ("Service Contract") in the amount of \$500,000 or more must be approved by the Board prior to execution by MDOT. A Service Contract does not include a Professional Engineering Consultant Contract or a Construction Contract.
5. An amendment to a Service Contract must be approved by the Board prior to execution by MDOT if the amount of the amendment and the sum of all previous amendments total \$500,000 or more. Thereafter, an amendment to a Service Contract must be approved by the Board if the amount of the amendment and

the sum of all amendments executed after the most recent Board approval total \$500,000 or more.

6. A contract involving the conveyance of any real property interest under the jurisdiction of MDOT must be approved by the Board prior to execution by MDOT if the fair market value of the interest is \$500,000 or more. Fair market value must be determined in accordance with procedures approved by the State Transportation Commission.

7. MDOT may enter into a contract with a sub-recipient without approval of the Board if: a) the purpose of the contract is to provide federal or state matching funds for a project; b) MDOT has been authorized by an agency administering any federal funds to award them to the sub-recipient; and c) the sub-recipient has agreed to fully reimburse the State in the event the sub-recipient does not use the funds in accordance with the purpose of the funding. A sub-recipient includes, but is not limited to, a local unit of government, a governmental authority, a private non-profit entity, and a railroad or rail service provider.

8. MDOT may enter into a cost participation contract with a local unit of government without approval of the Board if: a) the contract involves the construction or physical improvement of a street, road, highway, bridge or other structure congruous with transportation; b) the construction or improvement is funded by federal, state or local funds; and c) the contract is approved by each entity providing funds or in accordance with applicable law.

9. MDOT may enter into a contract in connection with the award of a grant including state matching funds, to a local unit of government, a governmental authority, a private non-profit entity, a railroad or a rail service provider, without approval of the Board if the contract provides that the recipient will fully reimburse the State in the event grant funds are not used in accordance with the terms of the grant.

10. MDOT may enter into a contract with an airport sponsor without approval of the Board if the contract has been approved by the Michigan Aeronautics Commission.

11. MDOT may enter into a contract or award a grant without approval of the Board in situations where emergency action is required. For all emergency contracts or grants of \$250,000 or more, MDOT must transmit to the Board a written report setting forth the nature of the emergency and the key terms of the contract or grant within 30 days of executing the contract or awarding the grant.

12. Notwithstanding any provisions of this resolution, the Board may require MDOT to report the status of any project and may require MDOT to obtain Board approval of any contract, grant or any amendment to a contract.

This Resolution is effective April 25, 2017.



APPENDIX E

SUBCONTRACT REQUIREMENTS

SUMMARY OF STATE ADMINISTRATIVE BOARD REQUIREMENTS FOR AMENDMENTS (PREVIOUSLY REFERRED TO AS OVERRUNS, EXTRA'S AND ADJUSTMENTS)

Administrative Board Resolution (2017-2, April 25, 2017)

State Administrative Board approval is required on all contracts (including subcontracts) when the sum of the contract including any optional year(s) is \$500,000 or greater.

Amendments

Subcontract Requirements:	Amendment Amount	State Administrative Board (SAB) Approval Requirements:
<ul style="list-style-type: none">• Region Engineer approval required prior to start of work.• Form 426 must be signed by the Region Engineer.• Documentation of amendment is required by the Municipality.• Send revised Form 426 to the Transportation Systems Management Operations (TSMO), Contract Specialist for review and approval prior to the start of work.	\$499,999 or less	Not required Note: Emergency contracts \$250,000 or greater require SAB approval.
	\$500,000 or greater	Required prior to the start of work. Note: When the sum of the contract and all amendments total \$500,000 or greater, SAB approval is required.

Definition of Term: Amendment includes situations where the original contract quantity or contract cost is exceeded. It also includes situations where quantities or work are added to the original contract as extra's or adjustments.

January 30, 2024



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

BRADLEY C. WIEFERICH, P.E.
DIRECTOR

APPENDIX F

SAMPLE: Letter of Understanding

Date

Contract Agency Name

Address

Contact Person, Title

RE: Letter of Understanding for State Trunkline Maintenance Contract between Michigan Department of Transportation (MDOT) and the (insert name of contract agency)

Dear _____:

This Letter of Understanding is in follow up to our recent meeting held on _____ and will serve as a reference to clarify the Scope of Work set forth in Section 1, of the State Trunkline Maintenance Contract.

The Scope of Work will be limited to (insert type of work activities and frequency of work to be performed) on the state trunkline (indicate routes) in the City (or Village) of _____. The work activities are to be conducted by the City (Village) as a part of the Contract with MDOT.

The Scope of Work shall include traffic control to perform the work.

Reimbursement for Snow Hauling will be limited to (insert agreed upon snow hauling parameters) and will be reimbursed at (insert snow hauling rate)% of the total costs of snow hauling. For any additional snow hauling outside of these parameters, MDOT will not participate in the cost unless written approval is received prior to the snow hauling. The Municipality Snow Hauling Calculation form (Appendix H) is attached.

Request for reimbursement of the Scope of Work activities identified herein shall be in accordance with Section 16 of the Contract. Payment for items with Firm Unit Prices will be in accordance with the attached Municipality Firm Unit Prices form (Appendix G) attached.

Subcontracting of any work activities shall be in accordance with Section 9 of the Contract.

Name
Page 2
Date

Please sign each of the two original letters enclosed. Please keep one copy for your records and return the other copy to my attention.

Sincerely,

Name
Maintenance Coordinator (or Engineer)
MDOT ____TSC

APPROVED BY:

City (Village) of _____ agrees to the terms and conditions stated in this agreement.

Dated this ____ day of _____, 2024

Name, Title

APPROVED BY:

Region Engineer
Michigan Department of Transportation

Date _____

Appendix G

Michigan Department
of Transportation
0572 (03/2024)

MUNICIPALITY FIRM UNIT PRICES

Clear Form

MUNICIPALITY NAME	EFFECTIVE DATE
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TYPE OF MATERIALS PRODUCED OR SUPPLIED	UNIT OF MEASURE	UNIT PRICE	ITEM LOCATION	PRICE INCLUDES

INSERT ABOVE, THE FOLLOWING APPLICABLE NUMBER(S):

Type of Materials produced or supplied by Municipality

1. Aggregate
2. Winter Sand
3. Salt
4. Other (Describe): _____

Item Locations

1. Pit Site
2. Yard
3. Other (Describe): _____

Price Includes

1. Processing or Mixing Costs
2. Stockpiling or Hauling to Stockpile Costs
3. Royalty Costs
4. Municipal Supplied Salt or Calcium Chloride (when used in a winter salt/sand mixture)
5. Winter Sand
6. Bituminous Costs
7. Other (Describe): _____

MUNICIPALITY SUBMITTED BY		
NAME	TITLE	DATE

MDOT APPROVED BY		
NAME	TITLE	DATE

Appendix H

Michigan Department
of Transportation
5191 (02/2024)

MUNICIPALITY SNOW HAULING CALCULATION FORM

[Clear Form](#)

[Definitions](#)

MUNICIPALITY NAME	ROUTE	EFFECTIVE DATE
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SKETCH OF ROADWAY AND SNOW HAULING LIMITS

TOTAL WIDTH OF SNOW HAULING (WSH) <div style="text-align: center;">ft</div>	WIDTH OF AREA DESIGNATED FOR TRAFFIC MOVEMENT (ADTM) <div style="text-align: center;">ft</div>
<p style="text-align: center;">SNOW HAULING RATE (SHR): $SHR = ADTM / WSH \%$</p> <p style="text-align: center;">SHR: _____ / _____ = _____ %</p>	

MUNICIPALITY SUBMITTED BY	
NAME	TITLE

MDOT APPROVED BY	
NAME	TITLE

DEFINITIONS

Total Width of Snow Hauling (WSH): Total width of the roadway, parking lanes, and sidewalks from which snow will be removed during snow hauling operations.

Width of Area Designated for Traffic Movement (ADTM): The portion of the highway right-of-way that is intended for traffic movement. The ADTM does not include parking lanes, sidewalks, or buffer areas that are part of the right-of-way.

Sample Calculation

Total road right-of-way is 66 feet, which includes three 12-foot lanes, two 8-foot parking lanes, and 7 feet of sidewalk and buffer space on each side of the roadway. No snow will be hauled from the area beyond the sidewalks.

WSH: 66 feet

ADTM: 36 feet

Snow Hauling Rate: $36 \text{ feet (ADTM)} / 66 \text{ feet (WSH)} = 55\%$

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10A



RFP # 049.P000024704

City of Sturgis Michigan State Line Substation Proposal

Submitted to



130 North Nottawa Street
Sturgis, MI 49091

Submitted by

verdantas

459 Bay Street
Petoskey, MI 49770

Chris McArthur

Electrical Department Superintendent
City of Sturgis
130 North Nottawa Street
Sturgis, MI. 49091

RE: City of Sturgis Michigan State Line Substation

Dear Mr. McArthur:

Verdantas (formerly GRP Engineering, Inc.) is pleased to present this proposal to the City of Sturgis for Engineering Design & Construction Administration Services associated with the State Line Substation project. We are highly qualified to provide these services for the City of Sturgis through our project experience on the City's electric system and the qualifications of all our personnel. Verdantas will complete project design, construction oversight, and commissioning using a team approach within our recently expanded organization.

Project Design & Commissioning Team

Electrical Engineering	Verdantas
Civil Engineering	CT Consultants, A Verdantas company
Geotechnical Engineering	CT Consultants, A Verdantas company
Structural Engineering	CT Consultants, A Verdantas company
Topographic Surveying	CT Consultants, A Verdantas company

The overall scope of this project includes the construction of a new 69kV:12.5kV electrical substation to reduce loading on the City of Sturgis' Southeast Substation and to support load growth along the southern portion of the service territory. The new substation will include installation of a two-line 69kV deadend structure, 69kV bus, two 69kV breakers, two 69kV circuit switchers, two 15/20/25MVA power transformers with LTC, five 15kV distribution circuit breakers, plus fence, metering, control house, and all associated protective relaying. Distribution circuit design will include four (4) circuit exits to riser structures outside the substation connecting to existing overhead circuits. Proposed 69kV transmission connection will include routing the existing AEP 69kV line into the new substation. Preliminary estimated total project cost based on this conceptual design plan is \$9.1M. This cost includes two transformers which the City already has available in stock.

Verdantas' understanding is that all work will be contracted out for this project. One construction contract will be prepared covering site work, substation construction, 69kV transmission connection, plus connection of the four (4) 12.5kV distribution circuits. Verdantas will manage the project for the City of Sturgis, complete engineering design, assist with material procurement, prepare and process one construction contract, perform construction observation, plus perform start-up and function testing of the substation. All power equipment testing will be completed by NETA certified technicians which will be included in the substation construction contract.

Verdantas will provide full-service design as we have successfully done for many years on electrical utility transmission, substation, and distribution line projects. We will not outsource control house layout, schematics, and panel wiring diagrams design work as some consultants often will which raises total project costs to the utility in a hidden fashion. Maintaining these services with the design firm increases quality, decreases the chance for project errors, and reduces total time for project completion.

We have included the scope of services, our project team and qualifications, references, and fee structure with this proposal. Preliminary schedule attached to this proposal provides for meeting a goal to complete construction by February 5, 2026. Proposed milestone dates are highlighted below:

Proposed Project schedule:

Project Kickoff	October 1, 2024
Preliminary Design Complete	January 1, 2025
Final Design Complete	March 1, 2025
Construction Start ¹	July 1, 2025
Substation Energization ¹	February 5, 2026

¹Actual dates will be based on contractor and material availability.

Please do not hesitate to contact me at 231.881.9724 or via email mmcgeehan@verdantas.com should you have any questions.

Sincerely,

Verdantas



Michael P. McGeehan, PE

AVP, Department Leader

2. Background and Experience

Firm Name and Address

Verdantas LLC (formerly GRP Engineering, Inc.)
459 Bay Street
Petoskey, Michigan 49770
www.verdantas.com

3300 Eagle Run Dr. NE
Ste 101, Grand Rapids MI 49525

Main Point of Contact

Michael P. McGeehan, PE
231.881.9724
mmcgeehan@verdantas.com

Year Founded and number of continuous years in business:

Founded in 2020, Verdantas is a company comprised of 18 legacy companies nationwide with over 1,600 professionals experienced in engineering, planning, digital, science, and all things environmental, arming us with over 850+ years combined to provide top-notch expertise to our valued clients. Verdantas understands the importance of having a trusted partner with local, dedicated, resources to meet your project needs.

Ownership Status:

Limited Liability Corporation (LLC)

Federal Tax Identification Number:

84-5075980

Corporate and Local Office Location:

Corporate: 8306 Laurel Fair Circle, Tampa, Florida 33610
Petoskey Office: 459 Bay Street, Petoskey Michigan 49770
Grand Rapids Office: 3300 Eagle Run Dr. NE Ste 101, Grand Rapids MI 49525

Number of Employees in corporate office and local office at time of submittal:

Corporate: 34 (Tampa, FL)
Local: 11 (Michigan)
Company: 1,600+ Employees

Michigan Office Locations



National Office Locations



3. Personnel/Professional Qualifications



NOTES:

1. Key staff are shown for proposal purposes. Support staff will be assigned as required.

KEY PROJECT TEAM BIOS

Michael McGeehan, PE has over 30 years of electrical engineering - medium and high voltage power systems. Specializing in design and operation of transmission & distribution systems. Design of over 400-miles of overhead and underground distribution line; transmission line route selection and design up through 345kV; substation design; and various electrical studies.



Curt Roupe has extensive experience in the geotechnical engineering and materials testing arena for local, state, and federal agencies. He has served as project manager or principal-in-charge of geotechnical engineering, instrumentation, and materials testing numerous projects. Mr. Roupe has prepared geotechnical reports for a variety of projects including new and rehabilitated pavements, shallow foundation design, and deep foundation design with piles, caissons, and auger cast piles. His experience also includes knowledge of the installation of sensitive monitoring instruments such as vibrating wire piezometers, inclinometers, and settlement cells. Additionally, he directs TTL's geotechnical engineering projects for the Buffalo, Detroit, Louisville, Nashville, and Chicago Districts of the United States Army Corps of Engineers.



Justin Haselton has experience in the design and construction of both public and private site and infrastructure improvements. His experience includes state, county, and municipal infrastructure improvements and site design for commercial properties. He is exceptionally proficient in hydrology and has a master's degree in civil engineering from Cleveland State University with a focus on hydraulics and hydrology. His experience includes preparing stormwater management, stormwater pollution prevention, site grading, and utility plans and permitting.



Mork Lachniet has experience providing a broad range of civil engineering services to both private clients and public agencies. He has worked on projects ranging from 0.1 acres to 500+ acre campuses servicing various markets, including schools, retail, industrial, public utility, federally governed facilities, healthcare, recreation, pharmaceutical, firehouses, and other public service buildings. He has designed storm sewers, stormwater management facilities, sanitary mains and laterals, water mains, fire suppression mains, paving design, parking layouts, underground conduits, lighting, flood plain, slab bridge design, retaining wall design, site grading, erosion control, and other site development features.



Mork works with a variety of modeling software for calculations and provides 3D renderings of sites to help in visuals and coordinate with other utilities in clash detection. has 3 years of geospatial experience focused on the power utility Industry. Will has managed the geospatial side of projects through data design, web application building, field data collection, geoprocessing, data analysis, and reporting stages.

Brad Fronek has accumulated over 30 years of business and project management experience, including Structural Engineering. As a seasoned senior structural engineer and project manager within the structural engineering department, Brad has channeled his expertise toward the intricate design of multistory commercial, residential, hospitality, and assisted living facilities, primarily focusing on wood and light gauge construction methods.



His passion for collaboration is evident in his adeptness at working closely with architects to craft building systems that seamlessly align with the client's unique needs and vision. In addition to new construction projects, he has also honed his skills in the revitalization and restoration of various existing buildings, including historic structures, often conducting thorough feasibility studies to ensure the project's viability.

Brad's expertise spans a wide spectrum, with project budgets ranging from a modest \$1 million to a substantial \$35 million, showcasing his adaptability and effectiveness in managing diverse project scales and complexities.

Nicholas Abraitis, PE has 16 years of electrical engineering - medium and high voltage power systems. Specializing in design and operation of transmission & distribution substations. Physical and electrical design of multiple 138kV, 69kV and 15kV distribution power & control systems, including over 10 years of construction experience. Various arc-flash, coordination, and system load & impact studies.



Nic Winsemius' expertise lies within electric distribution system planning and operation. Specializing in substation control and troubleshooting, SEL relay and RTAC programming, SCADA system programming, distribution system modeling, and GIS mapping.



Personnel Assigned to Project

Verdantas estimates up to eight staff will be assigned to this project covering different responsibilities throughout the distribution circuit design and construction bid document preparation process. All of these staff live and work within the State of Michigan.

4. Proposal for Services

The services to be provided will include and not be limited to the following (deliverables):

A. Design Engineering & Project Management Phase

- Project administration (maintain correspondence & meeting minutes.)
- Project planning & control (maintain project schedules & cost estimates.)
- Project kickoff meeting with City of Sturgis staff.
- Topographic survey of the substation site.
 - Estimated substation parcel to be 7 acres in size, or less.
 - Site location has not been finalized. Proposal based on site located adjacent to the existing AEP 69kV transmission line north of Bogen Road.
- Two soil borings to a depth of 45 feet below grade, soil resistivity testing, plus preparation of a geotechnical report.
- Prepare of substation one-line diagram.
- Complete substation physical design including equipment, structures, bus, security fence, foundations, oil containment, and metering systems. Structures designed to meet loadings specified in the National Electric Safety Code (NESC) and ASCE 113. Bus structures will be designed to withstand loadings specified in IEEE 605.
- Complete ground grid design meeting IEEE 80 requirements, latest edition.
- Complete lightning protection plan meeting requirements of IEEE Std 998.
- Complete detailed schematics (3-line and DC) and all control panel wiring diagrams for substation equipment.
- Pre-fabricated control house including AC service, DC battery systems, relay control panels, metering, communication panels, and HVAC system.
- Site layout design, demolition, and grading plan for the substation parcel including site dewatering for construction, storm water retention and runoff calculations, stone surfacing, vehicle access drive, and vegetation screening. Vehicle tracking analysis for accessibility and routing of large trucks and cranes will be completed.
- Complete design of 69kV overhead transmission line tap extending from pole line adjacent to the proposed property connecting into the substation.
 - Proposal includes design for two tangent poles, one tap pole, one corner pole, plus drops into the substation.
- Complete design of four (4) 12.5kV underground distribution circuits extending from the new substation to existing overhead lines at the edge of the proposed substation parcel.
 - Proposal based on two distribution circuits extending approximately 1,500' and two circuits approximately 750' underground for connection to existing overhead pole lines.
- Preparation of site plan application documents and attendance at one Planning Commission Meeting during the approval process.
- Communications system connection design including fiber from Southeast

Substation to the new substation, plus real-time automatic controller (RTAC), equipment connections, communication system termination racks, and underground conduit system.

- Three (3) design review meetings with City of Sturgis staff including two virtual and one on-site.
- Preparation of substation material list and cable tabulation.
- Preparation of transmission line & distribution circuit construction material lists.
- Assist City of Sturgis with major material procurement including specifications, evaluation, bid and award. RFP's will be prepared for the following equipment:
 - 15kV Breakers
 - 15kV Switches, Fuses & Holders
 - 15kV Bus PT's
 - Oil Containment System
 - Structural Steel
 - 69kV Transmission Conductor & Line Hardware
 - 15kV Distribution Cable & Line Hardware
 - Substation Signage
- Review & process all Owner-furnished material shop drawings.
- Prepare construction technical specifications.
- Preparation of one construction contract plus assistance with bid and award.
- Attendance at one (1) on-site pre-bid meeting.
- Printing & shipping of three full-size construction drawings sets.
- Preparation & processing of required permit applications including Soil Erosion & Sedimentation Control. All permit fees to be paid by the City of Sturgis.

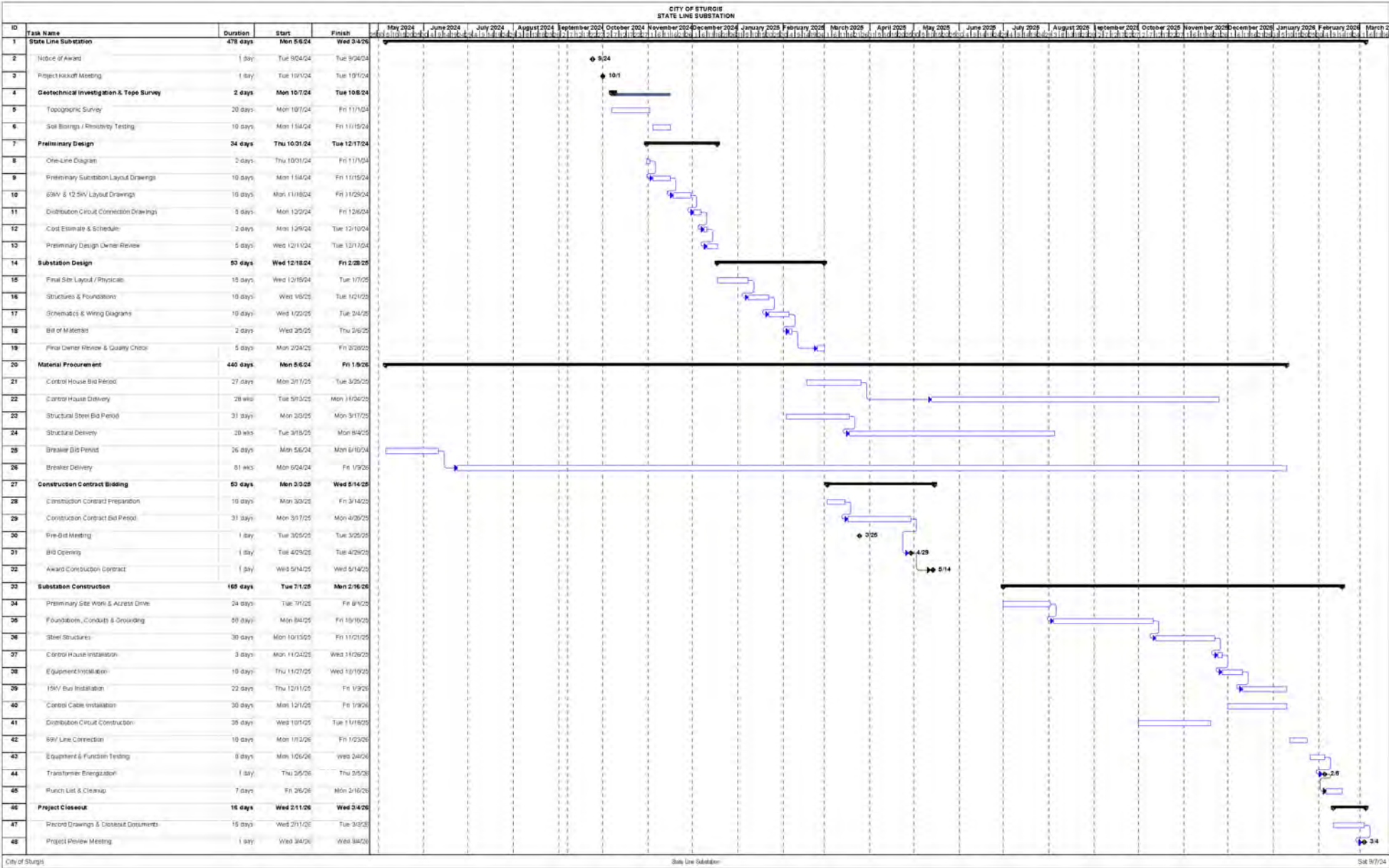
Contract Administration & Start-Up Phase

- Prepare one construction contract including Contractor's bid, bonds and insurance.
- Attendance at one (1) preconstruction meeting.
- Review & process all Contractor-furnished material shop drawings.
- Construction staking including setting one benchmark, substation centerlines, and fence corners.
- On-site representation a minimum of every other week during construction. Proposal is based on seven (7) months of construction.
 - Includes on-site representation during transformer setting.
- Coordination between City of Sturgis, construction contractors, and other affected projects and parties including I&M (AEP).
- Monitor and verify construction compliance with engineering drawings and specifications and all NESC requirements.
- Preparation of monthly progress reports, which will include contractor performance and any work quality issues.
- Calculation of settings and logic for new protection relays.
- Pre-function testing on-site control cabling checkout.
- Full function testing of substation protection and control schemes covering the

new equipment at State Line Substation.

- Preparation of DNP3 points list and assistance with SCADA programming to cover analog and digital monitoring points plus alarms for equipment at the new substation.
- Preparation of punch list & energization release form for the new substation.
- Assist with switching load onto the new substation. Verify operation of differential relays.
- Process all site contractor invoicing and change orders (*if required.*)
- Prepare all necessary contract close-out documents.
- Provide record drawings including one (1) bound set and files in AutoCAD 2018 format.

5. Schedule



6. Fee Structure

Verdantas' fee structure is broken into two phases including Engineering Design and Material Procurement, then Contract Administration / Start-Up & Commissioning as noted below.

1. Engineering Design & Material Procurement
2. Contract Administration, Start-Up & Commissioning

Engineering Design & Material Procurement

The Engineering Design & Material Procurement phase will have a lump sum fee for the scope of services as listed in our proposal.

- Substation Design & Material Procurement \$252,000 Lump Sum

Contract Administration, Start-Up and Commissioning Phase

The Contract Administration, Start-Up & Commissioning phase will have a lump sum fee including cost of expenses and subconsultants.

- Contract Administration, Start-up & Commissioning \$76,000 Lump Sum

Engineering services will be billed on a monthly basis. Should work be requested by the City of Sturgis outside the scope listed herein, those services will be invoiced separately per hourly rates in effect at the time services are rendered.

7. Project Experience

2024 Bay City Electric Light & Power Mersen Substation 2 – Design, construction observation, commissioning, and function testing for construction of a 46kV to 4.8/8.32kV dedicated substation to an industrial customer. Project includes underground 46kV line entrance, one new 10/12.5/16.7MVA power transformer, two 15kV breakers, and two 4.8/8.32kV circuit exits including connection to the industrial customer's switchgear. Construction Cost: \$3,350,000 (*Currently in Construction Bidding Phase*)

City of Harbor Springs New Substation – Design, construction observation, commissioning, and function testing for a new 46kV to 12.5kV substation. Project includes one 69kV circuit switcher, one new 15/20/25MVA power transformer, five 15kV breakers, and four 12.5kV circuit exits, plus control house, relay panels, and distribution circuit construction. Construction Cost: \$4,670,000 (*Currently in Design Phase*)

City of Sturgis Industrial & Central Substation AEP Line Relaying – Design, construction observation, commissioning, and function testing for one 69kV breaker, 69kV line PT, plus two new relaying panels at Industrial and Central Substations. Project includes replacement of one 69kV circuit breaker, installation of one 69kV line PT, two new relay panels, fiber connection to AEP's fiber system, and new revenue metering. Construction Cost: \$300,000 (*Currently in Pre-Construction Phase*)

Grand Haven Board of Light & Power Sternberg Substation – Design, construction observation, commissioning, and function testing for one 69kV breaker plus two new relaying panels at Sternberg Substation. Project includes one 69kV circuit breaker, 69kV PT's, 69kV arresters, two new relay panels, and modernization of the existing control building. Construction Cost: \$500,000

Coldwater Board of Public Utilities Michigan Ave Substation – Design, construction observation, commissioning, and function testing for substation 13.8kV distribution circuit relaying upgrades. Project includes replacement of six switchgear cubicle doors and distribution circuit relaying, plus new cabinet with external status and control for each breaker. Relaying & Panel Door Replacement Cost \$235,000

Coldwater Board of Public Utilities Bennett Substation – Design, construction observation, commissioning, and function testing for 13.8kV substation relaying upgrades. Project includes replacement of eight switchgear cubicle doors, new transformer and distribution circuit relaying, plus new cabinet with external status and control for each breaker. Relaying & Panel Door Replacement Cost \$290,000

Northern Michigan University Loop #1B, #2B #3B Relaying Upgrade – Design, construction observation, logic settings, programming, and function testing for 12.5kV circuit relaying upgrades. Project includes replacement of three distribution circuit relays located in metalclad switchgear cubicle doors. Relaying Upgrade Cost \$40,000

2023 Grand Haven Board of Light & Power Osipoff Substation – Design, construction observation, commissioning, and function testing for two 69kV breakers plus new control building and relaying panels at Osipoff Substation. Project includes two 69kV circuit breakers, 69kV PT's, 69kV arresters, plus new control house and five relay panels. Construction Cost: \$1,550,000

Village of Clinton Substation – Design, construction observation, commissioning, and function testing for expansion and reconstruction of a 40kV to 12.5kV/4.16kV substation. Project includes underground 46kV line entrance, one new 12/16/20MVA power transformer, four 15kV breakers, four 7.2/12.5kV distribution circuit exits, control house and relay panels. Construction Cost: \$3,680,000

Traverse City Light & Power Grand Traverse Substation – Design, construction observation, commissioning, and function testing for 69kV line reconfiguration, relaying upgrades, and separation of a jointly-owned 138kV to 69kV substation. Project includes new oil containment system, 69kV station service, relay panels including 138kV and 69kV line protection, and bus protection relaying. Construction Cost: \$500,000

City of South Haven 12th Avenue Substation – Design, construction observation, commissioning, and function testing for a new 69kV to 12.5kV substation. Project includes one 69kV circuit switcher, one new 15/20/25MVA power transformer, five 15kV breakers, and four 12.5kV circuit exits, plus control house, relay panels, and distribution circuit construction. Construction Cost: \$4,200,000

City of Marshall Brooks Industrial Substation – Design, construction observation, commissioning, and function testing for a new 138kV to 12.5kV substation. Project includes two 138kV circuit switchers, two 20/27/33MVA power transformers, nine 15kV breakers, and four 12.5kV circuit exits, plus control house, relay panels, and distribution circuit construction. Construction Cost: \$6,340,000

Northern Michigan University Loop #1A, 2A, & Ripley Relaying Upgrade – Design, construction observation, logic settings, programming, and function testing for 12.5kV circuit relaying upgrades. Project includes replacement of three distribution circuit relays located in metalclad switchgear cubicle doors. Relaying Upgrade Cost \$40,000

- 2022** Bay City Electric Light & Power Prestolite Substation – Design, construction observation, commissioning, and function testing for a new 46kV to 13.8kV substation. Project includes 46kV bus structure, two 69kV transrupters, two 10/12/16MVA power transformers, four 13.8kV recloser, twelve 416kVA voltage regulators and four 13.8kV circuit exits, plus distribution connections at a new operating voltage. Construction Cost: \$3,400,000
- Marquette Board of Light & Power #2 Substation Relaying – Design, construction observation, logic settings, programming, and function testing 12.5kV circuit relaying upgrades. Project includes replacement of five distribution circuit relays within existing panels. Relaying Upgrade Cost \$50,000
- Grand Haven Board of Light & Power North Substation Transformer #2 – Design, construction observation, commissioning, and function testing for installation of second 69kV to 13.2kV transformer and distribution bus, plus 69kV breaker replacement. Project includes one 69kV circuit switcher, replacement of two 69kV breakers, new 13.2kV distribution bus and circuit exits, plus three relaying panels at North Substation. Construction Cost: \$1,200,000
- Lowell Light & Power Interchange Substation Relaying – Design, construction observation, logic settings, programming, and function testing for 138kV line relaying and metering upgrades. Project includes replacement of 138kV PT/CT junction boxes, cabling, 138kV line relaying, 138kV revenue metering, plus replacement of two switchgear cubicle doors. Relaying & Metering Upgrade Cost \$155,000
- Northern Michigan University Main Breaker Relaying Upgrade – Design, construction observation, logic settings, programming, and function testing for replacement of the 12.5kV incoming main circuit braker relaying. Project includes replacement of one 12.5kV circuit relay located in a metalclad switchgear cubicle door. Relaying Upgrade Cost \$22,000
- Ferris State University Metering & Ground Fault Detection – Design for installation of circuit metering and ground fault detection system in three existing switchgear serving the main 7.2kV delta circuits. Project includes installation of PT's, CT's, SEL735 power quality/revenue meters, plus communications connections to provide alarms and historical metering. Relaying Upgrade Cost \$212,000 (*Currently in Construction Outage Scheduling Phase*)
- 2021** Marquette Board of Light & Power 5 Plant Substation – Design, construction observation, commissioning, and function testing for a new substation control house to replace relay protection and controls located in the decommissioned generating plant. Project includes new control house, control panels and relaying, conduits, cabling, and SCADA connections. Construction Cost:

\$1,679,000

Zeeland Board of Public Works Washington Ave Substation 69KV Line – Design and construction observation for redundant 69kV transmission line connection to Washington Avenue Substation. Project includes three self-supporting steel poles, drilled pier foundations, 69kV connections to existing steel pole and substation across CSX railroad property. Construction Cost: \$400,000

Grand Haven Board of Light & Power Osipoff Substation T2 – Design, construction observation, commissioning, and function testing for replacement of one transformer and circuit reclosers. Project includes one 40MVA power transformer, nine 13.2kV reclosers, and one relaying control panel. Construction Cost: \$1,400,000

2020

Coldwater Board of Public Utilities Butters Avenue Substation – Design, construction observation, commissioning, and function testing for a new 138kV to 13.8kV substation. Project includes two 138kV circuit switchers, two 30MVA power transformers, nine 13.8kV breakers, and three 13.8kV circuit exits, plus control house, panels, and SCADA connections. Construction Cost: \$4,713,000

Coldwater Board of Public Utilities Michigan Ave Substation – Design, construction observation, commissioning, and function testing for relaying upgrades project at a 138kV to 13.8kV substation. Project includes transformer overcurrent and differential relaying upgrades, RTAC installation, and replacement of five switchgear cubicle doors by CBPU crews. Relaying & Panel Door Replacement Cost \$78,000

Grand Haven Board of Light & Power Grand Haven Substation – Design, construction observation, commissioning, and function testing for an expanded 69kV to 13.2kV substation. Project includes four 138kV breakers, existing 40MVA and one relocated 20MVA power transformer, eleven 13.2kV breakers, and five 13.2kV circuit exits, plus control house, panels, and SCADA connections. Construction Cost: \$3,750,000

City of Marshall Pearl Street Substation Transformer #3 – Design, material procurement, commissioning, and function testing a substation expansion including new 138kV to 12.5kV power transformer, 138kV circuit switcher, four (4) 12.5kV underground circuit exits, control house & panels. Construction cost: \$2,370,000

Traverse City Light & Power Barlow Switching Station – Design, commissioning, and function testing of an expansion to a 69kV to 13.8kV distribution substation. Project includes new 69kV deadend structures, bus and breakers, 69kV circuit switchers, 13.8kV MOIS switches, control house & panels. Construction cost: \$1,650,000

2019 City of Marshall Monroe Street Line Relocation – Design, material procurement, contract administration, construction staking and observation for a four-circuit 4.16kV overhead line relocation project in conjunction with the Monroe Street bridge replacement. Construction cost: \$337,000

South Haven Core City Overhead Upgrade Phase 4 – Design, material procurement, contract administration, construction staking and observation for the replacement of 288 poles and upgrade of associated 12.5kV overhead lines in the core residential area of the city. Construction cost: \$1,650,000

2018 Village of Sebawaing Pine Street Substation - Design, construction observation, commissioning, and function testing for a substation replacement project including new 40kV transmission line entrance, 40kV to 4.16kV power transformer, 4.16kV bus, breakers, and generator connections, 4.16kV to 2.4kV power transformer, 2.4kV breakers and four circuit exits.

Traverse City Light & Power Parsons Road Switching Station – Design, construction administration, commissioning, and function testing of an expansion to a 69kV to 13.8kV distribution substation. Project includes new 69kV deadend structures, bus and breakers, 69kV circuit switchers, 13.8kV MOIS switches, control house & panels. Construction cost: \$1,800,000

Traverse City Light & Power Substation Exit Replacement – Design, material procurement, and construction administration for replacement of twelve (12) 13.8kV underground circuit exits from three separate substations. Construction cost: \$279,000

Bay City Electric Light & Power – Design and construction standards development for substation replacement project including a 4-bay 46kV deadend structure, 46kV to 8.32kV power transformer, plus four 8.32kV regulator installations, reclosers, and underground circuit exit structures.

Maroa Farms Substation - Design, construction administration, commissioning, and function testing of a substation expansion project including 138kV metering, circuit switcher, power transformer, 13.8kV bus, control panels, and underground substation exit. Construction cost: \$1,479,000

2017 Coldwater Board of Public Utilities Jonesville Rd Substation – Design, construction observation, commissioning, and function testing for a new 138kV to 13.8kV substation. Project included two 138kV circuit switchers, two 50MVA power transformers, six 13.8kV breakers, and 13.8kV circuit exits, plus control house, panels, and SCADA connections. Construction cost: \$3,150,000

City of Marshall South Substation Protection – Design for the installation of substation 15kV breaker for power transformer protection including physicals, wiring diagrams, schematics, relay programming and testing.

Lowell Light & Power Relay Upgrade – Design, on-site assistance, function testing, and SCADA programming for the replacement of thirteen (13) 15kV circuit breaker relays.

Alpena Power Company – Besser Substation - Project consisted of the construction of a new 34.5kV:4.16kV substation including underground transmission connection, 2.5MVA transformer, voltage regulators, recloser, primary metering, and underground connection to customer switchgear. Scope of work included site and substation design, equipment procurement, schematics, wiring diagrams, & SCADA system control. Project Cost: \$600,000

Grand Haven Board of Light & Power – Transmission Line – Design, material procurement, contract administration, construction staking and observation for reconstruction of 5.25 miles of 69kV transmission lines. Total construction cost for two phases: \$2,675,000

8. References

Grand Haven Board of Light & Power

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Petoskey, Michigan

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City of Marshall

Marshall, Michigan

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Coldwater Board of Public Utilities

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Marquette Board of Light & Power

Marquette, Michigan

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Bay City Electric Light & Power

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Traverse City Light & Power

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**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10B



Department of Energy
Washington, DC 20585

September 5, 2024

SENT VIA ELECTRONIC MAIL

Chris McArthur
City of Sturgis, Michigan
206 E. West Street
Sturgis, MI 49091
cmcarthur@sturgismi.gov

SUBJECT: Negotiation for Maintaining and Enhancing Hydroelectricity Incentive Section 247 of
EPA 2005 (DE-FOA-0003088)

Dear Chris McArthur:

Congratulations, your application has been recommended for negotiation of an incentive award by the Grid Deployment Office (GDO) within the U.S. Department of Energy (DOE) for the Maintaining and Enhancing Hydroelectricity Incentive (EPA 2005 Section 247) Program. This letter begins the negotiation process. DOE staff will be contacting you shortly to set up a meeting to discuss terms and conditions for your project. Please carefully read the information contained within this letter, and compile all of the requested information to submit by October 3, 2024.

This notification does not guarantee a DOE funded payment, as funding will only be obligated upon successful completion of negotiations and disbursed upon successful completion of the project.

Applicant: City of Sturgis, Michigan;
Project: Sturgis Hydroelectric Facility;
Principal Contact: Christopher Jeter;
Control Number: 3088-1551.

DOE makes no commitment to issue an award and assumes no financial obligation with the issuance of this letter. Selectees will not receive an award until award negotiations are complete and GDO executes the funding agreement. Only an award document signed by GDO obligates DOE to support a project.

The negotiation process may take up to 120 days. You must be responsive during negotiations (i.e., provide requested documentation) and meet the stated negotiation deadlines. DOE reserves the right to terminate award negotiations at any time for any reason.

Negotiations Requirements:

Please complete each of the required information requests and forms, which are attached to this letter and summarized in Attachment 1. All forms should include the control number **3088-1551** in the header. Please submit any information and forms to the Hydroelectric Incentives Program at hydroelectricincentives@hq.doe.gov by 11:59 PM ET on **October 3, 2024**. Failure to submit the requested information and forms by the stated due date, or any failure to conduct award negotiations in

a timely and responsive manner, may cause GDO to cancel award negotiations and rescind this selection for negotiation. If you have any questions concerning the requested information, please contact the Hydroelectric Incentives Program at the aforementioned email address.

Davis Bacon Act compliance: The costs of monitoring for Davis-Bacon Act compliance may be considered an allowable cost so long as they are necessary, reasonable, allocable, and not otherwise unallowable. Please work closely with GDO staff to provide the relevant information to assist GDO in making this determination, as outlined in Attachment 1.

National Environmental Policy Act: Please note, GDO's decision on whether and how to distribute federal funds is subject to the National Environmental Policy Act (NEPA) and GDO must conduct a NEPA review for all proposed project activities prior to authorizing the use of federal funds. GDO has not issued a final NEPA determination for this project. You should carefully consider and seek legal counsel or other expert advice before taking any action related to the proposed project that would have an adverse effect on the environment or limit the choice of reasonable alternatives prior to GDO completing the NEPA review process. Nothing contained in the Program's guidance, DOE regulation, or this letter overrides the NEPA requirement to obtain the written authorization from GDO prior to taking any action that may have an adverse effect on the environment or limit the choice of reasonable alternatives for this project.

Incentive Payment Details:

GDO may issue a conditional award where federal funds are obligated but not released until successful completion of negotiations are reached to the satisfaction of GDO and successful demonstration of project completion. Performance against this award is, therefore, at the Selectee's own risk, and payments for costs incurred for the Selectee's project may not be made until the parties complete negotiations and the Selectee satisfies the requirements of this incentive award. GDO does not guarantee or assume any obligation to reimburse costs incurred by the Selectee during the negotiation process. Failure by the Selectee to provide an application with supporting documentation acceptable to GDO, or failure to complete negotiations or requirements of the incentive award, may be deemed noncompliance. Based on such noncompliance, GDO may unilaterally terminate or suspend this award and de-obligate all funds.

For eligible projects that have not reached completion, DOE may make an initial incentive payment, upon project approval, of a predetermined amount, determined on a case-by-case basis, not to exceed one-third of the total incentive payment for the capital improvement project (not to exceed 10 percent of total project costs or approximately \$1.66 M if the project meets the \$5 million cap).

In addition, DOE is under no obligation to make an award for pre-award costs if for any reason you do not receive an award or if the award is less than anticipated and inadequate to cover such costs. GDO does not guarantee or assume any obligation to reimburse costs where the costs were incurred prior to receiving the award document.

While hydropower incentives are not a contract under the Federal Acquisition Regulation, and also do not meet the definition of federal financial assistance under 2 CFR 200, in the absence of specific governing requirements and to ensure proper stewardship of taxpayer funds, GDO has invoked certain requirements, definitions, and principles contained in those regulations, as specifically referenced and incorporated in this letter. All costs must be allowable, allocable, and reasonable in accordance with the

cost principles contained in 2 CFR 200, 2 CFR 910, and/or FAR Part 31, as applicable based on the selectee's organizational type.

Informational Meeting:

An informational meeting will be held on **September 18, 2024, from 1:00 until 3:00 PM ET**. Please register at https://nrel.zoomgov.com/meeting/register/vJltc-2grigiGmAZB1b8g_EA-YuP3wN6m7A. If you are unable to attend, a recording of the informational meeting will be sent to all selectees after the meeting.

On behalf of GDO, I would like to congratulate you on your selection for award negotiations. I look forward to working with you to successfully complete negotiations. If you have any questions, please contact the Hydropower Incentives Program at hydroelectricincentives@hq.doe.gov.

Sincerely,

A handwritten signature in black ink that reads "Shana Wiseman". The signature is written in a cursive, flowing style.

Shana Wiseman
Hydroelectric Incentives Program Manager

ATTACHMENT 1: REQUEST OF ADDITIONAL DOCUMENTS

Chris McArthur
City of Sturgis, MI

Congratulations on being selected for negotiations with the U.S. Department of Energy from Funding Opportunity Number DE-FOA-0003088.

Please provide the following items to the Hydroelectric Incentives Program at hydroelectricincentives@hq.doe.gov by 11:59 pm ET on **October 3, 2024**. Please include your control number 3088-1551 on all documents:

1. The following additional information for your application:
 - Please provide documentation supporting cost estimates and/or actual costs. This documentation can include vendor quotes, bids, invoices, etc.
 - Please include a detailed itemized list of actual and/or estimated costs for the capital improvement. This information is needed to determine costs eligible for incentive funding for any materials procured or other costs incurred toward this capital improvement. Please provide an explanation of how the major costs identified in the project budget support the implementation of the capital improvement.
 - Please verify if NEPA was completed for this project.
2. Pre-Award Information Sheet provided as Attachment 2.
3. Community Benefits Outcomes and Objectives (CBOO) describing your project's Community Benefits Plan related tasks and **Specific, Measurable, Achievable, Relevant, and Timely (SMART)** milestones. For selectees that provided milestones within their Community Benefits Plan, the Hydroelectric Incentives team has input those milestones within the CBOO document as Attachment 3. Please ensure the returned CBOO includes SMART milestones that advance each of the key areas of the Community Benefits Plan. For selectees that did not provide milestones within the Community Benefits Plan, a blank CBOO template is attached as Attachment 3. An example of a completed CBOO with other recommendations is also attached for your convenience as Attachment 4.
4. Statement of Project Objectives (SOPO) describing your project's technical tasks and milestones. Please include end dates (actual date is preferable, but narrowing to just the month is acceptable) for each of the milestones of the capital

improvement project. An example SOPO template is provided for your convenience as Attachment 5.

5. If your budget includes travel, please provide the justification for travel costs as they relate to the project. The Hydroelectric Incentives Program is generally applying the rules for travel costs, which are available at <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.475> and Federal Acquisition Regulation [Part 31 - Contract Cost Principles and Procedures | Acquisition.GOV](#).

Please also be aware you must:

- Be registered in SAM (System for Award Management) at www.sam.gov.
- Not be currently suspended/debarred.
- Have no derogatory information within the Federal Awardee Performance and Integrity Information System (www.fapiis.gov).

Failure to provide any of the required supporting information will result in a delay to your award and may make you ineligible to receive an award. Some of the following documents are optional templates, but all the information within those documents is mandatory. If you have any questions, please contact the Hydroelectric Incentives Program. We look forward to working with you on this award.

**ATTACHMENT 2: GRID DEPLOYMENT OFFICE (GDO)
PRE-AWARD INFORMATION SHEET TEMPLATE**

Submit to hydroelectricincentives@hq.doe.gov by 11:59 pm ET on **October 3, 2024**.

THE USE OF THE PRE-AWARD INFORMATION SHEET TEMPLATE IS OPTIONAL, BUT ALL DATA ELEMENTS WITHIN THE PRE-AWARD INFORMATION SHEET ARE MANDATORY.

- A. TYPE OF ORGANIZATION** – Please indicate the type of organization of the Selectee by selecting one of the following:

Name of Organization Street Address City and County State and Zip + 4 (matches the USPS database)	<i>Name and address must match SAM registration.</i>
Control Number:	<i>3088-</i>
Project Title:	
Business Officer and contact information:	<i>Please provide complete contact information including telephone number and email address and physical street address (if different than above) for the person who will be responsible for administering this award.</i>
Unique Entity Identifier (UEI):	
Congressional District:	
Organization's Fiscal Year End Date:	

For-Profit Business:

- ☐ Small Business (A “Small Business” is defined by the SBA Size Standards at <http://www.sba.gov/content/table-small-business-size-standards>)
- ☐ Other than a Small Business (e.g., large business)

Non-Profit Organization:

- ☐ An organization of the type described in Section 501(c)(4) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a))
- ☐ An organization of the type described in Section 501(c)(6) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a))

Other (specify type):

- ☐ State or Local Government
☐ Indian Tribal Government
☐ Individual
☐ Other not listed (specify type):

B. BUSINESS ASSURANCES AND PAYMENT INFORMATION

1. DISCLOSURE OF POTENTIAL IMPROPRIETIES

Below, please disclose if any of the following conditions exist. If the answer to any question (a) through (g) below is yes, provide a detailed explanation in an attachment to this document.

- a. Is the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals¹ under investigation for or charged with a covered offense²?

☐ Yes
☐ No

- b. Has the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals been convicted of a covered offense in the last five-years or had a civil judgment rendered against them for one of those offenses in that time period?

☐ Yes
☐ No

- c. Is the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals under investigation for potential violation of U.S. export control laws and regulations, or has the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals been convicted of any violations of U.S. export control laws and regulations?

☐ Yes
☐ No

¹ For this form, "principal" means: (1) An officer, director, owner, partner, principal investigator (PI), or other person (as defined in 2 C.F.R. 180.95) within the project team with management or supervisory responsibilities related to this project and any resulting transaction; or (2) A consultant or other person, whether or not employed by the Selectee, Subselectee, or their principals, or paid with Federal funds, who (a) is in a position to handle Federal funds, (b) is in a position to influence or control the use of those funds, or (c) occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the transaction, including but not limited to, any Co-PIs.

² For this form, "covered offenses" include: (1) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction; (2) Violation of Federal or State antitrust statutes, including those proscribing price fixing between competitors, allocation of customers between competitors, and bid rigging; (3) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice; or (4) Commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the Selectee's present responsibility.

- d. Is the proposed Selectee or Subselectee(s) under investigation for potential violations of the Drug-Free Workplace Act of 1988, or has the proposed Selectee or Subselectee(s) been convicted of any violations of the Drug-Free Workplace Act of 1988?

☐ Yes
☐ No

- e. Is the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals under investigation for research misconduct, or has the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals been convicted of research misconduct?

☐ Yes
☐ No

- f. Has any Federal agency recommended or initiated proceedings against the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals for suspension or debarment, or is the proposed Selectee, Subselectee(s), or any of the Selectee's or Subselectee's principals debarred, suspended, publicly banned from doing business with the Federal government, or otherwise declared ineligible from receiving Federal contracts, subcontracts or financial assistance?

☐ Yes
☐ No

- g. Is the proposed Selectee or Subselectee(s) delinquent on federal debt or insolvent or at risk of insolvency or have the proposed Selectee or Subselectee(s) filed for bankruptcy in any domestic or foreign jurisdiction?

☐ Yes
☐ No

2. POTENTIAL CONFLICTS OF INTEREST

- a. **Financial Conflicts of Interest:** The Selectee must disclose in writing any managed or unmanageable financial conflicts of interest involving a member of the project team and include sufficient information to enable the Department of Energy (DOE) to understand the nature and extent of the financial conflict, and to assess the appropriateness of the non-Federal entity's management plan. See Section V(b)(3) of the [DOE Interim Conflict of Interest Policy](#). As part of this DOE funded project, does the selectee or any subselectees have any managed or unmanageable financial conflicts of interest involving a member of the project team?

☐ No
☐ Yes. If yes, in a separate attachment, the Selectee must provide relevant disclosures/supporting documentation as required by the [DOE Interim Conflict of Interest Policy](#) Section V(b)(3).

b. **Organizational Conflicts of Interest**³: The Selectee must disclose in writing any potential or actual organizational conflict of interest to DOE. See [DOE Interim Conflict of Interest Policy](#) Section VI and [2 CFR 200.318](#) for more information. As part of this DOE funded project, does the selectee or any subselectees intend to engage in a procurement with a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe?

☐ No

☐ Yes. If yes, in a separate attachment, the Selectee must provide relevant disclosures/supporting documentation as required by the [DOE Interim Conflict of Interest Policy](#) Section VI.

3. PENDING AND CURRENT SOURCES OF FUNDING

Current and Pending support is intended to allow the identification of potential duplication, overcommitment, potential conflicts of interest or commitment, and all other sources of support. In a separate attachment, each senior/key person at the selectee and subselectee level must each provide a list of all sponsored activities, awards, and appointments, whether paid or unpaid; provided as a gift with terms or conditions or provided as a gift without terms or conditions; full-time, part-time, or voluntary; faculty, visiting, adjunct, or honorary; cash or in-kind; foreign or domestic; governmental or private-sector; directly supporting the individual's research or indirectly supporting the individual by supporting students, research staff, space, equipment, or other research expenses. All foreign government-sponsored talent recruitment programs must be identified in current and pending support.

For every activity, list the following items:

- The sponsor of the activity or the source of funding.
- The award or other identifying number.
- The title of the award or activity. If the title of the award or activity is not descriptive, add a brief description of the research being performed that would identify any overlaps or synergies with the proposed research.
- The total cost or value of the award or activity, including direct and indirect costs and cost share. For pending proposals, provide the total amount of requested funding.
- The award period (start date – end date).
- The person-months of effort per year being dedicated to the award or activity.
- If required to identify overlap, duplication of effort, or synergistic efforts, append a description of the other award or activity to the current and pending support.
- Details of any obligations, contractual or otherwise, to any program, entity, or organization sponsored by a foreign government must be provided on request to either the applicant institution or DOE.

Each senior/key personnel must provide a separate disclosure statement listing the required information regarding current and pending support, even if no support is currently received or pending. The individual must sign and date their respective disclosure statement and include the following certification statement:

I, [Full Name and Title], certify to the best of my knowledge and belief that the

³ Organizational Conflict of Interest means a situation where because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. [2 CFR 200.318\(c\)\(2\)](#).

information contained in this Current and Pending Support Disclosure Statement is true, complete and accurate. I understand that any false, fictitious, or fraudulent information, misrepresentations, half-truths, or omissions of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (18 U.S.C. §§ 1001 and 287, and 31 U.S.C. 3729-3733 and 3801-3812). I further understand and agree that (1) the statements and representations made herein are material to DOE's funding decision, and (2) I have a responsibility to update the disclosures during the period of performance of the award should circumstances change which impact the responses provided above.

The information may be provided in the format approved by the National Science Foundation (NSF), which may be generated by the Science Experts Network Curriculum Vita (SciENCv), a cooperative venture maintained at <https://www.ncbi.nlm.nih.gov/sciencv/>, and is also available at https://www.nsf.gov/bfa/dias/policy/researchprotection/commonform_cps.pdf. The use of a format required by another agency is intended to reduce the administrative burden to researchers by promoting the use of common formats. If the NSF format is used, the individual must still include a signature, date, and a certification statement using the language included in the paragraph above.

4. PAYMENT INFORMATION AND ASSURANCES

- a. Indicate the name, phone number, and email address of the Designated Responsible Employee for complying with national policies prohibiting discrimination (see 10 CFR 1040.5 and the Certifications and Assurances SF-424B Assurances for Non-Construction Programs or SF-424D Assurances for Construction Programs found at: <http://www.grants.gov/web/grants/forms/sf-424-family.html>).

Name/Title

Phone No/Email

H. REPRESENTATION/CERTIFICATION

Important: Certification of the information is required by the organization's authorized representative.

- ☐ I certify that I have an active System for Award Management (SAM) registration.
- ☐ I certify that all cost information contained in the budget justification has been reviewed and that all costs are reasonable, allowable and allocable subselectee/contractor cost information, and that all subselectee/contractor costs are reasonable, allowable and allocable in accordance with the applicable cost principles. Any additional supporting budget documents should be available upon DOE request.
- ☐ I certify that all direct costs proposed in the application (under the personnel, travel, equipment, supplies, contractual, construction, and/or other direct costs categories) are direct to the project.
- ☐ I certify that the processes undertaken to solicit any subselectees, subawards, subcontracts and vendors comply with our organization's written procurement procedures as outlined in

“Procurement Standards” 2 CFR 200.317 through 2 CFR 200.328 inclusive.

☐ I certify the Selectee:

- (1) Has in effect an up-to-date, written, and enforced administrative process to identify and manage conflicts of interest with respect to all projects for which financial assistance funding is sought or received from DOE;
- (2) Shall promote and enforce Investigator compliance with the [DOE Interim Conflict of Interest Policy](#) requirements including those pertaining to disclosure of significant financial interests;
- (3) Shall manage financial conflicts of interest and provide initial and ongoing financial conflicts of interest reports to DOE;
- (4) Agrees to make information available, promptly upon request, to DOE relating to any investigator disclosure of financial interests and the Selectee’s review of, and response to, such disclosure, whether or not the disclosure resulted in the Selectee’s determination of a financial conflict of interest; and
- (5) Shall fully comply with the requirements of the [DOE Interim Conflict of Interest Policy](#).

I. SIGNATURES

☐ I, the Authorization Official named below, represent by my signature that I am authorized to certify this information on behalf of the Selectee. I certify under penalty of perjury that the information contained in this Pre-Award Information Sheet is true, accurate and complete. I understand that false, fictitious, or fraudulent information, misrepresentations, half-truths, or omissions of any material fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims or others. (18 U.S.C. §§ 1001 and 287, and 31 U.S.C. 3729-.730 and 3801-.3812). I further understand and agree that (1) the statements and representations made herein are material to DOE’s funding decisions, and (2) I have a responsibility to update the disclosures during the period of performance of the award should circumstances change which impact the responses provided above.

Name:

Title:

Signature of
Authorized Official:

Date:

Attachment 3: Community Benefits Outcomes and Objectives

Recipient Name	City of Sturgis, Michigan
Project Title	P-2964 Sturgis Hydroelectric Project
Award Number	3088-1551

I. Executive Summary

Instructions: This section should include a publicly releasable executive summary of the community and labor commitments agreed to in this project that explains how the commitments, milestones, and metrics align with and contribute to the project objectives. This section must not include any proprietary or sensitive business information as DOE may make it available to the public.

The following items should not be included in the Executive Summary:

- **Specific dates (only include general time frames (i.e. Demonstrate XYZ result by Month 3, not Demonstrate XYZ by June 8th, 2013)).**
- **Subcontractors, vendors or individuals by name. The award is with the prime and, as such, the CBOO should not generally reference the subcontractors.**

II. Milestone Table

Instructions: This section should be filled in to reflect the commitments and relevant time-based milestones.

The selectee should add or delete rows and columns, so the table summarizes commitments and timelines from milestones agreed upon during negotiations. Red text indicates examples and should be deleted or modified to reflect applicant's plan.

The following items should not be included in the Milestone Table:

- **Specific dates (only include general time frames (i.e. Demonstrate XYZ result by Month 3, not Demonstrate XYZ by June 8th, 2013)).**
- **Subcontractors, vendors or individuals by name. The award is with the prime and, as such, the CBOO should not generally reference the subcontractors.**

**Text in Red Provided by the Selectee*

Category and Commitment	Existing or Planned	Budget Period 1 Milestone	Budget period 2 Milestone	Budget period 3 Milestone	Budget period 4 Milestone
Community and Labor Engagement					
<i>Good neighbor/community benefits agreement</i>	<input type="checkbox"/> Yes <input type="checkbox"/> Not at this time				
<i>Collective bargaining agreement (operating jobs)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> Not at this time				
<i>Project Labor Agreement (construction jobs)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> Not at this time				
<i>[Other community and labor engagement commitments, e.g. # and type of engagements, etc.] (applicant should take note if there is a requirement for Workforce Continuity Plan)</i>					
Community feedback and data incorporated into the project	<input type="checkbox"/> Yes <input type="checkbox"/> Not at this time (If “Not at this time”, please provide an explanation in this cell).				
Sturgis Public Schools					
Career and Technical Education					
Economic Development					
Green/Renewable Energy Initiatives					
Investing in American Workforce (Job Quality)	Total Number of Permanent Operations Jobs: [#] Number of Construction phase jobs: [#]				

<i>Minimum starting wage for permanent hourly jobs:</i>	\$__ /hr				
<i>Pay upper quintile wages for industry and occupation</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>Fringe Benefits</i>	<input type="checkbox"/> Employer-sponsored health insurance <input type="checkbox"/> Contributions to retirement <input type="checkbox"/> Transportation assistance <input type="checkbox"/> Childcare assistance				
<i>Training</i>	<input type="checkbox"/> Contributions to labor-management training partnership <input type="checkbox"/> Utilization of registered apprentices for at least 15% of construction jobs <input type="checkbox"/> Paid training <input type="checkbox"/> Tuition support or reimbursement				
<i>Health and Safety Committee with Hourly Worker Representation</i>	<input type="checkbox"/> Yes <input type="checkbox"/> Not at this time				
<i>Support for Worker Organizing/Collective Bargaining</i>	<input type="checkbox"/> Pledge to remain neutral during any union organizing campaigns <input type="checkbox"/> Pledge to permit union recognition through card check <input type="checkbox"/> Intention to enter into binding arbitration to settle first contracts <input type="checkbox"/> Pledge to allow union organizers access to				

	appropriate onsite non-work spaces (e.g. lunch rooms) <input type="checkbox"/> Pledge to refrain from holding captive audience meetings ¹				
Other Job Quality and Workforce					
Collective Bargaining Agreement					
Diversity, Equity, Inclusion, and Accessibility (DEIA)	<input type="checkbox"/> Targeted recruitment efforts for underrepresented groups, such as those facing systematic barriers to quality employment (gender, race/ethnicity, LGBTQ+ status, those with disabilities, veterans) <input type="checkbox"/> MWBE contracting <input type="checkbox"/> Partner with quality pre-apprenticeship or apprenticeship readiness program ²				
Other DEIA					
Advancing DEIA Principles					
Partnerships with educational institutions					
Supplier diversity					
Justice40 Initiative					

¹ “Captive audience” meetings refer to the practice among employers of meeting with employees during union organizing campaigns to express the employer’s view of the possible negative effects that unionizing may have on the general workforce. Some employers have structured such meetings as mandatory and held them on company property during working hours.

² [Explore Pre-Apprenticeship | Apprenticeship.gov](https://www.apprenticeship.gov/employers/explore-pre-apprenticeship) <https://www.apprenticeship.gov/employers/explore-pre-apprenticeship>

Identifies benefits/impacts to disadvantaged communities	<input type="checkbox"/> Yes (If yes, list communities here) <input type="checkbox"/> No				
<i>Reduction in energy costs</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>A decrease in environmental exposure and burdens</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>An increase in access to low-cost capital</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>An increase in quality job creation, the clean energy job pipeline, and job training for individuals</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>Increases in clean energy enterprise creation and contracting (e.g., minority-owned or diverse business enterprises)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>Increases in energy democracy, including community ownership of project assets</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>Increased parity in clean energy technology access and adoption</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
<i>An increase in energy resilience</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No				
Other Justice40					
Environmental Impacts					
Decrease in energy burden					
Decrease in environmental exposure and burdens					
ADA Pathway					

Select the scenario that most closely resembles your project from the rows listed below, add the row to the J40 section of your CBOO, and fill in the milestone as appropriate. If necessary, please fill in each cell for each period as demonstrated below.

If NO negative impacts AND NO positive impacts.					
<i>There are negative environmental impacts associated with the proposed capital improvement(s).</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No entry needed	No entry needed	No entry needed	No entry needed
<i>There are positive environmental impacts associated with the proposed capital improvement(s).</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No entry needed	No entry needed	No entry needed	No entry needed
If NO negative impacts AND YES positive impacts.					
<i>There are negative environmental impacts associated with the proposed capital improvement(s).</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No entry needed	No entry needed	No entry needed	No entry needed
<i>There are positive environmental impacts associated with the proposed capital improvement(s).</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Associated SMART goal with achieving the positive impact	Associated SMART goal with achieving the positive impact	Associated SMART goal with achieving the positive impact	Associated SMART goal with achieving the positive impact
If YES negative impacts AND YES positive impacts.					
<i>There are negative environmental impacts associated with the proposed capital improvement(s).</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	SMART goal related to mitigating the negative impact	SMART goal related to mitigating the negative impact	SMART goal related to mitigating the negative impact	SMART goal related to mitigating the negative impact
<i>There are positive environmental impacts associated with the proposed capital improvement(s).</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Associated SMART goal with achieving the positive impact	Associated SMART goal with achieving the positive impact	Associated SMART goal with achieving the positive impact	Associated SMART goal with achieving the positive impact
If YES negative impacts AND NO positive impacts.					
<i>There are negative environmental impacts associated with the proposed capital improvement(s).</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	SMART goal related to mitigating the	SMART goal related to mitigating the	SMART goal related to mitigating the	SMART goal related to mitigating the negative impact

		negative impact	negative impact	negative impact	
<i>There are positive environmental impacts associated with the proposed capital improvement(s).</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No entry needed	No entry needed	No entry needed	No entry needed

**ATTACHMENT 4: COMMUNITY BENEFITS OUTCOME AND OBJECTIVES
EXAMPLE TEMPLATE**

Community Benefits Outcomes and Objectives
Example Template

Recipient Name: XYZ Hydropower Facility

Project Title: XYZ Capital Improvement Project

Award Number: 3088-1234

I. Executive Summary

As part of this capital improvement project XYZ Hydropower Facility will incorporate the following initiatives, which are specific to this improvement.

Community and Labor Engagement:

- A Good Neighbor agreement will be developed with several community groups and local tribes, the community will be kept apprised of the capital improvement project plans, opportunities for feedback will be provided, and groups will also be notified of other project updates. This agreement will provide opportunities for collaboration on other future initiatives that will benefit the community.
- Hold three community engagement meetings to provide an update on capital improvement project plans, provide status of the capital improvement project, and final outcomes of the project once complete. These meetings will provide opportunities for feedback. Tour will also be held as part of these meetings.

Investing in Job Quality and Workforce Continuity:

- Develop one pre-apprenticeship opportunity and one registered apprenticeship opportunity for the capital improvement, apprentices will be onboarded by month 4 of capital improvement project.

DEIA:

- Sign a contract with one Minority Business Enterprise (MBE) for engineering services directly related to the capital improvement project by month 3.

Justice40 Initiative:

- Develop a Rate Discount Program for low income ratepayers across service territory including within the disadvantaged community (DAC) tract 11001006400 and enroll applicable ratepayers. Monitor enrollment for 30% increase from program rollout and continue recruitment efforts by project completion.
- An increase in quality job creation, the clean energy job pipeline, and job training for individuals: Upskill 2 contractors located in nearby disadvantaged community (DAC) tract 11001006400 on the capital improvement project by month 12 (completion of project) for turbine rewind and continued operations and maintenance.
- Environmental Impacts:
 - There are no expected negative environmental impacts associated with this capital improvement project. There are positive environmental impacts associated with this capital improvement project, including an anticipated 10% increase in dissolved oxygen through the installation of an aerating turbine.

II. Milestone Table

Instructions: This section should be filled in to reflect the commitments and relevant time-based milestones.

The selectee should add or delete rows and columns so the table summarizes commitments and timelines from milestones agreed upon during negotiations. Red text indicates examples and should be deleted or modified to reflect applicant's plan. The following items should not be included in the Milestone Table:

- Specific dates (only include general time frames (i.e. Demonstrate XYZ result by Month 3, instead of Demonstrate XYZ by June 8th, 2013)).
- Names of subcontractors, vendors, or individuals. The award is with the prime and, as such, the CBOO should not generally reference the subcontractors.

Category and Commitment	Existing or Planned	Budget Period 1 milestone	Budget period 2 milestone	Budget period 3 milestone	Budget period 4 milestone
Community and Labor Engagement					
<i>Good neighbor/community benefits agreement</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> Not at this time	<i>Parties and scope identified</i>	<i>Agreement signed</i>		
<i>Collective bargaining agreement (operating jobs)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> Not at this time				
<i>Project Labor Agreement (construction jobs)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> Not at this time				
<i>Community Engagement Meetings with facility tours. Engagement Meetings will provide an opportunity to introduce stakeholders to the capital improvement project, provide a pathway for the community feedback, and keep stakeholders apprised of the capital</i>		<i>Identify community stakeholders for outreach</i>	<i>Initial Community Engagement meeting held with a tour of the hydro facility</i>	<i>Community Engagement meeting held with an update on improvement project status</i>	<i>Community engagement meeting held to review completed improvement project with opportunities for feedback. A tour will also be held providing attendees with a glimpse</i>

<i>improvement project's status. Tours will also offer the community an opportunity to learn about hydropower, its contributions to the community, and workforce opportunities</i>					<i>of the improvements</i>
<i>Community feedback and data incorporated into the project</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> Not at this time (If "Not at this time", please provide an explanation in this cell).		<i>Community engagement meeting with stakeholder feedback</i>	<i>Community engagement meeting with stakeholder feedback</i>	<i>Community engagement meeting with stakeholder feedback</i>
Investing in Job Quality and Workforce Continuity	Total Number of Permanent Operations Jobs: [1] Number of Construction phase jobs: [20]				
<i>Minimum starting wage for permanent hourly jobs:</i>	\$30/hr				
<i>Pay upper quintile wages for industry and occupation</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<i>Fringe Benefits</i>	<input checked="" type="checkbox"/> Employer-sponsored health insurance <input checked="" type="checkbox"/> Contributions to retirement <input checked="" type="checkbox"/> Transportation assistance <input checked="" type="checkbox"/> Childcare assistance				
<i>Training</i>	<input checked="" type="checkbox"/> Contributions to labor-management training partnership <input checked="" type="checkbox"/> Utilization of registered apprentices for at least 15% of construction jobs <input checked="" type="checkbox"/> Paid training	<i>Work with local IBEW to develop one pre-apprenticeship opportunity and one registered</i>	<i>Onboard apprentices</i>	<i>Training and development of apprentices</i>	

	<input checked="" type="checkbox"/> Tuition support or reimbursement	<i>apprenticeship opportunity for the capital improvement</i>			
<i>Health and Safety Committee with Hourly Worker Representation</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> Not at this time				
<i>Support for Worker Organizing/Collective Bargaining</i>	<input checked="" type="checkbox"/> Pledge to remain neutral during any union organizing campaigns <input checked="" type="checkbox"/> Pledge to permit union recognition through card check <input checked="" type="checkbox"/> Intention to enter into binding arbitration to settle first contracts <input checked="" type="checkbox"/> Pledge to allow union organizers access to appropriate onsite non-work spaces (e.g. lunch rooms) <input checked="" type="checkbox"/> Pledge to refrain from holding captive audience meetings ¹	<i>Pledges posted publicly</i>			
<i>Other Job Quality and Workforce</i>					
Diversity, Equity, Inclusion, and Accessibility	<input type="checkbox"/> Targeted recruitment efforts for underrepresented groups, such as those facing systematic barriers to quality employment	<i>Release RFP for 1 Minority Business Enterprise (MBE) for engineering services directly</i>	<i>Bids reviewed, contract signed, and contractor has begun work</i>		

¹ “Captive audience meetings” refer to the practice among employers of meeting with employees during union organizing campaigns to express the employer’s view of the possible negative effects that unionizing may have on the general workforce. Some employers have structured such meetings as mandatory and held them on company property during working hours.

	(gender, race/ethnicity, LGBTQ+ status, those with disabilities, veterans) <input checked="" type="checkbox"/> MWBE contracting <input type="checkbox"/> Partner with quality pre-apprenticeship or apprenticeship readiness program ²	<i>related to the capital improvement project</i>			
Other DEIA					
Justice40 Initiative					
Identifies benefits/impacts to disadvantaged communities	<input checked="" type="checkbox"/> Yes (Tract: 11001006400) <input type="checkbox"/> No				
Reduction in energy costs	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>Develop Rate Discount Program for low income ratepayers</i>	<i>Identify low income rate payers eligible for the Rate Discount Program</i>	<i>Outreach to applicable ratepayers</i>	<i>Monitor enrollment for 20% increase from program rollout and continue recruitment efforts</i>
An increase in quality job creation, the clean energy job pipeline, and job training for individuals	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				<i>Upskill 2 contractors located in nearby disadvantaged community (DAC) tract 11001006400 on the capital improvement project by month 12 (completion of project) for turbine rewind and continued operations</i>

² Explore Pre-Apprenticeship | Apprenticeship.gov <https://www.apprenticeship.gov/employers/explore-pre-apprenticeship>

					<i>and maintenance</i>
Environmental Impacts					
<i>There are negative environmental impacts associated with the proposed capital improvement(s)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>No entry needed</i>	<i>No entry needed</i>	<i>No entry needed</i>	<i>No entry needed</i>
<i>There are positive environmental impacts associated with the proposed capital improvement(s)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>Consider turbine upgrades to increase dissolved oxygen by 10%</i>	<i>Hire engineering firm and contractor for aerating turbine install</i>	<i>Installation of aerating turbine</i>	<i>Monitor dissolved oxygen level increases with a goal of a 10% increase from 4 to 5 mg/L range</i>

General CBOO Recommendations:

- SMART milestones should be Specific, Measurable, Achievable, Relevant, and Timely.
- A SMART milestone must be developed for each of the Community Benefits Plan (CBP) goals referenced in the guidance.
- The SMART milestones in the CBOO must advance the CBP goals.
- Milestones in each category should be referenced in the Executive Summary.
- The milestones in the CBOO must focus on the capital improvement project (enterprise/company level goals may be used, but there must be a clear description of how the SMART goal is related to the capital improvement).
- Budget periods should align with your SOPO timeline.

Sample List of Community Benefits Plan Activities:

The following is a sample list of the types of activities in a Community Benefits Plan (CBP) that constitute future plans supporting the CBP goals. Each example is drawn from a CBP that meets DOE's requirements. All of the activities described below are directly related to the capital improvement project, support a CBP goal, and are forward looking, i.e., describe future planned action.

- Community and Labor Engagement
 - Guidance: Explain how you plan to engage with the community specific to the capital improvement project.
 - Example Answers:

- “Hold three stakeholder engagement meetings on site to inform stakeholders of the project, provide updates, and receive feedback from stakeholders. Tours of the facility will also be incorporated into the meetings.” Note: stakeholder engagement here should go beyond what is required in the regulatory approval process.
 - “Engage with [x, y, z] Tribal stakeholders by [date]. Applicant will provide detail on the outcomes of the meetings.”
 - “Sign a Good Neighbor Agreement with [x, y, z] community organizations [related to x] by [date].”
- Investing in the American Workforce
 - Guidance: Describe specific efforts you will make to ensure a well-trained and skilled workforce is available and engaged to complete the capital improvement project.
 - Example Answers:
 - “Upskill 2 employees on a turbine rewind throughout the capital improvement project, the employees will develop new skills to be utilized in future work and their own professional development.”
 - “Applicant will prioritize local hires for the construction of the capital improvement project, aiming for 80% of local hires brought on to the project by [date].”
 - “Develop one pre-apprenticeship opportunity and one registered apprenticeship opportunity for the capital improvement, apprentices will be onboarded by [date].”
 - “Sign a Project Labor Agreement that is specific to the capital improvement project by [date].”
- Diversity, Equity, Inclusion, and Accessibility (DEIA)
 - Guidance: Describe how you will incorporate DEIA objectives into the capital improvement project. Provide details on how you plan to partner with underrepresented business, educational institutions, and training organizations that serve workers who face barriers to accessing quality jobs.
 - Example Answers:
 - Contract with MBEs, Women-Owned or Veteran-Owned businesses on the capital improvement project.
 - “Sign a contract with one Minority Business Enterprise (MBE) for engineering services directly related to the capital improvement project by [date].”
 - “Sign a contract with one Woman-Owned business for concrete services directly related to the capital improvement project by [date].”
 - “Sign a contract with a Veteran-Owned business for construction services on the capital improvement project by [date].”
 - “Develop two pre-apprenticeship opportunities in the form of internships for underrepresented groups specifically related to the capital improvement project.”
 - “Partner with [x, y, z] Minority Serving Institution (MSI) on the capital improvement project by [date].”
 - “Collaborate with underrepresented communities in STEM training by [date] for the purpose of implementing the capital improvement project.”

- Justice40
 - Guidance: The capital improvement project does not need to be within a disadvantaged community (DAC), but the CBP should demonstrate how the project will benefit disadvantaged communities.
 - Example Answers:
 - “Reduction in energy costs: Amplify outreach to DACs in service area on low-income discount programs and increase enrollment by 20% by [date].”
 - “A decrease in environmental exposure and burdens: Decrease diesel usage by 30% by [date] in a service area that is a DAC.”
 - “An increase in quality job creation, the clean energy job pipeline, and job training for individuals: Upskill 2 contractors located in nearby DAC on the capital improvement project by [date].”
 - “An increase in energy resilience: Decrease unplanned/forced outages by 20% by [date] in a service area that is a DAC.”

ATTACHMENT 5: STATEMENT OF PROJECT OBJECTIVES

Title of Project

(Insert the title of the work to be performed. Be concise and descriptive)

This should be a standalone document that describes the work to be conducted and its objectives. This document should not include any proprietary or confidential information.

A. OBJECTIVES

Include one paragraph on the overall objective(s) of the work. Note: if the project will be performed in phases, include specific objective(s) for each phase of the work.

B. SCOPE OF WORK

This section should not exceed one-half page and should summarize the effort and approach to achieve the objective(s) of the work. Note: if the project will be performed in phases, includes specific scope statement(s) for each phase.

C. TASKS TO BE PERFORMED

This section provides a brief summary of the planned approach to this project. Tasks/subtasks, concisely written, should be provided in a logical sequence and should be divided into the phases of the project, as appropriate. In writing the Statement of Project Objectives (SOPO), avoid 1) the use of proper nouns to minimize SOPO modifications in the event of changes to the project team, facilities, etc.; 2) figures and equations; 3) references to other documents and publications; and 4) details about past work and discussion of technical background (which should be covered elsewhere in the application narrative).

Identify specific project milestones in this section, along with their corresponding dates. If you are performing multiple improvements, each improvement should be listed as its own task. Each step for each improvement should be listed as a subtask.

Task 1.0 - (Title)

Task descriptions should include a concise description of the work to be conducted for each task. If the task includes subtasks, provide a general description of how each subtask is related to the overall scope of the task.

Subtask 1.1 - (Title)

Subtask descriptions should include a concise description of the work to be conducted for each subtask.

Subtask 1.2 - (Title)

D. DELIVERABLES (Required: Applicant insert the language provided below in quotes and continue to complete).

The periodic and final reports shall be submitted in accordance with the Federal Assistance Reporting Checklist and the instructions accompanying the checklist. In addition to the reports specified in the Federal Assistance Reporting Checklist, the Recipient must provide the following to GDO. Ensure the delivery date to GDO is also identified. For examples: Delivery to GDO X months after completion of task/subtask X.

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10C

CITY OF STURGIS

RESOLUTION TO CONTROL 2025 MUNICIPAL HEALTH CARE COSTS

WHEREAS, Public Act 152 of 2011 (PA 152), an act to limit a public employer's expenditures for employee medical benefit plans, was approved by the State of Michigan and made effective September 27, 2011 and

WHEREAS, PA 152 mandates hard cap limits on health care expenses for public employers in a total amount equal to \$7,718.26 times the number of employees with single person coverage, \$16,141.28 times the number of employees with individual and spouse coverage or individual plus one nonspouse dependent coverage, and \$21,049.85 times the number of employees with family coverage, for a medical benefit plan coverage year beginning on or after January 1, 2025; and

WHEREAS, PA 152 allows public employers the option, instead of the hard cap, of electing to pay not more than 80% of the total annual costs of all of the medical benefit plans it offers or contributes to for its employees and elected public officials with a majority vote of its governing body; and

WHEREAS, PA 152 allows local units of government, including cities, the option to opt out of all limits set forth in the act with a 2/3^{rds} majority vote of its governing body; and

WHEREAS, these limits would impact all non-union employees beginning January 1st, 2025 and all union employees upon the expiration of their current union contract; and

WHEREAS, the City Commission has approved cost-sharing levels for non-union employees equal to 20% of the rates for traditional health care plans; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STURGIS, that the City will comply with the requirements of Public Act 152 of 2011 for the 2025 calendar year by opting out of the requirements of the Act as stipulated in Section 8 of the Act; and

LET IT BE FURTHER RESOLVED, that the City will implement cost-sharing levels for employees equal to \$200 for a single or \$300 for dual and family coverage when enrolled in the high deductible health plan; and

LET IT BE FURTHER RESOLVED, that the City will implement health incentives equal to \$100 for employees that complete 24 visits to the Doyle Community Center in the calendar year and \$100 for each employee and an additional \$100 if the employee's spouse also participates in a health screening which will be discounted from the biweekly employee contribution levels; and

LET IT BE FURTHER RESOLVED, that the City will contribute \$0.00 in 2025 to Flexible Spending Accounts; and

LET IT BE FURTHER RESOLVED, that the City will rebate up to \$3,500.00 for declining medical coverage and an additional \$200 for also declining dental.

LET IT BE FURTHER RESOLVED, that the City will contribute \$1,200.00 in 2025 to each Health Savings Account established, with payments distributed during January 2025.



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RACHAEL EUBANKS
STATE TREASURER

March 19, 2024

**PUBLIC EMPLOYER CONTRIBUTIONS TO MEDICAL BENEFIT PLANS
ANNUAL COST LIMITATIONS – CALENDAR YEAR 2025**

For a medical benefit plan coverage year beginning on or after January 1, 2012, MCL 15.563, as last amended by 2018 Public Act 477, sets a limit on the amount that a public employer may contribute to a medical benefit plan.


For medical benefit plan coverage years beginning on or after January 1, 2013, MCL 15.563 provides that the dollar amounts that are multiplied by the number of employees with each coverage type be adjusted annually. Specifically, the dollar amounts shall be adjusted, by October 1 of each year after 2011 and before 2019, by the change in the medical care component of the United States consumer price index for the most recent 12-month period for which data are available. By April 1 of each year after 2018, the dollar amounts shall be adjusted by the change in the medical care component of the U.S. consumer price index for the most recent 12-month period for which data are available. For calendar year 2024, the limit on the amount that a public employer may contribute to a medical benefit plan was set to the sum of the following:

- \$7,702.85 times the number of employees and elected public officials with single-person coverage
- \$16,109.06 times the number of employees and elected public officials with individual-and-spouse coverage or individual-plus-1-nonspouse-dependent coverage
- \$21,007.83 times the number of employees and elected public officials with family coverage.

The limits for 2025 equal the 2024 limits increased by **0.2 percent**. The 0.2 percent is the percentage change in the medical care component from the period March 2022-February 2023 to the period March 2023-February 2024.

Thus, for medical benefit plan coverage years beginning on or after January 1, 2025, the limit on the amount that a public employer may contribute to a medical benefit plan equals the sum of the following:

- \$7,718.26 times the number of employees and elected public officials with single-person coverage
- \$16,141.28 times the number of employees and elected public officials with individual -and-spouse coverage or individual-plus-1-nonspouse-dependent coverage
- \$21,049.85 times the number of employees and elected public officials with family coverage.


Rachael Eubanks
State Treasurer

March 19, 2024

**City of Sturgis
City Commission
Regular Meeting**

Agenda Item 10D



TO: Andrew Kuk, City Manager
 FROM: Holly Keyser, City Controller
 SUBJECT: 2023-2024 Proposed Budget Amendment
 DATE: September 20, 2024

In accordance with the Uniform Budgeting and Accounting Act, the following governmental funds need to be amended to reflect changes in the expected revenue and operating expenditures anticipated in the 2023-2024 fiscal year, as compared to those originally estimated in the 2023-2024 approved budgets as previously amended.

	Original Budget			Amendment 1 9.25.24	Proposed Budget
General Fund - 101					
Property Taxes	\$3,222,040				\$3,222,040
Payment in Lieu of Taxes	\$1,904,380				\$1,904,380
Federal Sources	\$2,050,000				\$2,050,000
State Sources	\$3,308,072			(\$40,000)	\$3,268,072
Licenses & Permits	\$95,500			(\$30,000)	\$65,500
Charges for Services	\$224,500				\$224,500
Fines and Fees	\$23,000				\$23,000
Interest Income	\$100,000			\$240,000	\$340,000
Other Revenue	\$291,000				\$291,000
Administrative Reimbursement	\$1,299,360				\$1,299,360
Contribution from Capital Reserve	\$660,000				\$660,000
Total Revenue	\$13,177,852	\$ -	\$ -	\$170,000	\$13,347,852
General Government	\$1,800,460				\$1,800,460
Police and Fire	\$5,320,382				\$5,320,382
Community Development	\$258,324			\$40,000	\$298,324
Public Works	\$629,028			\$10,000	\$639,028
Health and Welfare	\$693,703				\$693,703
Recreation and Culture	\$686,496			\$91,000	\$777,496
Debt Service	\$19,440				\$19,440
Capital Outlay	\$2,699,000				\$2,699,000
Contributions to Other Funds	\$1,206,620			\$15,600	\$1,222,220
Total Expenditures	\$13,313,453	\$ -	\$ -	\$156,600	\$13,470,053
Change in Fund Balance	(\$135,601)	\$ -	\$ -	\$13,400	(\$122,201)
Beginning Fund Balance	\$3,010,147	\$2,874,546	\$2,874,546	\$2,874,546	\$3,010,147
Projected Ending Fund Balance	\$2,874,546	\$2,874,546	\$2,874,546	\$2,887,946	\$2,887,946

The General Fund budgeted revenues were modified as presented during the budget work sessions and due to the following:

State Sources-to reflect reduced estimates for LCSA and revenue sharing	\$ (40,000)
Licenses & Permits-to reflect reduction in medical marijuana fees	\$ (30,000)
Interest Revenue-to adjust to estimated actual earned	\$ 200,000

The General Fund budgeted expenditures were modified as presented during the budget worksessions and due to the following:

Property Maintenance-increased to reflect actual personnel costs	\$ 22,000
Planning and Zoning-increased to reflect actual personnel costs	\$ 18,000
Brush and Leaf-increased to reflect revised estimates	\$ 10,000
Recreation and Culture for splashpad utilities	\$ 91,000
Contribution to Recreation Fund to maintain a positive fund balance	\$ 15,600

	Original Budget			Amendment 1 9.25.24	Proposed Budget
Fund -231 Airport Fund					
Revenue	137,905			-	137,905
Expenditures	394,772			(38,000)	356,772
Contribution from General Fund	72,000			-	72,000
Contribution from Capital Reserve Fund	78,000			(38,000)	40,000
Change in Fund Balance	(106,867)			-	(106,867)
Beginning Fund Balance-updated to audit	262,085			155,218	262,085
Projected Ending Fund Balance	155,218			155,218	155,218

The Airport Fund expenditures are decreased to reflect deferred capital projects. The contribution from the Capital Reserve Fund is decreased by the same.

	Original Budget			Amendment 1 9.25.24	Proposed Budget
Fund -261 Sturges-Young Center for the Arts Fund (SYCA)					
Revenue	666,600			(138,000)	528,600
Expenditures	1,156,081			(270,000)	886,081
Contribution from General Fund	302,700			-	302,700
Contribution from Capital Reserve Fund	178,800			(132,000)	46,800
Change in Fund Balance	(7,981)			-	(7,981)
Beginning Fund Balance-updated to audit	130,847			122,866	130,847
Projected Ending Fund Balance	122,866			122,866	122,866

The SYCA Fund revenue, expenditures, and transfer from Capital Reserve are decreased due to deferral of the lower-level restroom project.

	Original Budget			Amendment 1 9.25.24	Proposed Budget
Fund -264 Recreation Fund					
Revenue	133,400			(18,000)	115,400
Expenditures	256,690			-	256,690
Contribution from General Fund	122,400			15,600	138,000
Contribution from Capital Reserve Fund	-			-	-
Change in Fund Balance	(890)			(2,400)	(3,290)
Beginning Fund Balance-updated to audit	3,366			2,476	3,366
Projected Ending Fund Balance	2,476			76	76

The Recreation Fund revenue is decreased to reflect revised estimates. The contribution from the General Fund is increased to maintain a positive fund balance.

	Original Budget			Amendment 1 9.25.24	Proposed Budget
Fund -265 Doyle Community Center Fund					
Revenue	592,200			-	592,200
Expenditures	709,372			-	709,372
Contribution from General Fund	-			-	-
Contribution from Capital Reserve Fund	55,000			(20,000)	35,000
Change in Fund Balance	(62,172)			(20,000)	(82,172)
Beginning Fund Balance-updated to audit	135,865			73,693	135,865
Projected Ending Fund Balance	73,693			53,693	53,693

The Doyle Fund transfer is decreased to reflect revised estimates for capital projects to be completed this budget year.

	Original Budget			Amendment 1 9.25.24	Proposed Budget
Capital Reserve Fund - 401					
Revenue	12,000				12,000
Expenditures	-				-
Contribution from General Fund	-				-
Contribution to Other Funds	971,800			(190,000)	781,800
Change in Fund Balance	(959,800)			190,000	(769,800)
Beginning Fund Balance-updated to audit	1,571,208			611,408	1,571,208
Projected Ending Fund Balance	611,408			801,408	801,408

The Capital Reserve Fund contributions to other funds have been revised per fund modifications above.

	Original Budget			Amendment 1 9.25.24	Proposed Budget
Capital Project Fund - 402					
Revenue	-				-
Expenditures	201,867			20,000	221,867
Contribution from General Fund	-				-
Contribution to Other Funds	-			-	-
Change in Fund Balance	(201,867)			(20,000)	(221,867)
Beginning Fund Balance-updated to audit	253,974			52,107	253,974
Projected Ending Fund Balance	52,107			32,107	32,107

The Capital Project Fund is amended to revise the estimated expenditures necessary to close out the splashpad project.