

**NOTICE OF PUBLIC MEETING  
VILLAGE OF MACKINAW CITY  
COUNCIL CHAMBERS – VILLAGE HALL  
102 South Huron Avenue  
Phone: 436-5351**

7:00 P.M.

October 17, 2013

**AGENDA-REGULAR MEETING  
MACKINAW CITY VILLAGE COUNCIL**

- I. Call to Order/Taking of Roll
- II. Pledge of Allegiance
- III. Approval of Agenda
- IV. Clerks Report
  - A. Approval of Minutes
    - 1. Regular Meeting of October 03, 2013
    - 2. Closed Session of October 03, 2013
  - B. Bills
    - 1. Accounts Payable for October 17, 2013-\$ 55,055.51
  - C. Communications
- V. Manager Report/President Report
- VI. Public Comments-Agenda/Non Agenda Items
- VII. Old Business:
- VIII. New Business:
  - A. The Headlands International Dark Sky Park – Emmet Co. [Informational]
  - B. MDEQ SAW Grant Funding Application – C2AE [Action]
  - C. 1980 Water Revenue Bonds [Action]
  - D. Ash Tree Replacement Correspondence to the State of Michigan [Action]
  - E. Waterways Grant-in-Aid Agreement /Resolution [Roll Call – Action]
  - F. Tree City USA Recertification and Proclamation [Action]
- IX. Reports/Committees/Village Committees
  - A. Schedule Committee of the Whole Meeting October 22, 2013, 7:00 p.m. at Village Hall – Village Council and Sub-Committees Procedures Document and Fiscal Year 2015 Priorities
- X. Closing Public Comments
- XI. Scheduling of Council Sub Committee Meetings
  - A. Finance Committee Tuesday, October 29, 2013
- XIII. Adjournment

All communication, petitions, etc. must be in the office of the Village Clerk by 12 o'clock noon on the Tuesday preceding the first and third Thursday of every month to be on the

**THURSDAY October 17, 2013 -6:45 PM  
FINANCE COMMITTEE-REVIEW BILLS**

**UNAPPROVED**  
**MINUTES REGULAR COUNCIL MEETING**  
**MACKINAW CITY**

7:00 P.M.

October 03, 2013

**I. President Hingston called the meeting to order and with the following Trustees present – Robert Glenn, Matt Yoder, Belinda Mollen, Sandy Planisek, Richard Perlick and Paul Michalak. Also present Manager Adam Smith, Treasure Patricia Pepler, and Clerk Lana Jaggi.**

**Department Heads Present:**

**Chief Pat Wyman-Police**

**Ken Newsome-DPW**

**Pat Rivera-Water/Sewer**

**Dave Paquet-Rec/Marina**

**Fred Thompson, Jr.-Ambulance/Fire/Zoning Administrator**

**Visitors – List Attached.**

**II. Pledge of Allegiance**

**III. Motion Planisek seconded Perlick to approve the agenda with change, New Business D. Site Plan Review Application 2013-SP-005 and additions, H. Planning Commission Appointments and I. Emergency Dredging Marina. Voice vote – motion carried unanimously.**

**IV. Clerks Report**

**A. Approval of Minutes:**

**1. Motion seconded to approve the regular meeting minutes of October 03, 2013 as presented. Voice vote-motion carried unanimously.**

**B. Bills:**

**1. Motion Planisek seconded Glenn to pay the bills for 10/03/2013 in the amount of \$43,194.56. Voice vote-motion carried unanimously.**

**C. Communications were submitted and placed on file**

**Thank You from Nelson Thompson Family**

**V. Manager Report, Treasures Report and Department Head Report were all submitted and placed on file.**

**VI. Public Comments, Agenda/Non Agenda Items**

**VII. Old Business-None**

**VIII. New Business**

**A. Motion Hingston seconded Glenn to execute the Village of Mackinaw City Blue Cross Blue Shield Michigan December 1, 2013 renewal. Voice vote-motion carried unanimously.**

**MINUTES REGULAR COUNCIL MEETING  
MACKINAW CITY**

7:00 P.M.

October 03, 2013

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**B. Water Tower Condition Assessment and Budget Schedule of Maintenance  
Presentation by Mike Trombly, Utility Services Company, Inc. Presentation materials  
were included in packet and placed on file.**

**C. Special Event Applications:**

**1. Motion Planisek seconded Perlick to approve the S.E.A. 2014-SE-004 for  
Icebreaker Mackinaw Maritime Museum September 1, 2014 Labor Day Raffle in Indian  
Park. Voice vote-motion carried unanimously.**

**2. Motion Perlick seconded Glenn to approve the S.E.A. 2014-SE-2005 for  
Icebreaker Mackinaw Maritime Museum on site raffle May 24 and July 4, 2014. Voice  
vote-motion carried unanimously.**

**3. Motion Planisek seconded Yoder to approve the S.E.A. 2014-SE-006 for  
the Michigan League of Bicyclists for August 9, 2014. Voice vote-motion carried  
unanimously.**

**4. Motion Mollen seconded Glenn to approve the S.E.A. 2014-SE-007 for the  
American Legion Auxiliary September 1, 2014. Voice vote-motion carried unanimously.**

**5. Motion Planisek seconded Yoder to approve the S.E.A. 2014-SE-008 for  
the American Legion Auxiliary May 25, 2014. Voice vote-motion carried unanimously.**

**6. Motion Planisek seconded Mollen to approve the S.E.A. 2014-SE-00 for the  
American Legion Auxiliary July 04, 2014. Voice vote-motion carried unanimously.**

**D. Motion Hingston seconded Planisek to approve Shelper's Seasonal Parking  
2013-SP-005 pending the paving of both sides of the DNR trail (22 ft.sq. each side) to be  
completed by June 15, 2014. Voice vote-motion carried unanimously.**

**E. Motion Michalak seconded Glenn to approve site plan review application 2015-  
SP-004 Mackinaw Beach and Bay All Suites to be completed May 31, 2014. Voice  
vote-motion carried unanimously.**

**F. Motion Hingston seconded Yoder to concur with the MML Nomination  
committee to elect the three incumbents to the MML Liability and Property Pool Board of  
Directors. Voice vote-motion carried unanimously.**

**8:45 PM**

**Motion Hingston seconded Planisek to go into Closed Session for Real Estate Purchase  
Discussion. Ayes-Glenn, Yoder, Mollen, Hingston, Planisek, Perlick, Michalak. Motion  
carried.**

**8:50 PM**

**Regular Meeting back in session.**

**Staff will move forward with Property Acquisition Project**

**H. Motion Planisek seconded Mollen to approve Village President appointments of  
Earl Taylor, Matt Cooley and Ronald Dye to Planning Commission. Voice vote-motion  
carried unanimously.**

**MINUTES REGULAR COUNCIL MEETING  
MACKINAW CITY**

**7:00 P.M.**

**October 03, 2013**

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**I. Motion Planisek seconded Yoder to accept Emergency Dredging Agreement Addendum and Resolution. Voice vote-motion carried unanimously.**

**IX. Reports/Committees/Village Commissions: None**

**X. Scheduling of Council Sub Committee Reports: None**

**XI. Closing Public Comments**

**XII. Adjournment: 8:55 PM**

**Respectfully submitted;**

**Jeff Hingston; President**

**Lana Jaggi; Clerk**

User: LANA

EXP CHECK RUN DATES 10/15/2013 - 10/15/2013

DB: Mackinaw City

BOTH JOURNALIZED AND UNJOURNALIZED

BOTH OPEN AND PAID

INVOICE NUMBER	DESCRIPTION	AMOUNT	VENDOR NAME
037989	CYLINDER RENTAL	161.10	AIRGAS USA, LLC
9020421939	OXYGEN	167.20	AIRGAS USA, LLC
STATE 9/25/13	ELECTRIC SUPPLIES	72.33	ALL-PHASE ELECTRIC SU
287242628779100420	CELL PHONES	188.47	AT&T MOBILITY
10/09/2013	LEGAL BLOOD DRAW	50.00	BARB ALGENSTEDT
247341	QTY FEE HRA SERVICE	216.00	BASIC
0096885	ENGINE HARNESS	203.46	BELL EQUIPMENT COMPAN
0500780	MARINA GAS	23,972.81	BLARNEY CASTLE OIL CO
STATEMENT09/25/13	VEHICLE SUPPLIES/PARTS	942.10	CHEBOYGAN CARQUEST
510252	ATTORNEY FEES	3,003.00	CLARK HILL P.L.C.
930	SUPPLIES	418.44	COFFMAN HARDWARE
9302013	ELECTRIC BILLS	2,766.54	CONSUMERS ENERGY
9/19/2013	EMS FLEECE UNIFORM	31.80	DAVE DAVIS
9/30/2013	HEAT BILLS	324.23	DTE ENERGY
44632	WEB HOST ANTI VIRUS	49.00	GASLIGHT MEDIA
1019772932	SHRUB GRUB	91.75	GEMPLER'S
1019784786	EARPLUGSS	43.20	GEMPLER'S
9/30/2013	PLUMBING SUPPLIES	214.15	GREAT LAKES PIPE & SU
1412223	LOADER PAYMENT	2,954.42	JOHN DEERE FINANCIAL
66242150	ROTOR	296.98	JOHN DEERE LANDSCAPES
10/01/2013	POLICE VEHICLE REPAIR	661.86	KRUEGERS SERVICE
91371875	BATTERY FOR RADIO	182.75	MACKINAC COUNTY SHERI
1965	MONTHLY BILLING	480.00	MHR BILLING
22911	2014 MID WINTER TRAINING CONF	235.00	MICHIGAN ASSOC OF CHI
00234058	ANNUAL INTERNET FEE 10/2013-9/2014	650.00	MUNICIPAL CODE CORPOR
66357	PORTABLE TEST UNIT	247.75	MUNICIPAL SUPPLY CO.
4340	TRAILHEAD PROJECT	7,581.00	NORTH STAR GARDENS
184826	AP & PAYROLL CHECK STOCK	445.30	NORTH WOODS BUSINESS
00388773	TRUCK SALE BID AD	107.80	NORTHERN MICHIGAN REV
C12205	MAVB SHOW 10/12/2013	2,500.00	PYROTECNICO
37114 37280	MOWER BLADE /PINS	163.82	SKINNER'S GARAGE INC.
81615	CRS HARBOR CREDIT CARD REFUND SEPT 2013	100.90	STATE OF MICHIGAN
9/30/2013	FOR SALE AD/ DPW	67.50	THE ST. IGNACE NEWS
157209	SUPPLIES	264.16	USA BLUE BOOK
011518	CONTRACT METER BLK INK ONLY	602.90	VAN'S BUSINESS MACHIN
/2013	MONTHLY GAS BILLS	4,597.79	VPS CONVENIENCE STORE
		55,055.51	



# Village of Mackinaw City

102 South Huron Avenue, P.O. Box 580, Mackinaw City, Michigan 49701

Telephone: (231) 436-5351 Fax: (231) 436-4166

[www.mackinawcity.org](http://www.mackinawcity.org) [village@mackinawcity.org](mailto:village@mackinawcity.org)

To: Mackinaw City Council

From: Adam R. Smith, Village Manager

Date: October 14, 2013

Re: Manager Report & Recommendations for October 17, 2013 Council Meeting



## **VIII. A. The Headlands International Dark Sky Park, Emmet County –**

**Presentation by Lyn Johnson, Emmet County Controller [Informational Item]**

Mr. Lyn Johnson, Emmet County Controller, will provide a presentation regarding concept planning for The Headlands International Dark Sky Park.

## **VIII. B. Michigan Department of Environmental Quality Stormwater, Asset Management, and Wastewater Program Grant Funding Application - Presentation by Larry Fox, C2AE Director of Michigan Municipal Infrastructure [Action Item]**

Mr. Larry Fox, PE, C2AE, will provide a presentation regarding the Michigan Department of Environmental Quality (MDEQ) Stormwater, Asset Management, and Wastewater Program (SAW). SAW is new legislation establishing grants for asset management plan development, stormwater plan development, sewage collection and treatment plan development, and state-funded loans to construct projects identified in the asset management plans. Grants are ninety-percent (90%) funded for the first \$1 million with a 10% local match. Water and Wastewater Superintendent Rivera and I have met with C2AE several times to outline a potential grant application to meet the needs of Mackinaw City. The attached proposal and scope of services document outlines the seven potential steps in pursuing the grant funding in greater detail. The value of the grant application services are estimated at \$5,000 and are an eligible grant expense should the Village be successful in obtaining a SAW grant (10% local match: \$500). We have negotiated a lump sum fee of \$900 for said services should they not be subject to grant reimbursement. Due to the anticipated level of interest in this program it will be important to have a complete grant application package submitted on December 2, 2013 in order to have the highest probability in receiving program funding. It would be necessary to begin working on the application now in order to meet that deadline. I would recommend a motion to execute the C2AE Proposal for Engineering Services for the MDEQ SAW Grant Funding Application in the amount of \$900. *Please refer to attached proposal for engineering services.*

## **VIII. C. 1980 Water Revenue Bonds**

**[Action Item]**

The Village of Mackinaw City issued and sold Revenue Bonds, pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in an amount of \$500,000, for the purpose of paying part of the cost of acquiring and constructing improvements to the water supply system. The principal of and interest on said revenue bonds shall be payable solely from the revenues received by the Village from the operations of said water supply system. Said bonds are payable in annual installments of



*"Crossroads of the Great Lakes."*

*Equal Employment Opportunity and Service Provider*

forty years and bear interest at ten percent (10%). The current principal balance, payable January 1, 2014, is in the amount of \$169,625 with interest due through 1/1/14 of \$4,264.18. Per Fiscal Year Ended February 28, 2013, the Water Fund has current assets of \$304,379. Municipal investments are currently earning a fraction of one-percent. Payment in full of said bonds on 1/1/14 would result in an interest savings of approximately \$68,000 for the Village. I would recommend a motion to make payment in full of the 1980 Water Revenue Bonds on January 1, 2014 in the amount of \$173,899.19. *Please refer to the attached debt report, FY13 Audit excerpt, and payoff statement.*

**VIII. D. Ash Tree Replacement Correspondence to the State of Michigan [Action Item]**

Draft correspondence to State of Michigan and Legislators regarding Ash tree replacement and funding request thereof. *Please refer to the attached draft correspondence.*

**VIII. E. Waterways Grant-in-Aid Agreement – Preliminary Engineering Study Mackinaw City Municipal Marina Dock Replacement Resolution [ROLL CALL] [Action Item]**

Resolution accepting the terms of the Agreement Addendum as received from the Michigan Department of Natural Resources regarding the Preliminary Engineering Study for the Mackinaw City Municipal Marina Dock Replacement. Based on the significant level of project activity in the past six months, we have negotiated a time extension of one year, ending September 10, 2014, to complete said activity. I would recommend a motion to approve the Preliminary Engineering Study Mackinaw City Municipal Marina Dock Replacement Resolution and Agreement Addendum as presented by the Department of Natural Resources. The grant agreement provides for 50% (\$17,500) of the \$35,000 professional services agreement activity. *Please refer to the attached DNR Agreement Addendum and Resolution.*

**VIII. F. Tree City USA Recertification and Proclamation [Action Item]**

A motion is necessary for the submittal of the Tree City USA recertification application. The Application for Recertification requires that an Arbor Day Proclamation be adopted by the municipality in order to be recertified. *Please refer to the attached Application for Recertification and draft Arbor Day Proclamation.*

**IX. A. Schedule Committee of the Whole Meeting (Proposed 10/22/13) [Action Item]**

As previously stated, it is necessary that we have an accurate and thorough understanding of the village's policy structure and the identification of strategic priorities, to that extent meetings have been conducted with all sub-Committees. The intent of the recent sub-committee meetings were to: 1) to identify Fiscal Year 2015 sub-Committee priorities and; 2) realign sub-committee structure as needed to streamline our processes and procedures in a comprehensive manner. Request for consideration of a follow-up Village Council Committee of the Whole meeting to continue work on a revised Village Council and Sub-Committee Procedures document and establishment of Council's Fiscal Year 2015 priorities. A motion is necessary to schedule a Village Council Committee of the Whole to include date, time, and location.

DRAFT Village Council Sub-Committee Structure (represents current sub-committee name)

-Finance & Human Resources (Finance)

-Public Safety (Safety)

-Facilities & Streets (Facilities)

-Parks & Recreation (Tree Board)

-Marina (Marina/Recreation)

-Utilities & Green Initiatives (Utilities)

-Ordinance & Policy (Ordinance)



# Department of Environmental Quality



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## Stormwater, Asset Management, and Wastewater (SAW) Program Highlights

- New legislation establishing grants for asset management plan development, stormwater plan development, sewage collection and treatment plan development, and state-funded loans to construct projects identified in the asset management plans.

- Grants have \$2M cap per community. First million has 10-percent local match; second million has 25-percent local match. The local match is not eligible for loan assistance.

- Communities that are considered disadvantaged by the DEQ, in receivership, operating under an emergency manager, or operating under a consent agreement under the Local Government Fiscal Responsibility Act can receive a 100-percent grant with no local match required. Additionally, these communities can expend up to \$500,000 in grant funds for the construction of projects identified in an asset management plan.

- Grant recipient must proceed with a project for which grant funding is provided within 3 years of grant award or face repayment of the grant plus interest. For the asset management grant, this means significant progress as determined by the DEQ toward achieving the funding structure to implement the asset management program.

- Funds are awarded to grant and loan recipients on a first come, first served basis.

- NEW - SAW documents are final. The SAW grant and loan applications are now available! See [Forms and Guidance](#).

[SAW Training Sessions Information](#)

[SAW Frequently Asked Questions \(FAQ\)](#)

## Related Content

- S2 (SRF/SWQIF) Grants Program: Updated 8/14/2013
- SWQIF Questions & Answers **PDF**
- SWQIF Fiscal Year Reports
- Forms and Guidance

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# Proposal for Engineering Services MDEQ SAW Grant Funding Application

**Presented to:**  
Village of Mackinaw City

October 14, 2013





October 14, 2013

Mr. Adam Smith  
Village of Mackinaw City  
102 S Huron Ave  
Mackinaw City, MI 49701

Re: Proposal for Engineering Services  
MDEQ SAW Grant Funding Application

Dear Mr. Smith and Village Council:

Thank you for the opportunity for C2AE to provide you with this proposal for assistance with completing a grant application for the MDEQ's new Stormwater, Asset Management, Wastewater (SAW) Funding program.

C2AE has intimate familiarity with the SAW program, as we provided input into the legislation that established the program, as well as being one of only three consulting engineering firms with representation on the SAW Workgroup, the committee established to develop and refine the program requirements.

It is anticipated that final application forms from the MDEQ will be available in October and that applications will be accepted beginning December 2, 2013. Additional information regarding the SAW Program is contained in the Statement of Understanding portion of the proposal.

Because of the anticipated level of interest in this program it will be important to have a complete grant application package submitted on December 2<sup>nd</sup> to have the best chance of receiving funding. It is imperative that communities begin working on applications now in order to meet that deadline.

If this proposal, including the Standard Contract Provisions, is acceptable, please indicate authorization to proceed by signing and returning one copy to our office.

We appreciate this opportunity to serve the Village of Mackinaw City with this application.

Very Truly Yours

AUTHORIZED

C2AE

VILLAGE OF MACKINAW CITY

A handwritten signature in black ink that reads 'Larry Fox'.

BY: \_\_\_\_\_

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

Larry Fox, PE  
Principal, Director of Michigan Municipal Infrastructure

LMF/kb



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Project Understanding

Scope of Services

Engineering Fee and Schedule

Standard Contract Provisions



The Village of Mackinaw City intends to apply for grant funding through the new MDEQ Stormwater, Asset Management and Wastewater (SAW) Funding program.

A brief outline of the eligible work under this grant/loan program is as follows:

1. Wastewater system needs planning (Project Plans) and design
2. Planning or Design of Stormwater or non-point source Improvements
3. Asset Management Plans
  - a. Wastewater Asset Management Plans
  - b. Stormwater Asset Management Plans
4. Stormwater Management Plans
5. Grants for innovative technologies

Low interest loans will also be available for construction of wastewater or stormwater improvements that are the result of an approved Asset Management Plan or Stormwater Management Plan.

The grants are a 90% State/10% local share up to the first \$1 million and 75% State/25% local share for the 2<sup>nd</sup> million. If the community meets disadvantaged community criteria the grants are funded at a 100% level up to \$2 million.

There are certain payback conditions as a part of the grant agreement, where grants will need to be repaid if the grant conditions are not met within a 3 year period. There has been \$97 million appropriated to the program this year. Up to a total of \$350 million additional may be appropriated in subsequent years. Grants/loans are to be awarded on a first come, first served basis.

There are many nuances to this new program, with items such as software, hardware, training and local force account labor as grant eligible expenses.

C2AE has met with the Village several times to assist in outlining a potential grant application that will fit the needs of the Village of Mackinaw City. It is our understanding that Mackinaw City is currently anticipating applications for the Wastewater and Stormwater Asset Management Plan categories.



## Scope of Services

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C2AE proposes to provide the following scope of services to assist the Village with completing the SAW Grant application:

1. Planning Meetings: Meet with the Village at least two additional times to continue to discuss the program's extent and required outcomes (risks). Refine the application to fit the Village's needs and budget.
2. Criteria Development: Discuss with the work team the five separate sections of the application and determine which fundable work efforts should be pursued. It is our understanding that the Village currently intends to apply under the Wastewater and Stormwater Asset Management Plan categories for grant funding. Utilize the SAW Application Guidelines and Appendices to review and select the specific items to be included in the application.
3. Cost Development: A large part of the application package will consist of the development and documentation of costs to support the requested grant amount. C2AE will assist the Village in the development of the costs for the fundable work efforts and also to develop and/or obtain the necessary supporting documentation for those costs to be used as a part of the grant application package. A large component of the application package will be the development of an engineering services agreement that provides a detailed scope of services and cost itemization. We will prepare an engineering contract for signature which would be included in the grant application package. C2AE will also assist the Village to obtain quotes necessary to support the application costs for items such as:
  - a. Computer Equipment and Hardware
  - b. GIS and/or Asset Management Software
  - c. Training (if required)
  - d. Sewer Cleaning and Televising Services
  - e. Special Vendor Inspections
  - f. Aerial Photography and Mapping
  - g. Force Account Documentation
4. Budget/Timeline: As a part of the cost documentation, and as an aid to the Village in planning for project budgeting, C2AE will develop an expenditure timeline that will provide an estimated schedule for the costs to be incurred. The timeline will develop the sequence in which the work should take place in order to complete the work within the grant time requirements, and also lay out the times at which expenses will be incurred by the Village.
5. Application Refinement: Present the prepared Appendices and associated grant reimbursement amounts back to the work group for further discussion. This is an attempt to make sure all the possible eligible items are captured in the application.
6. Quality Review: C2AE has created an internal team to review all SAW grant applications, as an aid in providing complete and approvable application packages. This team will provide a quality review of the near final application packages.
7. Application Submittal: C2AE will hand deliver the completed application package to the MDEQ on or before December 2, 2013, unless the MDEQ delays the application date.



## *Engineering Fee and Schedule*

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### **Fee for Services**

We propose to complete the SAW Grant Application for the Village of Mackinaw City, within the Scope of Services provided herein, for the Lump Sum Fee of \$900.

Please note that this is an eligible grant expense, and should the Village be successful in obtaining a grant, the application fee will be reimbursed at the 90% grant amount.

### **Implementation Schedule**

C2AE plans to continue to assist the Village throughout the application process.

It is our intent to develop the majority of the grant application package during September and October, with final refinements and approving resolutions completed during November. C2AE plans to hand deliver completed application packages on or before December 2, 2013.



*Standard Contract Provisions  
Studies/Reports/Mapping Services*

The parties to this agreement, C2AE, Lansing, Gaylord, Grand Rapids, Escanaba, and Kalamazoo, Michigan, hereinafter called the A/E CONSULTANT and the Village of Mackinaw City, Michigan, hereinafter called the OWNER, hereby agree to the following conditions:

- A. Limit of Scope: The services provided by the A/E CONSULTANT shall be limited to those described in the Scope of Services.
- B. Changed Conditions: If, during the term of this Agreement, circumstances or conditions that were not originally contemplated by or known to the A/E CONSULTANT are revealed, to the extent that they affect the scope of services, compensation, schedule, allocation of risks or other material terms of this Agreement, the A/E CONSULTANT may call for renegotiation of appropriate portions of this Agreement. The A/E CONSULTANT shall notify the OWNER of the changed conditions necessitating renegotiation, and the A/E CONSULTANT and the OWNER shall promptly and in good faith enter into renegotiation of this Agreement to address the changed conditions. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement.
- C. Additional Services: Additional services not specifically identified in the Scope of Services shall be paid for by the OWNER in addition to the fees previously stated, provided the OWNER authorizes such services in writing. Special services will be billed monthly as work progresses and invoices are due upon receipt.
- D. Standard of Care: In providing services under this Agreement, the A/E CONSULTANT will endeavor to perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Upon notice to the A/E CONSULTANT and by mutual agreement between the parties, the A/E CONSULTANT will without additional compensation, correct those services not meeting such a standard.
- E. Opinions of Probable Construction Cost: In providing opinions of probable construction cost, the OWNER understands that the A/E CONSULTANT has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the A/E CONSULTANT's opinions of probable construction costs are made on the basis of the A/E CONSULTANT's professional judgment and experience. The A/E CONSULTANT makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from the A/E CONSULTANT's opinion of probable construction cost.
- F. Schedule for Rendering Services: The A/E CONSULTANT shall prepare and submit for OWNER approval a schedule for the performance of the A/E CONSULTANT's services. This schedule shall include reasonable allowances for review and approval times required by the OWNER, performance of services by the OWNER's consultants, and review and approval times required by public authorities having jurisdiction over the project. This schedule shall be equitably adjusted as the project progresses, allowing for changes in scope, character or size of the project requested by the OWNER, or for delays or other causes beyond the A/E CONSULTANT's reasonable control.
- G. Ownership of Reports, Drawings and Other Materials: The OWNER agrees that all reports, drawings, letters, work sheets, plans, preliminary material tables, supportive data, documents and other materials produced by the A/E CONSULTANT in the course of and for the purpose of meeting this contract are the property of the A/E CONSULTANT, and shall remain in the possession of the A/E CONSULTANT. The OWNER shall have access to the above named material during normal business hours of the A/E CONSULTANT during and after completion of this contract. The OWNER may obtain copies of any of the above named material. Copies of electronic media may be obtained by the OWNER via execution of this Agreement. (See Alteration and Reuse of CAD Information provision of this Agreement.)
- H. Alteration and Reuse of CAD Information: Because computer aided design/drafting (CAD) information stored in electronic form can be modified by other parties, intentionally or otherwise, without notice or indication of said modifications, the A/E CONSULTANT reserves the right to remove all indications of its ownership and/or involvement in the material from each electronic medium not held in its possession. The OWNER may retain copies of the work performed by the A/E CONSULTANT in CAD form. Copies shall be for information and used by the OWNER for the specific purpose for which the A/E CONSULTANT was engaged. Said material shall not be used by the OWNER, or transferred to any other party, for use in other projects, additions to the current project, or any other purpose for which the material was not strictly intended without the A/E CONSULTANT's express written permission. Any unauthorized modification or reuse of the materials shall be at the OWNER's sole risk, and the OWNER agrees to defend, indemnify,



*Standard Contract Provisions  
Studies/Reports/Mapping Services*

and hold the A|E CONSULTANT harmless, from all claims, injuries, damages, losses, expenses, and attorneys fees arising out of the unauthorized modification of these materials.

- I. Payment Terms: Invoices will be submitted by the A|E CONSULTANT monthly, are due upon presentation and shall be considered past due if not paid within thirty (30) calendar days of the due date.
- J. Disputed Invoices: If the OWNER objects to any portion of an invoice, the OWNER shall so notify the A|E CONSULTANT in writing within ten (10) calendar days of receipt of the invoice. The OWNER shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with other payment terms of this Agreement. Any dispute over invoiced amounts due which cannot be resolved within ten (10) calendar days after presentation of invoice by direct negotiation between the parties shall be resolved within thirty (30) calendar days in accordance with the Dispute Resolution provision of this Agreement. Interest at one-and-one-half (1.5) percent (or the maximum rate allowable by law, whichever is less) shall be paid by the OWNER on all disputed invoice amounts that are subsequently resolved in the A|E CONSULTANT's favor and shall be calculated on the unpaid balance from the due date of the invoice.
- K. Abandonment of Work: If any work is abandoned or suspended, the A|E CONSULTANT shall be paid for services performed prior to receipt of written notice from the OWNER of abandonment or suspension.
- L. Errors and Omissions Insurance: The A|E CONSULTANT maintains an errors and omissions insurance policy as part of normal business practice. The OWNER agrees to limit the A|E CONSULTANT's liability to the OWNER and to all Construction Contractors and Subcontractors on the project due to the A|E CONSULTANT's negligent acts, errors, or omissions, such that the total aggregate liability of the A|E CONSULTANT to all those named shall not exceed \$4,000.
- M. Indemnification: The A|E CONSULTANT agrees, to the fullest extent permitted by law, to indemnify and hold harmless the OWNER against damages, liabilities and costs arising from the negligent acts of the A|E CONSULTANT in the performance of professional services under this Agreement, to the extent that the A|E CONSULTANT is responsible for such damages, liabilities and costs on a comparative basis of fault and responsibility between the A|E CONSULTANT and the OWNER. The A|E CONSULTANT shall not be obligated to indemnify the OWNER for the OWNER's own negligence.
- N. Consequential Damages: Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the OWNER nor the A|E CONSULTANT, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the OWNER and the A|E CONSULTANT shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in this project.
- O. Dispute Resolution: The OWNER agrees that all claims, disputes, and other matters in question between the parties arising out of or relating to this Agreement or breach thereof first shall be submitted for nonbinding mediation to any one of the following, as agreed to by the parties: American Arbitration Association, American Intermediation Service, Americord, Dispute Resolution, Inc., Endispute, or Judicate. Any party hereto may initiate mediation within the time allowed for filing per State law and the parties hereto agree to fully cooperate and participate in good faith to resolve the dispute(s). The cost of mediation shall be shared equally by the parties hereto.

If mediation fails to resolve the claim or dispute, the matter shall be submitted to a court of competent jurisdiction.

**Village of Mackinaw City  
Complete Debt Report for  
Water Revenue Bond:**

**Issuance Information**

**Debt Type:** Bank Loans  
**Activity Type:** Business-type/Enterprise  
**Repayment Source:** Revenue  
**Issuance Date:** 1980-06-03  
**Issuance Amount:** \$500,000  
**Maturing Through:** 2019  
**Principal Maturity Range:** \$10,000 - \$15,000  
**Comments:** Water Revenue

**Payment Schedule**

<u>Date Due</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Adjustments</u>	<u>Balance</u>
2013-01-01	10%	10,000.00	8,500.00	\$18,500.00		\$160,000.00
2013-07-01	10%	10,000.00	8,500.00	\$18,500.00		\$150,000.00
2014-01-01	10%	10,000.00	7,500.00	\$17,500.00		\$140,000.00
2014-07-01	10%	10,000.00	7,500.00	\$17,500.00		\$130,000.00
2015-01-01	10%	12,500.00	6,500.00	\$19,000.00		\$117,500.00
2015-07-01	10%	12,500.00	6,500.00	\$19,000.00		\$105,000.00
2016-01-01	10%	12,500.00	5,250.00	\$17,750.00		\$92,500.00
2016-07-01	10%	12,500.00	5,250.00	\$17,750.00		\$80,000.00
2017-01-01	10%	12,500.00	4,000.00	\$16,500.00		\$67,500.00
2017-07-01	10%	12,500.00	4,000.00	\$16,500.00		\$55,000.00
2018-01-01	10%	12,500.00	2,750.00	\$15,250.00		\$42,500.00
2018-07-01	10%	12,500.00	2,750.00	\$15,250.00		\$30,000.00
2019-01-01	10%	15,000.00	1,500.00	\$16,500.00		\$15,000.00
2019-07-01	10%	15,000.00	1,500.00	\$16,500.00		\$0.00
<b>Totals</b>		<b>\$170,000.00</b>	<b>\$72,000.00</b>	<b>\$242,000.00</b>	<b>\$0.00</b>	

VILLAGE OF MACKINAW CITY, MICHIGAN

**Statement of Net Position**

Proprietary Funds  
February 28, 2013

	Business-type Activities - Enterprise Funds				Governmental Activities
	Sewer	Water	Marina	Total	Internal Service Fund
<b>Assets</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 398,639	\$ 161,004	\$ 67,936	\$ 627,579	\$ 138,315
Investments	232,059	93,725	39,732	365,516	80,518
Accounts receivable	79,568	45,638	44,920	170,126	-
Due from other funds	74,111	4,012	3,732	81,855	1,403
Inventory	-	-	25,437	25,437	-
<b>Total current assets</b>	<b>784,377</b>	<b>304,379</b>	<b>181,757</b>	<b>1,270,513</b>	<b>220,236</b>
<b>Noncurrent assets:</b>					
<b>Property and equipment</b>					
Land	36,915	14,725	21,500	73,140	-
Construction-in-process	30,037	-	-	30,037	-
Buildings	121,971	28,211	-	150,182	-
Improvements other than buildings	7,064,498	2,349,402	113,358	9,527,258	-
Machinery and equipment	225,896	178,568	63,467	467,931	959,768
Marina	-	-	1,741,592	1,741,592	-
Accumulated depreciation	(2,596,725)	(1,031,294)	(1,275,298)	(4,903,317)	(730,620)
<b>Net property and equipment</b>	<b>4,882,592</b>	<b>1,539,612</b>	<b>664,619</b>	<b>7,086,823</b>	<b>229,148</b>
<b>Other assets</b>					
Restricted investments	67,291	70,000	-	137,291	-
<b>Total noncurrent assets</b>	<b>4,949,883</b>	<b>1,609,612</b>	<b>664,619</b>	<b>7,224,114</b>	<b>229,148</b>
<b>Total assets</b>	<b>5,734,260</b>	<b>1,913,991</b>	<b>846,376</b>	<b>8,494,627</b>	<b>449,384</b>
<b>Liabilities</b>					
<b>Current liabilities:</b>					
Accounts payable	8,934	9,357	1,192	19,483	15,630
Accrued liabilities	2,513	1,840	717	5,070	1,219
Due to other funds	33,350	36,086	17,935	87,371	12,811
Unearned revenue	-	-	81,746	81,746	-
Bonds payable, current portion	-	20,000	-	20,000	-
Note payable, current portion	-	-	-	-	26,288
<b>Total current liabilities</b>	<b>44,797</b>	<b>67,283</b>	<b>101,590</b>	<b>213,670</b>	<b>55,948</b>
<b>Long-term debt</b>					
Bonds payable, net of current portion	-	150,000	-	150,000	-
<b>Total liabilities</b>	<b>44,797</b>	<b>217,283</b>	<b>101,590</b>	<b>363,670</b>	<b>55,948</b>
<b>Net position</b>					
Net investment in capital assets	4,882,592	1,369,612	664,619	6,916,823	202,860
Unrestricted	806,871	327,096	80,167	1,214,134	190,576
<b>Total net position</b>	<b>\$ 5,689,463</b>	<b>\$ 1,696,708</b>	<b>\$ 744,786</b>	<b>\$ 8,130,957</b>	<b>\$ 393,436</b>

The accompanying notes are an integral part of these basic financial statements.

Berkadia Commercial Mortgage LLC  
118 Welsh Road  
Horsham PA 19044



**LOAN PAYOFF STATEMENT**

VILLAGE OF MACKINAW CITY  
10 2 SOUTH HURON AVENUE  
PO BOX 580  
MACKINAW CITY MI 49701-0580

Loan No. 01-0367201  
Investor (1) FMHA  
010367201  
Current Interest Rate 5.00000%

The following data is submitted per your request of July 18, 2013

<b>CURRENT PRINCIPAL BALANCE</b>			\$	169,625.00
<b>INTEREST DUE @ Current Rate</b>	07/01/13	through	01/01/14	4,264.18
<b>CUSTODIAL &amp; ADMINISTRATIVE EXPENSES</b>				10.00
<u>Supplemental Charges</u>				
<b>ACCOUNT &amp; DEFERRED UNPAID BILLINGS</b>				-
<b>TOTAL</b>			<b>\$</b>	<b>173,899.18</b>

This statement is for the property located at: 102 SOUTH HURON ST PO BOX 580, MACKINAW CITY, MI

**IMPORTANT: The above amount is valid only for 01/02/2014. No rebates are available for early payment. If you elect to remit funds prior to the payoff date shown on your payoff statement, interest must be paid in accordance with the payoff statement and Berkadia will hold the funds until the Payoff Date.**

Escrow balances will not be applied as a credit on the payoff statement and every effort is made to release positive escrow/reserve balances within thirty (30) days of the payoff. This letter does NOT modify your loan documents nor negate your responsibility to pay installments timely.

Wire payments submitted to repay this loan must be received in this office by 2:00 p.m. EST A PER DIEM is Not permitted; after the above date, please request a revised Payoff Statement.

**A revised Payoff Statement may require you to pay interest on your loan for a full additional interest accrual period, depending on the provisions of your loan documents.**

Please wire the total amount due as follows:

Bank: Wells Fargo Bank N.A., San Francisco, CA  
Routing: ABA # 121-000-248  
Beneficiary: Berkadia Commercial Mortgage, LLC  
Account: DDA No. 2000049251465  
Reference: Attn: SHANNON GRANDSTAFF LN: 01-0367201

BERKADIA REQUIRES THE INCLUSION OF THE ABOVE REFERENCE LINE AS A CONDITION OF ACCEPTING YOUR PAYMENT.

The Total amount due should be remitted in accordance with the above instructions in Immediately Available Funds. Alternative forms of payment (e.g., Certified Checks, Bank Drafts, and other mediums) should be arranged in advance through your Client Relations Manager.

We assume no responsibility for late or misdirected wires, nor should this statement be used for a non-wire payment. No real estate tax or insurance payments will be disbursed for your account after payoff funds are received. The borrower is responsible for any payments due on or after the payoff date, including applicable interest or penalties. Any escrow deposits will be returned via check post-payoff.

**IMPORTANT NOTE: This statement does not modify, alter or amend the terms of the loan documents. Should your payoff date change or be delayed, we reserve the right to assess a \$100 revision fee to generate a new Loan Payoff Statement.**

Should you have any questions, please contact SHANNON GRANDSTAFF

Telephone: 1-888-334-4622



# Village of Mackinaw City

102 South Huron Avenue, P.O. Box 580, Mackinaw City, Michigan 49701

Telephone: (231) 436-5351 Fax: (231) 436-4166

[www.mackinawcity.org](http://www.mackinawcity.org) [village@mackinawcity.org](mailto:village@mackinawcity.org)

October 17, 2013

Address Block

Address Block

Address Block

RE: Mackinaw City Tree Replacement - Emerald Ash Borer

Dear [Senator, Representative, DNR]:

As you know Michigan has been fighting many invasive species including the Emerald Ash Borer. The "line drawn in the sand" for the Ash Borer has been the Mackinac Bridge, so a dump site for fire wood and any other possible carriers of the beetle was established in Mackinaw City at the MDOT Welcome Center along I-75. As would be expected with such a plan, the disease has spread throughout Mackinaw City killing most of our downtown trees.

Certainly Mackinaw City is happy to serve as the gateway to the Upper Peninsula, and to accept state-initiated barriers to prevent transport of diseases such as the ash borer. However, Mackinaw City is not financially equipped to handle the tree destruction that has resulted.

We are asking for the State of Michigan to help replace approximately 102 ash trees killed by the ash borers deposited in Mackinaw. Replacement trees, on average, have been quoted at \$130 per tree. If state funding for these trees can be allocated, Mackinaw City will match the effort with municipal labor and equipment to remove the diseased trees and plant replacements.

We await your response regarding a funding source or legislation written specifically to fund this issue. We look forward to reestablishing our tree canopy. Please feel free to contact us with any questions or concerns.

Sincerely,

Village Council of Mackinaw City



**AGREEMENT ADDENDUM**

***(Time Extension)***

**THIS AGREEMENT ADDENDUM**, made this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the VILLAGE OF MACKINAW CITY, MICHIGAN, a municipal corporation, hereinafter referred to as the "Village", and the MICHIGAN DEPARTMENT OF NATURAL RESOURCES, an agency of the State of Michigan, hereinafter referred to as the "Department."

**WHEREAS**, on September 10, 2007, an agreement, and December 12, 2011, and addendum, was entered into between the Department and Village, to assist the Village with a dock replacement study at the Mackinaw Village Marina facility, under provisions of the State's Waterways Grant-in-Aid Program; and

**WHEREAS**, the Village has requested a time extension of one (1) year with a new ending date of September 10, 2014 in conjunction with the original agreement;

**NOW, THEREFORE**, in consideration of the mutual promises and conditions contained herein, it is mutually agreed as follows:

1. The Department agrees:

(a) To grant to the Village a time extension of one (1) year with a new ending date of September 10, 2014. Said total grant-in-aid for the project shall not exceed Seventeen Thousand Five Hundred dollars (\$17,500). These monies shall be used only for the project work outlined in the Agreement and this Addendum and related engineering costs.

**IN WITNESS WHEREOF**, the parties hereto have hereunto set their hands and seal the day and date first above written.

**WITNESSES:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VILLAGE OF MACKINAW CITY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**MICHIGAN DEPARTMENT OF  
NATURAL RESOURCES**

By: \_\_\_\_\_

Ronald A. Olson, Chief  
Parks and Recreation Division

**RESOLUTION**

Upon Motion made by \_\_\_\_\_, seconded by \_\_\_\_\_, the following Resolution was adopted:

“RESOLVED, that the Village of Mackinaw City, Cheboygan County, Michigan does hereby accept the terms of the Agreement Addendum as received from the Michigan Department of Natural Resources, and the Village does hereby specifically agree, but not by way of limitation, as follows:

- 1. To maintain satisfactory financial accounts, documents, and records, and to make them available to the Department for auditing at reasonable times.
- 2. To construct the facility improvements and provide such funds, services, and materials as may be necessary to satisfy the terms of the said Agreement Addendum.
- 3. To insure that all premises, buildings, and equipment related procedures comply with all applicable State and Federal regulations.
- 4. To comply with any and all terms of the said Agreement Addendum including all terms not specifically set forth in the foregoing portions of the Resolution.”

The following aye votes were recorded: \_\_\_\_\_

The following nay votes were recorded: \_\_\_\_\_

STATE OF MICHIGAN        )  
  ) §  
COUNTY OF CHEBOYGAN)

I, \_\_\_\_\_, Clerk of the Village of Mackinaw City, Cheboygan County, Michigan, do hereby certify that the above is a true and correct copy of the Resolution relative to the Agreement with the Michigan Department of Natural Resources, which Resolution was adopted by the Village Council at a meeting held \_\_\_\_\_, 2013.

\_\_\_\_\_  
Village Clerk

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

**VILLAGE OF MACKINAW CITY  
PROCLAMATION**

**WHEREAS, the Village of Mackinaw City is the northern most  
Community in Michigan's Lower Peninsula; and**

**WHEREAS, the Village of Mackinaw City is surrounded by The Great  
Lakes and pristine natural forests; and**

**WHEREAS, the Village of Mackinaw City has endeavored to become  
and continue with the standards as set by the National  
Arbor Day Foundation's Tree City USA Program for  
twenty years; and**

**NOW, THEREFORE BE IT PROCLAIMED that the Village of  
Mackinaw City does hereby recognize and support the  
effective community management of our sacred natural  
resources; and**

**BE IT FURTHER RESOLVED, that April 26, 2013 be designated as  
Arbor Day in the Village of Mackinaw City and that an  
observance of this day took place in a ceremony at  
the Old School Park with the planting of six trees.**

**DATED: October 17, 2013**

---

**Richard Perlick  
President Pro-Tem  
Village of Mackinaw City**

# TREE CITY USA Application for Recertification

Mail completed application with requested attachments to your state forester no later than December 31.  
The TREE CITY USA award is in recognition of work completed by the community during the calendar year.  
Please provide information for the year ending.  
(Some states require information in addition to the requested on this application. Check with your state foresters.)

As \_\_\_\_\_ of the community of \_\_\_\_\_  
(Title - Mayor or other city official)

I herewith make application for this community to be officially recertified as a Tree City USA for \_\_\_\_\_, having achieved the standards set forth by The National Arbor Day Foundation as noted below. (year)

**Standard 1: A Tree Board or Department**

List board members, and meeting dates for the past year; or name of city department and manager.

\_\_\_\_\_  
\_\_\_\_\_

**Standard 2: A Community Tree Ordinance**

Check One:  Our ordinance as last submitted is unchanged and still in effect.  
 Our ordinance has been changed. The new version is attached.

**Standard 3: A Community Forestry Program with an Annual Budget of at Least \$2 Per Capita**

Total community forestry expenditures ..... \$ \_\_\_\_\_  
Community populations ..... \_\_\_\_\_

Attach annual work plan outlining the work carried out during the past year. Attach breakdown of community forestry expenditures.

**Standard 4: An Arbor Day Observance and Proclamation**

Date observance was held \_\_\_\_\_  
Attach program of activities and/or news coverage. Attach Arbor Day proclamation.

Signature	Title	Date
Please type or print the following:		
<b>Mayor or equivalent:</b>		
Name: _____	<b>City Forestry Contact:</b>	
Title: _____	Name: _____	
Address: _____	Title: _____	
City, State, Zip: _____	Address: _____	
Phone #: _____	City, State, Zip: _____	
Email: _____	Phone #: _____	
	Email: _____	

NOTE: Application will not be processed without Standard 3 and 4 attachments.

**Certification**  
(To Be Completed By The State Forester)

\_\_\_\_\_  
(Community)

The above named community has made formal application to this office. I am pleased to advise you that we reviewed the application and have concluded that, based on the information contained herein, said community is eligible to be recertified as a Tree City USA, for the \_\_\_\_\_ calendar year, having in my opinion met the four standards of achievement in urban forestry.

Signed \_\_\_\_\_ State Forester \_\_\_\_\_ Date \_\_\_\_\_

**Person in State Forester's Office who should receive recognition material:**

Name: \_\_\_\_\_ UPS Address: \_\_\_\_\_  
Title: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_  
Agency: \_\_\_\_\_ PH #: \_\_\_\_\_ Email: \_\_\_\_\_