

REGULAR MEETING OF THE WEST BRANCH CITY COUNCIL TO BE
HELD IN THE COUNCIL CHAMBERS AT WEST BRANCH CITY HALL, 121
N. FOURTH ST. ON MONDAY, JUNE 4, 2018, BEGINNING AT **6:00 P.M.**

PLEASE NOTE: All guests and parties in attendance are asked to sign in if they will be making any comments during meetings, so that the City Clerk may properly record your name in the minutes. Public comments are limited to 3 minutes in length while matters from the floor are limited to 10 minutes, unless you have signed in and requested additional speaking time, and that request is then approved by either the Mayor or a majority vote of Council. All in attendance are asked to please remove hats and/or sunglasses during meetings and to silence all cell phones and other electronic devices. Due to recent complaints from those in attendance trying

to listen, audience members are kindly reminded to **please refrain from having private**

conversations while meetings are in progress—it is disruptive and

NOT allowed. Unless you are a scheduled speaker from the floor or in the process of giving public comment for the record, audience members should not converse in the Council Chambers during meetings--if you feel that you must converse during a meeting, you are kindly asked to please do so in the hallway, away from the doors.]

[DISCLAIMER: Views or opinions expressed by City Council Members or employees during meetings are those of the individuals speaking and do not represent the views or opinions of the City Council or the City as a whole.]

[NOTICE: Audio and/or video may be recorded at public meetings of the West Branch City Council.]

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. Public Hearing
- V. Additions to the agenda
- VI. Public Comment on Agenda Items Only (limited to 3 minutes)
- VII. Scheduled Matters from the Floor
 - A. Commissioner Bruce Reetz – County update
 - B. Planning Commission Report
 - C. DDA Report
- VIII. Bids
 - A. Mowing
- IX. Unfinished Business

- X. New Business
 - A. Bills payable
 - B. Resignation of Member Williams from the DDA Board.
 - C. Waiver of Right of First Refusal
 - D. Sole Source Vendor request and approval of Cable channel equipment purchase
 - E. Resolution 18-13 Wellhead protection
 - F. Resolution 18-14 Local Street fund budget amendment
 - G. Resolution 18-15 Equipment funding
- XI. Approval of minutes from the Meeting held May 21, 2018
- XII. Consent Agenda (These items are considered routine and can be enacted in one motion)
 - A. Treasurer's report and Investment Summary
 - B. Administrative Budget Amendments 9873, 9875, and 9876
- XIII. Communications
 - A. Consumers Energy notice of hearing
 - B. Police Department audit report
 - C. MML Updates
- XIV. Reports and/or comments
 - A. Mayor
 - B. Council Members
 - C. City Manager
- XV. Public Comment on any item (limited to 3 minutes)
- XVI. Adjournment

Call to Order

Roll Call

**Pledge of
Allegiance**

Public Hearings

Additions to the Agenda

Public Comment -Agenda Items

Scheduled Matters from the Floor

Bids

**CITY OF WEST BRANCH
REQUEST FOR PROPOSALS**

The City of West Branch is seeking bids for the 2018 Seasonal Mowing and Trimming of lots that are in Violation of the City Ordinance. Bids must be submitted at a cost per lot.

Sealed bids clearly marked "Mowing Bids" may be received via mail or in person during regular business hours (Monday-Friday 8:00 am-4:30 pm) at City Hall, 121 N. Fourth St., West Branch, MI 48661 by Wednesday, May 30, 2018 at noon and will be opened publicly immediately thereafter in the Council Chambers of City Hall. If you have any other questions, you can contact City Hall at (989) 345-0500.

All bids are good for 90 days unless indicated otherwise by bidder. City Council has the right to accept or reject any or all bids.

Northern Mow & Trim

1985 Rau Rd.

West Branch, MI 48661

(989) 345-8767

406200

Statement

DATE

5/29/18

TERMS

TO

City of West Branch

121 N. 4th St.

West Branch Mi. 48661

IN ACCOUNT WITH

City lawn mowing bid

\$80.00 per cut

2018 Season

Thank-you!

Amey Buhlman

Northern Mow

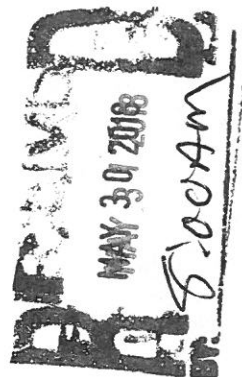
1985 Rau

West Branch, MI 4

(989) 345-8767

& Trim
Rd.

Lawn mowing
Bid 2018





City of West Branch

121 North Fourth Street, West Branch, Michigan 48661

Phone 989-345-0500 ☺ Fax 989-345-4390 ☺ e-mail clerktreasurer@westbranch.com

Only one bid was received for the mowing of City lots. Northern Mow & Trim was our supplier last year after he took over for our previous provider. His bid is for the same amount as last year and GPSCR Coordinator Kelli Collins said there were no issues in working with them last year so I would recommend to approve the bid as submitted.

As always, please feel free to contact me with any questions,

Thank you,

John Dantzer,
City Clerk/Treasurer

Unfinished Business

New Business

*ATTACHED IS A
LIST OF THE
BILLS TO BE APPROVED
AT THIS COUNCIL MEETING*

BILLS	\$32,703.39
MAJOR/LOCAL STREET	\$2,962.00
<i>BILLS AS OF 5/31/18</i>	<i>\$35,665.39</i>
<i>Additions to Bills as of</i>	<i>\$0</i>
<i>Paid but not approved</i>	<i>\$4,000.00</i>
TOTAL BILLS	\$39,665.39

**BILLS ARE AVAILABLE
AT THE MEETING
FOR COUNCIL'S REVIEW**

Vendor Name	Amount	Description
ADVANCED CHEMICAL & SUPPLY INC	142.20	WWTP SUPPLIES
ALPENA FIRE EQUIPMENT	143.75	ANNUAL FIRE EXTINGUISHER MAINTENANCE
AXON ENTERPRISE INC	396.00	POLICE TASER SUPPLIES
BECKMAN BROTHERS INC	2,962.00	LIQUID POTHOLE FILLER
CHARTER COMMUNICATIONS	119.97	PHONE INTERNET DPW
CINTAS	44.37	WWTP SUPPLIES
CONSUMERS ENERGY	31.23	ELECTRIC
DLL FINANCIAL SERVICES INC	70.08	POLICE COPIER
ELIASON LAW OFFICE	450.00	LEGAL SERVICES MAY
INK & THREAD LLC	9.00	PLANNING NAME PLATE
MERS OF MICHIGAN	15,186.13	RETIREMENT MAY
MOTOROLA SOLUTIONS INC	4,172.38	POLICE RADIOS
MVW & ASSOCIATES INC	995.00	ASSESSOR CONTRACT JUNE
NORTH CENTRAL FEED & SUPPLY	76.00	PARK SUPPLIES
NORTH CENTRAL LABORATORIES	301.92	WWTP SUPPLIES
OGEMAW COUNTY HERALD ADLINER	229.26	ADS
OGEMAW COUNTY TREASURER	10.00	NOTARY FEE FRECHETTE
PEPSI COLA	456.79	POP MACHING POP
PITNEY BOWES	34.99	POSTAGE METER
REPUBLIC SERVICES 237	9,520.73	GARBAGE SERVICE MAY
STATE OF MICHIGAN	250.00	POLICE RADIO ACTIVATION
STATE OF MICHIGAN	10.00	FRECHETTE NOTARY FEE
TRACTOR SUPPLY CREDIT PLAN	49.99	VARIOUS SUPPLIES
UPS	3.60	POSTAGE
TOTAL	35,665.39	

Tracy Williams

160 W. State Rd.

West Branch, MI 48661

May 21, 2018

To the City of West Branch,

Please accept this letter of resignation as formal notification that I am leaving my position with the West Branch DDA.

I want to thank you for the opportunity to work with such a wonderful group of individuals that work very hard to make the DDA a success, it's been a pleasure to meet all of you. I need to resign due to work conflict with my present employer as I feel I will not be able to serve to the best of my ability.

I wish you all great success!

Respectfully,

A handwritten signature in cursive script, appearing to read 'Tracy Williams', written in dark ink.

Tracy Williams



City of West Branch

121 North Fourth Street, West Branch, Michigan 48661

Phone 989-345-0500 ☺ Fax 989-345-4390 ☺ e-mail clerktreasurer@westbranch.com

Upgrade to the City's cable channel equipment.

Due to the age of the City's cable channel equipment, we have experienced a large amount of issues with the program causing the channel to have to be constantly monitored and is currently limited to very basic copies of black and white brochures. In an effort to fix this issue, we have spent close to a year meeting with different businesses and going over potential fixes to this. We have found a large range of recommendations starting from a couple thousand dollars to over \$20,000. The equipment upgrades that were for a few thousand would only provide a basic upgrade to allow the system to work more effectively but not really allow for anything more than the current scanning and copying of single page brochures. We also felt that the estimates of \$20,000 or more were way overkill for what we thought the City would ever need and more than we would want to spend on this type of purchase. The included retail sales agreement that we obtained with the help of our IT specialist, Tom Spencer, is the recommended proposal that we think would be the best for the current and future needs of the City. This upgrade would allow the TV channel to run without errors and constant monitoring and allow us to use much more in depth slide shows, it would also have the ability to play recorded meetings or if copyright laws allowed, possibly even some local Little League or High School games which has been requested before via our cable channel or by YouTube type videos. From what we could tell, this would give us the most flexible system to work with for what we need today and still be able to upgrade for future needs. While the amount is quite a bit, we currently have money available from the cable channel franchise fee that would cover it and this is exactly the type of expense they would like to see that money spent on.

The current bid of \$10,225 includes a rack mount chassis (HDE-3MCH) and 2 hours of training. Tom believes one hour of training would be sufficient and the rack mount chassis is not needed because we do not have a rack for this to be mounted into, ours would be freestanding. Once we subtract those two items, the bid would be for \$9,993.00.

According to the §33.03, purchases of less than \$10,000 can be made without going through a formal RFP and sealed bid and can be based on three competitive bids. In an effort to get 3 bids, we have reached out to several people and the only one we have been able to get a bid from is AVI systems. We have reached out to Charter who we were told helped with the original equipment and were told they no longer sell equipment and were not able to help us. We have met with a couple local businesses and after going over the equipment, neither were able to help. When we have reached out to other companies that deal with this type of equipment, we were told they don't have anyone in this area to help us but we could order from their website but couldn't offer any suggestions. Because we have not been able to come up with other bids, we would ask that you bypass the three bids and approve a sole source vendor request and also we ask that you would consider approving this bid from AVI systems so we can move forward with getting our equipment upgraded and able to use the channel more effectively.

Thank you,
John Dantzer, City Clerk/Treasurer

Retail Sales Agreement



AVI Systems Inc., 48679 Alpha Drive, Suite 140 Wixom, MI, 48393 | Phone: (248)957-6150, Fax: (248)957-6151

Proposal Number: 850998
Prepared For: City of West Branch
Attn: Tom Spencer

Proposal Date: May 16, 2018

Cable Playback Rev. 2

Prepared By: John Young
Phone: (269)674-3121
Email: john.young@avisystems.com

BILL TO

Attn: Tom Spencer
City of West Branch
121 North 4th Street
West Branch, MI, 48661
Phone: (989)345-0500
Email: tom@glccllc.com
Customer Number: COW0020

SITE

Attn: Tom Spencer
City of West Branch
121 North 4th Street
West Branch, MI, 48661
Phone: (989)345-0500
Email: tom@glccllc.com

COMMENTS

S&H FOB Origin

PRODUCTS AND SERVICES SUMMARY

Equipment	\$10,225.00
Integration	\$0.00
PRO Support	\$0.00
Shipping & Handling	TBD
Tax	\$0.00
Grand Total	\$10,225.00

Unless otherwise specified. The prices quoted reflect a discount for a cash payment (i.e., check, wire transfer) made by Customer in full within the time stated for payment on each invoice. Discount only applies to new items included on the invoice, and only applies if the balance on the invoice is paid in full.

All returned equipment is subject to a restocking charge. The prices are valid for 30 days and may be locked in by signing this Retail Sales Agreement.

Overdue balances are subject to a finance charge of 1.5% per month, or interest at the highest rate permitted by applicable law. In the event AVI must pursue collection of unpaid invoices, Customer agrees to pay all of AVI's costs of collection, including its attorneys' fees.

INVOICING AND PAYMENT TERMS

Customer and AVI have agreed on the payment method of CASH. Payment must be remitted by stated method. To the extent Customer seeks to use of any payment methods other than stated, and that payment method results in an increased transaction cost to AVI, the new payment must be approved in writing, and the Customer shall be responsible for paying the increased transaction cost to AVI associated with the change in payment method. Payments shall be made 30 days from invoice date. So long as the invoice has been sent and the Customer's payment is made within the terms work will continue.

Customer is to make payments to the following "Remit to" address:

AVI Systems
NW8393 PO Box 1450
Minneapolis, MN 55485-8393

If Payment Method is ACH: Customer must make all payments in the form of bank wire transfers or electronic funds transfers through an automated clearinghouse with electronic remittance detail, in accordance with the payment instructions AVI Systems provides on its invoice to Customer.

A monthly summary of detailed equipment received is available upon request. Equipment received may be different than equipment billed based on agreed billing method.

TAXES AND DELIVERY

Unless stated otherwise in the "Products and Services Summary" above, AVI will add and include all applicable taxes, permit fees, license fees, and delivery charges to the amount of each invoice. Taxes will be calculated according to the state law(s) in which the product(s) and/or service(s) are provided. Unless Customer provides a valid tax exemption certificate for any tax exemption(s) claimed, AVI shall invoice for and collect all applicable taxes in accordance with state law(s), and Customer will be responsible for seeking a tax credit/refund from the applicable taxing authority.

AGREEMENT TO QUOTE AND DOCUMENTS CONSTITUTING YOUR CONTRACT WITH AVI

Customer hereby accepts the above quote for goods and/or services from AVI. When duly executed and returned to AVI, AVI's Credit Department will check Customer's credit and approve the terms. After approval by AVI's Credit Department and signature by AVI, this Retail Sales Agreement will, together with the [AVI General Terms & Conditions](http://www.avisystems.com/TermsOfSale) (which can be found at <http://www.avisystems.com/TermsOfSale>) form a binding agreement between Customer and AVI. (This Retail Sales Agreement and the AVI General Terms & Conditions of Sale (the "T&Cs") are referred to collectively as the "Agreement"). If not defined in this Agreement, all capitalized terms shall have the meaning given to them in the T&Cs. Should AVI's Credit Department determine at any point prior to AVI commencing work that Customer's credit is not adequate, or should it otherwise disapprove of the commercial terms, AVI reserves the right to terminate the Agreement without cause and without penalty to AVI.

AGREED AND ACCEPTED BY

Company

Signature

Printed Name

Date

AVI Systems, Inc.

Company

Signature

Printed Name

Date

CONFIDENTIAL INFORMATION

The company listed in the "Prepared For" line has requested this confidential price quotation, and shall be deemed "Confidential Information" as that term is defined in the T&Cs. This information and document is confidential and is intended solely for the private use of the customer identified above. Customer agrees it will not disseminate copies of this quote to any third party without the prior written consent of AVI. Sharing a copy of this quote, or any portion of the Agreement with any competitor of AVI is a violation of this confidentiality provision. If you are not the intended recipient of this quote (i.e., the customer), you are not properly in possession of this document and you should immediately destroy all copies of it.

PRODUCTS AND SERVICES DETAIL

PRODUCTS:

<u>Model #</u>	<u>Mfg</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>	<u>Extended</u>
On-Line Support					
LGX-WPT	LEIGHTRONIX	LEIGHTRONIX ONLINE	2	\$115.00	\$230.00
Sub-Total: On-Line Support					\$230.00
RF Encoder					
HDE-CSV-QAM/IP	Blonder Tongue	High Definition MPEG-2 Encoder Module	1	\$2,882.00	\$2,882.00
HDE-3MCH	BLONDER TONGUE	Rack Mount Chassis	1	\$117.00	\$117.00
Sub-Total: RF Encoder					\$2,999.00
ULTRANEXUS					
ULTRANEXUS-HD CAST	LEIGHTRONIX	Network-Managed HD/SD Automation Controller and Digital Video Server (Player Only)	1	\$6,996.00	\$6,996.00
Sub-Total: ULTRANEXUS					\$6,996.00
<u>Total:</u>					<u>\$10,225.00</u>

AVI Systems General Terms and Conditions of Sale

The following General Terms & Conditions of Sale (the "T&Cs") in combination with either (a) a signed Retail Sales Agreement or (b) Quote under which AVI Systems, Inc ("AVI") agrees to supply goods or services constitute a binding contract (the "Agreement") between AVI and the entity identified on page one of the Retail Sales Agreement or Quote (the "Customer"). In the absence of a separately negotiated "Master Services Agreement" between AVI and Customer signed in "wet ink" by the Chief Executive Officer or Chief Financial Officer of AVI, these T&C's shall apply. Any terms and conditions set forth in any correspondence, purchase order or Internet based form from Customer to AVI which purport to constitute terms and conditions which are in addition to those set forth in this Agreement or which attempt to establish conflicting terms and conditions to those set forth in this Agreement are expressly rejected by AVI unless the same has been manually countersigned in wet ink by an Officer of AVI.

- 1. Changes In The Scope of Work** – Where a Scope of Work is included with this Agreement, costs resulting from changes in the scope of this project by the Customer, including any additional requirements or restrictions placed on AVI by the Customer or its representatives, will be added to the contract price. When AVI becomes aware of the nature and impact of the change, a contract Change Order will be submitted for review and approval by the Customer before work continues. AVI has the right to suspend the work on the project pending Customer's written approval of the Change Order.
- 2. Ownership and Use of Documents and Electronic Data** – Where applicable, drawings, specifications, other documents, and electronic data furnished by AVI for the associated project under this Agreement are instruments of the services provided. These items are "Confidential Information" as defined in this Agreement and AVI shall retain all common law, statutory and other reserved rights, including any copyright in these instruments. These instruments of service are furnished for use solely with respect to the associated project under this Agreement. The Customer shall be permitted to retain copies of any drawings, specifications, other documents, and electronic data furnished by AVI for information and reference in connection with the associated project and for no other purpose.
- 3. Proprietary Protection of Programs** – Where applicable this Agreement does not cause any transfer of title, or intellectual rights, in control systems programs, or any materials produced in connection therewith, including any source code. Any applications or programs supplied by AVI are provided, and are authorized for installation, execution, and use only in machine-readable object code form. This Agreement is expressly limited to the use of the programs by the Customer for the equipment in connection with the associated project. Customer agrees that it will not seek to reverse-engineer any program to obtain source codes, and that it will not disclose the programs source codes or configuration files to any third party, without the written consent of AVI. The programs, source codes and configuration files, together with AVI's know-how and integration and configuration techniques, furnished hereunder are proprietary to AVI, and were developed at its private expense. If Customer is a branch of the United States government, for purposes of this Agreement any software furnished by AVI hereunder shall be deemed "restricted computer software", and any data, including installation and systems configuration information, shall be deemed "limited rights data", as those terms are defined in FAR 52.227-14 of the Code of Federal Regulations.
- 4. Shipping and Handling and Taxes** – The prices shown are F.O.B. manufacturer's plant or AVI's office depending on where items are located when direction is issued to ship to the point of integration. The Customer, in accordance with AVI's current shipping and billing practices, will pay all destination charges. In addition to the prices on this Agreement, the Customer agrees to pay amounts equal to any sales tax invoiced by AVI, or (where applicable) any use or personal property taxes resulting from this Agreement or any activities hereunder. Customer will defend, indemnify and hold harmless AVI against any claims by any tax authority for all unpaid taxes or for any sales tax exemption claimed by Customer.
- 5. Title** – Where applicable, title to the Equipment passes to the Customer on the earlier of: (a) the date of shipment from AVI to Customer, or (b) the date on which AVI transmits its invoice to Customer.
- 6. Security Interest** – In addition to any mechanics' lien rights, the Customer, for value received, hereby grants to AVI a security interest under the Minnesota commercial code together with the a security interest under the law(s) of the state(s) in which work is performed or equipment is delivered. This security interest shall extend to all Equipment, plus any additions and replacements of such Equipment, and all accessories, parts and connecting Equipment now or hereafter affixed thereto. This security interest will be satisfied by payment in full unless otherwise provided for in an installment payment agreement. The security interest shall be security for all sums owed by Customer under this Agreement. A copy of this Agreement may be filed as a financing statement with the appropriate authority at any time after signature of the Customer. Such filing does not constitute acceptance of this Agreement by AVI.
- 7. Risk of Loss or Damage** – Notwithstanding Customer's payment of the purchase price for Equipment, all risk of loss or damage shall transfer from AVI to Customer upon transfer of Title to Customer. Customer shall be responsible for securing insurance on Equipment from this point forward.
- 8. Receiving/Integration** – Unless the Agreement expressly includes integration services by AVI, the Customer agrees to furnish all services required for receiving, unpacking and placing Equipment in the desired location along with integration. Packaging materials shall be the property of the Customer.
- 9. Equipment Warranties** – To the extent AVI receives any warranties from a manufacturer on Equipment; it will pass them through to Customer to the full extent permitted by the terms of each warranty. Factory warranties vary by manufacturer, and no additional warranties are expressed or implied.
- 10. General Warranties** – Each Party represents and warrants to the other that: (i) it has full right, power and authority to enter into and fully perform its obligations under this Agreement, including without limitation the right to bind any party it purports to bind to this Agreement; (ii) the execution, delivery and performance of this Agreement by that Party does not conflict with any other agreement to which it is a Party or by which it is bound, and (iii) it will comply with all applicable laws in its discharge of its obligations under this Agreement. AVI warrants, for a period of 90 days from Substantial Completion, the systems integration to be free from defects in workmanship. CUSTOMER WARRANTS THAT IT HAS NOT RELIED ON ANY

INFORMATION OR REPRESENTATION PROVIDED BY OR ON BEHALF OF AVI WHICH IS NOT EXPRESSLY INCLUDED IN THESE GENERAL TERMS AND CONDITIONS OR THE RETAIL SALES AGREEMENT. EXCEPT AS EXPRESSLY SET FORTH HEREIN. AVI DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES WITH REGARD TO THE EQUIPMENT, MATERIALS AND SERVICES PROVIDED BY AVI, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON INFRINGEMENT AND TITLE.

11. Indemnification – Customer shall defend, indemnify and hold harmless AVI against all damages, claims, liabilities, losses and other expenses, including without limitation reasonable attorneys' fees and costs, (whether or not a lawsuit or other proceeding is commenced), that arise in whole or in part from: (a) any negligent act or omission of Customer, its agents, or subcontractors, (b) Customer's failure to fully conform to all laws, ordinances, rules and regulations which affect the Agreement, or (c) Customer's breach of this Agreement. If Customer fails to promptly indemnify and defend such claims and/or pay AVI's expenses, as provided above, AVI shall have the right to defend itself, and in that case, Customer shall reimburse AVI for all of its reasonable attorneys' fees, costs and damages incurred in settling or defending such claims within thirty (30) days of each of AVI's written requests. AVI shall indemnify and hold harmless Customer against all damages, claims, liabilities, losses and other expenses, including without limitation reasonable attorneys' fees and costs, (whether or not a lawsuit or other proceeding is commenced), to the extent that the same is finally determined to be the result of (a) any grossly negligence or willful misconduct of AVI, its agents, or subcontractors, (b) AVI's failure to fully conform to any material law, ordinance, rule or regulation which affects the Agreement, or (c) AVI's uncured material breach of this Agreement.

12. Remedies – Upon default as provided herein, AVI shall have all the rights and remedies of a secured party under the Minnesota commercial code and under any other applicable laws. Any requirements of reasonable notice by AVI to Customer, or to any guarantors or sureties of Customer shall be met if such notice is mailed, postage prepaid, to the address of the party to be notified shown on the first page of this Agreement (or to such other mailing address as that party later furnishes in writing to AVI) at least ten calendar days before the time of the event or contemplated action by AVI set forth in said notice. The rights and remedies herein conferred upon AVI, shall be cumulative and not alternative and shall be in addition to and not in substitution of or in derogation of rights and remedies conferred by the Minnesota commercial code and other applicable laws.

13. Limitation of Remedies for Equipment – AVI's entire liability and the Customer's sole and exclusive remedy in all situations involving performance or nonperformance of Equipment furnished under this Agreement, shall be the adjustment or repair of the Equipment or replacement of its parts by AVI, or, at AVI option, replacement of the Equipment.

14. Limitation on Liability – EXCEPT IN CIRCUMSTANCES INVOLVING ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, THE TOTAL LIABILITY OF A AVI UNDER THIS AGREEMENT FOR ANY CAUSE SHALL NOT EXCEED (EITHER FOR ANY SINGLE LOSS OR ALL LOSSES IN THE AGGREGATE) THE NET AMOUNT ACTUALLY PAID BY CUSTOMER TO AVI UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD PRIOR TO THE DATE ON WHICH AVI'S LIABILITY FOR THE FIRST SUCH LOSS FIRST AROSE.

15. No Consequential Damages – AVI SHALL NOT HAVE ANY LIABILITY TO CUSTOMER OR TO ANY OTHER PERSON OR ORGANIZATION FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES OF ANY DESCRIPTION (INCLUDING WITHOUT LIMITATION LOST PROFITS OR LOSS OR INTERRUPTION OF BUSINESS), WHETHER BASED ON CONTRACT, NEGLIGENCE, TORT, OR ANY OTHER LEGAL THEORY, REGARDLESS OF WHETHER ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND IRRESPECTIVE OF THE NUMBER OR NATURE OF CLAIMS.

16. Acceleration of Obligations and Default – Payment in full for all "Equipment," which is defined as all goods identified in the section of the Agreement with the same title, as well for any and all other amounts due to AVI shall be due within the terms of the Agreement. Upon the occurrence of any event of default by Customer, AVI may, at its option, with or without notice, declare the whole unpaid balance of any obligation secured by this Agreement immediately due and payable and may declare Customer to be in default under this Agreement.

17. Choice of Law, Venue and Attorney's Fees – This Agreement shall be governed by the laws of the State of Minnesota in the United States of America without reference to or use of any conflicts of laws provisions therein. For the purpose of resolving conflicts related to or arising out of this Agreement, the Parties expressly agree that venue shall be in the State of Minnesota in the United States of America only, and, in addition, the Parties hereby consent to the exclusive jurisdiction of the federal and state courts located in Hennepin County, Minnesota in the United States of America and waive any right to assert in any such proceeding that Customer is not subject to the jurisdiction of such court or that the venue of such proceeding is improper or an inconvenient forum. The Parties specifically disclaim application (i) of the United Nations Convention on the International Sale of Goods, 1980, and (ii) of Article 2 of the Uniform Commercial Code as codified. In the event AVI must take action to enforce its rights under the Agreement, the court shall award AVI the attorney's fees it incurred to enforce its rights under this Agreement.

18. General – Headings are for reference purposes only and shall not affect the meaning or interpretation of this Agreement. The Parties acknowledge and agree that the Agreement has been negotiated by the Parties and that each had the opportunity to consult with its respective counsel, and shall be interpreted fairly in accordance with its terms and without any strict construction in favor of or against either Party based on draftsmanship of the Agreement. This Agreement is not assignable by Customer without the prior written consent of AVI. Any attempt by Customer to assign any of the rights, duties, or obligations of this Agreement without such consent is void. AVI reserves the right to assign this Agreement to other parties in order to fulfill all warranties and obligations expressed herein, or upon the sale of all or substantially all of AVI's assets or business. This Agreement can only be modified by a written agreement duly signed by persons authorized to sign agreements on behalf of the Customer and of AVI, and variance from the terms and conditions of the Agreement in any order or other written notification from the Customer will be of no effect. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. AVI is not responsible for any delay in, or failure to, fulfill its obligations under this Agreement due to causes such as natural disaster, war, emergency conditions, labor strike, acts of terrorism, the substantial inoperability of the Internet, the inability to obtain supplies, or any other reason or any other cause or condition beyond AVI's reasonable control. Except as otherwise stated in the Agreement, AVI is not obliged to provide any services hereunder for Equipment located outside the United States or Puerto Rico. Scheduled completion dates are subject to change based on material shortages caused by shortages in cable and materials that are industry wide.

19. Confidentiality. The term "Confidential Information" shall mean the inventions, trade secrets, computer software in both object and source code, algorithms, documentation, know how, technology, ideas, and all other business, customer, technical, and financial information owned by AVI or the Customer, which is designated as confidential, or communicated in such a manner or under such circumstances as would reasonably enable a person or organization to ascertain its confidential nature. All the Confidential Information of a party to this Agreement shall be maintained in confidence by the other party, and neither party shall, during the term of this Agreement or for a period of three (3) years subsequent to the termination of this Agreement, divulge to any person or organization, or use in any manner whatsoever, directly or indirectly, for any reason whatsoever, any of the Confidential Information of the other party without receiving the prior written consent of the other party. AVI and the Customer shall take such actions as may be reasonably necessary to ensure that its employees and agents are bound by the provisions of this Section, which actions shall, as may be reasonably requested by either party, include the execution of written confidentiality agreements with the employees and agents of the other party. The provisions of this Section shall not have application to any information that (i) becomes lawfully available to the public; (ii) is received without restriction from another person or organization lawfully in possession of such information; (iii) was rightfully in the possession of a party without restriction prior to its disclosure; or (iv) is independently developed by a party or its employees or agents without access to the other party's similar information.

20. Nonsolicitation - To the extent permitted by applicable law, during the term of this Agreement and for a period of one (1) year after the termination of this Agreement, each Party agrees that it shall not knowingly solicit or attempt to solicit any of the other Party's executive employees or employees who are key to such Party's performance of its obligations under this Agreement ("Covered Employees"). Notwithstanding the foregoing, nothing herein shall prevent either Party from hiring as an employee any person who responds to an advertisement for employment placed in the ordinary course of business by that Party and/or who initiates contact with that party without any direct solicitation of that person by that Party or its agents.

21. Price Quotations and Time to Install - AVI often installs systems at the end of a construction project. The price quoted contemplates that AVI shall have access to the location for the time shown for AVI to complete its work after the work of all other contractors is substantially complete which means, generally, all other trades are no longer generating dust in the location, and final carpeting/flooring is installed (the "Prepared Area"). Failure to give AVI access to the Prepared Area for the amount of time shown for the installation may result in increased installation costs, typically in a manner proportionate to the reduction of time given to AVI to complete its work compared to the original schedule.

22. Price Quotations - Unless otherwise specified, all prices quoted reflect a discount for a cash payment (i.e., check, wire transfer) made by Customer in full within the terms of each invoice. Payment in other forms, including credit card, p-card, or other non-cash payments shall be subject to a convenience above the cash price. Please speak to your AVI representative if you have any questions in this regard.

Sole Source Vendor Exception Request

for

Cable Channel Equipment

by

AVI Systems

6/4/18

Pursuant to City Ordinance § 33.09 **SOLE SOURCE VENDORS**, "Supplies, materials, equipment and services may be purchased without formal bidding when the City Manager demonstrates in writing to the City Council that there is only one practical source for the supply, material, equipment, or service."

As such, City Clerk/Treasurer John Dantzer acting on behalf of City Manager Heather Grace during her maternity leave is requesting that the City Council forego formal bidding and approve the selection of the proposal submitted by AVI Systems Inc. to provide equipment needed to upgrade the current cable channel equipment necessary to run the City's cable channel effectively.

There is only one practical source for bids as all other similar type businesses in the area were not able to provide the equipment needed and were not able to supply a quote. In addition, AVI is a company that specifically deals with this specialized type of equipment and were the only company willing to supply the City with support and a bid.

Thank you.

-----City Clerk/Treasurer John Dantzer

City of West Branch
Of Ogemaw County, Michigan

**SOURCE WATER PROTECTION POLICY
AND
ADMINISTRATIVE PROCEDURES**

PREAMBLE:

Statement of Purpose

The purpose of this resolution is to set forth the policies and administrative procedures that will be used by the City of West Branch to protect the municipal water supply.

Background

Groundwater is an essential source of fresh water for the public water supply system of the City of West Branch.

Virtually any activity on the surface of the ground, which involves hazardous substances, may contaminate the groundwater. Once polluted, groundwater is difficult, and sometimes impossible, to clean. The natural microorganisms which help break down some pollutants on the surface of the ground and in the top soil layers are not present (or not present in sufficient quantities) in groundwater. The slow rates of groundwater flow, ranging from one foot per day to one foot in fifty years, limit dilution or dispersal of contaminants. Groundwater contaminated by today's land uses and activities may remain contaminated for hundreds of years.

The State Of Michigan (Department of Environmental Quality) Wellhead Protection Program is encouraging all public water suppliers to develop local Wellhead Protection Programs. A complete program submission includes the following key elements:

- Defining roles and duties of government units, water supply agencies and other key personnel.
- Delineating a Wellhead Protection Area for each water supply source.
- Identifying potential and existing contaminant sources within each Wellhead Protection Area.
- Utilizing management approaches for protection of the groundwater, including but not limited to education and regulatory approaches.
- Creating contingency plans for public water supply sources including the location of alternate drinking water sources.
- Assuring proper siting on new water sources to minimize potential contamination.
- Encouraging public participation.

As defined, the WHPA is "the surface and subsurface area surrounding a water well or wellfield, supplying a public water system, through which contaminants are reasonably likely to move toward and reach such water well or well field." In order to develop a Wellhead Protection Plan, each of the above-mentioned elements must be addressed.

The Michigan Department of Environmental Quality recognizes the importance of local leadership and commitment for effective Wellhead Protection Programs. A wide range of management strategies, including land use planning, zoning, subdivision controls, interagency cooperation and community education may be useful in a Wellhead Protection Program Plan.

It is the intent of the City of West Branch to alert persons applying for land use, building, or subdivision approvals about state requirements for environmental protection. Any land uses or activities which may pose a threat to the public water supply and groundwater shall be properly managed to minimize the possibility of contamination.

RESOLUTION 18-13:

WHEREAS, the City of West Branch recognizes the importance of its groundwater supply as a natural resource used for drinking; and

WHEREAS, it is within the responsibility of the City of West Branch, as a public water supplier, to consider the health, safety and welfare of its customers; and

WHEREAS, groundwater contamination can and does occur as a consequence of a variety of land use activities; and

WHEREAS, it is desirable to preserve and protect the quality and quantity of our groundwater resources to assure a continued safe, adequate, and useable supply both now and in the future; and

WHEREAS, the protection of current and potential future sources of groundwater used for drinking water is worthwhile from the standpoint of resource protection; and

WHEREAS, state, county and municipal laws and regulations require certain land uses to obtain permits and approvals for construction and operation; and

WHEREAS, state agencies are not always aware of new development proposals and the owners or developers of proposed new land uses are not always aware of state, county and municipal permit and approval requirements; and

WHEREAS, local government officials, through adopted zoning ordinances, have the legal authority to review and/or approve land uses for the purposes of meeting the needs of the state's residents for natural resource protection and public services, including public water supplies;

NOW THEREFORE BE IT RESOLVED that the City of West Branch does hereby agree to take action to: (1) protect the immediate Wellhead Protection Area and (2) take steps to update the zone of contribution to the wells or wellfield(s) in compliance with the State of Michigan Wellhead Protection Program; and

BE IT FURTHER RESOLVED that the City of West Branch requests the establishment of a "Budget Line Item" for wellhead protection in order to implement their Wellhead Protection Program Plan, at such time as funds become available; and

BE IT ALSO RESOLVED that the City of West Branch issue no land use permit, zoning permit, building or occupancy permit until such time that all required federal, state, county and/or local environmental permits or approvals have been obtained, and/or there is evidence that proper application to the responsible municipal, county, state or federal agencies has been made and significant issues affecting the Wellhead Protection Area have been addressed. An Environmental Permits Checklist will hereby be adopted for administrative use when new, changed or expanded land use activities are proposed.

RESOLUTION #18-14

WHEREAS, City staff compares the year to date actual with the budgeted amount of all revenue and expenditures monthly; and

WHEREAS, during the review it was determined that expenditures in Fund 203, Local Streets Fund, has exceeded its budget due to more repairs required than anticipated and a more difficult winter than anticipated, and

NOW, THEREFORE, BE IT RESOLVED, that the West Branch City Council hereby adopts the following budget amendments:

FUND 203 – Local Street Fund		
	BUDGET	AMENDED
CARRY OVER	412,161	401,686
REVENUE	139,591	139,591
EXPENDITURES		
Dept. 463.00 Construction		
703.700 Salaries and wages	7,500	9,650
710.700 Overtime	260	330
715.700 Social Security (employer)	492	620
716.700 BC/BS Health Insurance Premium	700	1,186
941.700 Equipment Rental	11,880	15,480
Dept. 478 Winter Maintenance		
703.700 Salaries and wages	2,265	2,417
710.700 Overtime	515	648
727.700 Operating supplies	2,370	4,715
941.700 Equipment expense	5,199	6,610
TOTAL EXPENDITURES	43,222	53,697

RESOLUTION #18-15

WHEREAS, the City Council of the City of West Branch, County of Ogemaw, State of Michigan (the "City") determines it to be necessary for the public health, safety and welfare of the City and its residents to acquire a blade truck with salt spreader, pickup with plow and a mower (collectively, the "Equipment") in an aggregate amount of not to exceed Two Hundred Seventy-Five Thousand Dollars (\$275,000); and

WHEREAS, under the provisions of Act No. 99, Public Acts of Michigan, 1933, as amended ("Act 99"), the City is authorized to enter into any contracts or agreements for the purchase of the Equipment to be paid for in installments over a period of not to exceed the useful life of the Equipment acquired as determined by resolution of the City; and

WHEREAS, the outstanding balance of all purchases by the City under Act 99, exclusive of interest, shall not exceed one and one quarter percent (1-1/4%) of the taxable value of the real and personal property in the City at the date of such contract or agreement; and

WHEREAS, purchase of the Equipment pursuant to an installment purchase agreement will not result in the outstanding balance of all such purchases in excess of the limitation contained within Act 99 as set forth above; and

WHEREAS, it is necessary for the City to arrange for the financing of the Equipment; and

WHEREAS, the City Council wishes to delegate to the City Manager and City Clerk/Treasurer to arrange for the financing of the Equipment with a bank or financial institution pursuant to an installment purchase agreement within the parameters set forth herein.

NOW THEREFORE, BE IT RESOLVED THAT;

1. The City Manager and City Clerk/Treasurer are each hereby authorized to arrange for the financing of the Equipment with a bank or financial institution pursuant to an installment purchase agreement. Interest on the agreement shall not exceed 5.0% per annum, the aggregate principal amount of the agreement shall not exceed Two Hundred Seventy-Five Thousand Dollars (\$275,000), and the term of the agreement shall not exceed five (5) years. The City Manager or City Clerk/Treasurer is hereby authorized to establish the final terms of the agreement, within the parameters set forth herein, and execute the agreement, when in final form, and deliver it to the purchaser.

2. The useful life of the Equipment is hereby determined to be not less than five (5) years.

3. The City Manager or her designee are each authorized to execute such additional documentation as shall be necessary to effectuate the closing contemplated by

the agreement.

4. The City hereby agrees to include in its budget for each year, commencing with the present fiscal year, a sum which will be sufficient to pay the principal of and the interest coming due under the agreement during such fiscal year.

5. The City covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of the payments due under the agreement from adjusted gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable.

6. The acquisition of the Equipment and the approval of the agreement hereby are found and declared to be for a valid public purpose and in the best interest of the health and welfare of the residents of the City.

7. The City hereby designates the agreement as a "qualified tax-exempt obligation" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded to the extent of such conflict.

Approval of Council Minutes & Summary

REGULAR MEETING OF THE WEST BRANCH CITY COUNCIL HELD IN THE COUNCIL CHAMBERS OF CITY HALL, 121 NORTH FOURTH STREET, MONDAY, MAY 21, 2018.

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

Present: Mayor Denise Lawrence and Council Members Joanne Bennett, Michael Jackson, Tim Schaiberger, Rusty Showalter, Aaron Tuttle, and Dan Weiler.

Absent: None

Other officers present: Treasurer/Clerk John Dantzer, County Commissioner Bruce Reetz, DPW Superintendent Mike Killackey, DDA Chairperson Samantha Fabbri, Planning Chairperson Bob David, and Police Chief Ken Walters.

All stood for the Pledge of Allegiance.

* * * * *

Heather Neuhaus of the Chamber of Commerce presented plans and special event permits for the 4th of July parade, downtown pole decorating, and Christmas Light Parade.

MOTION BY SHOWALTER, SECOND BY SCHAIBERGER, TO APPROVE THE SPECIAL EVENT PERMITS AS SUBMITTED BY THE CHAMBER OF COMMERCE.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None Absent –None Motion carried

* * * * *

As an addition to the agenda, County Commissioner Bruce Reetz gave a County update.

* * * * *

Grange Bell, on behalf of the downtown merchants, addressed Council about hosting as rodeo downtown this summer. He noted that they would like to have a road closure from 3:30 to 11:00 pm

MOTION BY SCHAIBERGER, SECOND BY TUTTLE, TO APPROVE THE REQUEST FOR THE DOWNTOWN RODEO AS REQUESTED CONTINGENT UPON COMPLETION OF A SPECIAL EVENT PERMIT AND MDOT APPROVAL OF THE ROAD CLOSURE.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None Absent –None Motion carried

* * * * *

Mayor Lawrence submitted a request on behalf of Mark White of the Iron Bandogs Law Enforcement Motorcycle Club to sponsor an Ogemaw County charity bike night every Monday, June 4- Aug. 27 from 6:00-9:00 pm and requested to have the parking spots blocked off from S. Third to S. Fourth St.

Ken Earle of Loggers Depot spoke on his approval for the event.

Chief Walters asked if the City provided the cones to block off the parking spots, would the club be responsible for putting them out and taking them back down after the event. Jason Stroebel of Loggers Depot noted he would be responsible.

MOTION BY SCHAIBERGER, SECOND BY TUTTLE, TO APPROVE THE REQUEST AS PRESENTED AND ALLOW FOR THE PARKING FROM S. THIRD TO S. FOURTH TO BE BLOCKED OFF FOR THE EVENT.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None

Absent –None

Motion carried

* * * * *

MOTION BY SCHAIBERGER, SECOND BY JACKSON, TO APPROVE THE ENACTMENT OF ORDINANCE 18-02.

ORDINANCE 18-02

AN ORDINANCE TO AMEND SECTION 7.15(C) OF THE CITY OF WEST BRANCH PLANNING CODE ENTITLED: "PLANNED UNIT DEVELOPMENT (PUD)."

THE CITY OF WEST BRANCH ORDAINS:

c. DENSITY AND PARCEL COVERAGE. Minimum requirements set forth by the original district in which the proposed PUD is located shall act as general guideline for the lot and yard regulations. To encourage flexibility and creativity consistent with the intent of PUD regulations, the City may permit specific departures from the requirements of the Zoning Ordinance for yards and lots and minimum dwelling unit size as a part of the approval process. Any regulatory modification shall be approved through a finding by the City Planning Commission that the deviation shall result in a higher quality of development than would be possible using conventional zoning methods.

Yes — Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – Bennett

Absent –None

Motion carried

* * * * *

MOTION BY SHOWALTER, SECOND BY WEILER, TO APPROVE BILLS IN THE AMOUNT OF \$295,745.12

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None

Absent –None

Motion carried

* * * * *

MOTION BY BENNETT, SECOND BY WEILER, TO APPROVE RESOLUTION 18-10

RESOLUTION #18-10

WHEREAS, the City Charter of the City of West Branch states that “the Council shall, by resolution, adopt the budget for the next fiscal year and shall, in such resolution, appropriate the money required for such budget and provide for a levy of the amount necessary to be raised by taxes upon real and personal property for municipal purposes.”

NOW, THEREFORE, BE IT RESOLVED that the budget for the City fiscal year beginning July 1, 2018 as recommended by the City Manager and as adopted by the City Council, as described in the summary as follows:

	REVENUES	EXPENDITURES
GENERAL FUND	1,729,417	1,638,808

be and the same is hereby adopted, and the amount therein provided as recommended; appropriations are hereby appropriated according to the departmental total, and

BE IT FURTHER RESOLVED, that in order to carry out the provisions of the above described budget, the current tax rate shall be applied to the completed assessment roll taxable valuation of sixty-seven million four hundred five thousand five hundred thirty three dollars (\$67,405,533) as required by Michigan Constitution.

TOTAL CITY TAX LEVY FOR GENERAL FUND PURPOSES

July 1, 2018 14.546 per \$1,000.00 of Taxable Value for General Operating, and tax levy of 2.9105 per \$1,000.00 for Refuse Collection

CITY TAX LEVY FOR THE DDA DISTRICT ONLY

July 1, 2018 1.9573 per \$1,000.00 of Taxable Value levied on the property in the DDA District

and,

BE IT FURTHER RESOLVED, to adopt the following budgets:

INDEPENDENT REVENUE FUNDS

<u>Fund Name</u>	<u>Revenues</u>	<u>Expenditures</u>
Cemetery Perpetual Care Fund	1,165	10
Major Street	538,028	666,987
Local Street	99,411	74,997

Cemetery	40,602	33,410
DDA Operating Fund	55,150	54,565
Industrial Park Fund	1,656	6,830
Housing Resource Fund	23,337	64,627
Sewer Debt Fund	354,595	289,934
Water Debt Fund	85,190	83,500
Collection Replacement	30	2,147
Plant Replacement Fund	12,901	12,901
Sewer Fund	612,500	608,030
Water Fund	370,590	340,696
Water Replacement Fund	18,386	0
Sewer Collection	74,118	67,181
Equipment Fund	197,988	241,203

and,

BE IT FURTHER RESOLVED that the City Manager is allowed to exceed any line item or department summation within any specific department or fund including both revenues and expenditures providing that the total end of the year expenditures for any fund does not exceed the original appropriation. A council resolution is required to appropriate additional amounts to any expenditure fund total; however, no resolution is required to exceed any revenue fund total.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Tuttle, Weiler

No – Showalter Absent –None Motion carried

* * * * *

Letters of resignation were submitted by Member Showalter for the DDA, WWTPA, and Ogemaw Hills Recreation Board.

MOTION BY SCHAIBERGER, SECOND BY WEILER, TO ACCEPT WITH REGRET THE RESIGNATION OF MEMBER SHOWALTER FROM THE DDA, WWTPA, AND OGEMAW HILLS RECREATION BOARDS.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None Absent –None Motion carried

* * * * *

MOTION BY SHOWALTER, SECOND BY SCHAIBERGER, TO APPROVE RESOLUTION 18-11

RESOLUTION #18-11

WHEREAS, the West Branch City Council in §51.095 and §52.39 of the City of West Branch Code of Ordinances have determined that water/sewer charges constitute a lien on the property, and

WHEREAS, §92.17 of the Code of Ordinances states that the charges for mowing noxious weeds shall be a lien against the premises,

NOW, THEREFORE, BE IT RESOLVED, that the West Branch City Council hereby acknowledges the following liens and authorizes the Clerk to place these charges on the 2018 tax roll:

Water/Sewer Charges

313 S. Burgess St.	\$54.90	203 S. Second St.	\$1,802.96
317 N. Sixth St.	\$109.49	400 State St.	\$9.59
347 N. Third St	\$370.37	798 Victory St.	\$102.59
607 W. Wright St	\$254.67	208 S. Third St.	\$3,913.93
331 S. Third St.	\$154.70	246 N. First St.	\$204.43
214 Court St	\$317.81	376 State St.	\$218.65
308 W. Houghton Ave	\$109.91	110 Sidney St.	\$140.67

Mowing

347 N. Third St.	\$540.00	Lot 13 West Branch Dr.	\$22.50
404 W. Houghton Ave.	\$540.00		

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None

Absent –None

Motion carried

* * * * *

MOTION BY SHOWALTER, SECOND BY BENNETT, TO APPROVE RESOLUTION 18-12

RESOLUTION #18-12

WHEREAS, 2011 Public Act 152 (the “Act”) was passed by the State Legislature and signed by the Governor on September 24, 2011;

WHEREAS, the Act contains three options for complying with the requirements of the Act;

WHEREAS, the three options are as follows:

- 1) Section 3 – “Hard Caps” Option – limits a public employer’s total annual health care costs for employees based on coverage levels, as defined in the Act;
- 2) Section 4 – “80%/20% Option – limits a public employer’s share of total annual health care costs to not more than 80%. This option required an annual majority vote of the governing body;
- 3) Section 8 – “Exemption” Option – a local unit of government, as defined in the Act, may exempt itself from the requirement of the Act by an annual 2/3 vote of the governing body;

WHEREAS, the West Branch City Council has decided to adopt the annual “Exemption” option as its choice of compliance under the Act;

NOW, THEREFORE, BE IT RESOLVED, the Council of the City of West Branch elects to comply with the requirements of 2011 Public Act 152, the Publicly Funded Health Insurance Contribution Act, by adopting the annual “Exemption” option for the medical benefit plan coverage year July 1, 2018 through June 30, 2019

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None Absent –None Motion carried

* * * * *

A recommendation was submitted from DDA to remove Dora Zapczynski from the DDA due to a lack of attendance

MOTION BY SCHAIBERGER, SECOND BY JACKSON, TO APPROVE THE REMOVAL OF DORA ZAPCZYNSKI FROM THE DDA BOARD.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None Absent –None Motion carried

* * * * *

MOTION BY SHOWALTER, SECOND BY SCHAIBERGER, TO APPROVE THE MINUTES AND SUMMARY FROM THE MEETING HELD MAY 7, 2018.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None Absent –None Motion carried

* * * * *

MOTION BY SHOWALTER, SECOND BY SCHAIBERGER, TO RECEIVE AND FILE THE TREASURER’S REPORT AND INVESTMENT SUMMARY; ADMINISTRATIVE BUDGET AMENDMENTS 9865, 9866, 9867; THE MINUTES FROM THE AIRPORT BOARD MEETING HELD APRIL 18, 2018; AND THE APRIL POLICE REPORT.

Yes — Bennett, Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – None Absent –None Motion carried

* * * * *

A communication from Consumers Energy was shared.

* * * * *

Member Tuttle addressed concerns with the flower pots downtown.

Member Jackson presented updates on the Airport Board meetings.

Member Bennett submitted questions on the road right of way. Sandy Rabidue asked questions on the road right of way as well for the DDA flower plantings.

Member Schaiberger noted pot holes throughout town that needed to be repaired, especially on the south side of town.

Member Schaiberger also commented on the discussion at the State level to increase the weight allowed for trucks.

Chief Walters updated Council on the police negotiations.

Superintendent Killackey updated Council on the sidewalk repair on Houghton Ave. and that the apartments on State St. have begun to be torn down.

Mayor Lawrence presented an update on the recent Rising Tide meeting and encouraged Council to attend the upcoming meetings.

Clerk/Treasurer reminded Council that the first meeting in June would be a joint meeting with the Planning Commission and the DDA.

* * * * *

Samantha Fabbri submitted paperwork and the invoice for the downtown rodeo.

* * * * *

Mayor Lawrence adjourned the meeting at 6:32 pm.

Denise Lawrence, Mayor

John Dantzer, Clerk

SUMMARY OF THE REGULAR MEETING OF THE WEST BRANCH CITY
COUNCIL HELD MONDAY, MAY 21, 2018.

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

Present: Mayor Lawrence, Council Members Bennett, Jackson, Schaiberger, Showalter, Tuttle, and Weiler.

Absent: None

Other officers present: Clerk/Treasurer Dantzer, DPW Superintendent Killackey, DDA Chair Fabbri, Planning Chair David, County Commissioner Reetz, and Chief Walters.

All stood for the pledge of allegiance.

Heather Neuhaus of the Chamber of Commerce presented some special event permits

Council approved special event permits for the Chamber of Commerce

As an addition to the agenda, County Commissioner gave a County update.

Grange Bell addressed Council on hosting a downtown rodeo this summer.

Council approved the downtown rodeo as requested.

Council approved a request to have a bike night on Monday nights downtown.

Council approved the enactment of ordinance 18-02 – An ordinance to amend section 7.15(c) of the City of West Branch Planning code entitled “Planned Unit Development (PUD)

Yes — Jackson, Lawrence, Schaiberger, Showalter, Tuttle, Weiler

No – Bennett

Absent –None

Motion carried

Council approved bills in the amount of \$295,745.12

Council approved resolution 18-10 – adopting the 2018-2019 budget

Yes — Bennett, Jackson, Lawrence, Schaiberger, Tuttle, Weiler

No – Showalter

Absent –None

Motion carried

Council accepted with regret the resignation of Member Showalter from the DDA, WWTPA, and the Ogemaw Hills Recreation Board

Council approved Resolution 18-11 –Liens.

Council approved Resolution 18-12 – Annual health care exemption option

Council approved the removal of Dora Zapczynski from the DDA

Council approved the minutes and summary from the regular meeting held May 7, 2018

Council received and filed the Treasurers Report and Investment Summary; administrative budget amendments, minutes from the Airport Board meeting held April 18, 2018; and the April Police Report.

A Communication was shared.

Members Tuttle, Jackson, Bennett, and Schaiberger; as well as Mayor Lawrence gave a report.

Chief Walters, Superintendent Killackey, and Clerk/Treasurer Dantzer gave a report.

Samantha Fabbri submitted to Council an invoice for the downtown rodeo.

Mayor Lawrence adjourned the meeting at 6:32 pm.

Consent Agenda

Bank Code		Beginning Balance 06/01/2018	Total Debits	Total Credits	Ending Balance 06/30/2018
Fund	Description				
GEN1	GEN1 - GENERAL CHECKING				
101		565,890.57	0.00	0.00	565,890.57
150	CEMETERY PERPETUAL CARE	18,913.57	0.00	0.00	18,913.57
209	CEMETERY FUND	3,420.57	0.00	0.00	3,420.57
248	DDA OPERATING FUND	26,700.43	0.00	0.00	26,700.43
251	INDUSTRIAL PARK FUND	3,430.74	0.00	0.00	3,430.74
276	HOUSING RESOURCE FUND	186,528.30	0.00	0.00	186,528.30
318	SEWER DEBT FUND	33,935.83	0.00	0.00	33,935.83
319	WATER DEBT FUND	56,397.65	0.00	0.00	56,397.65
571	COLLECTION REPLACEMENT FUND	30,811.33	0.00	0.00	30,811.33
572	PLANT REPLACEMENT FUND (R&I)	7,957.80	0.00	0.00	7,957.80
590	SEWER FUND	200,503.08	0.00	0.00	200,503.08
591	WATER FUND	177,694.17	0.00	0.00	177,694.17
592	WATER REPLACEMENT FUND	281,370.02	0.00	0.00	281,370.02
593	SEWER COLLECTION	58,472.41	0.00	0.00	58,472.41
661	EQUIPMENT FUND	133,815.75	0.00	0.00	133,815.75
705	IRONS PARK ENTERTAINMENT FUND	5,801.17	0.00	0.00	5,801.17
707	YOUTH SAFETY PROGRAM	744.48	0.00	0.00	744.48
714	RECYCLING CENTER	4,710.64	0.00	0.00	4,710.64
		<hr/>	<hr/>	<hr/>	<hr/>
	GEN1 - GENERAL CHECKING	1,797,098.51	0.00	0.00	1,797,098.51
M/LST	MAJOR/ LOCAL STREETS				
202	MAJOR STREET FUND	520,849.86	0.00	0.00	520,849.86
203	LOCAL STREET FUND	319,046.43	0.00	0.00	319,046.43
		<hr/>	<hr/>	<hr/>	<hr/>
	MAJOR/ LOCAL STREETS	839,896.29	0.00	0.00	839,896.29
PAY	PAYROLL				
704	PAYROLL CLEARING	8,167.65	0.00	0.00	8,167.65
		<hr/>	<hr/>	<hr/>	<hr/>
	PAYROLL	8,167.65	0.00	0.00	8,167.65
CHEM	SAVINGS				
101		435,164.90	0.00	0.00	435,164.90
150	CEMETERY PERPETUAL CARE	1,670.94	0.00	0.00	1,670.94
251	INDUSTRIAL PARK FUND	20,843.39	0.00	0.00	20,843.39
571	COLLECTION REPLACEMENT FUND	2,366.44	0.00	0.00	2,366.44
591	WATER FUND	26,102.34	0.00	0.00	26,102.34
592	WATER REPLACEMENT FUND	19,543.92	0.00	0.00	19,543.92
593	SEWER COLLECTION	780.87	0.00	0.00	780.87
661	EQUIPMENT FUND	103,248.73	0.00	0.00	103,248.73
714	RECYCLING CENTER	1,039.34	0.00	0.00	1,039.34
		<hr/>	<hr/>	<hr/>	<hr/>
	SAVINGS	610,760.87	0.00	0.00	610,760.87
TAX	TAXES				
701	TAX AGENCY	1,632.02	0.00	0.00	1,632.02
		<hr/>	<hr/>	<hr/>	<hr/>
	TAXES	1,632.02	0.00	0.00	1,632.02
		<hr/>	<hr/>	<hr/>	<hr/>
	TOTAL - ALL FUNDS	3,257,555.34	0.00	0.00	3,257,555.34

05/31/2018 11:58 AM
User: MICHELLE
DP: Westbranch City

CASH SUMMARY BY ACCOUNT FOR WEST BRANCH
FROM 06/01/2018 TO 06/30/2018
FUND: ALL FUNDS
INVESTMENT ACCOUNTS

Fund Account	Description	Beginning Balance 06/01/2018	Total Debits	Total Credits	Ending Balance 06/30/2018
Fund 101					
004.300	CERTIFICATE OF DEPOSIT A	100,000.00	0.00	0.00	100,000.00
004.400	CERTIFICATE OF DEPOSIT B	150,000.00	0.00	0.00	150,000.00
		<hr/> 250,000.00	<hr/> 0.00	<hr/> 0.00	<hr/> 250,000.00
Fund 150 CEMETERY PERPETUAL CARE					
004.300	CERTIFICATE OF DEPOSIT A	114,255.00	0.00	0.00	114,255.00
004.400	CERTIFICATE OF DEPOSIT B	114,822.11	0.00	0.00	114,822.11
	CEMETERY PERPETUAL CARE	<hr/> 229,077.11	<hr/> 0.00	<hr/> 0.00	<hr/> 229,077.11
Fund 251 INDUSTRIAL PARK FUND					
004.300	CERTIFICATE OF DEPOSIT A	100,000.00	0.00	0.00	100,000.00
004.400	CERTIFICATE OF DEPOSIT B	100,000.00	0.00	0.00	100,000.00
	INDUSTRIAL PARK FUND	<hr/> 200,000.00	<hr/> 0.00	<hr/> 0.00	<hr/> 200,000.00
Fund 661 EQUIPMENT FUND					
004.300	CERTIFICATE OF DEPOSIT A	150,000.00	0.00	0.00	150,000.00
004.400	CERTIFICATE OF DEPOSIT B	100,000.00	0.00	0.00	100,000.00
	EQUIPMENT FUND	<hr/> 250,000.00	<hr/> 0.00	<hr/> 0.00	<hr/> 250,000.00
	TOTAL - ALL FUNDS	<hr/> 929,077.11	<hr/> 0.00	<hr/> 0.00	<hr/> 929,077.11

West Branch
JOURNAL ENTRY
JE: 9873

Post Date: 05/23/2018
Entry Date: 05/23/2018
Description: BUDGET POLICY AMENDMENTS

Entered By: MICHELLE
Journal: BA

GL #	Description	DR	CR
101-201.000-727.700	OPERATING SUPPLIES		200.00
101-201.000-956.700	EXPENSES	200.00	
101-265.000-853.700	TELEPHONE/RADIO COMMUNICATION		500.00
101-265.000-956.700	EXPENSES	500.00	
101-441.000-718.701	EMPLOYER DEFERED COMP.		150.00
101-441.000-720.700	WORKERS COMPENSATION PREMIUM	150.00	
101-721.000-718.701	EMPLOYER DEFERED COMP.		30.00
101-721.000-801.700	CONTRACTUAL SERVICES	30.00	
101-751.000-941.700	EQUIPMENT RENTAL		1,500.00
101-751.000-801.702	RIVERWALK	1,500.00	
202-463.000-703.700	SALARIES AND WAGES		200.00
202-463.000-720.700	WORKERS COMPENSATION PREMIUM		70.00
202-463.000-941.700	EQUIPMENT RENTAL		2,800.00
202-463.000-801.700	CONTRACTUAL SERVICES	3,070.00	
202-470.000-720.700	WORKERS COMPENSATION PREMIUM		1.00
202-470.000-801.700	CONTRACTUAL SERVICES	1.00	
202-486.000-720.700	WORKERS COMPENSATION PREMIUM		25.00
202-486.000-801.700	CONTRACTUAL SERVICES	25.00	
202-497.000-710.700	OVERTIME		100.00
202-497.000-703.700	SALARIES AND WAGES	100.00	
202-497.000-714.700	MANDATORY MEDICARE		5.00
202-497.000-720.700	WORKERS COMPENSATION PREMIUM		5.00
202-497.000-720.700	WORKERS COMPENSATION PREMIUM	10.00	
202-497.000-941.700	EQUIPMENT RENTAL		550.00
202-489.000-710.700	OVERTIME	550.00	
248-000.000-935.703	SHOWMOBILE EXPENSES	200.00	
248-000.000-941.700	EQUIPMENT RENTAL		200.00
251-000.000-720.700	WORKERS COMPENSATION PREMIUM		5.00
251-000.000-703.700	SALARIES AND WAGES	5.00	
590-567.000-720.700	WORKERS COMPENSATION PREMIUM		50.00
590-567.000-801.700	CONTRACTUAL SERVICES		2,300.00
590-567.000-922.700	PUBLIC UTILITIES		2,600.00
590-567.000-715.700	SOCIAL SECURITY (EMPLOYER)	1,600.00	
590-567.000-724.700	UNEMPLOYMENT INS. BENEFIT	1,000.00	
590-567.000-934.700	FACILITY MAINTENANCE	1,200.00	
590-567.000-936.700	EQUIPMENT MAINTENANCE	1,150.00	
591-000.000-922.700	PUBLIC UTILITIES		1,400.00
591-000.000-801.700	CONTRACTUAL SERVICES	1,400.00	
Journal Total:		12,691.00	12,691.00

APPROVED BY: _____

West Branch
JOURNAL ENTRY
JE: 9875

Post Date: 05/24/2018
Entry Date: 05/24/2018
Description: FUND 203 BUDGET ADMENTMENTS

Entered By: JOHN
Journal: BA

GL #	Description	DR	CR
202-497.000-720.700	WORKERS COMPENSATION PREMIUM		10.00
202-497.000-727.700	OPERATING SUPPLIES	10.00	
203-478.000-714.700	MANDITORY MEDICARE	9.00	
203-478.000-715.700	SOCIAL SECURITY (EMPLOYER)	31.00	
203-478.000-716.700	BC/BS HEALTH INSURANCE PREMIUM		35.00
203-478.000-718.700	MERS RETIREMENT (EMPLOYER)		6.00
203-478.000-720.700	WORKERS COMPENSATION PREMIUM		1.00
203-478.000-724.700	UNEMPLOYMENT INS. BENEFIT	2.00	
	Journal Total:	52.00	52.00

APPROVED BY: _____

West Branch
JOURNAL ENTRY
JE: 9876

Post Date: 05/31/2018
Entry Date: 05/31/2018
Description: BUDGET POLICY AMENDMENT

Entered By: MICHELLE
Journal: BA

GL #	Description	DR	CR
590-567.000-801.700	CONTRACTUAL SERVICES		1,000.00
590-567.000-936.700	EQUIPMENT MAINTENANCE	1,000.00	
202-486.000-727.700	OPERATING SUPPLIES		3,000.00
202-463.000-801.700	CONTRACTUAL SERVICES	3,000.00	
101-101.000-956.700	EXPENSES		400.00
101-101.000-865.700	PROFESSIONAL DEVELOPMENT	400.00	
101-721.000-901.700	PRINTING AND PUBLISHING		300.00
101-721.000-801.700	CONTRACTUAL SERVICES	300.00	
661-000.000-806.700	REPAIR/PARTS POLICE		2,000.00
661-000.000-977.700	CAPITAL ACQUISITIONS	2,000.00	
590-567.000-817.700	UNIFORMS		400.00
590-567.000-936.700	EQUIPMENT MAINTENANCE	400.00	
590-567.000-718.700	MERS RETIREMENT (EMPLOYER)		250.00
590-567.000-936.700	EQUIPMENT MAINTENANCE	250.00	
101-721.000-718.700	MERS RETIREMENT (EMPLOYER)		50.00
101-721.000-901.700	PRINTING AND PUBLISHING	50.00	
101-301.000-718.700	MERS RETIREMENT (EMPLOYER)		2,015.00
101-301.000-956.700	EXPENSES	2,015.00	
	Journal Total:	9,415.00	9,415.00

APPROVED BY: _____

Communications

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

**NOTICE OF HEARING
FOR THE ELECTRIC
CUSTOMERS OF
CONSUMERS ENERGY COMPANY
CASE NO. U-20134**

- Consumers Energy Company requests Michigan Public Service Commission approval for authority to increase its rates for the generation and distribution of electricity and for other relief.
- The information below describes how a person may participate in this case.
- You may call or write, Consumers Energy Company, One Energy Plaza, Jackson, MI 49201-2276 for a free copy of its application. Any person may review the application at the offices of Consumers Energy Company.
- The prehearing conference in this matter will be held:

DATE/TIME: **Friday, June 1, 2018, at 10:00 A.M.**

BEFORE: Administrative Law Judge Sharon L. Feldman

LOCATION: Michigan Public Service Commission
7109 West Saginaw Highway
Lansing, Michigan 48917

PARTICIPATION: Any interested person may attend and participate. The hearing site is accessible, including handicapped parking. Persons needing any accommodation to participate should contact the Commission's Executive Secretary at (517) 284-8090 in advance to request mobility, visual, hearing or other assistance.

The Michigan Public Service Commission (Commission) will hold a hearing to consider Consumers Energy Company's (Consumers Energy) May 14, 2018 application of Consumers Energy Company for authority to increase its rates for the generation and distribution of electricity. Consumers Energy seeks Commission's approval: 1) to adjust its retail electric rates so as to provide additional revenue of \$58 million annually above levels established in Case No. U-18322 based on a projected 12-month test year ending December 31, 2019; 2) to adjust its existing retail electric rates so as to produce a rate of return on common equity of not less than 10.75%; 3) to implement an investment recovery mechanism to recover the annual revenue requirement for the six specified electric distribution programs associated with 2020 and 2021 average incremental rate base and the associated direct expenses beyond the level ultimately approved in test year ending December 31, 2019 rates; and to adjust its retail electric rates in each

of those years to provide an incremental rate increase sufficient to provide incremental annual revenue of \$49 million and \$48 million, respectively, and be subject to reconciliation; 4) to modify rates, rules, and regulations; 5) for accounting requests and regulatory asset treatment, as appropriate, related to the its proposed EV Foundational Infrastructure Program, and its cloud-based solutions costs and authorize Consumers Energy to record its Traverse City Service Center acquisition adjustment in Account 406 for amortization over 15 years; and 6) for other relief.

All documents filed in this case shall be submitted electronically through the Commission's E-Dockets website at: michigan.gov/mpscedockets. Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an email sent to: mpscedockets@michigan.gov. If you require assistance prior to e-filing, contact Commission staff at (517) 284-8090 or by email at: mpscedockets@michigan.gov.

Any person wishing to intervene and become a party to the case shall electronically file a petition to intervene with this Commission by **May 29, 2018**. (Petitions to intervene may also be filed using the traditional paper format.) The proof of service shall indicate service upon Consumers Energy Company's Legal Department – Regulatory Group, One Energy Plaza, Jackson, MI 49201.

Any person wishing to appear at the hearing to make a statement of position without becoming a party to the case may participate by filing an appearance. To file an appearance, the individual must attend the hearing and advise the presiding administrative law judge of his or her wish to make a statement of position. All information submitted to the Commission in this matter becomes public information, thus available on the Michigan Public Service Commission's website, and subject to disclosure. Please do not include information you wish to remain private.

Requests for adjournment must be made pursuant to the Commission's Rules of Practice and Procedure R 792.10422 and R 792.10432. Requests for further information on adjournment should be directed to (517) 284-8130.

A copy of Consumers Energy Company's request may be reviewed on the Commission's website at: michigan.gov/mpscedockets, and at the office of Consumers Energy Company. For more information on how to participate in a case, you may contact the Commission at the above address or by telephone at (517) 284-8090.

Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1919 PA 419, as amended, MCL 460.54 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; and Parts 1 & 4 of the Michigan Administrative Hearing System's Administrative Hearing Rules, Mich. Admin Code, R 792.10101 through R 792.10137, and R 792.10401 through R 792.10448.

[CONSUMERS ENERGY COMPANY HAS REQUESTED THE INCREASES AND OTHER PROPOSALS DESCRIBED IN THIS NOTICE. THE MICHIGAN PUBLIC SERVICE COMMISSION MAY GRANT OR DENY THE REQUESTED INCREASES AND OTHER PROPOSALS, IN WHOLE OR IN PART, AND MAY GRANT LESSER OR GREATER INCREASES THAN THOSE REQUESTED, AND MAY AUTHORIZE A LESSER OR GREATER RATE FOR ANY CLASS OF SERVICE THAN THAT] REQUESTED.]



STATE OF MICHIGAN
DEPARTMENT OF STATE POLICE
LANSING

RICK SNYDER
GOVERNOR

COL. KRISTE KIBBEY ETUE
DIRECTOR

May 14, 2018

Chief Kenneth Walters
West Branch Police Department
130 Page Street
West Branch, Michigan 48661

Dear Chief Walters:

I am writing to acknowledge the exemplary work and dedication recently demonstrated by you and members of your staff.

On April 25, 2018, Ms. Ann Vogel conducted a Law Enforcement Information Network/National Crime Information Center audit of the West Branch Police Department. Ms. Kelli Collins and Officer Michael Godrey, your agency's Terminal Agency Coordinators, and you, as your agency's Local Agency Security Officer, were with Ms. Vogel throughout the entire audit process. The responsibility of managing and ensuring the accuracy, security, and integrity of criminal justice information systems is a shared responsibility of all federal, state, and local law enforcement agencies. It was clearly evident to Ms. Vogel that the West Branch Police Department and its staff do embrace this management responsibility and philosophy.

Ms. Vogel commented on how well prepared you and your staff were. All requested documents and records were readily available, up to date, and accurate. All criminal history record queries were clearly and correctly substantiated. All record entries reviewed during the audit showed timely and accurate entries and validations. Overall, the finding showed that your agency was compliant in all of the audit components evaluated. This is a remarkable accomplishment and I feel that you and your staff should be recognized and congratulated for their hard work and efforts.

I extend to you and your staff my congratulations and a job well done for all that you do in the interest of public safety.

Sincerely,

Ms. Dawn Brinningstaull, Division Director
Criminal Justice Information Center

MML League Update

5/21/18

State & Federal Affairs

Legislative leaders and the governor have already begun discussing budget targets based upon last week's positive revenue estimating conference. The conference agreed on an estimated \$150 million in additional GF/GP that will be available to spend in the current budget year and approximately \$72 million more GF/GP than they had estimated in January for the coming fiscal year budget. School aid (sales tax) revenues are seeing similar increases from the levels expected in January. Additional pupil funding, spending on workforce development, and money for road repairs have been identified as the main targets for these additional budget dollars. Specific proposals have yet to be revealed. We expect some internal agreements to be in place by next week's Mackinac Policy Conference with conference committees and floor votes expected the following week or two.

Tied in with the budget discussions is work on potential changes to the MI Indigent Defense Commission standards, for any local government that serves as the funding unit for their district or circuit court system. House Bill 5985 was reported by the House Appropriations Committee and some additional changes are expected prior to House floor action. The League is working with the sponsor to address concerns with cost sharing and establishing a dedicated funding source for these new indigent defense standards that need to be funded by the state before local units implement them. Additionally, the House completed their work on House Bill 5908 that dedicates a portion of any Personal Property Tax reimbursement revenue, available after units are reimbursed 100%, to fund the state's Fire Protection Grant program. The governor had originally recommended \$15 million to replace the expiring Driver Responsibility Fee program revenue that had supported this grant program, HB 5908 has \$12 million dedicated to the Fire Protection Grant program. The League continues to work to increase this allocation to get closer to the governor's original recommendation.

Beyond the fire protection grant funding allocation, HB 5908 also establishes a formula for distributing any remaining PPT reimbursement revenue beyond what is needed to reimburse communities at 100%. While these dollars are not a part of the budget process, the governor had identified these funds (approximately \$70 million for cities alone in 2017) as a reason why he did not increase statutory revenue sharing in his budget proposal. It is likely that HB 5908 will also be considered as part of any final budget agreement.

While on the subject of Personal Property Tax, the League has been working with Treasury since last year to develop legislation that will simplify the existing PPT reimbursement calculation and distribution process. Following much of the confusion with last fall's reimbursement process, changes to the new PPT system became critically important to address before this year's payments go out. House Bill 5086 will serve as the vehicle to make these needed changes and is scheduled for a hearing in the Senate Finance Committee this week. Numerous positive changes have been drafted into this bill to address issues that have cropped up as Treasury implements the new system and to correct concerns that communities have raised.

League staff also testified against House Bills 5916-5917 that would preempt any local ordinance dealing with the sale of puppies at pet stores and we are closely tracking House Bills 5939-41 that would provide

some additional local regulation of consumer fireworks. These bills provide some additional local control, but also have language going the opposite direction that we have expressed concern over. The initial proposal from the State Treasurer on assessing reform was introduced in the House last week and will likely be introduced in the Senate this week. House Bill 6049 was referred to the House Tax Policy Committee where it is expected to receive an initial hearing before the summer recess and then legislators and the Treasurer will continue the discussion with interest groups over the summer months.

The recently announced settlement between Michigan State University and the victims of Larry Nassar's sexual assaults appear to have resulted in the government immunity changes piece of the Senate's legislative package being dropped. Updated committee schedules from the House Law & Justice Committee no longer list Senate Bill 877 as one of the bills the committee will continue to review. Even changes to the statute of limitations appear to be changing significantly based upon this new settlement. We will continue to track this package as the committee moves towards a vote.

There also continue to be discussions between the House and Senate as to how to handle the recently certified recreational marijuana ballot question. There are some legislators and interest groups that have hinted at moving the issue by passing legislation now as opposed to having it approved by voters in November. This could become a wild card issue in the next couple of weeks.

MML League Update

5/30/18

State & Federal Affairs

Late last week, the governor and leaders in the House and Senate came to an agreement on spending targets for the upcoming budget year. Now that these department-level spending targets have been set, each subcommittee chair will begin finalizing their piece of the overall budget. With a short week expected due to the Mackinac Policy Conference this week, expectations are that the individual department budget bills will be scheduled for conference committee hearings the week of June 5-7, with final budget votes by each chamber the following week.

Statutory Revenue Sharing

While specific details have not been publicly released, we believe that the target agreement allows some flexibility above the governor's recommendation for statutory revenue sharing. The League continues to press for maintaining the current year spending for statutory revenue sharing, despite the expected improvement in constitutional payments. Fire protection grant funding should increase above the House-passed \$12 million mark, but is not expected to go as high as the governor's original \$15 million recommendation.

Indigent Defense Commission

The Indigent Defense Commission standards funding formula changes (for local governments serving as court funding units) will likely be accompanied by a new bill that will dedicate a portion of the state's annual tobacco settlement funds as a specific funding source for these expenses. This new bill is expected to be introduced this week and we are hoping it will move in conjunction with HB 5985. A permanent funding source for these expenses will alleviate many of the existing concerns with how the state will fund this new mandate.

New Money for Road Repairs

The higher than expected results of the recent revenue estimating conference have also provided an opportunity for the budget to add new money into the MDOT budget for road repairs. We are expecting an additional \$300+ million to be injected into the MDOT budget for distribution to local road agencies. When combined with the recent gas tax and registration fee increases, and the first true installment of the GF transfer from the original road funding plan, that will put about \$1 billion in funding into roads this year above what had been spent prior to the new funding plan.

Personal Property Tax Reimbursement – Contact Your State Senator

Along with the budget bills, HB 5908, which addresses the tier 3 Personal Property Tax reimbursement distributions, was reported from the Senate Appropriations Committee. This bill provides for the new funding stream for fire protection grants—replacing the now-defunct driver responsibility fee revenue—and addresses how any remaining PPT reimbursement revenue should be distributed once all local units receive 100 percent of their eligible losses. In 2017, there was \$150 million remaining for distribution after all losses were reimbursed at 100 percent. Approximately half went to cities and villages.

The House bill utilizes a 50/50 distribution formula for these remaining dollars, with 50 percent being distributed on a per capita basis, and 50 percent based upon existing tier 3 proration methodology. The

League has supported this bill as a way to secure these remaining funds and protect them from being re-appropriated by the Legislature, but has requested that the fire grant allocation be increased to move closer to the governor's original budget recommendation of \$15 million, and that the 50 percent distribution related to existing personal property reimbursement pro-ratio be modified to pro-rate off of the total 100 percent reimbursement amount to more accurately represent each community's share of the PPT reimbursement situation. Utilizing the existing methodology as the proration factor perpetuates the inequities identified in the current law distribution method.

While some increased level of fire grant replacement funding is sure to be included, the new formula for distribution of any remaining PPT funds is still up in the air, as the Senate has less motivation to secure those dollars. Right now, we are pushing the House and governor to ensure that this piece is included in the final deal, but we are also engaging League members to contact their state senators to get this bill completed intact. These two implementation bills (HB 5985 and HB 5908) are expected to move alongside the budget bills once those are finalized, before the summer recess.

Sexual Assault Package

On the policy side, the recent court settlement between MSU and the Larry Nassar victims has resulted in a modified sexual assault package moving out of the House and likely concurrence in the Senate this week. The Senate bill that would have eliminated government immunity in related instances has been dropped from the package, and the 30-year retroactivity for claims has been reduced and modified, as well. With these positive changes, we are now just monitoring these bills as they make their way to the governor's desk.

Small Cell Legislation

While the week is shortened due to the Mackinac Policy Conference, legislative committees are still meeting this week. The House Energy committee is beginning the hearing process on the small cell legislation that the League had engaged in earlier this year in the Senate. No changes are expected from the version we negotiated on out of the Senate, but further action on the bill is not likely before the summer recess, and the potential for federal action that would preempt all state and local regulation is very real.

Potential Ban of Local Occupational Licensing

In other committee action, the League is actively opposing a package of bills scheduled in the House Local Government Committee that would ban local units from imposing occupational licensing or training requirements when state regulations already exist. House Bill 5955 and its companion bills received an initial hearing last week and a second hearing is scheduled this week. While supporters' testimony focused on what they called duplication of occupational licensing by local units as a money grab, we have expressed grave concerns to the sponsor and committee about how broad the bill language is and the potential for unintended consequences that would impact public health and safety.

Reforming Assessing Practices

New legislation, built off the state treasurer's recent proposal to reform assessing practices statewide, was also introduced last week. House Bill 6049 and Senate Bill 1025 were introduced and an initial hearing to kick off the overall topic is expected next week. The Treasurer has reiterated that these bills are a starting point for debate on this issue and he intends to work with each of the relevant interest groups over the summer months to try and find consensus on some level of reform to improve the overall property tax administration system.

Reports

Mayor

Council

City Manager

Public Comment -Any Topic

Adjournment