

1. May 4, 2016 Agenda

Documents: [05-04-16 AGENDA.PDF](#)

2. May 4, 2016 Packet

Documents: [05-04-16 CITY COUNCIL PACKET.PDF](#)

3. May 4, 2016 Report

Documents: [COUNCIL REPORT - 05-04-16.PDF](#)

**MAYOR
Michael C. Taylor**

COUNCIL MEMBERS

**Joseph V. Romano, Mayor Pro Tem
Deanna Koski
Maria G. Schmidt**

**Nate Shannon
Doug Skrzyniarz
Barbara A. Ziarko**

CITY OF STERLING HEIGHTS

AGENDA FOR REGULAR CITY COUNCIL MEETING

WEDNESDAY, MAY 4, 2016

7:30 P.M.

**LOCATION: CITY COUNCIL CHAMBERS, CITY HALL, 40555 UTICA ROAD, PHONE (586) 446-CITY
(MINUTES OF COUNCIL MEETINGS ARE FILED IN THE CITY CLERK'S OFFICE)**

MEETING CALLED TO ORDER

PLEDGE OF ALLEGIANCE TO THE FLAG AND INVOCATION

ROLL CALL

APPROVAL OF AGENDA

REPORT FROM CITY MANAGER

PRESENTATION

A resolution recognizing and honoring Wayne Oehmke, on the occasion of his retirement, for many years of distinguished and dedicated service as Chief Executive Officer and President of the Sterling Heights Regional Chamber of Commerce & Industry and his contributions to the betterment of the City of Sterling Heights community (Presentation – Bridget Doyle, Community Relations Director).

To adopt a resolution recognizing Saturday, May 14, 2016 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause (Presentation – Mike Sheridan – Food Drive Coordinator for the National Association of Letter Carriers - Branch 4374).

PUBLIC HEARING

1. **To hold a Charter public hearing to adopt the 2016/17 Annual Appropriations Ordinance, as amended. (Presentation – Brian Baker).**

2. **CONSENT AGENDA**
 - A. **Approval of Minutes**
Special Meeting of April 12, 2016
Regular Meeting of April 19, 2016

 - B. **Approval of Bills**

 - C. **To award a bid for automobile and light truck body repairs for a two-year period (Estimated annual expenditure of \$17,000).**

 - D. **To purchase fitness watches for the Sterling Heights Fire Department (Total expenditure of \$17,050.25 – 90% grant-funded by the Assistance to Firefighters’ Grant).**

 - E. **To approve an Agreement for Banking Services between the City of Sterling Heights and Comerica Bank (Annual estimated expenditure of \$56,000).**

 - F. **To purchase an Employee Self-Service Module and GoDocs Forms Upgrade to facilitate online employee benefits enrollment and electronic delivery of forms (Total expense of \$19,100).**

 - G. **To award a bid for Clinton River Corridor Habitat Restoration based on unit prices bid (Estimated project expenditure of \$3,300,000.00 – 100% funded through EPA grant).**

 - H. **To award a bid for Senior Center Parking Lot Reconstruction, City Project #15 270, in the amount of \$366,441.41 (100% funded by Community Development Block Grant funds).**

 - I. **To award a bid for the 2016 Concrete Sectional Replacement Program, City Project #16 281, Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway, City Project #16-286, and Comstock Drive Reconstruction, City Project #16-282, at a cumulative cost of \$2,564,169.50.**

CONSIDERATION

- 3. To consider adoption of a resolution approving the Third Amended and Restated Local Development Finance Authority Development Plan and Tax Increment Finance Plan in accordance with Public Act 281 of 1986, as amended.**
- 4. To consider a request by Graebner Parent Teacher Organization for recognition as a local nonprofit organization for the purpose of obtaining a State of Michigan charitable gaming license.**
- 5. To consider a request to transfer ownership of escrowed 2016 Class C liquor license located at 21611 - 21613 Van Dyke, Warren, MI 48089 from The Bear, LLC to Club Vic Entertainment, Inc. and transfer location to 44899 Mound Rd., Sterling Heights, MI 48314, with new entertainment permit.**
- 6. To consider a nomination to the City of Sterling Heights Planning Commission.**

COMMUNICATIONS FROM CITIZENS

- (a) This item shall be taken up at 10:00 p.m. if the business portion of the agenda has not been concluded.**

In accordance with the Sterling Heights Governing Body Rules of Procedure, under this agenda item, citizens are permitted to address the City Council on issues not on the agenda. Citizens are afforded a reasonable opportunity to be heard. Generally, no response shall be made to any communication from a citizen until all citizens have been permitted to speak.

You may be called to order by the Chair or a Council member if you:

- Attempt to engage the Council or any member in debate**
- Fail to address the Council on matters germane to City business**
- Use vulgarity**
- Make personal attacks on persons or institutions**
- Disrupt the public meeting**

If you are called to order, you will be required to take your seat until the Council determines whether you will be permitted to continue.

These rules are in place and will be followed to ensure order and civility.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Regular Meeting of City Council

Wednesday, May 4, 2016

Page 4

UNFINISHED BUSINESS

NEW BUSINESS

CLOSED SESSION PERMITTED UNDER ACT 267 OF 1976 - (roll call vote required)

ADJOURN

Clerk of the Council

The City of Sterling Heights will provide necessary reasonable auxiliary aids and services to individuals with disabilities at the meeting upon 7 days notice to the Community Relations Department at 446-CITY.

The backup information for this agenda is available on the City's website.

Go to www.sterling-heights.net and click on City Council e-Packets.

**MAYOR
Michael C. Taylor**

COUNCIL MEMBERS

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CITY MANAGER'S REPORT

May 4, 2016 --- CITY COUNCIL MEETING

A. MEMORIAL DAY

As you know, **Memorial Day** will be celebrated on **Monday, May 30, 2016**; All City Offices and the 41-A District Court Building will be closed for the entire Memorial Day weekend including Friday, May 27, 2016. There will be no refuse collection on Monday only. Refuse collection will resume on Tuesday and will be delayed one day through the end of the week. Normal business hours will resume on Tuesday, May 31. Anyone requesting additional information may contact the Public Works Department at 586.446.2440.

MEMORIAL DAY PARADE

Sterling Heights' 37th Annual Memorial Day festivities begin with a 9 a.m. Memorial Day Ceremony in the courtyard between City Hall (40555 Utica Road) and the Police Department. The ceremony will feature remarks from the 2016 Grand Marshal, Mayor Michael Taylor and Art Commission Chairman Jeanne Schabath. Music from the Sweet Adelines Great Lakes Chapter and 1st Michigan Colonial Fife & Drum Corps will also add to the respectful patriotic tone of the event. For more information on the Memorial Day Parade or Ceremony, please contact the Sterling Heights Community Relations Department at (586) 446-2470.

B. UPCOMING COMMUNITY EVENTS

- **Plant Exchange – May 14**

The Sterling Heights Beautification Commission will once again sponsor its annual Plant Exchange on Saturday, May 14 at 10 am-12 noon at the Nature Center. The free "green" event allows gardeners to exchange plants of various varieties. Residents may contact the Community Relations Department at 586.446.2489 for additional information.

- **SHPD Law Day Ceremony – May 19**

The contributions police officers make to the community will be celebrated during the **Sterling Heights Law Enforcement Day on Thursday, May 19**. The ceremony will begin at 10 am at the north entrance to City Hall. If inclement weather, the event will be held in the Council Chambers in City Hall. For additional information, residents may contact the Community Relations Department at 586.446.2489.

C. PLACEMAKING WORKSHOP

The City of Sterling Heights is expanding its 2030 Visioning Plan to include a discussion of the importance of placemaking at our upcoming Placemaking Workshop on May 24th, hosted by the Michigan Municipal League. This is an exciting opportunity for a unique group of stakeholders and community leaders to do some shared learning and discussion about the future of Sterling Heights and identifying areas of interest.

D. WATER RESIDENTIAL ASSISTANCE PROGRAM (WRAP)

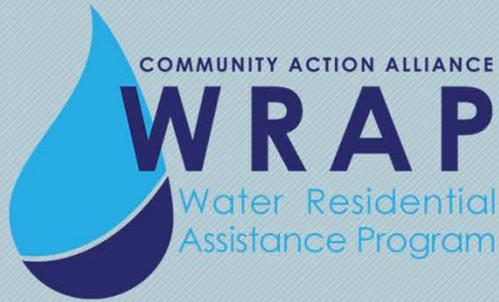
Presentation from Jennifer Varney, City Treasurer

E. MISCELLANEOUS

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark D. Vanderpool", written over a horizontal line.

Mark D. Vanderpool, City Manager



Community Action Alliance

WATER RESIDENTIAL ASSISTANCE
Program

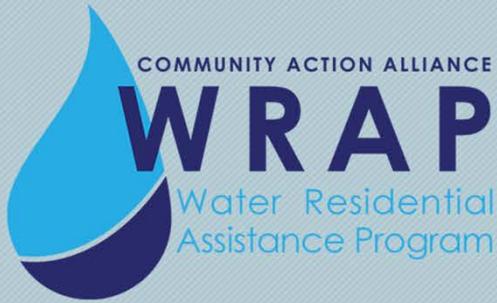
Call: 313-386-WRAP (9727)

- Created and funded by the Great Lakes Water Authority
 - Administered by Wayne Metropolitan Community Action Agency in partnership with Macomb Community Action
 - \$468,000 in assistance available to Macomb County residents
 - Sterling Heights was the first Macomb County community to opt-in
- Payment Assistance of up to \$1,000 per household per year
 - For households with income at or below 150% of poverty level
 - \$25 monthly bill credit plus up to \$700 annual unpaid bill assistance
 - Participants can remain in the program up to two years
 - Other benefits include home water audits and up to \$1,000 per household to fix minor plumbing issues



CITY OF Sterling Heights

Innovating Living

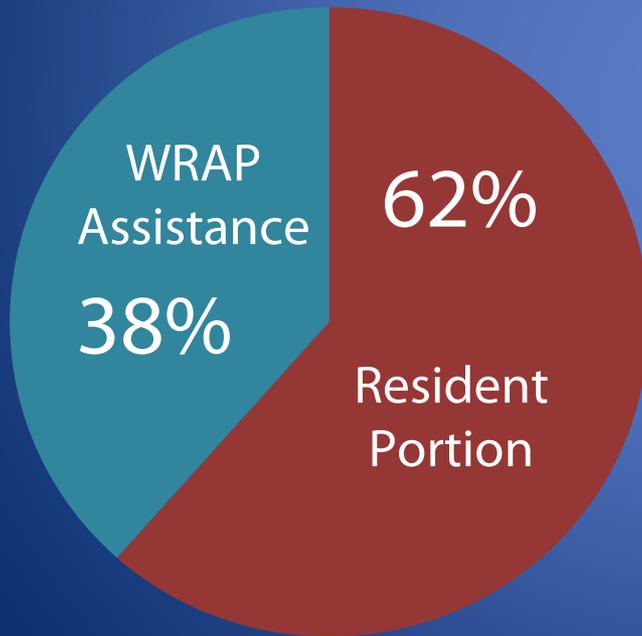


Community Action Alliance

WATER RESIDENTIAL ASSISTANCE
Program

Call: 313-386-WRAP (9727)

Average Residential Bill

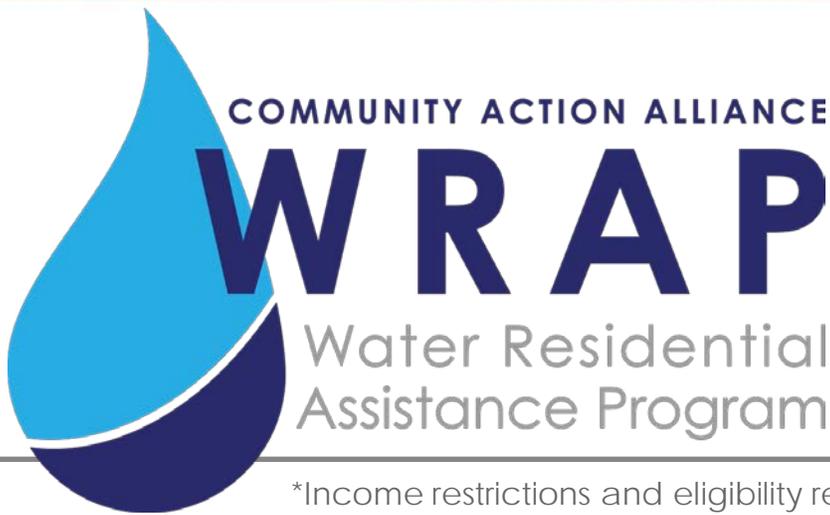


Minimum Bill



CITY OF Sterling Heights

Innovating Living



*Income restrictions and eligibility requirements apply.

Program Benefits:



Assistance up to \$1,000 per household per year. \$25 monthly bill credit + help with arrears.



Home water audit for households above 120% of average usage



Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage



Water saving kits and consumer training classes



Supportive WRAP-Around Services

WRAP Participant Qualifications:

- ✓ Have income at or below 150% of poverty threshold
- ✓ Provide proof of residency & income
- ✓ Provide renter's proof of responsibility for water on lease
- ✓ Stay current on monthly bill payment



WRAP funding is made possible by the Great Lakes Water Authority.

Call 313.386.WRAP (9727)

or visit www.waynemetro.org/wrap



Wayne Metropolitan
Community Action Agency
Established 1971



Community Action Alliance WRAP Program

Community Action Alliance will deliver WRAP through our Empowerment Pathway Model—a custom designed service plan to help residential customers in the Great Lakes Water Authority regions to access bill assistance, water conservation measures, and navigate resources and WRAP-around supports on a pathway toward self-sufficiency.

Household Income eligibility for the WRAP is 150% of poverty:

Household Members	Household Income	Household Members	Household Income
1	\$17,805	5	\$42,660
2	\$24,030	6	\$48,870
3	\$30,240	7	\$55,095
4	\$36,450	8	\$61,335



The WRAP’s mission is to administer the distribution of WRAP funding to the eligible, low-income customers of the GLWA with a vision to create a transformative water utility assistance program focusing on bill assistance, conservation and self-sufficiency initiatives.

Call 313.386.WRAP (9727)

or visit www.waynemetrol.org/wrap



AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: A resolution recognizing and honoring Wayne Oehmke, on the occasion of his retirement, for many years of distinguished and dedicated service as Chief Executive Officer and President of the Sterling Heights Regional Chamber of Commerce & Industry and his contributions to the betterment of the City of Sterling Heights community (Presentation – Bridget Doyle, Community Relations Director).

Submitted By: Community Relations Department

Contact Person/Telephone: Bridget Doyle, Community Relations Director 586/446- 2471

Administration (initial as applicable)

Attachments

<i>ML</i> City Clerk	<u>X</u>	Resolution	___	Minutes
<i>CB</i> Finance & Budget Director	___	Ordinance	___	Plan/Map
<i>JB</i> City Attorney (as to legal form)	___	Contract	___	Other
<i>NW</i> City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Wayne Oehmke recently retired after many years of distinguished and dedicated service as the Chief Executive Officer and President of the Sterling Heights Regional Chamber of Commerce & Industry. During his tenure, Mr. Oehmke has been the catalyst for many businesses prospering in the City of Sterling Heights. The immeasurable benefits of his labor on behalf of local businesses will continue on in the form of economic development and job creation for Sterling Heights and its residents.

Mr. Oehmke's commitment to the Sterling Heights' community has always gone above and beyond his Chamber of Commerce duties, to include civic events such as *Sterlingfest* and *SterlingFAST*, public service as a trustee of the Sterling Heights Community Foundation, and numerous other volunteer activities.

Mr. Oehmke's willingness to share his time, talents and treasures has profoundly impacted the Sterling Heights community in areas of recreation, education and culture. Mr. Oehmke 's dedication to and vision of what a community can and should be has made this City a premier place to live, work and play.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to adopt the resolution recognizing and honoring Wayne Oehmke, on the occasion of his retirement, for many years of distinguished and dedicated service as Chief Executive Officer and President of the Sterling Heights Regional Chamber of Commerce & Industry and his significant contributions to the betterment of the City of Sterling Heights community.

~ Resolution ~

A resolution of the Sterling Heights City Council recognizing and honoring Wayne Oehmke, on the occasion of his retirement, for many years of distinguished and dedicated service as President and Chief Executive Officer of the Sterling Heights Regional Chamber of Commerce & Industry and his significant contributions to the betterment of the City of Sterling Heights community.

Wayne Oehmke recently retired after many years of distinguished and dedicated service as the Chief Executive Officer and President of the Sterling Heights Regional Chamber of Commerce & Industry. During his tenure, Mr. Oehmke has been the catalyst for many businesses prospering in the City of Sterling Heights. The immeasurable benefits of his labor on behalf of local businesses will continue on in the form of economic development for Sterling Heights and its residents;

Mr. Oehmke served on the Chamber board as a volunteer director for 12 years and chaired the board four times. Following Lil Adams' decision to retire from the Chamber after 32 years of distinguished service, Mr. Oehmke was inspired to apply for the vacant position of Chief Executive Officer and has been honored to hold the position since 2008;

Mr. Oehmke's commitment to the Sterling Heights' community has always gone above and beyond his Chamber of Commerce duties and includes civic events such as *Sterlingfest* and *SterlingFAST*, public service as a trustee of the Sterling Heights Community Foundation, and numerous other volunteer activities;

Mr. Oehmke's willingness to share his time, talents and treasures has profoundly impacted the Sterling Heights community in areas of recreation, education and culture. Mr. Oehmke's dedication to and vision of what a community can and should be has made this City a premier place to live, work and play;

NOW, THEREFORE,

BE IT RESOLVED, that the City Council of the City of Sterling Heights, Macomb County, Michigan recognizes and honors Wayne Oehmke, on the occasion of his retirement, for many years of distinguished and dedicated service as Chief Executive Officer and President of the Sterling Heights Regional Chamber of Commerce & Industry and his significant contributions to the betterment of the City of Sterling Heights community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Sterling Heights to be affixed to this resolution on the 4th day of May, 2016.

Mark Carufel, City Clerk

March 24, 2016

Wayne's Updated Bio

Currently President & CEO of the Sterling Heights Regional Chamber of Commerce & Industry where I've served since May, 2008 and will be retiring in May this year.

1959-2008, "Newspapering"

Graduated from Mount Clemens High School in 1958 and began my newspaper career at the then Monitor-Leader (today's Macomb Daily) in 1959 as an Apprentice in the Composition Department. After completing the six-year program I became a Journeyman Printer (typesetting, proofreading, ad composition) there.

Subsequently I served in a number of newspaper departments as I worked progressively in a number of newspapers and management positions. Weekly Group Advertising Manager, Associate Publisher, GM, and ultimately Publisher. I had the good fortune to work at the Daily, Advisor & Source, Richmond Publishing, Voice, Tri-County News, Suburban Lifestyles, and in my last newspaper position, I served as Publisher of the Daily Tribune in Royal Oak.

I served on the Chamber board as a volunteer Director for 13 years, chaired the Board four times, and when I learned that my long-time friend, Lil Adams, was retiring from the Chamber after 30+ years of service as it's Executive Director, I applied for my current position, and I've been honored to serve as President & CEO of the Chamber since May, 2008.

I currently serve as President of St. Peter Lutheran Church and School in Macomb Township, and serve on the boards of the Sterling Heights Community Foundation, Historic Trinity's 501 (c)(3) board, Macomb Charitable Foundation, and Advancing Macomb.

I am a past member of the Michigan Press Association Board of Directors, and served as their President in 2007, and I also have served as a Director for the Michigan Press Foundation, the Macomb/St. Clair Counties Workforce Development Board, the Boys and Girls Club of Southeast Oakland County, and also a former member of the Utica/Shelby Kiwanis Club.

I've received a number of awards over these many years, and find especially rewarding the Rotary's "Paul Harris Award," Kiwanis "Hixon" Award, and in 2011 I was named "Lutheran Layman of the Year" by the Metro Detroit Lutheran Luncheon Club.

I have two daughters, Sarah (Jason), Sabrina and Christopher, and Gretchen (Chris) and Kendall, Cooper and Cecilia. I'm also engaged to be married to fiancée' Virginia McClelland this summer.

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To adopt a resolution recognizing Saturday, May 14, 2016 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause (Presentation – Mike Sheridan – Food Drive Coordinator for the National Association of Letter Carriers - Branch 4374).

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager / 446- 2421

Administration (initial as applicable)

Attachments

	City Clerk	<u>X</u>	Resolution	___	Minutes
	Finance & Budget Director	___	Ordinance	___	Plan/Map
	City Attorney (as to legal form)	___	Contract	___	Other
	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary

The National Association of Letter Carriers (NALC) National Food Drive is being held on Saturday, May 14th. On this date, letter carriers and numerous volunteers will be picking-up donations of nonperishable food items that people have set out by their mailboxes for collection.

Food donations collected by the Utica and Sterling Heights post offices are donated to the Macomb Food Program. Volunteers then sort and distribute the food to more than 50 neighborhood food pantries and hunger relief organizations. Access to the Macomb Food Program is open to any Macomb County resident in need of emergency food assistance.

This is the 24th year for the NALC National Food Drive. The goal is to surpass last year's total of 70 million pounds of nonperishable food. In the last 23 years, NALC has collected over 1.4 billion pounds of food donations.

Mike Sheridan, Food Drive Coordinator for the National Association of Letter Carriers - Branch 4374 serving South Macomb County will be making a brief presentation regarding the National Food Drive and is available to answer any questions from the City Council.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to adopt the resolution recognizing Saturday, May 14, 2016 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause.

**RESOLUTION
STERLING HEIGHTS CITY COUNCIL**

A resolution of the City Council recognizing Saturday, May 14, 2016 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause

- The National Association of Letter Carriers (NALC) National Food Drive is being held on Saturday, May 14th. On this date, letter carriers and numerous volunteers will pick-up donations of nonperishable food items that people have set out by their mailboxes.
- Food donations collected by the Utica and Sterling Heights post offices are donated to the Macomb Food Program which provides immediate relief to those in need of emergency food through a network of more than 50 neighborhood food pantries and hunger relief organizations.
- This is the 24th year for the NALC National Food Drive. The goal is to surpass last year's total of 70 million pounds of nonperishable food. In the last 23 years, over 1.4 billion pounds of food donations have been collected.
- The demand placed on the inventories of the emergency food pantries never ceases, in good times or bad times. In some instances, the pantries have run out of food for those in need.
- The City of Sterling Heights has always been a generous and caring community, especially in times of great need. May 14th is an opportunity for this City to once again extend a helping hand to our most vulnerable populations of children, seniors and the working poor.

NOW, THEREFORE,

BE IT RESOLVED, to recognize Saturday, May 14, 2016 as *Letter Carriers Food Drive Day* in the City of Sterling Heights and to encourage residents to participate in this worthy cause by setting out nonperishable food items next to their mailboxes for collection on this date.

This Resolution was approved at the May 4, 2016 Sterling Heights City Council meeting.

Mark Carufel, City Clerk

National Association of Letter Carriers



UTICA
FRASER
ROSEVILLE
EASTPOINTE
ST. CLAIR SHORES

ROMEO
WARREN
CENTERLINE
SHELBY TOWNSHIP
STERLING HEIGHTS

8124 E. 10 MILE ROAD, CENTER LINE, MI 48015
SERVING SOUTH MACOMB COUNTY
586-759-0390 OFFICE
586-759-2150 FAX



Mark Carufel
Sterling Heights City Clerk
40555 Utica Rd
Sterling Heights MI 48313

April 22, 2016

Dear Mr Carufel,
STERLING HEIGHTS

Per our discussion I will be making a presentation concerning our 24th annual **Stamp Out Hunger** Food Drive at your May 4, 2016 City Council meeting and would like to designate and accept a proclamation of Saturday May 14, 2016 as Letter Carriers Food Drive Day throughout the City of Sterling Heights.

Key points:

This is our 24th annual food drive.

This year the UFCW (United Food and Commercial Workers) are helping by printing over 100,000 yellow plastic bags for delivery in Sterling Heights and Warren to help in the food drive.

Message can be delivered to friends and family on the Stamp Out Hunger Facebook page.

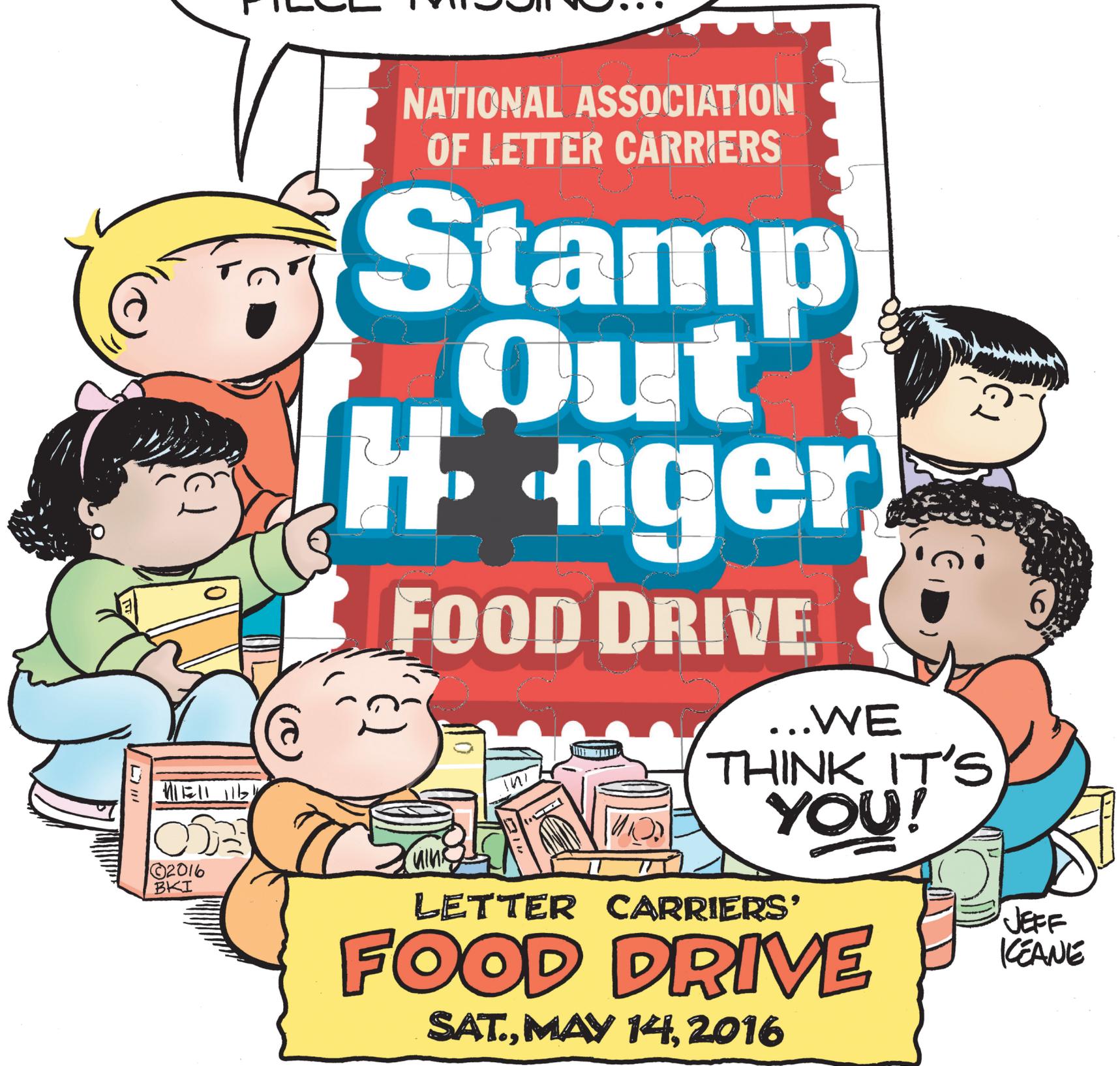
Over the past 23 years 1.4 billion pounds of food has been collected nationwide.

Last year's total was over 70 million pounds.

Sterling Heights consistently collects over 60,000 pounds each year (2013 record was 85,000 pounds)
All food collected is delivered to the Macomb Food Program warehouse and stays in Macomb County.
If you have any further questions, please feel free to call me.

Michael F Sheridan
Food Drive Coordinator for NALC Branch 4374
Cell 586-808-8673
Home 586-254-2548

HELP US SOLVE THIS! THERE'S ONE PIECE MISSING...



**PUT YOUR NON-PERISHABLE DONATION IN A BAG BY YOUR MAILBOX.
WE'LL DELIVER IT TO A LOCAL FOOD BANK.**

NATIONAL PARTNERS



AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: 2016/17 Budget Public Hearing and Adoption (Presentation – Brian Baker, Finance & Budget Director).

Submitted By: Office of City Management

Contact Person/Telephone: Mark D. Vanderpool, City Manager, 446-2301

Administration (initial as applicable)

Attachments

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 City Attorney (as to legal form)	___	Contract	<u>x</u>	Other
 City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary

- The City Charter requires that a formal Public Hearing be held on the budget before its adoption.
- The proposed 2016/17 budget was submitted to the City Council on March 24, 2016. For the past six weeks, the budget has been available for public inspection on the City's website, at the City Clerk's office, and the Public Library. In addition, the City Council held two budget workshops on April 12th and April 26th to review the proposed spending plan.
- The Appropriations Ordinance is the legislative vehicle that allows for the expenditure of funds throughout the City. The Ordinance reflects the City Council's plans for expenditures and revenues and sets the property tax millage rate to fund those expenditures for the 2016/17 fiscal year. The City's total millage rate remains the same as last year.
- The Appropriations Ordinance was introduced at the April 12th City Council meeting. On April 26th the City Council approved two budget amendments totaling \$108,000 for the elimination of sidewalk gaps along Clinton River Road and purchase of a Parks & Recreation utility cart. Administrative changes to the Ordinance include the recently approved refuse contract savings, road bond interest savings, final CDBG allocation, and funding for concrete repairs on Schoenherr Road from 14 Mile to 15 Mile. These amendments are reflected in the final amended Appropriations Ordinance that is now ready to be adopted.

Suggested Action:

MOVED BY:

SECONDED BY:

BE IT ORDAINED, to adopt the Annual Appropriations Ordinance, as amended, for the 2016/17 fiscal year with the following property tax millage rates:

9.4856 mills for Operations, 1.1062 mills for Refuse Collection, 1.9788 mills for Police & Fire Pension, 2.5000 mills for Safe Streets, and 0.1152 mills for Public Improvements (Proposal F) for a total property tax levy of 15.1858 mills.

City of Sterling Heights Fact Sheet

2016/17 Budget At A Glance ...

Michael C. Taylor
Mayor

Joseph V. Romano
Mayor Pro Tem

Deanna Koski
Councilwoman

Maria G. Schmidt
Councilwoman

Nate Shannon
Councilman

Doug Skrzyniarz
Councilman

Barbara A. Ziarko
Councilwoman



Mark D. Vanderpool
City Manager

Brian S. Baker
Finance & Budget
Director

The budget totals \$170.0 million – a decrease of \$7.8 million or 4.4%. The budget continues the Safe Streets initiative which enables the City to avoid further cuts to public safety staffing, provides for needed community investments, and increases reserves.

- The budget decrease is a result of one-time capital improvements in the prior year including the reconstruction of Dodge Park Road and Van Dyke, grant funds to restore the Clinton River corridor, and repairs to the City Hall parking lot. These savings were partially offset by higher water & sewer costs, road debt, and street repairs.
- Additional funds are budgeted for place making efforts resulting from the Visioning process, facility repairs, the early hiring of Police Officers, restoring several positions, and employee wage adjustments and reduced unpaid furloughs.
- The City's taxable value decreased 4.1% due to a reduction in manufacturing personal property that is now exempt from local tax. For existing real property, the 0.3% inflationary adjustment is the lowest increase since Proposal A began and is well below the twenty-one year 2.3% average inflationary rate.
- Despite increases in real property for the past three years, taxable values have fallen by 25.3% since 2008, resulting in a cumulative \$8.0 million loss and a \$106 million loss of tax revenue growth. The State has cut our funding by \$40.5 million since 2002. As a result, the budget cannot restore all of the past cuts, but does allow for limited service improvements and community investments.
- The budget continues to reflect savings from reduced legacy costs and from eliminating retiree medical benefits for all new hires. All long-term liability costs are fully funded.
- The average homeowner's tax bill remains \$200 or 7.2% less than nine years ago. The City's tax rate remains lower than two-thirds of cities in the State and is one of the lowest of any city in the County. The City's tax rate is 5.9 mills lower than the average Macomb County city tax rate. City taxes average \$82 per month and will increase only \$0.25 per month next year due to the record low 0.3% inflationary factor.

- The General Fund Budget totals \$92.1 million, an increase of \$0.5 million or 0.6%. The City will save \$1.1 million as a result of past benefit plan changes and the elimination of retiree medical. Lower fuel prices are estimated to save \$275,000. With these savings, the City is able to increase funding for needed capital and road repairs, add limited staff, and continue to restore reserves.
- The budget includes new road debt – the first City debt in seven years. As the City has paid off 13 bonds over the past four years, overall debt remains very low.
- The budget funds 449 full-time positions – a net increase of 2 positions. Two part-time staff are converted to full-time and a new Community Relations position is budgeted, offset by the retirement of the Controller. Three new part-time clerical and two part-time Code Enforcement officers have been funded.
- The City has reduced 200 full-time positions or 31% of its workforce since 2002, saving \$15.6 million. The employee per resident ratio has decreased by 44%. Public safety staffing is down only 25%, compared to more than a 40% reduction in other departments. The City continues to have one of the lowest employee-to-resident ratios of any city in the State. Part-time staffing has increased by 59% since 2004.

The budget includes funding for:

- \$17.8 million in infrastructure improvements including \$8.0 million in repairs to major roads (14 Mile, 15 Mile, M-59, and the widening of Dequindre Road), \$5.2 million for neighborhood road repairs, \$2.0 million to repair City facilities, \$1.6 million for water & sewer mains, and \$1.0 million for park projects.
- Capital funding to replace twelve Police vehicles, a Fire Aerial Ladder Truck, a Street Sweeper, Snow Plow, Fire in-vehicle computers, Fire medical equipment, vehicle repair equipment, GIS and asset management systems, the See Click Fix website application, and replacement personal computers.
- Maintaining the lowest combined water & sewer rate for residential customers, as residents will pay only \$65 per month for water & sewer services. ■

Financial Organization Chart

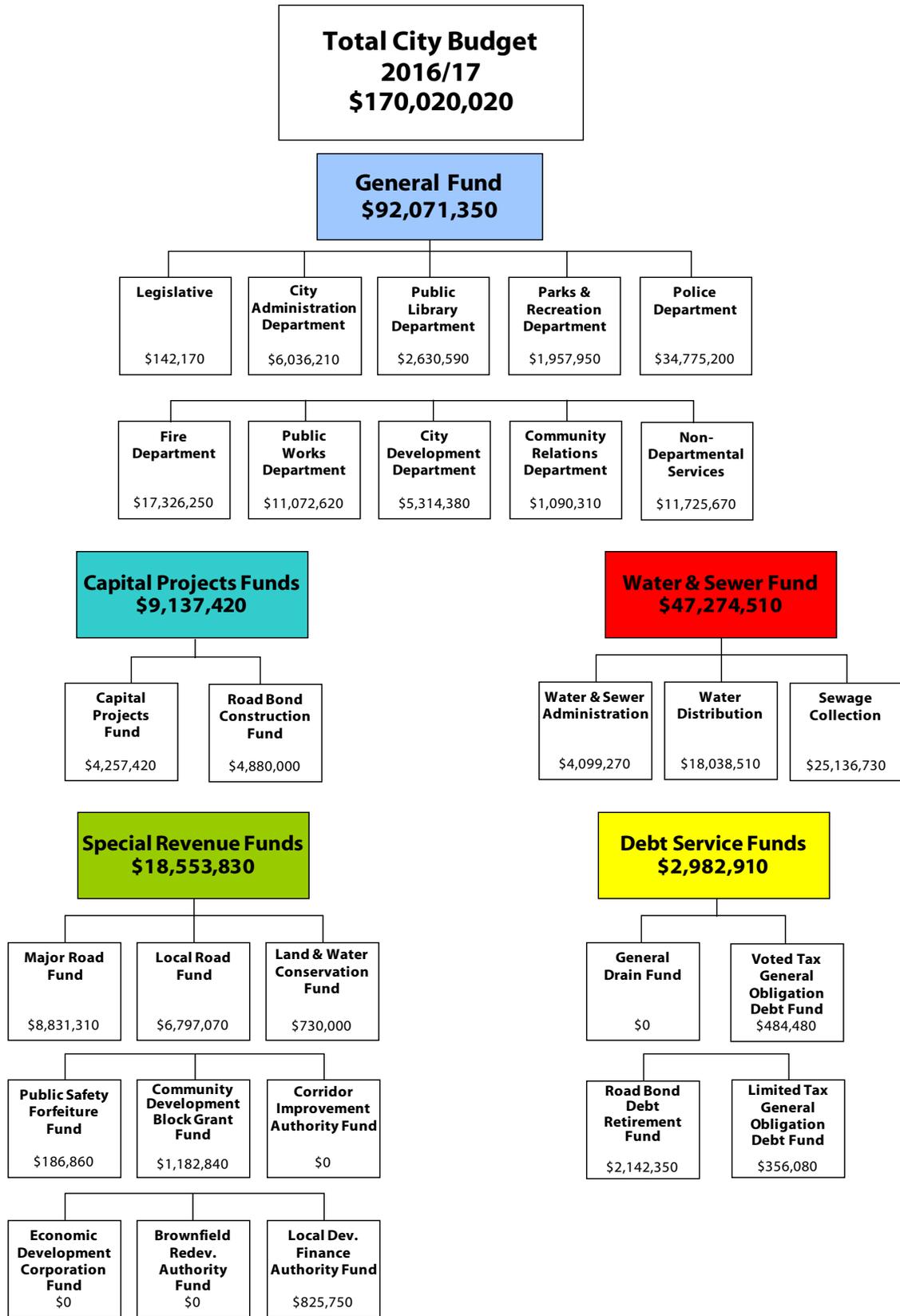


Chart figures correspond to budget tabs and include all transfers.

INTRODUCTION

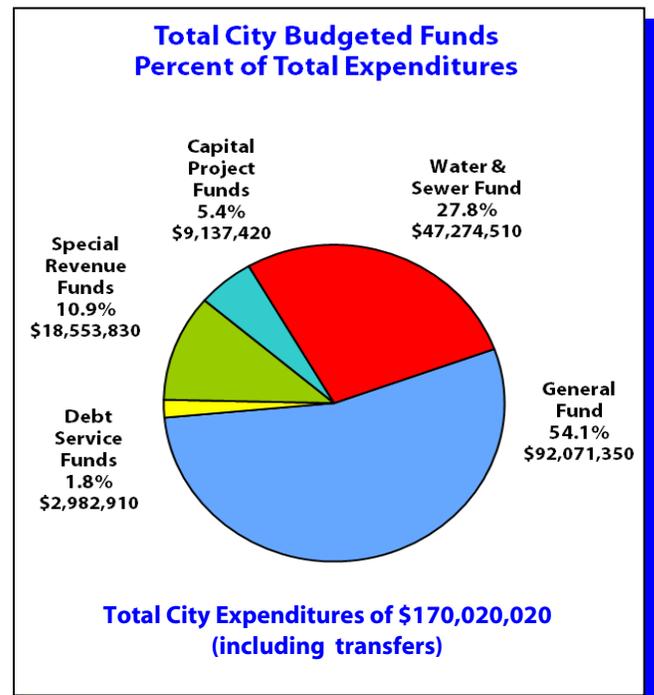
This Executive Summary has been prepared as a general overview to the 2016/17 Budget for the City of Sterling Heights. This overview will provide City residents with a comprehensive summary of the City's plans for the fiscal year. The City Council held several budget hearings throughout the months of April and May in order to review the budget document.

This Executive Summary will briefly introduce you to the City's budget. It will explain how the City plans to utilize its resources and will highlight some of the more significant changes to the City's budget. If a more in-depth understanding of the budget is desired, please take some time to review the wealth of information found within the graphs, charts, narrative text, significant notes, and funding level summaries located in the budget document. The document is available on the City's website (www.sterling-heights.net), and at the City Clerk's office and the Public Library.

TOTAL CITY FUNDS

The 2016/17 Budget for all City Funds totals \$170.0 million – a decrease of \$7.8 million or 4.4% from the prior year. The overall decrease is a result of large one-time capital improvement projects in the prior year including the reconstruction of Dodge Park Road and Van Dyke Avenue, the restoration of the Clinton River bank, and repairs to the City Hall parking lot. These savings were partially offset by higher water & sewer costs from the Great Lakes Water Authority and the Macomb County Public Works office, increased road debt payments, and additional neighborhood road repairs. Additional funds are budgeted for City facility repairs, succession planning efforts and contractual employee wage increases and benefit costs.

The City establishes a budget for 14 separate funds or accounting divisions. These 14 funds can be further grouped into five major fund categories as the accompanying graph illustrates. The largest is the General Fund, which provides \$92.1 million in funding towards the majority of services available to City residents through the City's eight departments. The second largest fund is the **Water & Sewer Operating Fund**, which provides \$47.3 million in



funding for the water distribution and sewage disposal services purchased from the Great Lakes Water Authority and Macomb County. Both the General and Water & Sewer Funds will be discussed in depth later in this Executive Summary.

The Special Revenue Funds provide a total of \$18.6 million for major and local road maintenance and construction, park development, public safety drug forfeiture purchases, the local development financing authority, and for the federally subsidized Community Development Block Grant. Several notable items in the Special Revenue Funds Budget include:

- CDBG funding to resurface the parking lot, LED lighting and audiovisual equipment at the Senior Center, repair Arlingdale Drive, funding to assist low and moderate-income families in making minor home repairs, for property maintenance code enforcement efforts, funding for not-for-profit service organizations, and funding for the Special Recreation program.
- Funding for continued operation of the business incubator including repairs to the entrance drive and redirecting captured BAE funds and from the new Sterling Enterprise Park for future eligible SmartZone uses.

- Increased investment in major and local road maintenance including additional asphalt repairs, right of way mowing, and street sweeping.
- Funds for the replacement of the pedestrian bridge along the Dodge Park trail, and grant match funds for a future City Dog Park and land acquisition on Lakeside Circle for a possible future bridge to Island Park.

Numerous road improvement projects are budgeted next year including:

- Repairs to Mound Road north of 18 Mile Road, Schoenherr Road from 14 Mile to 15 Mile, and the resurfacing of 14 Mile Road from Dequindre to Mound Road.
- Repairs to road bridges on Riverland, 15 Mile Road, and Maple Lane, replacement of the Riverland Pedestrian Bridge, and the installation of sidewalk on Schoenherr Road from Clinton River Road to 17 Mile Road.
- \$1.1 million for the City-wide sectional concrete replacement program and repairs to 19 Mile Road – from Mound to Merrill.
- \$3.35 million in neighborhood road concrete repairs funded by the new Safe Streets millage approved by City residents.
- Funding for the specially assessed paving of Gardner Street East and the reconstruction of Sims Road from Mound Road to the Faurecia building.

The Capital Project Funds total \$9.1 million. These funds are used for the road construction projects financed by the sale of bonds, the purchase of capital equipment and vehicles, and the repairs to municipal facilities, sidewalks, and storm drains. Notable capital projects include:

- The resurfacing of 15 Mile from Schoenherr Road to past Moravian and 15 Mile from Ryan to Mound Road, the reconstruction of M-59 from M-53 to Hayes Road, median improvements on M-59, and the widening of Dequindre Road from 18 Mile to M-59.
- \$1.7 million for replacement vehicles including an Aerial Ladder Truck, twelve Police vehicles, a Street Sweeper, and a Tandem Axle Snow Plow.
- Replacement of the Fire Station #5 roof, a new generator for Fire Station #1, four replacement emergency warning sirens, repairs to the Police

Station heating and cooling units, and an update to the Library public restrooms.

- \$613,000 for replacement equipment including TV production equipment in the City Council chambers, a DPW Skid Steer, vehicle hoists and lifts, See Click Fix Software, and replacement mobile data computers on all Fire emergency vehicles.
- \$210,500 for Technology upgrades including replacing the City's network infrastructure, a data backup server, an email archiver, and replacement computers for City Development, Human Resources, Building, Information Technology, Purchasing, and Treasury.
- \$520,000 for Neighborhood Sidewalk Repairs, \$370,000 for the Sidewalk Gap Program, and an update to the City's Storm Water Plan.

Finally, the **Debt Service Funds** total \$3.0 million and provide funding for the debt payments on road construction projects, the City Center Commons, and the debt resulting from the voter approved Proposal F. The debt from storm drain improvements was fully retired last year. The City has saved over \$1.9 million in future interest payments due to the refinancing of several bonds and the last bond rating upgrade. The City's outstanding government debt is very low as 13 existing bonds have been fully paid off over the past four years.

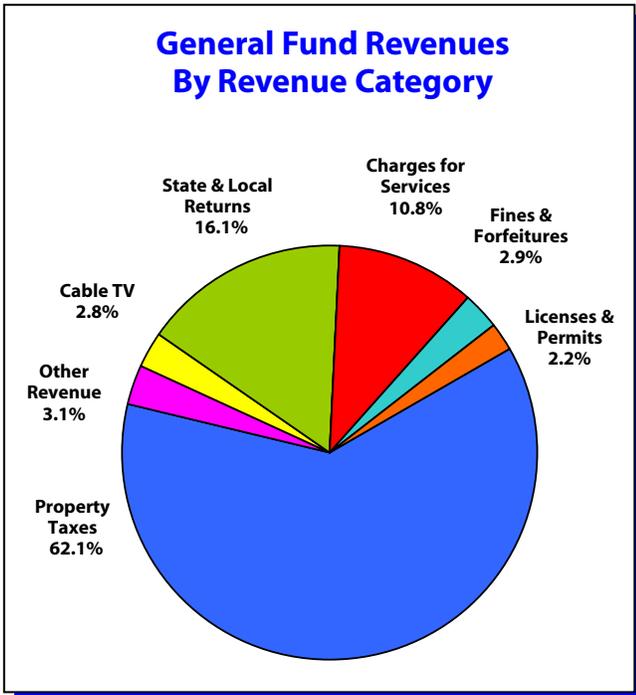
GENERAL FUND

The General Fund expenditure budget totals \$92.1 million, an increase of \$507,700 or 0.6% above the prior year budget. General Fund revenues increased by \$425,790 or 0.5%. The net result is an \$81,910 decreased contribution to reserves. \$0.8 million is budgeted to be added to reserves next year, marking the third consecutive year the City has added to reserves.

Revenues by Category

The General Fund derives its revenue from a variety of sources as the graph illustrates. The largest source is from property taxes. The City's tax rate of 15.1858 mills will provide \$57.7 million or 62.1% of the total General Fund budget. Taxes are levied for General Operations, Safe Streets, Refuse Collection, Police & Fire Pensions, and Public Improvement Proposal F debt.

General Fund Revenues By Revenue Category



The City's total millage rate of 15.1858 mills remains the same as last year. In 2014, the millage increased by 2.5 mills, as a result of the voter approval of the six-year Safe Streets millage in November 2013. Despite the increase, the City's tax rate continues to be lower than most cities in the State and is one of the lowest of any city in Macomb County. The City's tax rate is 5.9 mills lower than the average tax rate of all Macomb County cities.

The City's total taxable value in 2017 decreased by 4.1% compared to the 2.0% increase last year. Taxable values have now increased only twice in the past nine years. The taxable value decrease next year is due to the elimination of certain manufacturing personal property taxes due to a change in State law. The State will be reimbursing the City for the lost personal property tax revenue. For existing real property, the Proposal A 0.3% inflationary adjustment is the lowest increase in the past 21 years and is well below the 2.3% average inflationary rate. The City's total taxable value has fallen by 25.3% since 2008. As a result, the City has now lost \$106 million since 2008 in lower property tax revenues compared to receipts in a normal housing market. When inflation and a normal housing market are excluded, the City has lost \$8 million in tax revenues. This revenue loss and assessment decline was unprecedented in the City's history.

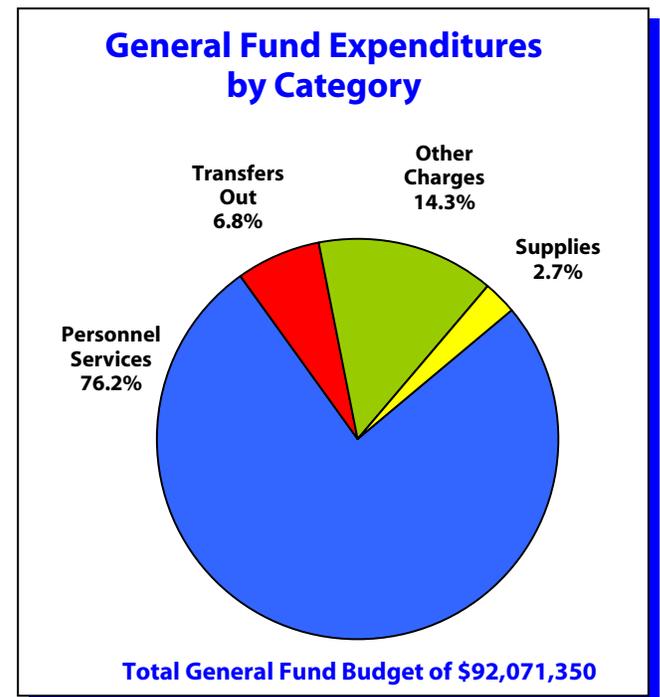
To lessen the burden and reliance on property taxes, the General Fund also realizes revenue from a variety of smaller revenue sources: Licenses & Permits comprise 2.2%, State and Local Returns 16.1%, Fines & Forfeitures 2.9%, Charges for Services 10.8%, Other Revenue 3.1% and Cable TV Revenue 2.8%. No Other Financing Sources are budgeted, as last year a transfer from the Self-insurance Fund was budgeted as a pass through to internally finance needed capital items.

Due to the Safe Streets millage and continued efficiency efforts, \$0.8 million is budgeted to increase depleted General Fund reserves which had dropped to their lowest level since 1987. Reserves are estimated to total \$11.2 million or 12.2% of General Fund expenditures next year.

Expenditures by Category

The \$92.1 million General Fund budget is comprised of four separate expenditure objects or categories as the graph illustrates. The largest is for Personnel costs, which is made up of wages and fringe benefits and comprises 76.2% of the total budget. Supplies, which is primarily made up of operating supplies, fuel, parts for the repair and maintenance of City vehicles, and the purchase of

General Fund Expenditures by Category



Library books totals 2.7% of the budget. Other Charges totals 14.3% of the budget and is primarily for refuse, dispatch, detention facility and custodial contract costs, utility bills, and legal costs. Transfers to other City funds totals 6.8% of the General Fund budget.

The total \$0.5 million increase in General Fund expenditures can be explained by the following illustration showing where the expenditure changes have occurred:

	Dollar Change	Percentage Change
Personnel Services	\$1,005,300	1.5%
Supplies	(154,610)	(5.9%)
Other Charges	(317,170)	(2.3%)
<u>Transfers Out</u>	<u>(25,820)</u>	<u>(0.4%)</u>
Total	<u>\$507,700</u>	<u>0.6%</u>

Personnel Services increased by \$1,005,300 or 1.5% over last year's budget. Wages for full-time employees increased \$794,540 or 2.7% due to contractual wage increases, a reduced number of unpaid furlough days, employee wage-step increases for those not at the top of the wage range, and for several new positions. The budget continues to fund the hiring and training of new Police Officers in advance of upcoming retirements and full-year funding for two replacement administrators due to upcoming retirements. Overtime costs increased \$1.1 million due largely to Police manpower shortage while new officers are being trained, increased Police Court time due to higher traffic enforcement, the manning of the Fire rescue vehicle as an ALS unit, and increased after-hour service demand for Public Works.

The City will again fully fund its actuarially required contribution for current and future retiree medical liabilities. Because of past benefit plan changes as well as eliminating the benefit for all new hires, the amount the City is required to contribute to fund these liabilities has decreased by \$1.1 million or 9.0% next year.

The budget includes funding for 449 full-time positions – a net increase of 2 positions. Two part-time positions (Assessing, Parks & Recreation) are being converted to full-time. A new position in Community Relations is funded, while a Controller position has been eliminated due to a retirement. In

total, the City has reduced funding for 200 full-time positions or 31% of its workforce since 2002, saving \$15.6 million annually. The City's employee per resident ratio has decreased by 44%. The City has worked hard to reduce the staffing impact to the Police and Fire Departments. As a result, in the past 15 years public safety staffing is down only 25% compared to more than a 40% reduction in other City departments.

The budget reflects a net increase of two part-time positions. Two part-time positions have been converted to full-time including an Appraiser and a Recreation Supervisor. A part-time City Planner retired. Two new part-time Code Enforcement Officers, a Clerk Typist in City Clerk and in Treasury, and a High School Co-op in Fire Administration are funded due to increased service demands. The number of part-time staff has increased by 50 positions or 63% since 2004.

Supplies decreased by \$154,610 or 5.9%. Due to lower fuel costs, the City saved \$275,000. Funding for vehicle and equipment repairs increased \$25,000. Additional funds are budgeted for new Police Officer uniforms, replacement Library patron tables and chairs, and increased ball field maintenance supplies.

Other Charges decreased by \$317,170 or 2.3%. The overall decrease is largely a result of the prior year funding for a one-time Fire medical grant, an update to the City's Master Plans, a fire consolidation study, and software conversion costs in Neighborhood Services. The budget includes savings from the new refuse contract, lower utility costs, and reduced vacant property mowing needs. Increased funding is budgeted for legal services, the County animal shelter, higher custodial service demands, building maintenance needs, as well as increased retention pond maintenance. Additional funds are budgeted for employee training including Police Command leadership training, and the continued funding of the employee tuition reimbursement program.

Capital Outlay is budgeted in the Capital Projects Fund. All capital equipment and vehicles used by General Fund departments, with the exception of drug forfeiture purchases, are expensed in the Capital Projects Fund and are funded through a

Transfer Out from the General Fund. Most of the capital is for the Police, Fire and Public Works Departments. \$612,920 is budgeted for replacement equipment and \$210,500 for Information Technology upgrades including the replacement of 43 personal computers and network infrastructure. \$1,724,700 is budgeted for the purchase of replacement high mileage police vehicles, a Fire Aerial Ladder Truck, and two DPW Trucks. **A complete list of all capital equipment, vehicles, and projects is located in the Capital Projects section of this document.**

General Fund **Transfers Out** to other City Funds decreased by \$25,820 or 0.4% primarily due to the one-time funding of the repairs to the City Hall Parking Lot in the prior year. Increased transfers are budgeted to fund both major and local road projects, offset by fewer park projects. Increased funds continue to be budgeted for the necessary replacement of capital equipment, vehicles, and repairs to City facilities that had been reduced during the economic downturn.

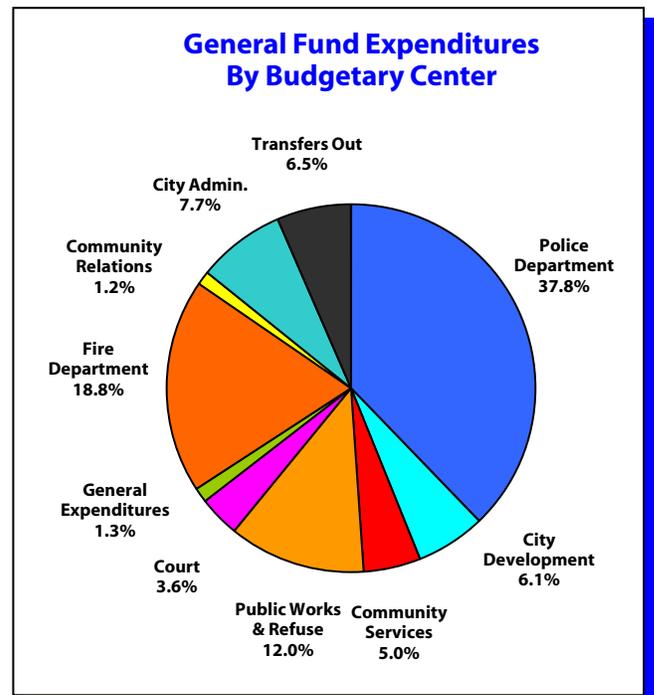
Expenditures by Budgetary Center

The General Fund can be further broken down into the departmental or budgetary center level. These centers are comprised of the eight City operating departments as well as other ancillary expenditure cost centers. As you will note on the graph, nearly 70% of the budget is used to fund the three largest City departments – Police, Fire and Public Works.

Within the General Fund, the following changes are included in the 2016/17 Budget:

City Administration Department

- Full year funding for the early hiring of a Human Resources Director in advance of the upcoming retirement of the current Human Resources Director.
- The replacement of personal computers for Human Resources, Information Technology, Purchasing, and Treasury.
- Full year funding for the early hiring of a City Clerk in advance of the upcoming retirement of the current City Clerk, a new part-time Clerk Typist, and higher personnel and postage costs due to the November 2016 Presidential election.
- Funding for an increase in fiber optic system costs, replacement of the City's Information



Technology network, a backup data server, updates to Microsoft Office software, and an email archiver to better manage the City's email system.

- The conversion of a part-time Appraiser to a full-time position in Assessing and increased education funding as part of the City's succession planning efforts.
- Savings from the retirement of the former City Controller as anticipated in the City's succession plan.
- A part-time Clerk Typist position in Treasury to assist with processing water & sewer bills and staffing the Treasury counter during lunch hours.

Community Services Department

- The continuation of Library Sunday hours, the purchase of replacement Library patron tables and chairs, and repairs and renovations to the Library's public restrooms.
- Continued \$38,000 in additional funding for the purchase of books, publications and audiovisual materials, a new online Consumers Report database, increased staff memberships, and continued CDBG funding for the purchase of senior books.

- In Parks & Recreation, a part-time Recreation Supervisor is funded to become full-time and funding is included due to an increase in the minimum wage for part-time staff.
- \$23,000 in new funding for five additional Music in the Park concerts, continuation of the Dodge Park Farmers Market, additional Sterling Christmas programming, a teen Battle of the Bands contest, a maintenance agreement for the new recreation software, a Nature Center display case, new logo wear for staff and a utility cart.
- Grant match funding for a City Dog Park, replacement of the Clinton River pedestrian bridge in Dodge Park, land acquisition for a future Island Park improvement, and CDBG funded improvements at the Senior Center including the resurfacing of the parking lot, audiovisual upgrades, and LED lighting.

Police Department

- The early hiring and training of new Police Officers in advance of numerous retirements as part of the City's succession planning efforts to ensure an orderly transition.
- Additional overtime to cover staff shortages as the new hires are trained, higher court time due to increased traffic enforcement efforts, and increased investigations.
- Increased command officer training, and the purchase of bullet proof vests, uniforms, firearms and training ammunition needed for the new Police Officer hires.
- Funds to rejoin the County animal shelter and for future capital replacement purchases due to a decline in drug forfeiture revenues.
- Funding for nine replacement high mileage traffic and patrol vehicles, a replacement Special Response Team Tahoe, and two investigative vehicles.
- Capital needs including replacing four emergency warning sirens and repairs to the Police Station heating and cooling system.

Fire Department

- Funds to operate the City's Rescue Vehicle as an ALS unit and continued full staffing of the Fire rescue/ladder vehicles.

- A budget reduction due to the receipt of one-time fitness and medical grants and the one-time cost for a County-wide service sharing study, and the one-time purchase of turnout gear for new hires last year.
- Funding for a high school Co-op position to assist the clerical staff.
- The replacement of the roof at Fire Station #5, a replacement backup generator at Station #1, a replacement Aerial Ladder truck, 18 Mobile Data Computers for all emergency vehicles, and a EKG defibrillator for the new ALS vehicle.

Public Works Department

- Savings from lower fuel prices, reduced demand for the grass cutting of vacant properties due to greater voluntary compliance, and lower refuse contract prices.
- Increased overtime for vehicle repairs and parks and road maintenance.
- Increased athletic field repairs and fertilization, park tree plantings, utility costs, and mowing and maintenance of retention ponds.
- Increased funds for vehicle and equipment repairs, a Street Sweeper, Snow Plow, Skid Steer for making pavement repairs, heavy vehicle lifts, two replacement hoists, and an air compressor.

City Development Department

- Continued increased hours for Building Inspectors and overtime funds due to increased permit activity and inspection demand.
- Increased funding for custodial services due to higher demands and from adding Library Sunday hours, and additional funds for building maintenance needs.
- Funds for two additional part-time Code Enforcement Officers and increased overtime for illegal sign enforcement on the weekends.
- The replacement of 18 personal computers in Building, one in Economic Development and one in Neighborhood Services.
- Funds to demolish the house on the City owned property on Dodge Park Road, and to convert the electronic displays signs at City Hall, Nature Center, and the Senior Center to brick signs, and an update to City welcome signs.

- Savings from the one-time software cost which would allow all City Departments to utilize common property information in the prior year and savings from the retirement of the former City Planner.
- Funds for the entrance drive improvements to the Velocity Center and funds for future SmartZone corridor improvements.

Community Relations Department

- A new Digital Content Coordinator position to better market the City and coordinate social media efforts, which is partially offset by lower contractor costs.
- Higher overtime costs due to increased Sterlingfest hours and the videotaping of night meetings, and increased mailing costs for the City Magazine.
- Continued funding for the appreciation banquet for City volunteers and board and commission members and the attendance of 10-20-30 year employees.
- The replacement of television production equipment in the City Council Chambers and a new customer service software system (See Click Fix) to better track and respond to non-emergency service requests.

Non-Departmental Services

- Funding for a vacant part-time Court Security Guard has been transferred to fund an additional part-time Deputy Court Clerk position.
- Increased funding for Court interpreters, higher State computer fees, replacement Court staff and public chairs and to relocate the existing undersized generator from Fire Station #1 to the Court.
- Savings as investment fees are now paid out of money manager fees for the General Employee Retirement system.
- Continued funds for the restored employee tuition reimbursement program, electrical savings from utilizing new LED street lights, a new employee merit-based incentive program, and for future economic development and property acquisitions.
- An increase in costs due to increased legal

activity and increased Planning Commission and Zoning Board cases.

- The continued City memberships to the Southeast Michigan Council of Governments (SEMCOG), the Clinton River Watershed Council, Michigan Municipal League, Mayors and Municipalities Automotive Coalition, and the Traffic Association of Macomb.

WATER & SEWER FUND

The Water & Sewer Fund is a completely self-supporting activity that does not receive funding from property taxes. It is designed to break even and is solely for the purpose of providing water distribution and sewage disposal services to the City of Sterling Heights' residents.

Sterling Heights purchases its water and sewage services from the Great Lakes Water Authority (GLWA) and the Macomb County Public Works office, which directly influences the rates we must charge. Effective July 1, 2016, the cost of water purchased from Detroit and Detroit's fixed charges will increase by 6.7%. Water consumption is estimated to fall by 6.0%, which lowers both water and sewer sale revenues. Macomb's sewer costs are estimated to increase by 10.4%, coupled with a 3.7% increase in debt payments on the District's sewer rehabilitation projects. In addition, Macomb's fixed sewage charge last year was higher than anticipated. The cost of water main repairs, meter replacements, sewer preventative maintenance and cleanings has also risen. As a result, a 9.9% water and 14.9% sewer rate adjustment must be passed on to our customers, resulting in an \$8 per month average increase. Fixed fees per bill are also being adjusted by \$2.75 for residential customers and \$4.00 for commercial users, as 90% of our wholesale costs are now fixed. In addition, the minimum bill will increase from 800 to 900 cubic feet which also better reflects the increased fixed nature of our wholesale costs.

The average Sterling Heights residential customer will pay \$65 per month for water & sewer services. The City's maximum summer discount will remain at \$26, as this discount was increased a few years ago for the first time in ten years. According to a Michigan Water & Sewer Rate survey conducted by Black and Veatch in 1995, 2000, and 2003, the City

has the lowest combined residential water and sewer rate of any city in the State with over 25,000 residents. Our mark-up on the GLWA's water rate is also one of the lowest in the State.

The City continues to control its discretionary costs within this fund while providing the necessary equipment to properly maintain the system. Costs that the City controls fell next year primarily due to a \$130,520 decrease in capital costs. Personnel costs rose only \$62,510 or 1.7%. Supply costs increased \$56,800 due largely to the first year of a water meter replacement program. The City is also funding increased inspection and repair of water main valves. The Capital budget includes GIS hardware and software upgrades, a new asset management program, a Utility Cube Truck, and pressure monitoring system for the booster station. ■

**2016/17 ALL FUNDS - COMBINED BUDGET SUMMARY
OF REVENUES, EXPENDITURES AND FUND BALANCE**

	General	Water & Sewer	Special Revenue	Debt Service	Capital Projects	Total Budget
REVENUES BY SOURCE						
City Property Taxes	\$57,645,520	\$0	\$3,233,330	\$464,830	\$0	\$61,343,680
Water & Sewer Service	0	43,102,720	0	0	0	43,102,720
Charges for Services	8,911,620	2,294,560	36,000	0	0	11,242,180
State Revenue Sharing	10,900,000	0	0	0	0	10,900,000
Highway & Street Grants	0	0	9,471,000	0	0	9,471,000
Federal, State & Local Grants	4,037,250	0	1,814,640	56,110	3,080,000	8,988,000
Interfund Transfers In	0	0	2,140,000	2,281,320	4,499,420	8,920,740
Miscellaneous Revenue	1,358,840	1,009,110	306,470	235,290	321,070	3,230,780
Court & Police Fines and Forf.	2,635,000	0	0	0	0	2,635,000
Cable Revenue	2,625,000	0	0	0	0	2,625,000
Licenses & Permits	2,095,000	0	0	0	0	2,095,000
Proceeds - Long-Term Debt	0	0	0	0	1,795,000	1,795,000
Rental - Road Equipment	1,200,000	2,500	0	0	0	1,202,500
Labor Services Roads	1,100,000	13,000	0	0	0	1,113,000
TIF/LDFA - SmartZone Capture	0	0	975,670	0	0	975,670
Interest on Investments	275,000	461,000	19,910	2,050	10,050	768,010
Other Fines & Forfeitures	55,000	0	0	0	0	55,000
Sale of Fixed Assets	20,000	0	0	0	0	20,000
Total Revenues	92,858,230	46,882,890	17,997,020	3,039,600	9,705,540	170,483,280
EXPENDITURES BY OBJECT						
Personnel Services	70,118,500	3,832,860	9,470	0	0	73,960,830
Other Charges	8,860,160	35,554,190	1,523,450	1,930	0	45,939,730
Capital Improvement Projects	0	0	9,570,940	0	6,589,300	16,160,240
Interfund Transfers Out	6,295,500	0	2,925,240	0	0	9,220,740
Principal Payments	0	2,520,080	0	2,280,000	0	4,800,080
Other Services	0	0	4,485,000	0	0	4,485,000
Refuse Collection	4,274,620	0	0	0	0	4,274,620
Supplies	2,453,470	366,300	20,730	0	0	2,840,500
Interest Payments	0	2,125,580	0	700,980	0	2,826,560
Interfund Services	69,100	2,100,000	19,000	0	0	2,188,100
Capital Vehicles	0	52,500	0	0	1,724,700	1,777,200
Capital Equipment	0	723,000	0	0	823,420	1,546,420
Total Expenditures	92,071,350	47,274,510	18,553,830	2,982,910	9,137,420	170,020,020
Excess of Revenues Over (Under) Expenditures	786,880	*	(556,810)	56,690	568,120	854,880
Beginning Fund Balance	10,440,890	*	6,431,170	759,530	675,730	18,307,320
Ending Fund Balance	\$11,227,770	*	\$5,874,360	\$816,220	\$1,243,850	\$19,162,200

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

**ALL FUNDS - COMBINED HISTORICAL SUMMARY
OF REVENUES, EXPENDITURES AND FUND BALANCE**

	2014/15 Actual	2015/16 Estimate	2016/17 Budget
<u>REVENUES BY SOURCE</u>			
City Property Taxes	\$62,231,350	\$63,929,730	\$61,343,680
Water & Sewer Service	33,059,860	37,247,150	43,102,720
Charges for Services	11,271,610	10,882,320	11,242,180
State Revenue Sharing	10,814,540	10,671,520	10,900,000
Highway & Street Grants	7,638,830	7,890,000	9,471,000
Federal, State & Local Grants	4,390,090	8,769,090	8,988,000
Interfund Transfers In	13,594,440	9,861,460	8,920,740
Miscellaneous Revenue	3,516,380	2,981,070	3,230,780
Court & Police Fines and Forfeitures	2,515,530	2,848,000	2,635,000
Cable Revenue	2,533,070	2,600,000	2,625,000
Licenses & Permits	1,800,970	2,414,000	2,095,000
Proceeds - Long-Term Debt	198,630	9,630,000	1,795,000
Rental - Road Equipment	1,239,350	1,102,000	1,202,500
Labor Services Roads	1,250,860	910,000	1,113,000
TIF/LDFA - SmartZone Capture	738,140	743,650	975,670
Interest on Investments	607,720	686,830	768,010
Other Fines & Forfeitures	51,700	55,000	55,000
Sale of Fixed Assets	17,180	185,220	20,000
Total Revenues	157,470,250	173,407,040	170,483,280
<u>EXPENDITURES BY OBJECT</u>			
Personnel Services	71,937,580	71,687,460	73,960,830
Other Charges	44,941,780	43,211,570	45,939,730
Capital Improvement Projects	11,591,750	28,640,460	16,160,240
Interfund Transfers Out	10,794,430	8,801,320	9,220,740
Principal Payments	2,620,000	3,985,960	4,800,080
Other Services	4,410,760	3,967,100	4,485,000
Refuse Collection	4,535,340	4,600,000	4,274,620
Supplies	2,776,310	2,791,410	2,840,500
Interest Payments	2,684,880	2,449,340	2,826,560
Interfund Services	1,997,180	2,090,090	2,188,100
Capital Vehicles	1,224,160	2,512,390	1,777,200
Capital Equipment	1,568,260	700,250	1,546,420
Total Expenditures	161,082,430	175,437,350	170,020,020
Excess of Revenues Over (Under) Expenditures*	4,070,610	2,746,560	854,880
Beginning Fund Balance	11,490,150	15,560,760	18,307,320
Ending Fund Balance	\$15,560,760	\$18,307,320	\$19,162,200

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

REVENUE COMPARISON CITY BUDGETED FUNDS

Fund No.	Fund Name	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Estimate	2016/17 Budget	% Change from 15/16
	GENERAL FUND						
1010	General Fund	\$81,723,290	\$92,599,750	\$92,432,440	\$93,321,940	\$92,858,230	0.5%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	32,312,360	37,064,540	43,329,160	40,506,860	46,882,890	8.2%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	6,416,660	10,601,130	7,363,790	7,522,360	7,799,000	5.9%
2030	Local Road Fund	3,450,770	6,259,620	6,398,410	6,456,520	7,319,800	14.4%
2440	Land & Water Conservation Fund	4,520	221,520	5,238,900	741,000	242,600	-95.4%
2770	Public Safety Forfeiture Fund	775,390	139,030	85,370	146,190	32,210	-62.3%
2780	Comm. Develop. Block Grant Fund	873,270	909,070	1,234,160	998,020	1,182,840	-4.2%
2890	Neighborhood Stabilization Fund	5,010	3,330	0	200	0	0.0%
8510	Corridor Improvement Auth. Fund	10	18,690	18,950	20,690	25,270	33.4%
8550	Economic Develop. Corp. Fund	10	300,390	300,500	301,200	302,150	0.5%
8560	Brownfield Redevelopment Fund	114,070	104,680	0	106,960	88,900	100.0%
8670	Local Dev. Finance Authority Fund	717,180	755,860	1,044,930	758,470	1,004,250	-3.9%
	Total Special Revenue Funds	12,356,890	19,313,320	21,685,010	17,051,610	17,997,020	-17.0%
	DEBT SERVICE FUNDS						
3010	General Drain Fund	824,590	658,760	157,050	165,200	0	-100.0%
3050	Voted Gen. Obligation Debt Fund	412,890	430,760	470,850	473,120	490,150	4.1%
3270	Road Bond Debt Retirement Fund	2,464,960	1,883,910	1,405,710	1,407,920	2,193,370	56.0%
3690	Ltd. Tax Gen. Obligation Debt Fund	297,080	312,670	322,380	322,380	356,080	10.5%
	Total Debt Service Funds	3,999,520	3,286,100	2,355,990	2,368,620	3,039,600	29.0%
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	1,172,960	5,206,470	5,312,770	5,897,940	4,825,540	-9.2%
4050	Clinton River Restoration Fund	0	0	0	4,500,000	0	0.0%
4280	Road Bond Construction Fund	30	70	8,280,000	9,760,070	4,880,000	-41.1%
	Total Capital Project Funds	1,172,990	5,206,540	13,592,770	20,158,010	9,705,540	-28.6%
	Total Revenue	131,565,050	157,470,250	173,395,370	173,407,040	170,483,280	-1.7%
	Duplicating Transfers	(5,639,290)	(13,594,440)	(9,465,500)	(9,861,460)	(8,920,740)	-5.8%
	Total All Funds	\$125,925,760	\$143,875,810	\$163,929,870	\$163,545,580	\$161,562,540	-1.4%

Note: Figures do not include use of, or contribution to Fund Balance.

EXPENDITURE COMPARISON CITY BUDGETED FUNDS

Fund No.	Fund Name	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Estimate	2016/17 Budget	% Change from 15/16
	GENERAL FUND						
1010	General Fund	\$81,742,380	\$90,289,410	\$91,563,650	\$90,420,780	\$92,071,350	0.6%
	WATER & SEWER FUND						
5790	Water & Sewer Fund - Operations	41,645,180	44,747,330	44,685,150	45,283,730	47,274,510	5.8%
	SPECIAL REVENUE FUNDS						
2020	Major Road Fund	8,093,430	9,582,080	9,953,180	9,289,670	8,831,310	-11.3%
2030	Local Road Fund	4,352,070	6,183,600	6,353,310	5,105,250	6,797,070	7.0%
2440	Land & Water Conservation Fund	81,500	664,340	5,319,700	219,560	730,000	-86.3%
2770	Public Safety Forfeiture Fund	513,080	416,990	571,730	446,920	186,860	-67.3%
2780	Comm. Develop. Block Grant Fund	873,270	909,070	1,234,160	998,020	1,182,840	-4.2%
2890	Neighborhood Stabilization Fund	5,010	3,330	0	200	0	0.0%
8510	Corridor Improvement Auth. Fund	1,110	0	0	0	0	0.0%
8560	Brownfield Redevelopment Fund	114,280	104,670	0	(332,560)	0	0.0%
8670	Local Dev. Finance Authority Fund	517,540	695,820	851,920	548,760	825,750	-3.1%
	Total Special Revenue Funds	14,551,290	18,559,900	24,284,000	16,275,820	18,553,830	-23.6%
	DEBT SERVICE FUNDS						
3010	General Drain Fund	822,770	661,150	157,050	157,050	0	-100.0%
3050	Voted Gen. Obligation Debt Fund	413,600	430,480	470,850	470,850	484,480	2.9%
3270	Road Bond Debt Retirement Fund	2,449,420	1,847,580	1,322,040	1,322,040	2,142,350	62.0%
3690	Ltd. Tax Gen. Obligation Debt Fund	297,070	312,670	322,380	322,380	356,080	10.5%
	Total Debt Service Funds	3,982,860	3,251,880	2,272,320	2,272,320	2,982,910	31.3%
	CAPITAL PROJECT FUNDS						
4030	Capital Projects Fund	1,527,880	4,233,910	6,777,990	6,924,700	4,257,420	-37.2%
4050	Clinton River Restoration Fund	0	0	0	4,500,000	0	0.0%
4280	Road Bond Construction Fund	127,880	0	8,280,000	9,760,000	4,880,000	-41.1%
	Total Capital Project Funds	1,655,760	4,233,910	15,057,990	21,184,700	9,137,420	-39.3%
	Total Expenditures	143,577,470	161,082,430	177,863,110	175,437,350	170,020,020	-4.4%
	Duplicating Transfers	(4,266,460)	(10,794,430)	(8,201,320)	(8,801,320)	(9,220,740)	12.4%
	Total All Funds	\$139,311,010	\$150,288,000	\$169,661,790	\$166,636,030	\$160,799,280	-5.2%

Note: Figures do not include use of, or contribution to Fund Balance.

**YEAR-END UNAPPROPRIATED
FUND BALANCE COMPARISON
GOVERNMENTAL FUNDS**

Fund No.	Fund Name	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Estimate	2016/17 Budget	% Change from 15/16
	<u>GENERAL FUND</u>						
1010	General Fund	\$5,229,390	\$7,539,730	\$8,408,520	\$10,440,890	\$11,227,770	33.5%
	<u>SPECIAL REVENUE FUNDS</u>						
2020	Major Road Fund	3,098,340	4,117,390	1,528,000	2,350,080	1,317,770	-13.8%
2030	Local Road Fund	170,760	246,780	291,880	1,598,050	2,120,780	626.6%
2440	Land & Water Conservation Fund	528,410	85,590	4,790	607,030	119,630	2397.5%
2770	Public Safety Forfeiture Fund	793,170	515,210	28,850	214,480	59,830	107.4%
2780	Comm.Development Block Grant Fund	0	0	0	0	0	0.0%
2890	Neighborhood Stabilization Fund	0	0	0	0	0	0.0%
8510	Corridor Improvement Auth. Fund	24,870	43,560	62,510	64,250	89,520	43.2%
8550	Economic Development Corp. Fund	12,700	313,090	613,590	614,290	916,440	49.4%
8560	Brownfield Redevelopment Fund	5,330	5,340	5,340	444,860	533,760	9895.5%
8670	Local Dev. Finance Authority Fund	268,380	328,420	521,430	538,130	716,630	37.4%
	Total Special Revenue Funds	4,901,960	5,655,380	3,056,390	6,431,170	5,874,360	92.2%
	<u>DEBT SERVICE FUNDS</u>						
3010	General Drain Fund	13,570	11,180	11,180	19,330	19,330	72.9%
3050	Voted General Obligation Debt Fund	6,400	6,680	6,680	8,950	14,620	118.9%
3270	Road Bond Debt Retirement Fund	608,700	645,030	728,700	730,910	781,930	7.3%
3690	Limited Tax Gen. Obligation Debt Fund	340	340	340	340	340	0.0%
	Total Debt Service Funds	629,010	663,230	746,900	759,530	816,220	9.3%
	<u>CAPITAL PROJECT FUNDS</u>						
4030	Capital Projects Fund	657,870	1,630,430	165,210	603,670	1,171,790	609.3%
4050	Clinton River Restoration Fund	0	0	0	0	0	0.0%
4280	Road Bond Construction Fund	71,920	71,990	71,990	72,060	72,060	0.1%
	Total Capital Project Funds	729,790	1,702,420	237,200	675,730	1,243,850	424.4%
	Unappropriated Total - All Funds	\$11,490,150	\$15,560,760	\$12,449,010	\$18,307,320	\$19,162,200	53.9%

**CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN
ORDINANCE NO. 446**

AN ORDINANCE TO PROVIDE FOR THE GENERAL APPROPRIATIONS OF THE CITY, AND SETTING FORTH THE AMOUNTS APPROPRIATED TO DEFRAY THE EXPENDITURES AND SETTING FORTH A STATEMENT OF ESTIMATED REVENUES, BY SOURCE, IN EACH FUND; TO ADOPT THE CITY'S BUDGETS FOR THE FISCAL YEAR 2016/17; TO ADOPT THE FEE SCHEDULE FOR PUBLIC RECORDS AND SERVICES FOR THE FISCAL YEAR 2016/17; AND TO ADOPT WATER AND SEWAGE DISPOSAL RATES FOR THE FISCAL YEAR 2016/17.

THE CITY OF STERLING HEIGHTS ORDAINS:

ARTICLE I

TITLE

This ordinance shall constitute the "ANNUAL APPROPRIATIONS ORDINANCE" in accordance with Section 9.14 of the City Charter, the "GENERAL APPROPRIATIONS ACT" in accordance with the Michigan Uniform Budgeting and Accounting Act, MCL 141.436 and the "SPECIAL APPROPRIATIONS ACT" pursuant to Public Act 493 of 2000.

ARTICLE II

The following is an estimate of revenues, by source, in each fund and an appropriation of monies as authorized by law, as may be needed or deemed necessary to defray all expenses and liabilities of the City as specified for the corporate purposes and objects of the City for the fiscal year July 1, 2016 through June 30, 2017. The City Council does hereby adopt, by budgetary center, the following General Fund and Special Revenue Funds budgets for 2016/17.

Sec. 2.01

GENERAL FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Net General Tax Revenue	\$39,403,810	38,313,350	
Licenses and Permits	2,095,000		
State and Local Returns	14,058,580	14,937,250	
Fines and Forfeitures	2,690,000		
Charges for Services	10,011,620		
Other Revenue	2,853,840		
Cable Revenue	2,625,000		
Use of Fund Balance	<u>0</u>		
 Total General Revenue		 73,737,850	 73,526,060
 Refuse Tax Revenue	 4,650,190	 4,469,150	
Police & Fire Pension Tax Revenue	7,994,750		
Safe Streets Tax Revenue	<u>7,012,270</u>	6,868,270	
Total Other Tax Revenue		<u>19,657,210</u>	19,332,170
Total Revenues		93,395,060	92,858,230
 OTHER FINANCING SOURCES			
Transfers In	<u>0</u>		
Total Other Financing Sources		<u>0</u>	
 Total Revenues & Other Financing Sources		 <u><u>\$93,395,060</u></u>	 <u><u>\$92,858,230</u></u>

and does hereby designate ~~\$39,413,810~~ \$38,323,350 to be raised by ~~9.5074~~ 9.4856 mills tax levied for General Purposes on the assessed valuation of all real and personal property subject to taxation in the City,

and does hereby designate \$7,994,750 to be raised by ~~1.9382~~ 1.9788 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for fire and police pension purposes, as authorized by MCL 38.551, et. seq.,

and does hereby designate ~~\$4,650,190~~ \$4,469,150 to be raised by ~~1.1274~~ 1.1062 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of the collection and removal of garbage and trash of the City as authorized by MCL 123.261, et. seq.,

and does hereby designate ~~\$7,012,270~~ \$6,868,270 to be raised by 1.7000 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for police and fire protection as authorized by the electors of the City in approving the Safe Streets Proposal in 2013, et. seq.,

and directs the Treasurer to add a collection fee of one-half (1/2) percent per month to all taxes, charges and assessments paid after September 1, and further, upon all taxes, charges and assessments returned to the County Treasurer upon any delinquent tax roll, a charge of three percent (3%) shall be added and the same shall be collected by the County Treasurer in like manner as and together with the taxes, charges and assessments so returned.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES

City Administration Department	\$7,086,610		
Public Library Department	2,631,170		
Parks & Recreation Department	1,957,950		
Police Department	34,775,200		
Fire Department	17,326,250		
Public Works Department	6,578,470		
Refuse Collection	4,675,190	4,494,150	
City Development Department	5,625,560		
Community Relations Department	1,091,080		
41-A District Court	3,271,140		
General Expenditures	1,238,270		
Contribution to Fund Balance	<u>1,142,670</u>	786,880	
Total Expenditures		<u>87,399,560</u>	86,862,730

OTHER FINANCING USES

Transfers Out	<u>5,995,500</u>		
Total Other Financing Uses		<u>5,995,500</u>	

Total General Fund **\$93,395,060** **\$92,858,230**

Sec. 2.02

WATER & SEWER OPERATING FUND:

OPERATING REVENUES

Operating Revenues	\$46,882,890		
Use of Net Assets	<u>391,620</u>		
Total Operating Revenues		<u>\$47,274,510</u>	

OPERATING EXPENSES

Administration	\$4,099,270		
Water Distribution	18,038,510		
Sewage Collection	<u>25,136,730</u>		
Total Water & Sewer Operating Fund		<u>\$47,274,510</u>	

and does hereby designate the rates to be charged for water and sewage disposal services to be as follows for all bills rendered on or after July 1, 2016.

WATER RATES

Consumption Charges Per Billing Period:	<u>Rate Per Thousand Cubic Ft.</u>
First 3,000 cubic feet or less.....	\$22.67
All over 3,000 cubic feet.....	28.34
Fixed GLWA fee (single-family residential customers).....	\$5.00
Fixed GLWA fee (all other customers).....	7.00
 Meter Charges Per Billing Period	
1 ½"	4.90
2"	12.69
3"	23.28
4"	30.54
6"	48.32
8"	76.95
10"	101.07
16"	115.50

SEWER RATES

This charge shall be based on the amount of water used per billing period:	<u>Rate Per Thousand Cubic Ft.</u>
Per 1,000 cubic feet.....	\$39.92
Fixed Macomb County fee (single-family residential customers).....	\$6.25
Fixed Macomb County fee (all other customers).....	9.00

BILLING

Bills for water and sewer service shall be rendered periodically as set forth in this article. The billing period for single-family residential customers is quarterly, all other customers are billed monthly. All bills shall be due and payable twenty (20) days from the date thereon. A penalty of six percent (6%) of the amount of the unpaid portion of each current bill shall be added to each bill not paid on or before the due date. An additional penalty of seventeen percent (17%) of the total of the unpaid balance and the six percent (6%) penalty shall be added at the time the delinquent bill is entered upon the tax roll, pursuant to section 35-6 (a) of the Sterling Heights City Code. The City shall establish a minimum water and sewer bill, which shall be based on 900 cubic feet of water usage per billing cycle. There will be an \$80.00 charge per bill for sewer only customers.

For all single-family residential customers of both water and sewer services from the City, the charges billed during the months of September, October, and November shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than \$26.00 during the quarterly period billed during the months of September, October, and November.

For all customers who are not single-family residential customers and have both water and sewer services from the City, the charges billed during the months of July, August, and September shall be reduced by twenty-five percent (25%) of the combined use charge for both water and sewer usage, as specified in this ordinance; provided, however, no customer shall have the charges reduced by an amount more than \$8.67 during the monthly period billed during the month of July, \$8.67 during the month of August, and \$8.66 during the month of September.

Sec. 2.03

MAJOR ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Fund Balance	\$ 869,070	\$1,032,310	
Federal Grants	0		
State Sources	7,131,000		
Other Revenue	<u>168,000</u>		
Total Revenues		8,168,070	8,331,310

OTHER FINANCING SOURCES

Transfer from General Fund	<u>500,000</u>		
Total Other Financing Sources		<u>500,000</u>	

Total Revenues & Other Financing Sources

\$8,668,070 **\$8,831,310**

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES

Administration Expenses	\$131,070		
Major Street Maintenance	2,637,000		
Major Street Improvements	2,900,000	3,138,000	
Contribution to Fund Balance	<u>0</u>		
Total Expenditures		5,668,070	5,906,070

OTHER FINANCING USES

Transfer to Road Bond Debt Retirement Fund	2,000,000	1,925,240	
Transfer to Local Road Fund	<u>1,000,000</u>		
Total Other Financing Uses		<u>3,000,000</u>	2,925,240

Total Major Road Fund

\$8,668,070 **\$8,831,310**

Sec. 2.04

LOCAL ROAD FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Net Property Taxes	\$ 3,301,200	\$3,233,330	
State Sources	2,776,000	2,640,000	
Charges for Services	36,000		
Other Revenue	<u>10,470</u>		
Total Revenues		6,123,670	5,919,800

OTHER FINANCING SOURCES

Transfer from General Fund	400,000		
Transfer from Major Road Fund	<u>1,000,000</u>		
Total Other Financing Sources		<u>1,400,000</u>	

Total Revenues & Other Financing Sources

\$7,523,670 **\$7,319,800**

and does hereby designate ~~\$3,300,000~~ \$3,232,130 to be raised by 0.8000 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City for the purpose of providing revenue for local street improvements as authorized by the electors of the City in approving the Safe Streets Proposal in 2013.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES

Administration Expenses	\$155,070		
Local Street Maintenance	1,848,000		
Local Street Improvements	4,794,000		
Contribution to Fund Balance	<u>726,600</u>	522,730	
Total Expenditures		<u>7,523,670</u>	7,319,800

OTHER FINANCING USES

Transfer to Road Bond Debt Retirement Fund	<u>0</u>		
Total Other Financing Uses		<u>0</u>	

Total Local Road Fund

\$7,523,670 **\$7,319,800**

Sec. 2.05

LAND & WATER CONSERVATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Fund Balance	\$487,400		
Federal & State Sources	0		
Other Revenue	<u>2,600</u>		
Total Revenues		490,000	

OTHER FINANCING SOURCES

Transfer from General Fund	<u>240,000</u>		
Total Other Financing Sources		<u>240,000</u>	

Total Revenues & Other Financing Sources

\$730,000

EXPENDITURES

Land Acquisition	\$65,000		
Land Improvements	<u>665,000</u>		

Total Land & Water Conservation Fund

\$730,000

Sec. 2.06

PUBLIC SAFETY FORFEITURE FUND BUDGET:

REVENUES

Fund Balance	\$154,650		
Federal Forfeitures	0		
Treasury Forfeitures	0		
State Forfeitures	1,000		
Gambling Forfeitures	0		
Operating While Intoxicated Forfeitures	0		
Act 302 Training Funds	30,800		
Interest Income	<u>410</u>		

Total Revenues

\$186,860

EXPENDITURES

Federal Forfeitures	\$117,320		
Treasury Forfeitures	0		
State Forfeitures	21,240		
Gambling Forfeitures	7,000		
Operating While Intoxicated Forfeitures	10,500		
Act 302 Training Funds	<u>30,800</u>		

Total Public Safety Forfeiture Fund

\$186,860

Sec. 2.07

COMMUNITY DEVELOPMENT BLOCK GRANT FUND BUDGET:

REVENUES

Community Development Block Grant \$1,165,780 1,182,840

Total Revenues

\$1,165,780 **\$1,182,840**

EXPENDITURES

Administrative Expenses \$157,100 179,370

Books 6,000 6,030

Senior Citizens Home Chore Program 21,000 20,000

Single Parent Education Program 13,000

Minor Home Repair 26,000

Handicapped Recreation Program 19,000

Housing Rehabilitation Program 210,000

Contributions to Non-Profit Organizations 51,970 55,500

Capital & Other Improvements 661,710 653,940

Total Community Development Block Grant Fund

\$1,165,780 **\$1,182,840**

Sec. 2.08

CORRIDOR IMPROVEMENT AUTHORITY FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Property Taxes \$25,170

Federal Grants 0

Other Revenue 100

Total Revenues 25,270

OTHER FINANCING SOURCES

Transfer from General Fund 0

Total Other Financing Sources 0

Total Revenues & Other Financing Sources

\$25,270

EXPENDITURES

Miscellaneous \$0

Contribution to Fund Balance 25,270

Total Corridor Improvement Authority Fund

\$25,270

Sec. 2.09

ECONOMIC DEVELOPMENT CORPORATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Funding from General Government \$300,000

Other Revenue 2,150

Total Revenues 302,150

OTHER FINANCING SOURCES

Transfer from General Fund 0

Total Other Financing Sources 0

Total Revenues & Other Financing Sources

\$302,150

EXPENDITURES

Miscellaneous \$0
Contribution to Fund Balance 302,150

Total Economic Development Corporation Fund \$302,150

Sec. 2.10

BROWNFIELD REDEVELOPMENT AUTHORITY FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Property Taxes \$87,600
Charges for Services 0
Other Revenue 1,300
Total Revenues 88,900

OTHER FINANCING SOURCES

Transfer from General Fund 0
Total Other Financing Sources 0

Total Revenues & Other Financing Sources \$88,900

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES

Miscellaneous \$0
Contribution to Fund Balance 88,900
Total Expenditures 88,900

OTHER FINANCING USES

Transfer to General Fund 0
Total Other Financing Uses 0

Total Brownfield Redevelopment Authority Fund \$88,900

Sec. 2.11

LOCAL DEVELOPMENT FINANCE AUTHORITY FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Federal Grants \$0
Property Taxes 862,900
Other Revenue 141,350
Total Revenues 1,004,250

OTHER FINANCING SOURCES

Transfer from General Fund 0
Total Other Financing Sources 0

Total Revenues & Other Financing Sources \$1,004,250

EXPENDITURES

Incubator Renovations \$0
Incubator Operations 824,750
SmartZone Improvements 1,000
Contribution to Fund Balance 178,500

Total Local Development Finance Authority Fund \$1,004,250

Sec. 2.12

GENERAL DRAIN FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Net Drain Tax Revenue	(\$900)		
Delinquents & Penalties	800		
Other Revenue	<u>100</u>		
Total Revenues			0

OTHER FINANCING SOURCES

Bond Proceeds – Refunding	<u>0</u>		
Total Other Financing Sources			<u>0</u>

Total Revenues & Other Financing Sources **\$0**

EXPENDITURES

Other Charges	\$0		
Principal	0		
Interest	<u>0</u>		

Total Drain Fund **\$0**

Sec. 2.13

VOTED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Delinquents & Penalties	\$1,050		
Other Revenue	450		
Federal & State Sources	19,100	24,770	
Net Proposal F Tax Revenue	<u>463,880</u>		
Total Revenues		484,480	490,150

OTHER FINANCING SOURCES

Transfer from General Fund	<u>0</u>		
Total Other Financing Sources		<u>0</u>	

Total Revenues & Other Financing Sources **\$484,480** **\$490,150**

and does hereby designate \$465,380 to be raised by ~~0.1128~~ 0.1152 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for public improvement debt service as authorized by the electors of the City in approving Proposal F in 2006.

EXPENDITURES

Proposal F Expenditures	\$484,480		
Contribution to Fund Balance	<u>0</u>	5,670	

Total Voted Tax General Obligation Debt Fund **\$484,480** **\$490,150**

Sec. 2.14

ROAD BOND DEBT RETIREMENT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Special Assessment Revenue	\$145,450	
Interest Income	91,340	
Federal Interest Rebates	<u>31,340</u>	
Total Revenues		268,130

OTHER FINANCING SOURCES

Transfer from Major Road Fund	2,000,000	1,925,240
Transfer from Road Bond Construction Fund	<u>0</u>	
Total Other Financing Sources		<u>2,000,000</u> 1,925,240

Total Revenues & Other Financing Sources **\$2,268,130** **\$2,193,370**

EXPENDITURES

Principal	\$1,625,000	
Interest	590,760	516,000
Other Fees	1,350	
Contribution to Fund Balance	<u>51,020</u>	

Total Road Bond Debt Retirement Fund **\$2,268,130** **\$2,193,370**

Sec. 2.15

LIMITED TAX GENERAL OBLIGATION DEBT FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Other Revenue	<u>\$0</u>	
Total Revenues		0

OTHER FINANCING SOURCES

Transfer from General Fund	<u>356,080</u>	
Total Other Financing Sources		<u>356,080</u>

Total Revenues & Other Financing Sources **\$356,080**

EXPENDITURES

Principal	\$305,000	
Interest	50,850	
Other Fees	<u>230</u>	

Total Limited Tax General Obligation Debt Fund **\$356,080**

Sec. 2.16

CAPITAL PROJECTS FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Fund Balance	\$0		
State & Local Returns	0		
Other Revenue	<u>276,120</u>	326,120	
Total Revenues		<u>276,120</u>	326,120

OTHER FINANCING SOURCES

Transfer from General Fund	<u>4,499,420</u>		
Total Other Financing Sources		<u>4,499,420</u>	

Total Revenues & Other Financing Sources

\$4,775,540 **\$4,825,540**

EXPENDITURES

Capital Equipment	\$823,420		
Capital Vehicles	1,716,700	1,724,700	
Capital Projects	1,659,300	1,709,300	
Contribution to Fund Balance	<u>576,120</u>	568,120	

Total Capital Projects Fund

\$4,775,540 **\$4,825,540**

Sec. 2.17

ROAD BOND CONSTRUCTION FUND:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Fund Balance	\$0		
Other Revenue	5,000		
Federal Grants	<u>3,080,000</u>		
Total Revenues		3,085,000	

OTHER FINANCING SOURCES

Proceeds from Long-Term Debt	1,795,000		
Transfer from Major Road Fund	<u>0</u>		
Total Other Financing Sources		<u>1,795,000</u>	

Total Revenues & Other Financing Sources

\$4,880,000

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES

Construction	<u>\$4,880,000</u>		
Total Expenditures		4,880,000	

OTHER FINANCING USES

Transfer to Major Road Fund	<u>0</u>		
Total Other Financing Uses		<u>0</u>	

Total Road Bond Construction Fund

\$4,880,000

ARTICLE III

The City Council adopts the following fee schedule for public records and services provided by the City of Sterling Heights for the fiscal year July 1, 2016 through June 30, 2017. Any parts of resolutions and ordinances in conflict with this article are repealed. This article is intended to preserve all existing charges and fees set forth in any resolution, ordinance, or law which are not in conflict with this article and to fulfill the requirements of any ordinance authorizing the City Council to establish fees by resolution.

Fees for public records not set forth in this article, or in any other resolution, ordinance, or law, shall be set by the City Manager in accordance with Act 442 of the Public Acts of 1976, as amended. Fees for public services not specifically set forth in this article or in any other resolution, ordinance, or law may be established by the City Manager, who shall promptly notify the City Council in writing of each of them. The City Manager shall establish fees for public services based upon the cost of providing the public service.

Sec. 3.01

ASSESSING OFFICE:

Lot Splits.....	560.00
Lot Combinations	460.00
Processing Labels (per page)	1.35
Resident Field Sheet Fee	2.00
Apartment Listing (Names/Sidwells/Assessments)	65.00
Shopping Center List	65.00
Section or Subdivision Listing (per page)	1.00
Assessing, Board of Review, & Sales Information (first page)	2.00
Additional Pages.....	0.30
Plat Map.....	135.00
Custom Assessment Information Report	55.00
IFEC Extension Application Fee	585.00
IFEC Request for Extension to Complete Project Application Fee.....	585.00
IFEC Request for Revision of Final Project Cost Application Fee.....	585.00
Application to Establish a Speculative Building Designation Fee	585.00
Tax Hardship Income Limits:	
1 Person	14,250.00
2 Person	16,250.00
3 Person	20,090.00
4 Person	24,250.00
5 Person	28,410.00
6 Person	32,570.00
7 Person	36,730.00
8 Person	40,890.00
Each Additional Person	4,160.00

Sec. 3.02

BUILDING OFFICE:

Fence Permit.....	39.00
Fence Permit – Masonry, Separation	118.00
Board of Code Appeals	231.00
Reestablish Expired Permit Fee	68.00
Overtime Inspections, Each Hour (4 hour minimum).....	91.00
Special Inspections, Each Trade (Residential).....	52.00
Special Inspections, Each Trade (Commercial)	74.00
Building Code Publication	Cost + 14.00 Administration fee
Building Moving Permit.....	303.00
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense.....	750.00
Third or Subsequent Repeat Offenses.....	1,500.00

Electrical Work

Application Fee (Non-refundable).....	37.00
Permit fee (minimum)	49.00
Electrical Contractor's Registration	27.00
Fire Alarm Contractor's Registration.....	27.00
Sign Contractor's Registration	27.00
Furnace Wiring.....	28.00
Air Conditioner Reconnect.....	28.00
Circuits: Each (new or extended).....	22.00
Fixtures: Each 25.....	22.00
Motors, Power, Heating Units, Furnaces, Transformers:	
Each ¼ to 10 HP	28.00
Each 11 to 30 HP	33.00
Each 31 to 50 HP	38.00
Each 51 to 60 HP	44.00
Each 61 and over	58.00
Feeders (Conduit, Wireways, Bus Ducts, Cables):	
Each 100 ft. (or less)	51.00
Refrigeration Units:	
Air Conditioning (residential)	28.00
Interruptible Service.....	28.00
Air Conditioning (commercial):	
Up to 5 Tons	33.00
5 to 40 Tons	51.00
Over 40 Tons	76.00
Electric Ranges, Ovens, Dryers, Water Heaters, X-Ray Equipment:	
Each unit of type.....	28.00
Swimming Pools/Hot Tubs (all)	57.00
Service (Lights, Heat, and Power):	
100 Ampere or less	28.00
101 to 500 Ampere	38.00
501 to 900 Ampere	51.00
900 Ampere or more	63.00
Signs: Sign Circuit.....	44.00
Sign Tag Inspection	66.00
Sign Connection	71.00
General Repair & Alterations (per hour or fraction thereof).....	59.00
Generator Connection	51.00
Motion Picture Apparatus.....	51.00
Special Inspections not specifically covered:	
Festivals.....	134.00
Carnivals.....	134.00
Circuses	134.00
Shop Inspection.....	75.00
Theatrical Road Show	75.00
Christmas Tree Lot	75.00
Temporary Wiring:	
Display Area (Sq. Ft.):	
Up to 100,000 sq. ft.	68.00
Over 100,000 to 200,000 sq. ft.	126.00
Over 200,000 to 300,000 sq. ft.	151.00
Over 300,000 to 400,000 sq. ft.	223.00
Over 400,000 sq. ft.	298.00
Outline Tubing – Connection or Tag Inspection:	
Each 100 feet.....	75.00
Mobile Home and Trailer Park Inspections (minimum).....	52.00
Fire Alarm Inspection (minimum).....	72.00
Plan Review Fee	99.00
Manual Pull Station.....	13.00
A/V, Strobe, Voice Speaker.....	13.00
Water Flow/Tamper Switch	13.00
Heat or Smoke Detector	13.00

Flame, Duct Detector	13.00
Auxiliary Panel	13.00
Electric Door Release.....	13.00
Elevator Recall Status.....	13.00
Fire Alarm Circuit.....	21.00
Alterations to existing system.....	59.00
Reinspection Fee.....	59.00
Miscellaneous Fire Alarm Fee	59.00

Plumbing Work

Application Fee (Non-refundable).....	41.00
Permit Fee (minimum)	49.00
Plumber's Registration.....	1.00
Journeyman Plumber's Registration.....	0.50
Fixture Inspection: (New and Replacement)	
New Installation (minimum).....	49.00
New Stack or Stack Alteration	19.00
Air Admittance Valve	19.00
Roof conductor	19.00
Sump or interceptor.....	19.00
Backflow preventor	19.00
Pump or Water Lift.....	19.00
Hose connection (sillcocks)	19.00
Water treatment device	19.00
Water closets.....	19.00
Shower traps	19.00
Baths.....	19.00
Water heater.....	33.00
Tankless water heater	33.00
Basement Waterproofing.....	49.00
Sinks (any description)	19.00
Lavatories	19.00
Laundry trays	19.00
Floor drains.....	19.00
Ice Maker	19.00
Back Water Valve	19.00
Thermal Expansion Tank.....	19.00
Bidet	19.00
Dental Chair.....	19.00
Grease or Oil Interceptor	19.00
Drinking fountains.....	19.00
Soda fountains/bars	19.00
Waste opening	19.00
Humidifiers	19.00
Food waste grinders.....	19.00
Dishwashers	19.00
Urinals.....	19.00
Whirlpools.....	38.00
Lawn Sprinkler Systems	44.00
All other fixtures not mentioned	19.00
Reinspection Fee.....	59.00
Special Equipment (automatic laundry, humidifier, beverage vending machine, vacuum systems, nitrous oxide, oxygen, nitrogen, medical air):	
Automatic Machines (minimum).....	33.00
Each additional.....	19.00
Building Sewer Connection – sump connection.....	51.00
Drains:	
Storm drains to catch basin for main storm sewer.....	298.00
Lines less than 4" in diameter	29.00
Lines less than 6" in diameter	34.00
Lines less than 8" in diameter	45.00
Lines less than 10" in diameter.....	59.00

Lines less than 12" in diameter.....	75.00
Lines less than 14" in diameter.....	89.00
Lines less than 16" in diameter.....	105.00
Lines less than 18" in diameter.....	120.00
Lines exceeding 18" in diameter (per inch).....	17.00
Water Distribution System:	
3/4"	23.00
1"	34.00
1 1/4"	39.00
1 1/2"	52.00
2"	68.00
2 1/2"	98.00
3"	112.00
4"	126.00
Exceeding 4"	150.00
Replace piping, no increase in size.....	39.00
 Mechanical Work	
Application Fee (Non-refundable).....	37.00
Permit Fee (minimum)	49.00
License/Registration	15.00
Gas-Fired Equipment; Oil Burners; New or Replacement –	
Burners with input:	
up to 75,000	51.00
75,001 to 500,000.....	58.00
500,001 – 1,000,000.....	102.00
1,000,001 – 2,000,000	116.00
2,000,001 – 3,000,000.....	145.00
over 3,000,000.....	174.00
Air Handlers:	
Up to 2,000 CFM.....	51.00
Over 2,000 CFM.....	102.00
Duct Work.....	51.00
Hydronic Piping.....	59.00
Gas Piping:	
Mains up to 2"	44.00
Mains 2 1/2" to 4"	58.00
Mains over 4"	72.00
Each Opening off of Main.....	16.00
Factory Built Chimneys:	
Up to 8"	22.00
9" to 12".....	33.00
Over 12"	44.00
Pre-Fab Fireplace.....	58.00
Flue Liner.....	38.00
Exhaust Fans:	
Up to 400 cfm	17.00
401 cfm to 1,000 cfm.....	22.00
1,001 cfm to 4,000 cfm	33.00
Over 4,000 cfm	44.00
Dryer Vents.....	22.00
Kitchen Hood and Duct (UL300/FM200)	52.00
Spray Booth Hood and Duct	52.00
Alterations to existing installations.....	59.00
Alterations to existing boilers	59.00
Reinspection Fee.....	59.00
Refrigeration Systems –	
Self Contained:	
2 Tons or Less, each.....	44.00
Over 2 to 5 Tons, each	51.00
Alterations to each system	59.00

Remote Systems:	
5 Tons or Less, each.....	51.00
Over 5 to 50 Tons, each.....	72.00
Over 50 Tons, each	116.00
Alterations to each system	59.00
Cooling Towers	72.00
Stand Pipes and Fire Suppression:	
Riser pipe up to 4" diameter.....	45.00
Riser pipe up to 6" diameter.....	75.00
Riser pipe up to 8" diameter.....	105.00
Riser pipe 8" or more diameter	223.00
Each suppression opening (each head of the system).....	5.50
Alteration to existing system	59.00
Flammable and Bulk Storage Tanks:	
Tanks under 500 Gallons	51.00
Tanks under 5,000 Gallons.....	66.00
Tanks under 20,000 Gallons	87.00
Tanks under 50,000 Gallons	102.00
Tanks under 200,000 Gallons.....	116.00
Tanks over 200,000 Gallons.....	217.00

Buildings

Application Fee (Non-refundable).....	37.00
Plan Review Deposits (Non-refundable):	
Single Family Residential.....	560.00
Commercial Alteration	223.00
New Commercial/Industrial Building.....	1,115.00
Commercial/Industrial Addition	560.00
Building Permit Fees (all use groups):	
Valuation to \$1,000.....	57.00
Valuation \$1,001 to \$10,000.....	57.00 + 15.00 per 1,000.00 over 1,000.00
Valuation \$10,001 to \$100,000.....	226.00 + 6.00 per 1,000.00 over 10,000.00
Valuation \$100,001 to \$500,000	952.00 + 6.00 per 1,000.00 over 100,000.00
Valuation \$500,001 and over	4,130.00 + 6.00 per 1,000.00 over 500,000.00
Residential Bond (5% Retained)	520.00
Temporary C/O Refundable Bond	540.00
Multi-Family Bond (5% Retained)	780.00
Commercial Bond (5% Retained).....	1,580.00
Industrial Bond (5% Retained).....	3,140.00
Mobile Homes	152.00
Plan Review Fee:	
Valuation \$0 - \$500,000	0.0040 of valuation but not less than 100.00
Valuation over \$500,000.....	2,420.00 + 0.0015 of valuation over 500,000.00
Residential Plan Review: If Plan Number is on File.....	112.00
Additional Expedited Commercial Interior Alteration Plan Review Fee.....	204.00
Miscellaneous Plan Review.....	68.00
Misc. Items (concrete, antennas, awnings, sheds, canopies, tents, gazebos, decks, porches, reroofs).....	68.00
Pigeon Loft Inspection.....	68.00
Replacement of Public Sidewalk Section(s) by Abutting Property Owner.....	37.00
Use Permit (tenant space).....	98.00
Fire Repair/Water Repair	236.00
Fire Inspection Fee (New City Businesses).....	92.00
Reinspection Fee.....	59.00
Demolition:	
Plan review and administration base fee	68.00 + 0.10 per square ft.
Swimming Pools:	
Above Ground	72.00
Below Ground.....	145.00
Signs:	
Application Fee (non-refundable).....	37.00
Plan Review Fee	68.00

Permanent	150.00
Temporary.....	68.00
Contractor Registration Fee.....	27.00
Residential Basement Finish	236.00
Residential Interior Finish	236.00
Minor Commercial Alterations under 400 sq. ft.	223.00

Sec. 3.03

CITY ADMINISTRATION:

Amusement Device License:

Types A & B	965.00 + 63.00 per device
Renewal Fee	197.00 + 37.00 per device
Type C.....	965.00
Renewal Fee	198.00

Attorney Services	Attorney fees & costs
Auction Sales License (per day)	25.00
Auctioneer License	58.00
Business Registry License.....	48.00
Carnival/Festival License	76.00 + 6.00 each booth, ride, etc.
Cigarette Vending Machine License	67.00 + 6.00 each additional machine
Death and Birth Certificate (Non-FOIA)	24.00
Additional Copies (Non-FOIA)	9.00

Dog License:

Newly Acquired Dog - Jan. 1 to Oct. 31 OR License Renewal - Jan. 1 to Mar. 31:

Spayed/Neutered Dog:

1-Year License	8.00
2-Year License	14.00
3-Year License	20.00

Unaltered Dog:

1-Year License	21.00
2-Year License	40.00
3-Year License	59.00

Newly Acquired Dog - Nov. 1 to Dec. 31

Spayed/Neutered Dog:

1-Year License	4.00
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Unaltered Dog:

1-Year License	10.50
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Newly Acquired Dog - Registering later than 30 days after acquisition:

Additional Late Fee	10.00
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License Renewal - After Mar. 31:

Additional Late Fee	10.00
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Senior (60+) Owner..... No charge

Service Dog..... No charge

Potentially Dangerous Dog Annual License Fee..... 57.00

Replacement Dog Tag..... 4.50

Fire Inspection Fee (new City businesses – charged by Building)..... 92.00

Going Out of Business Sales License..... 50.00

Renewal Fee

Renewal Fee	50.00
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House Moving License..... 76.00

Industrial Development District Filing Fee..... 1,000.00

Industrial Facilities Exemption Certificate Filing Fee..... 2,100.00

Industrial Facilities Exemption Certificate Application Amendment Fee..... 1,000.00

Industrial Facilities Exemption Certificate Transfer Fee..... 1,000.00

New Personal Property Exemption Fee..... 2,100.00

Junk Yard License..... 280.00

Medical Marijuana Location Registration Fee..... 355.00

Mobile Vending License

Mobile Vending License	193.00
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Pawnbroker License..... 500.00

Refuse Collection License

Refuse Collection License	101.00 + 7.00 each truck
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Secondhand Goods Merchant Registration Fee	106.00
Snow Removal License	197.00
Solicitor/Peddler License.....	126.00
Tattoo Permit.....	580.00
Taxi License (annual fee)	99.00+ 12.00 per vehicle
Massage Establishment License	665.00
Renewal Fee Massage Establishment License.....	335.00
Precinct Map.....	5.00
City Street Map.....	6.00
Zoning Map.....	5.00
City Budget.....	53.00
Municipal Improvement Program	33.00
City Financial Audit	33.00
Collective Bargaining Agreement.....	6.30
Election Results.....	9.80
Voter and Business Registry Labels (per page)	1.35
Voter and Business Registry Lists (per computer hour).....	Payroll + 0.05/page
Voter Data CD.....	30.00
Liquor License: Class C	2,120.00
Tavern	2,120.00
SDD & SDM	2,120.00
Entertainment and/or Dance Permit	2,120.00
Extended Hours Permit.....	2,120.00
Shareholder Partial Transfer.....	1,050.00
Hotel/Motel License.....	2,120.00
Renewal Fee Hotel/Motel License.....	1,050.00
Certifications.....	6.00
Photo Copies – Black & White (Non-FOIA).....	2.00
Additional Pages – Black & White (Non-FOIA)	0.30
Photo Copies – Color (Non-FOIA)	2.00
Additional Pages – Color (Non-FOIA)	0.85
Microfilm Copies (per page) (Non-FOIA).....	5.60
Recording Fee (formerly Encroachment Fee).....	40.00
Notary Fee.....	10.00
Audio Tape Recordings - prepay minimum (Non-FOIA)	20.00
Fireworks Display Permit.....	730.00
Close Proximity Pyrotechnic Display Permit.....	730.00
Sterlingfest Art Fair Applications	230.00
Double Booth Fee	410.00
Corner Booth Additional Charge.....	30.00
Sterlingfest Art Fair Vendor Jury Fee (Non-Refundable)	17.00
“Taste of the Town” Sterlingfest Booth – Food Cart Vendors	665.00
“Taste of the Town” Sterlingfest Booth - Restaurateurs	1,515.00
DVD Dubs	
Resident (Non-FOIA).....	27.00
Non-Resident (Non-FOIA).....	37.00
Gazebo Rental (per event):	
Resident	60.00
Non-Resident	92.00
Gazebo Rental for Photographs Only (per 1 hour rental):	
Resident	33.00
Non-Resident	46.00
Upton House Rental – (per 4 hour rental):	
Resident	60.00
Non-Resident	92.00
Sterling Heights Magazine Advertisement Fees:	
Full Page Ad (Full Color).....	1,569.00
Full Page Ad (Two Color)	1,344.00
One-Half Page Ad (Full Color).....	897.00
One-Half Page Ad (Two Color).....	784.00
One-Fourth Page Ad (Full Color)	506.00

Private Development Engineering Consultant Fee	Consultant Fee +10%
Sidewalk Repair and Gap Programs	Cost +20%
Easement Vacations.....	Attorney fee+ 245.00
Easement Encroachments.....	265.00
Building Number Assignments (per address)	23.00
S.E.S.C. Review Fee for:	
Commercial, Industrial, Multi-Family, Subdivision	¼ of 1% of first \$500,000.00
.....	+1/8 of 1% over \$500,000.00 (50.00 minimum)
Single-Family Residential House	71.00
Underground Private Utility	0.05 linear foot (50.00 minimum)
S.E.S.C. Inspection Fees.....	Payroll + 180%
S.E.S.C. Inspection by Consultant.....	Consultant fee +10%
S.E.S.C. Permit Renewal Fee (\$50 min.)	10% of Permit Fee
Water & Sewer Permit Revision Review Fee.....	105.00
Public Services Agreement Execution Fee	34.00
Recording Fee	40.00
Water & Sewer Debt Service Agreement Finance Charge.....	20%
Document Copying for:	
24" x 36" Prints (Xerox 2510 or blueline)	8.00 each
34" x 34" Prints (Xerox 2510 or blueline)	8.00 each
Larger than 34" x 34" (Xerox 2510 or blueline).....	8.00 each
Detail Sheets (Mylar)	10.00 each
Topographic Map 36" x 36" (blueline).....	43.00 each
Planimetric Map 36" x 36" (blueline).....	26.00 each
Overall Watermain Map (blueline).....	9.00 each
Overall Sanitary Sewer Map (blueline)	9.00 each
Overall Storm Sewer Map (blueline)	9.00 each
Master Storm Sewer Plan (book form)	50.00 each
Master Watermain Plan (book form).....	38.00 each
Master Sanitary Sewer Plan (book form)	38.00 each
Master Road Plan (book form) 1998 HRC	50.00 each
Municipal Civil Infraction for Various Soil Erosion and Sedimentation Control Regulations:	
First and Subsequent Repeat Offenses	750.00
Municipal Civil Infraction for Unabated Knowing Violations of City Code Chapter 17:	
Each Violation	5,000.00
First Repeat Offense	7,500.00
Second and Subsequent Repeat Offenses.....	10,000.00
Municipal Civil Infraction for Unabated Knowing Violations After a Notice of Determination:	
Each Violation	10,000.00
First Repeat Offense	15,000.00
Second and Subsequent Repeat Offenses.....	20,000.00
* Class 1 projects include drain enclosures, channel improvements, sanitary sewer, water main, and pavement overlay.	
** Class 2 projects include new road construction or reconstruction, bridges, pumping stations, etc.	

Sec. 3.06

FIRE DEPARTMENT:

Fire Reports: First Page (Non-FOIA).....	12.00
Additional Pages (Non-FOIA)	1.00
Digital Photographs:	
5" x 7" Color Print (Non-FOIA)	33.00
8" x 10" Color Print (Non-FOIA)	33.00
8" x 10" Contact Sheet (Non-FOIA)	33.00
Compact Disc (Non-FOIA)	26.00
Burning Permit.....	205.00
Fireworks Sales Permit	730.00
Fireworks Display Permit.....	730.00
Close Proximity Pyrotechnic Display Permit.....	730.00
Board of Code Appeals	245.00

Witnessed Acceptance Test Fee	173.00
Off-Hour Witnessed Acceptance Test Fee (3 hour minimum)	797.00
Each additional hour.....	266.00
Reinspection Fee for Witnessed Acceptance Test.....	173.00
Phase I Site Inspection (1 hour minimum).....	61.00 + 36.00 per hour
Special Fire Prevention Inspection (festivals, craft shows, carnivals, haunted houses, flea markets)	
Each Inspection.....	188.00
Each Re-Inspection	188.00
Off-Hour Inspection (3 hour minimum).....	266.00
Each Additional Hour.....	78.00
Off-Hour Re-Inspection (3 hour minimum)	266.00
Each Additional Hour.....	78.00
Plan Review Fee.....	163.00
Resubmitted Plan Review Fee.....	54.00
Explosive Materials Permit Fee	200.00
Requested Fire Services (Schools, Businesses, Hazmat Incidents, etc.)	Cost + 30%
Reinspection Fees:	
First Reinspection.....	No Fee
Second and Subsequent Reinspections	116.00
False Alarm Fees: (within a 12 month period)	
First Response.....	No Fee
Second Response	155.00
Third Response.....	325.00
Fourth and Subsequent Responses.....	655.00
Municipal Civil Infraction:	
First Offense Each Violation.....	150.00
First Repeat Offense	375.00
Second Repeat Offense.....	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction for Violation of a Stop Work Order:	
First Offense Each Violation.....	150.00
First Repeat Offense	375.00
Second Repeat Offense.....	750.00
Third and Subsequent Repeat Offenses	1,500.00

Sec. 3.07

NEIGHBORHOOD SERVICES:

Administrative Warrant	125.00
Board of Ordinance Nuisance Abatement Appeals	225.00
Board of Ordinance Noxious Weed Appeals.....	50.00
Single Family Res. Non-Homestead Inspection Fee (biennial)	130.00
Nuisance Abatement Administrative Fee.....	25%
Nuisance Abatement Agreement Execution Fee.....	Attorney Fee + 25%
Sidewalk Snow Removal Fee	Cost + 25% + 59.00
Claimed Signs:	
16 sq. ft. or less	5.00 each
17 – 31 sq. ft.....	25.00 each
32 sq. ft. and over	120.00 each
Code Enforcement Inspection	58.00
Real Estate Sign Removal Fee.....	Contract Costs + 25% Administration Fee
Municipal Civil Infraction (Residential Parking and Signs):	
Each Violation	100.00
First Repeat Offense	250.00
Second and Subsequent Repeat Offenses.....	500.00
Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:	
Each Violation	25.00
First Repeat Offense	100.00
Second and Subsequent Repeat Offenses.....	125.00

Sec. 3.08

PARKS & RECREATION:

Pavilion Rental:	
Weekday (Resident).....	68.00
(Non-Resident).....	102.00
Weekend (Resident).....	91.00
(Non-Resident).....	136.00
Picnic Kits:	
Weekday (Resident).....	11.00
(Non-Resident).....	16.00
Weekend (Resident).....	31.00
(Non-Resident).....	46.00
Nature Center Classes:	
School Field Trips (WCS/UCS Schools).....	31.00
(All Other Districts per class).....	46.00
Children’s Nature Classes (Resident).....	8.00
(Non-Resident).....	12.00
Scout Badge Classes (Resident).....	9.00
(Non-Resident).....	13.00
Birthday Parties (Resident).....	118.00
(Non-Resident).....	153.00
Parent & Tot Classes:	
1 Child Per Family (Resident).....	51.00
(Non-Resident).....	76.00
2 Children Per Family (Resident).....	57.00
(Non-Resident).....	86.00
Summer Playground:	
Resident.....	106.00
Non-Resident.....	159.00
Field Trip Bus Fee (Per Person).....	8.00
Special Recreation Dances:	
Pre-Registered (Resident).....	7.50
(Non-Resident).....	10.50
Registration at the Door (Resident).....	9.50
(Non-Resident).....	13.50
Staff Registration.....	1.00
Prom Dance – Individual (Resident).....	17.50
(Non-Resident).....	26.25
Special Recreation Playgrounds:	
Physically or Otherwise Health Impaired (P.O.H.I.) – Individual (Resident).....	159.00
(Non-Resident).....	239.00
Physically or Otherwise Health Impaired (P.O.H.I.) – Family (Resident).....	268.00
(Non-Resident).....	402.00
Mentally Impaired (M.I.) – Individual (Resident).....	159.00
(Non-Resident).....	239.00
Mentally Impaired (M.I.) – Family (Resident).....	268.00
(Non-Resident).....	402.00
Special Recreation:	
Crafts (Resident).....	8.00
(Non-Resident).....	12.00
Creative Cooking (Resident).....	8.00
(Non-Resident).....	12.00
Line Dance Exercise (Resident).....	45.00
(Non-Resident).....	67.00
Softball – Individual (Resident).....	50.00
(Non-Resident).....	65.00
Softball – 2nd player - Same Family (Resident).....	40.00
(Non-Resident).....	55.00
Softball – 3rd player - Same Family (Resident).....	30.00
(Non-Resident).....	45.00

Farmers Market:	
Advanced Pay-Full Season	332.00
Per-Day Rate.....	23.00
Electricity (Additional Fee Per Day)	5.00
Vendor Alcohol Permit Per Day.....	5.00
Vendor Alcohol Permit Full Season	51.00
Coffeehouse Tickets:	
Advance Tickets (Resident).....	15.00
(Non-Resident).....	19.00
Subscription (Resident).....	25.00
(Non-Resident).....	33.00
At the Door Sales (Resident).....	16.00
(Non-Resident).....	21.00
Karate:	
Resident	51.00
Non-Resident	66.00
Yoga/Fitness Classes:	
Resident	43.00
Non-Resident	56.00
Zumba:	
Resident	61.00
Non-Resident	79.00
Men's Gym:	
Resident	46.00
Non-Resident	59.00
Senior Boys Basketball	500.00
Men's Softball	908.00
Co-ed Softball.....	592.00
Women's Softball	592.00
Ball Field Rental Fees – Seasonal:	
Delia or LWB Park (per field per day):	
MABF Teams/Church Teams.....	398.00
All Other Users	423.00
All Users – Lighted Fields Additional Fee (per day).....	63.00
Jaycee Park (per field per day):	
MABF Teams/Church Teams.....	275.00
All Other Users	300.00
Ball Field Rental Fees – Daily:	
Delia or LWB Park (per field per day):	
MABF Teams/Church Teams.....	69.00
All Other Users	79.00
All Users – Lighted Fields Additional Fee (per day).....	64.00
Jaycee Park (per field per day):	
MABF Teams/Church Teams.....	47.00
All Other Users	57.00
Ball Field Request to Groom/Stripe Additional Fee	Cost + 25%
Soccer Field Rental Fees (per field per season):	
Travel Clubs:	
Seasonal 1-3 days/week	570.00
Seasonal 4-7 days/week	870.00
Camp/Other	
Weekly (one week only).....	204.00
Daily	85.00
Sand Volleyball League.....	233.00
Daddy/Daughter Dance:	
Resident Couple.....	46.00
Non-Resident Couple.....	60.00
Additional Resident Daughter.....	20.00
Additional Non-Resident Daughter.....	25.00
Mother/Son Cookout:	
Resident Couple.....	18.00
Non-Resident Couple.....	24.00

Gymnastics:	
One-half Hour Class (Resident).....	46.00
(Non-Resident)	69.00
One Hour Class (Resident).....	57.00
(Non-Resident)	85.00
Dance:	
Fall Session (Resident)	53.00
(Non-Resident).....	68.00
Winter/Spring Session (Resident).....	85.00
(Non-Resident)	110.00
30 Minute Dance Classes:	
Fall Session (Resident)	42.00
(Non-Resident).....	54.00
Winter/Spring Session (Resident).....	54.00
(Non-Resident).....	70.00
Ballroom:	
Resident	41.00
Non-Resident	61.00
Senior Center Activities:	
Arthritis Exercise (Resident).....	5.00
(Non-Resident).....	7.00
Exercise (Resident)	6.00
(Non-Resident).....	9.00
Golf League (Resident)	17.00
(Non-Resident)	25.00
Line Dance (Resident).....	5.00
(Non-Resident).....	7.00
Senior News Subscription per year (Resident)	15.00
(Non-Resident).....	22.50
Stained Glass Class (Resident)	7.00
(Non-Resident).....	10.50
Tai Chi (Resident).....	6.00
(Non-Resident).....	9.00
Zumba Gold (Resident)	5.00
(Non-Resident).....	7.00
Senior Bus Trip:	
1 day.....(Resident).....	8.00
(Non-Resident)	12.00
2-4 days....(Resident).....	15.50
(Non-Resident)	23.25
Extended..(Resident)	34.00
(Non-Resident)	51.00
SMART Bus Day Trips (Resident).....	4.00
(Non-Resident).....	6.00
Senior Activity Fee - per day (Resident).....	0.25
(Non-Resident).....	0.50
Senior Center Gymnasium Activities:	
Track Usage Fee – After Hours (Resident)	1.00
(Non-Resident).....	1.50
Gymnasium Usage Fee – After Hours (Resident).....	2.00
(Non-Resident).....	3.00
Parks and Recreation Plan	9.00

Sec. 3.09

PLANNING:

Special Approval Land Use.....	580.00
Temporary Use.....	424.00
Administrative Review.....	260.00
Temporary Use Vendor License.....	50.00
Variances to Subdivision Regulations	424.00

Right-of-Way Vacations	640.00
Rezoning Petition:	
First Acre	1,805.00
Additional Acre	70.00
Public Hearing Postponements (Petitioner Requested)	47.00
Ordinance Text Amendment.....	1,805.00
Subdivision Plat	1,415.00
Each lot over 100 lots.....	9.50
Subdivision Open Space and One-Family Cluster Development	790.00
Tree Preservation – Site Plans and Plats	895.00
Tree Preservation – Single Family Lot (less than one acre)	195.00
Tree Preservation Administrative Fee	25% of landscape plan inspection fees
Tree Preservation Inspection Fee (per inspection/re-inspection)	Payroll + 175%
No Tree Affidavit.....	126.00
Site Plan Review:	
First Acre	433.00
Additional Acre	72.00
Site Plan Review by Planning Commission:	
First Acre	581.00
Additional Acre	72.00
As Built Revisions	256.00
Master Land Use Report	40.00
Master Land Use Map.....	12.75
Subdivision Plat Print (per sheet).....	12.75
Subordination of Lien.....	150.00
Zoning Board of Appeals:	
Regular Meeting	430.00
Special Meeting	855.00
Zoning Compliance Letter.....	63.00
Landscape Plan Inspection.....	25% of site plan fees
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense.....	750.00
Third or Subsequent Repeat Offenses.....	1,500.00

Sec. 3.10

POLICE DEPARTMENT:

Police Reports:	
First Page (Non-FOIA)	12.00
Additional Pages (Non-FOIA)	2.00
Clearance Letter.....	17.00
Noncriminal Fingerprint Card	26.00
Photos: 8" x 10" Color (Non-FOIA)	34.00
5" x 7" Color (Non-FOIA).....	32.00
8" x 10" Contact Sheet (Non-FOIA)	32.00
Compact Disc (Non-FOIA)	47.00
Administrative Towing Fees: (Charged to Towing Company)	
Inspection of VIN	24.00
Reports on TR-52 Tracking	29.00
Administration and Presence at Auction	600.00
Audio Tape Duplication Fee (Non-FOIA).....	43.00
Video Tape, DVD, CD Duplication Fee (Non-FOIA).....	47.00
Animal Give-up Fee:	
No Euthanasia.....	40.00
Euthanasia.....	75.00
Animal Impoundment Fee (Released from Station)	32.00
Macomb County Daily Animal Care Fee.....	21.00
Animal Trap Rental Fee (per 5 days)	50.00
Animal 10-Day Quarantine Fee.....	250.00

Rabies Testing:	
Euthanasia Not Required.....	77.00
Euthanasia Required	152.00
Treatment Rendered to an Animal.....	Cost
Use of Tranquilizer Equipment	155.00
County Animal Control Officer Fee	Cost
Personal Breathalyzer Test (PBT)	25.00
Booking Photo (Non-FOIA).....	11.00
Notary Fee for Gun Permits.....	10.00
Park Alcohol Permit Fee.....	35.00
Temporary Liquor License Application Fee	35.00
Outdoor Service Permit.....	263.00
Requested Police Services (Schools, Businesses, Hazmat Incidents, etc.).....	Cost + 30%
Towed Vehicle Impound Fee.....	30.00
Correctable Traffic Violation	10.00
Warrant Fee (All Warrants).....	10.00
False Alarm Fees: (within a 12 month period)	
First Response.....	No fee
Second Response	No fee
Third Response (Residential).....	36.00
Third Response (Non-Residential).....	101.00
Fourth Response (Residential).....	68.00
Fourth Response (Non-Residential).....	205.00
Fifth and Subsequent Responses (Residential)	135.00
Fifth and Subsequent Responses (Non-Residential).....	405.00
Municipal Civil Infraction (including Animal Control Regulations):	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense.....	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction for Prohibited Parking during a Snow Emergency:	
Each Violation	25.00
First Repeat Offense	100.00
Second and Subsequent Repeat Offenses.....	125.00
Municipal Civil Infraction for Youth Curfew Violations:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses.....	100.00
Municipal Civil Infraction for Violation of Bicycle Regulations (City Parks):	
Each Violation	10.00
First Repeat Offense	25.00
Second and Subsequent Repeat Offenses.....	50.00

Sec. 3.11

PUBLIC LIBRARY:

Overdue fines (per day):	
Hardcover Books (maximum \$15.00).....	0.25
Paperback Books (maximum \$5.00).....	0.25
Magazines (maximum \$5.00).....	0.25
Audios (maximum \$15.00).....	0.25
Compact Discs (maximum \$15.00).....	0.25
DVD's (maximum \$15.00).....	0.25
Replacement Library Card	3.00
Suburban Library Cooperative Non-Resident Library Card.....	200.00
Black & White Copy/Computer Print	0.10
Color Copy/Computer Print.....	1.00
Microfilm/Microfiche Print (per copy).....	0.20
Internet Use Without Library Card (per day).....	4.00
Municipal Civil Infraction:	
Each Violation	75.00
First Repeat Offense	150.00
Second or Subsequent Repeat Offenses	300.00

Sec. 3.12

PUBLIC WORKS DEPARTMENT:

Sewer Inspection.....	105.00
Sewer Tap.....	1,150.00
Sewer Capital/Unit	
Residential.....	855.00
Commercial/Industrial (per 1,000 sq. ft.)	440.00
Sewer Frontage (per front ft.)	71.00
Sewage Disposal Service Only (per billing)	80.00
Residential and Commercial Water Meters:	
¾" Remote.....	395.00
1" Remote.....	450.00
1 ½" Remote	770.00
2" Compound Remote.....	2,000.00
3" Compound Remote.....	3,530.00
4" Compound Remote.....	4,950.00
6" Compound Remote.....	7,340.00
Double Check Detector Assembly with Meter:	
3"	1,970.00
4"	2,070.00
6"	2,970.00
8"	5,380.00
10"	7,830.00
Water Inspection	105.00
Water Tap	
1"	1,090.00
1 ½"	1,490.00
2"	1,740.00
3"	3,490.00
4"	3,770.00
6"	4,310.00
Additional Charge for 86 ft. wide street:	
1"	350.00
1 ½"	400.00
2"	540.00
Additional Charge for 120 ft. wide street:	
1"	690.00
1 ½"	890.00
2"	1,150.00
Additional Charge for 204 ft. wide street:1,440.00	
1"	1,640.00
1 ½"	2,090.00
2"	2,980.00
Water Capital/Unit:	
Residential.....	670.00
Commercial/Industrial (per 1,000 sq. ft.)	360.00
Water Frontage (per front ft.)	40.00
Monitor Surcharge.....	per City of Detroit Industrial Waste Control Rate Structure
Water Turn On Fee.....	91.00
Water Service Fee (avoidable & repeat visits).....	91.00
Water Service Abandonment Fee:	
Residential.....	470.00
Commercial	Contract Costs + 940.00
Sewer Service Abandonment Fee.....	105.00
Water Service Re-Use Fee	
Residential.....	470.00
Commercial	Contract Costs + 940.00
Sewer Service Re-Use Fee	105.00
Water Meter Testing Fee	104.00
Water Meter Rescheduling Fee.....	91.00
Non-Compliance with Back Flow Fee.....	214.00

Automatic Fixed Network Meter Read Permit	174.00
Final Water Meter Read.....	35.00
Final Water & Sewer Bill Preparation Fee	14.00
Citizen Water Service Request – after hours	91.00
Public Works Services Provided.....	Cost + 25%
Water Meter Removal/Reinstallation for common area irrigation system.....	199.00
Landlord/Tenant Affidavit Filing Fee.....	155.00
Fire Hydrant Rental – Payable by City	26.50
Private Use of Fire Hydrant:	
Per Hydrant.....	110.00 per month + 330.00 water usage deposit
Bypass Inspection Fee	Back bill + 140.00
Common Area Irrigation System Permit	390.00
Planting of tree in right-of-way	205.00
Culvert installation permit.....	94.00
Ditch enclosure permit	94.00
Monitoring well installation permit	450.00
Sewer connection to discharge treated ground water.....	450.00
Cutting of noxious weeds.....	Contract costs + 60% administrative fee + 34.00 fine
Special Pickup/Additional Refuse Collection.....	Contract costs + 25% administrative fee
Refuse Collection Fees (Schools).....	Contract costs
Refuse Collection Fees (Mobile Home Parks and Apartment Complexes).....	Contract costs
.....	+ 5% administrative fee – refuse taxes paid
Curbside Recycling License (min. \$1,500/year)	1% of program revenue based upon previous year
Debris Removal Fee.....	Contract Costs + 25% administrative fee
Tree Branch Chipping Fee	65.00
Fleet Services Requested by Other Cities.....	Cost + 30%
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense.....	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction for Trash Placed at Curb Outside of Permitted Hours:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses.....	100.00
Municipal Civil Infraction for Violation of a Mandatory Water Restriction:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses.....	100.00
Municipal Civil Infraction for Raking Leaves Into Street:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses.....	100.00

Sec. 3.13

TREASURY OFFICE:

Bounced Check Fee.....	30.00
Delinquent Bill to Tax Roll Penalty (excluding Water & Sewer)	17%
Late Payment Penalty.....	6%
Penalty Assessment on Delinquent Taxes.....	3%
Attorney Review Fee for Liens or Discharges	79.00
Subordination of Lien.....	510.00
Annual Lien Penalty	6% + lien filing costs
O.U.I.L./O.U.I.D.....	325.00 + additional reimbursements
Property Tax Administration Fee (P.T.A.F.)	1%
Municipal Civil Infraction for Failure to Pay Police or Fire False Alarm Invoices:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense.....	750.00
Third and Subsequent Repeat Offenses	1,500.00

ARTICLE IV

The City Manager is hereby authorized to make transfers within the budgetary centers established in this ordinance but all transfers between budgetary centers, contingencies, reserves, and fund balances shall be made only by further action of the City Council pursuant to law; the City Manager is hereby authorized to sign letters of severance after notifying the City Council and establish City programs which are a de minimis, but necessary expenditure for the benefit of the recipient employee and funded through appropriations in this ordinance; the City Manager is hereby authorized to release bidding documents for those capital items and recurring commodities expressly authorized within appropriations in this ordinance for public review by the City Council following receipt of bids.

ARTICLE V

SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance, or the application thereof to any person or circumstance, shall for any reason be adjudged by any Court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair, or invalidate the remainder of this ordinance and the application of such provision to other persons or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person or circumstances involved. It is hereby declared to be the legislative intent of this body that the ordinance would have been adopted had such invalid provision not been included.

ARTICLE VI

EFFECTIVE DATE

This ordinance shall become effective July 1, 2016.

BY ORDER OF CITY COUNCIL

**ADOPTED:
PUBLISHED:
EFFECTIVE:**



**Business of the City Council
Sterling Heights, Michigan**

Delivered APR 28, 2016

City Clerk's Use
Item No: 2 A-I
Meeting: 05/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: Consent Agenda

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, 446-2421

Administration (initial as applicable)

Attachments

- | | | | | | |
|-----|----------------------------------|-----|------------|-----|----------|
| ___ | City Clerk | ___ | Resolution | ___ | Minutes |
| ___ | Finance & Budget Director | ___ | Ordinance | ___ | Plan/Map |
| ___ | City Attorney (as to legal form) | ___ | Contract | ___ | Other |
| ___ | City Manager | | | | |

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Suggested Action:

MOVED BY:

SECONDED BY:

1. CONSENT AGENDA

- A. Approval of Minutes
Special Meeting of April 12, 2016
Regular Meeting of April 19, 2016**
- B. Approval of Bills**
- C. To award a bid for automobile and light truck body repairs for a two-year period
(Estimated annual expenditure of \$17,000).**
- D. To purchase fitness watches for the Sterling Heights Fire Department (Total expenditure
of \$17,050.25 – 90% grant-funded by the Assistance to Firefighters’ Grant).**
- E. To approve an Agreement for Banking Services between the City of Sterling Heights
and Comerica Bank (Annual estimated expenditure of \$56,000).**
- F. To purchase an Employee Self-Service Module and GoDocs Forms Upgrade to facilitate
online employee benefits enrollment and electronic delivery of forms (Total expense of
\$19,100).**

Consent Agenda

May 4, 2016

Page 2

- G. To award a bid for Clinton River Corridor Habitat Restoration based on unit prices bid (Estimated project expenditure of \$3,300,000.00 – 100% funded through EPA grant).**

- H. To award a bid for Senior Center Parking Lot Reconstruction, City Project #15-270, in the amount of \$366,441.41 (100% funded by Community Development Block Grant funds).**

- I. To award a bid for the 2016 Concrete Sectional Replacement Program, City Project #16 281, Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway, City Project #16-286, and Comstock Drive Reconstruction, City Project #16-282, at a cumulative cost of \$2,564,169.50.**

*Delivered April 28, 2016
Agenda Item 2-A
Meeting: 05/04/16*

UNOFFICIAL MINUTES

CITY OF STERLING HEIGHTS

MINUTES OF SPECIAL MEETING OF CITY COUNCIL

TUESDAY, APRIL 12, 2016

IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 6:30 p.m.

Mayor Taylor led the Pledge of Allegiance to the Flag and Mark Carufel, City Clerk, gave the Invocation.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G. Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Also Present: Mark D. Vanderpool, City Manager; Mark Carufel, City Clerk; Carol Sobosky, Recording Secretary.

APPROVAL OF AGENDA

Moved by Koski, seconded by Skrzyniarz, to approve the Agenda as presented.

Yes: All. The motion carried.

BUDGET WORKSHOP DISCUSSION

1. Presentation of Budget

Capital Project & Other City Funds

City Administration Department

Administrative Services Division

Finance and Budget Division

Fire Department

City Development Department

Mr. Vanderpool presented the Fiscal Year 2016/17 proposed budget to the City Council and informed that tonight is the first of three budget hearings. He explained that the discussion would start with a number of presentations from department heads and that will be followed with plenty of time for questions and comments. Mr. Vanderpool explained that the Appropriations Ordinance will have to be introduced at the end of the discussion, which will allow City Council to make amendments as they proceed with the hearings. He reminded that the City budget is available on the website. A video was shown at this time.

Mr. Brian Baker, Finance & Budget Director, used a PowerPoint presentation to provide an overview of the individual departments, noting the proposed total city budget of \$170,037,520, and its breakdown into five major fund types. Mr. Baker informed that the total budget decreased by 4.4%. He briefly reviewed the City's revenues, which comes from property taxes, state revenue sharing, charges for services, fines, licenses and permits, and he added that about 75% of the total funds spent are used to fund Police, Fire, Public Works and the Court. Mr. Baker reported that the City's tax rate is lower than other Macomb County cities and property tax revenues per resident are the lowest of similar-sized cities in Michigan. He noted that they also rank the lowest in debt and well below the debt levels of other local

communities. He addressed the slight uptick in road funding compared to the last several years, noting that with the passing of the Safe Streets Initiative, they have seen an increase in repair of neighborhood streets as well over the last three years. The budget also includes facility repairs and park improvements, which Mr. Baker outlined. He reviewed the department budgets being looked at tonight, which include City Administration, comprised of City Management, City Clerk and Information Technology, and Finance and Budget, which includes Assessing, Finance, Purchasing and Treasurer's. He discussed the budget for City Development, made up of five divisions. He concluded with the Fire Department, made up of 88 full time employees in three divisions, and reported that this is the second largest cost center in the general fund.

Ms. Denice Gerstenberg, City Development Director, provided a brief update on some of the City Development Department activities and projects, and also provided an introduction to some of those proposed projects in the upcoming fiscal year. The Building Department will be starting to offer permits online. They will also be providing a "one-stop shopping" building checklist available online for anyone interested in opening a new business. Engineering will be continuing with their Sidewalk Gap program, concentrating next year on 14 Mile between Hayes and Schoenherr, Canal Road east of Schoenherr, and repairing City Section 14, which is east of Dodge Park and north of 17 Mile Road. Construction of the new pedestrian bridge in Dodge Park is also slated to begin, and that bridge is an integral part of the Showcase Bike Trail, a 924-mile trail from Belle Isle in Detroit all the way up to

Ironwood in the Upper Peninsula. Ms. Gerstenberg addressed some of the areas where utility work is already started and will continue through the next fiscal year. Engineering is also proposing a Water Reliability Study, which is an exhaustive analysis of the existing water system and future demands that will help prioritize future projects. She reviewed some of the projects proposed for Facilities Maintenance, and proceeded with a description of the activities taking place through Neighborhood Services. Ms. Gerstenberg explained the Code Enforcement projects and activities, including the non-homestead single-family residential inspection program, which operates on a two-year cycle, and at the completion of the first two-year period of the program, 1,490 residences were inspected. She detailed the plan for continuation of the LDFA SmartZone branding and vitalization projects. They will be updating the City's signs with their new logo. She noted that the Planning Department is working to digitize all new applications, site plans and planning information into BS&A, which will make finding and accessing historical information easier. Numerous ordinance amendments are also being developed. She concluded by reporting that the Master Plan for Future Land Use, as well as the update of the Recreation Plan, will be completed this upcoming year.

Mr. Vanderpool noted that the City's contractor will be picking up litter throughout the community, and the spring median mowing will begin. At the next Council Meeting, there will be discussion about "Pride and Shine", encouraging neighborhoods to clean up, and dumpsters will be set up every Saturday in May at DPW to collect items that are not generally collected.

Mr. Nick Makie, Controller, provided an overview of some technology enhancements proposed for Payroll and Community Services, specifically related to employee self-service and the GoDoc enhancement for their financial reporting software, which will allow them to revamp and innovate processes related to open enrollment and payroll. There are 449 full-time employees who must complete paperwork for open enrollment which occurs twice a year, and the proposed software would streamline this process, allowing employees to access benefits information and select benefits from any computer during open enrollment periods. The service provides real-time feedback during the enrollment period which helps to eliminate mistakes, and the payroll system will be updated automatically for new deduction amounts based on the employee elections. Mr. Makie indicated that the employee will be able to export elections to third-party vendors like Blue Cross, effectively eliminating the need for manual data entry. All elections will be memorialized in a financial reporting system so it will create an electronic record, or “paper trail”. Mr. Makie stated these upgrades will give the City the ability to electronically deliver payroll documents such as direct deposit notifications and W-2 forms. The city is expected to deliver over 18,000 payroll checks and notices of deposit in this next fiscal year. He cited the example that if 70% of these are direct deposit, over 13,000 notices of deposit will not have to be printed/distributed but will be sent electronically. The city issued 914 W-2 forms this year that will also not have to be printed and mailed to employees. They will be able to offer decentralized time card entry, as well as electronic time-off requests and approval. He stressed this will result in greater accuracy, reduction of

printing and mailing costs and increased staff productivity. He concluded his presentation with a short video reflecting positive reactions of employees with regard to the proposed implementation of these technology enhancements.

Fire Chief Chris Martin reminded residents to check their smoke detectors to assure they are in working order, and to change the batteries when changing the clocks for daylight savings time. Chief Martin began his presentation by stating the biggest issue they have dealt with this year has been their succession plan, having had 19 retirements of some of their highest-ranking employees, resulting in over 50 promotions. They instituted a mentor program to assure that these promotions resulted in qualified individuals to come in and work in the field, and this resulted in consistent training. They were able to fill every position created by retirement with a new hire, and he was very pleased with this succession plan. Chief Martin reviewed some of the other highlights this past year, noting their ISO rating went from a "4" up to a "2", which put them up with only two other fire departments in the state with that rating, and this has the potential to reduce insurance rates for homes and businesses. A feasibility study to look into possible ways to share services among four area fire departments. The study was nearing completion but there were a couple of areas for the company to study, and the leadership group was not completely satisfied that those areas have been properly considered. He expects the completion near the end of May, and well within the timeline for the grant. They have increased their capability and service delivery by upgrading the operation of Rescue 1 at Fire Station #1 from basic life support to advance life support (ALS). Chief Martin advised that an

ordinance change now requires businesses to change to Knox Box from the previous system. They have had good response, but it will be an ongoing project. They have also implemented the residential lock box system program, which has had great success thus far. He thanked businesses and residents who have donated boxes that can be loaned to residents who do not have the means to purchase one on their own. He informed that they have conducted several training classes and exercises with their firefighters and police officers to work on a unified response to active shooters and other terrorist activities. The parking lot at their headquarters has been completely redone. Chief Martin provided an update on their apparatus fleet, noting they will be purchasing some new equipment. They have a signed agreement with the Charter Township of Clinton that will allow each community to borrow apparatus from the other in the event of equipment failure, although they have not yet had to utilize this agreement. He updated the status of their efforts with the Assistance to Firefighter Grants (AFG). Their successes on this initiative, led by Assistant Chief Duke, have brought in more than \$1 million in the past five years. He reviewed the capital improvements for which they have been approved, including the replacement of a ladder truck, the replacement of the parking lot last year, and the proposed replacement of their roof this year. They have also been approved to purchase an additional LifePack 15 and a new generator for Fire Station #1, with the old generator to be repurposed to the court building. He indicated their last capital expenditure is an upgrade of their outdated mobile data computers. He outlined their initiatives, or performance objectives, including obtaining GPS locations of all fire hydrants and

entering that data into CAD, training personnel on pediatric emergencies, and reviewing their tactics for addressing fires at their high-rise buildings, a few of which house elderly residents, many with mobility issues. He reported that approximately 19.4% of their incidents come from senior assisted living facilities, and while most of these incidents are medical-related, they have had an increase in false alarms, so they want to develop an education tool for the residents and employees of these facilities to ensure the proper use of their services and proper identification of the situation. Chief Martin explained that, with the anticipated increase in the recreational use of the Clinton River over the next few years, they will focus on training their firefighters to better handle water-related incidents, and are pursuing grants for this equipment. He concluded his presentation by informing that they want to focus on training and equipping the City to help those suffering from cardiac arrest because the importance of early quality CPR and defibrillation being delivered saves lives.

Mr. Vanderpool announced the conclusion of the presentations, and thanked Mr. Baker and his team for all of their hard work compiling this budget. He also thanked the department managers and directors for doing the same, and he complimented them on a great budget, reflecting their hard work.

Mayor Taylor asked if there was any public comment on the presentations.

Mr. Michael Lombardini thanked the City for keeping the debt low, and urged the City Council as they are reviewing the proposed budget to remain mindful of the 1,200 jobs that are being eliminated at the Fiat Chrysler Plant, noting this may result

in some residents losing jobs and having difficulty paying their taxes. He added it may affect the taxable income from the plant itself.

Mr. Jeffrey Norgrove thanked the City Council for holding this budget hearing, and also thanked the employees who work so hard to prepare this “top-notch” budget. He commented that it would be helpful, during a PowerPoint presentation, if they would refer to the corresponding page in the budget booklet. He is looking forward to the next budget hearing.

ORDINANCE INTRODUCTION

2. Moved by Romano, seconded by Taylor, **RESOLVED**, to introduce the Appropriations Ordinance for the 2016/17 fiscal year.

Councilman Romano referred to a comment from Chief Martin regarding more activity on the Clinton River resulting in the need to be able to provide more help in case of emergency. He inquired as to whether the City is responsible for providing watercraft or whether that is up to the Macomb County Sheriff’s Division.

Chief Martin replied that they are looking to purchase items such as suits, life jackets, ropes and floatation devices but not an actual watercraft. He indicated the City has two fishing-style boats, one kept at Station #2 and one kept at Station #1.

Councilman Shannon inquired as to the funding that may be coming for Cancer Presumption, and how that will affect the Fire Department’s budget.

Chief Martin replied that will not affect their budget, but would be more of a health care issue if those firefighters are stricken with cancer.

Mr. Baker responded that Cancer Presumption would replace worker's comp insurance in those cases, and since the City is self-funded, it would save a little. He cautioned that it would ultimately depend upon the details, pointing out it has not been funded prior to this so they will need to look closely at the regulations.

Councilman Shannon commented that he was impressed with the presentations, and felt the City is doing a lot with the lowest tax rate in the County. He was impressed to see how much they are doing to improve the City with the grants for which the employees are working very hard to obtain. He requested that Mr. Baker review the road spending once again.

Mr. Baker stated that there has been a dramatic increase in road spending for the local roads, but he pointed out in 2013 they had only \$2 million they could spend. The gas tax had been turned down, and with the increased cost of gas and the declining economy, people were driving less, generating less money for this fund. The Safe Streets Millage raised an additional \$3.3 million in 2013, and they are up to \$7.2 million now. He added that CDBG funds have been able to take care of some roads, but he credited the Safe Streets Millage for the majority of funding available, which will go until 2020. The State of Michigan has increased the gas tax, but the City will not see any of the money in the first year or two. It will eventually increase their funds over the next several years. Mr. Baker reviewed the State and County roads for which the City has no control over, including Schoenherr, Hayes, Van Dyke and Mound, and some of the mile roads. The City was able to sell bonds for improvements to 15 Mile and Dodge Park. Mr. Baker explained they are taking a

systematic approach where the federal government can cover part of the cost, and they are always encouraging the County to make additional investments into the roads.

Councilman Shannon indicated that a lot of people are not familiar with the roads for which Sterling Heights is responsible, and which roads fall under the State or County jurisdiction.

Mr. Vanderpool suggested they could post a map on the website that would help with this confusion. He noted that all of the even-numbered mile roads (i.e., 14 Mile, 16 Mile, 18 Mile) are County Roads, and added they are fortunate the County has agreed to pay for a portion of 14 Mile as long as the City of Warren is also in agreement. He stated that Dequindre is in Oakland County, and Mound, Van Dyke, Schoenherr, Hayes and Utica Roads are County roads. Mr. Vanderpool admitted they do receive complaints from citizens about the roads but unfortunately, they do not have jurisdiction over many of them. He added they will be making improvements on Schoenherr, south of the Moravian Bridge, and he added that Mound Road is in bad shape but it is a County road. He admitted that the City can do a better job of explaining to the residents which of these roads is under the County's jurisdiction.

Councilman Shannon requested that Chief Martin explain to the residents what the firefighters have agreed to do in taking on the role of a first-responder.

Chief Martin explained that they have seen a rise in active shooter events across the country, and up to now, when a shooter is determined to still be in the location and active, the protocol of the firefighters has been to stay away and stage off-site. He

pointed out that case studies have shown that victims who are shot and wounded do not get immediate care because firefighters and EMS are not allowed near the site. They have now come up with a protocol to train the firefighters to work actively with the police officers, not in the line of gunfire, but in “hot zones”, where the firefighters would put on flak jackets and helmets and assist with the police to areas where people are wounded and remove them from the dangerous zones to a place of safety where they can be treated. He cited Lakeside Mall as an example, where there would be safer areas to evacuate the injured and get them to the hospital for treatment. He admitted it was not easy to get to this point because it involved changing protocols for both Police and Fire, but he commended everyone for their efforts in getting to this point.

Councilman Shannon commended Chief Martin and his entire team for their willingness to get involved with a situation like this, adding that he is very impressed. He questioned the proposed pediatric ALS training which would require overtime costs, and he inquired as to whether it has to be “all or nothing”.

Chief Martin replied there is a two-year certification program where paramedics receive specific training, especially addressing pediatric airways and starting IV’s for infants and children. Paramedics are required to have this training, so they began to hold these training sessions in 2-hour blocks; however, with Firefighters getting called off and constantly being interrupted, and having to repeat this every two years, it was suggested to train in the 8-hour block, with Firefighters being taken off shift

and getting paid overtime. That option was not approved so they are back to the two-hour shifts, which is not ideal but is something they have to do.

Councilman Shannon thanked Ms. Gerstenberg and Chief Martin for allowing him to come in and talk with them, and he commended them both for being great directors.

Councilwoman Koski was impressed with Fire Department's fantastic agenda for the upcoming year. She inquired as to how much it would cost to reinstitute the Youth Firefighter Program, and whether any thought has been given to starting it up again.

Chief Martin replied the Youth Firefighter Program is not something they have had in their plans for a long time, and he was not sure of the cost, although he assured he will calculate the cost and get that information to Councilwoman Koski.

Councilwoman Koski thanked Chief Martin, commenting that she felt that was an important program to get young people involved. She addressed a question to Mr. Makie as to what type of information the employees would be inputting on the GoDoc program.

Mr. Makie replied the full-time employees are eligible to select their benefits, and he clarified they would not be entering data but would be making selections from a pre-populated list of choices that would be developed by Human Resources. They would also have access to some payroll information. He replied to further inquiry that it is secure and would require employees to have user names and passwords to log in.

Councilwoman Koski wanted to make sure it is a secure site, especially in light of the high rate of identity thefts. She inquired as to whether the Sidewalk Gap Program will include Clinton River Road, between Hayes and Schoenherr, commenting that

there are a lot of properties along that stretch that do not have sidewalks, and that is an area that leads to the bike trail.

Ms. Gerstenberg replied they are continuing with the Sidewalk Gap Program this year and reviewed the three areas proposed to be included in the next year. She added they continue to work on this each year.

Councilwoman Koski stated she would like to present her request to have Clinton River Road, between Hayes and Schoenherr, included in the program for this upcoming fiscal year.

Councilwoman Ziarko recalled the City budgeted to have the electronic signs fixed, and hoped that will be taken care of soon. She requested a timeline of when these projects will begin. She added that she loves the idea of weekend Code Enforcement Officers, pointing out that so many violations occur on the weekends. She liked the idea of holding CPR classes, and inquired as to whether this would include new training as well as recertification. She also inquired as to whether the Fire Department will be able to see the location of the fire hydrants on the computers and whether it will be an overlay.

Chief Martin replied the CPR classes would be for new training as well as recertification. He addressed the question of identifying hydrant locations, noting they will see the location of the house on CAD, and will also be able to see the hydrant locations on the same screen.

Councilwoman Ziarko inquired as to the Consolidated Dispatch's impact on the City's ISO rating.

Chief Martin explained that Dispatch is 10% of the 100 points available for the ISO rating. Dispatch picked up 1.3 or 1.6 points of the 10 they could get, and that was based on the redundancy in the phone lines and internet lines, in addition to the EMD system, known as PowerPhone, purchased for not only medical but fire-related calls.

Councilwoman Ziarko thanked everyone for their hard work, commenting that decisions are easier when there is no money because there are fewer decisions, but when there is money, they have to carefully consider how to spend it. She inquired as to whether there is any reason they could not post signs on the State and County roads, indicating "This road is maintained by the [State/County]". She felt that may help residents understand that the City has no control over those roads.

Mr. Vanderpool admitted that thought has crossed his mind; however, just like the roads are under the jurisdiction of the State or County, they also own the right-of-way, so he suspected any such signs would be quickly removed. He felt the City can achieve the same objective by reaching out to the community via the website. He reminded that the County's funds are also thin, but they are willing to partner with the City on an accelerated program. He assured they discuss projects with them on a regular basis, including Mound Road. He felt through continuing good discussion and relationships, they can relay their concerns and get the same result.

Councilwoman Schmidt questioned why the 14 Mile Road project between Mound and Ryan is dependent upon approval by the City of Warren.

Mr. Vanderpool explained that, for County road improvements, the local jurisdictions have a cost share, so in this case, they would have a cost share not only with Macomb

County Department of Roads but also with the City of Warren. He could not imagine that they would not participate, and assured he will contact the City of Warren and attempt to get a more direct response within the next couple of weeks.

Councilwoman Schmidt inquired as to whether the streets scheduled for road improvements could be listed on the website.

Mr. Vanderpool responded that the City's website has a "Cone Zone" link, which lists a schedule of road improvements for the next year, in addition to listing the specific roads, schedule and update on those projects.

Ms. Gerstenberg replayed the slide listing the streets scheduled for road work this year.

Councilwoman Schmidt agreed with her colleague that the electronic signs need to be repaired and operating. She stressed they do not need to be fancy with banners and graphics, but they should be functional. She liked the idea of the hydrant map for the Fire Department. She inquired as to whether there has been any increase in price for the Fire Study even though they have gone back to ask for additional information.

Chief Martin replied they contracted for the job to get done so there is no additional cost. They have paid for three-quarters of it up front, but there is no cost increase.

Councilwoman Schmidt thanked all of the departments for their hard work on this budget and further thanked the staff for looking into grant money whenever possible, acknowledging that it is very time-consuming, but worthwhile.

Mayor Taylor thanked all of the City Directors, employees and engineers who put this budget together. He felt it is very impressive to see how close they come each year to

meeting the budget, and he felt that reflects the hard work the employees put into its preparation.

Vote for the motion on the floor: Yes: All. The motion carried.

COMMUNICATIONS FROM CITIZENS

Mr. Charles Jefferson thanked the City Council and the staff for holding this budget hearing, and urged those at home to attend the next one in two weeks.

Mr. Jeffrey Norgrove commented about the Police Chief position.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool indicated he had nothing further to report at this time.

The City Council members also indicated they had nothing further to report.

ADJOURN

Moved by Ziarko, seconded by Romano, to adjourn the meeting.

Yes: All. The motion carried.

The meeting was adjourned at 8:14 p.m.

MARK CARUFEL, City Clerk

*Delivered April 28, 2016
Agenda Item 2-A
Meeting: 05/04/16*

UNOFFICIAL MINUTES

CITY OF STERLING HEIGHTS

MINUTES OF REGULAR MEETING OF CITY COUNCIL

TUESDAY, APRIL 19, 2016

IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 7:30 p.m.

Mayor Taylor led the Pledge of Allegiance to the Flag and Mark Carufel, City Clerk, gave the Invocation.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G. Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Also Present: Mark D. Vanderpool, City Manager; Jeffrey Bahorski, City Attorney; Mark Carufel, City Clerk; Carol Sobosky, Recording Secretary.

APPROVAL OF AGENDA

Moved by Koski, seconded by Romano, to approve the Agenda as presented.

Yes: All. The motion carried.

REPORT FROM CITY MANAGER

Mr. Vanderpool stated that, because of local school board elections, the first City Council Meeting in May will be held on Wednesday, May 4th, starting with a

Special Meeting at 6:30 p.m. for scholarship presentations from the Sterling Heights Community Foundation, followed by the Regular Meeting at 7:30 p.m.

Mr. Vanderpool reported on the Master Plan Community Forum. The second of these forums is scheduled for tomorrow night, April 20th, 2016 at 7 pm at the Senior Center, with the goal to formulate planning proposals related to redevelopment, land use, recreation and non-motorized networks throughout the city. He urged anyone interested to attend or visit the city's website for more information.

Mr. Vanderpool announced that BAE Systems, a defense manufacturer, is holding a job fair at the Wyndham Garden Hotel, located on Van Dyke, on April 27th, 2016 from noon to 8 pm. More information is available on the BAE Systems website (www.baesystems.jobs).

Mr. Vanderpool reported that Art in the Park will be held at 6 p.m. once a month on Thursdays, scheduled for June 9th, July 14th, August 11th and September 8th at the Dodge Park Pavilion, where group painting sessions with instructors from Painting Sensations will take place, and this will coincide with the Dodge Park Farmer's Market and Music in the Park. He added there is more information available on the city's website.

Mr. Vanderpool reported on the ongoing road projects, noting there was some discussion at the last meeting as to the resurfacing project along 14 Mile Road, between Mound and Ryan. He informed that the City of Warren will be participating in the cost share so this project will move forward, with the

resurfacing of that portion of the roadway anticipated to take place this summer.

Mr. Vanderpool stated they are working with the County to secure additional funding to include resurfacing along Schoenherr from 15 Mile to 14 Mile and to accelerate the resurfacing of Schoenherr from Metro Parkway to 15 Mile, as well as Metro Parkway from Van Dyke to Schoenherr. He added they are also working with the County to accelerate the improvement of Mound Road between 14 and 15 Mile Roads, possibly next year.

Ms. Denice Gerstenberg, City Development Director, discussed some initiatives they have underway to focus on retail projects. She highlighted recent retail developments in the city, either completed or in the planning stages, some of which include: NKD Pizza (“Naked Pizza”) and six other tenant spaces at 16 Mile and Dequindre; a 7,500-square-foot retail development with four tenant spaces just east of NKD Pizza; a 7,800-square-foot retail center at 15 Mile and Van Dyke; three new retail buildings located on Hall Road on the site of the former Flower Barn; the Van Dyke Retail Center, comprised of two new retail buildings with five tenant spaces, previously home to Wiegand’s Concrete Crushing facility; and a new 12,000-square-foot plaza just east of Henry Ford. She mentioned Stober Plaza, which has recently been approved for a drive-thru addition for a new tenant, Quiznos, and she added that Hobby Lobby has done so well in Sterling Heights that they recently completed a new addition to their building. She reviewed other additions and renovations to existing retail developments, along with the reoccupation of some previously empty sites,

including some new retailers at Lakeside Mall. She informed that a Kroger Fuel Station is now open on the east side of Schoenherr, and a new Holiday Inn Hotel at 15 Mile and Van Dyke, and a new Shell Service Station proposed for the southeast corner of 16 Mile and Dequindre. She also noted some of the different types of retail projects, including a new Michigan Government and Schools Credit Union, Galaxy Granite, which sells tile and granite, and Chaldean Community Senior Housing on Merrill Road, south of 19-1/2 Mile Road, which will have 96 units.

Mr. Luke Bonner, Bonner Advising Group, stated they are seeing a lot of activity due to the good employment rates, good construction and a lot of jobs created in the community. He informed that retailers are making their decisions mainly by data. The City's strategy going forward is to look at not only data, but other possibilities and forms of data to help strengthen their position of what the community can support. He reviewed demographics, which supplies information such as population, average income, education, etc., but he introduced the concept of psychographics, which goes above and beyond the information of demographics and can include such characteristics as personality, trends, values, interests, and lifestyles. It develops a different profile to identify a potential customer base, and provides the City with information to draw retailers that are not already in the area and to make the best case possible for them to locate what might be their first facility in Michigan or in southeast Michigan. He cited the example of Whole Foods, which is a very sought-after business for communities,

and he summarized that they have to look at psychographics. This level of analysis could lead to a completely different profile to identify potential consumers than census information alone, and one of the leading companies that analyzes this type of information is Buxton Company, out of Texas. He added that they work on the retailer's side, and they find this type of information by using big data. They have very costly private subscriptions and can break that down into meaningful data, such as credit cards, reward cards, subscriptions, mail orders, warranties, vehicle information, traffic counts, etc. to find the profile of a consumer. Mr. Bonner explained the product the City has been interested in is "Community ID", which is taking all of that information and giving the community their own fingerprint. Buxton has a tool called "SCOUT" where they can obtain their city profile and be matched up with retailers who are looking for the same companion. Mr. Bonner stressed that as they move forward with their retail strategy, it is important to understand what Sterling Heights is in terms of what retailers are looking for.

Mr. Vanderpool commented that, while this sounds complicated, it is not, and it may be something they can address in the budget process.

Ms. Gerstenberg provided a presentation on *Pride and Shine Month*, outlining all of the activities being coordinated in the City during the month of May, which include the kick-off of a new tradition naming the month of May as *Sterling Pride Month*, focusing on beautifying and preserving the City's existing green space, cleaning up residential neighborhoods and encouraging the planting of trees on

public and private property. DPW activities include a *Recycling Day*, *Shred Day* and *Shining Saturdays*, where any items to be disposed can be dropped off without restrictions each Saturday in May. More information on these activities can be found on their website (www.sterling-heights.net/sterlingpride). Beautification Commission will be hosting an *Adopt-A-Road Clean-Up* on Monday, May 2nd on Dodge Park Road from Utica to 17 Mile, as well as in and around Dodge Park and the City campus. Ms. Gerstenberg announced that *Spring Pride and Shine Day* will be held on May 7th at 9:30 am and volunteers meeting at First Church of Sterling Heights, 39400 Dequindre, will be assigned to help clean up residential properties in need of assistance. The *Sign Removal Blitz* kick-off will start on May 7th by the Code Enforcement officers to remove signs in the right-of-way, and volunteers willing to join that effort can call Community Relations at (586)-446-2470. The annual *Plant Exchange* will be hosted on May 14th from 10 am to noon at the Nature Center, and this allows gardeners to bring plants from their gardens they wish to share in exchange with others. They can package their plants and those wishing to exchange should also include the name of the plant and care instructions. *Sterling Pride Day* will be held on May 17th at 6:30 pm on the City campus, where the Sterling Heights City Council will host a tree-planting ceremony, and this will be an annual event. She announced that throughout the month of May, the City will be reducing the cost of street trees by \$50, and anyone interested can contact DPW at (586) 446-2440. The trees purchased in May will be planted after the first frost of the season, likely in the

end of October or early November. She reported that throughout the month of May, Community Relations will be holding a photo contest to encourage residents to share photos of their efforts to take pride in Sterling Heights. These photos can be emailed to photos@sterling-heights.net or through social media #sterlingpride, and the top three winners will receive gift cards to a local nursery. More information can be obtained by calling (586) 446-2971.

Mr. Vanderpool reported that residents will be receiving a mailer later this week regarding the refuse collection. The City is switching providers from Waste Management to Rizzo Environmental Services, effective May 2nd, although he assured all services and pick-up dates will remain the same, including the drop-off centers which will remain open. He added that residents will have the ability to purchase a cart but that is strictly optional, and this will all be outlined in the letter from Rizzo.

PRESENTATION

Mayor Pro-Tem Romano presented the *Nice Neighbor Award* to Betty and Fred Naz in recognition of their efforts to assist their community in contributions in making the quality of life in Sterling Heights second to none. Betty and Fred Naz were nominated by the Krmel Family for the *Nice Neighbor Award*. Mayor Pro-Tem Romano stated that they have been the neighbors of the Krmels for over 40 years, always helping them with vehicle and home repairs, shoveling snow, maintaining the lawn and just being good friends. Janice Krmel said that even

though she and her siblings are grown with families of their own, Betty and Fred continue to be there for their mother, Caroline.

Mr. Fred Naz thanked his neighbors for this award, adding it has been a pleasure having them as neighbors.

PUBLIC HEARING

1. Mayor Taylor introduced Mr. Luke Bonner, of Bonner Advisory Group, to review this proposal.

Mr. Bonner reviewed the seven objectives of this amended plan. He informed that the new project within the LDFA, known as Sterling Enterprise Park, will generate a significant amount of new TIF revenue and school revenue. He explained that the second plan mistakenly used an incorrect base taxable value for the Chrysler Paint Facility, so the third plan corrects the base value. He informed that the City of Sterling Heights and the Sterling Heights LDFA would like to pursue a 15-year extension to its tax increment finance capture period for SmartZone-related activities. The primary condition for this extension is for Sterling Heights to collaborate with another community outside of Macomb County which also has the desire to create a SmartZone of their own. This community would be considered a Satellite Zone and he outlined how that would work. The partner community they have been talking to is Genoa Township in Livingston County.

Mayor Taylor opened the public hearing and invited comments from the audience on the application by the Office of City Management to consider the Third

Amended and Restated Local Development Finance Authority (LDFA) Development Plan and Tax Increment Finance Plan in accordance with Public Act 281 of 1986, as amended.

There was no audience participation.

Mayor Taylor closed the public hearing.

Main Motion: Moved by Romano, seconded by Skrzyniarz, **RESOLVED**, to adopt the Resolution approving the Third Amended and Restated Development Plan and Tax Increment Finance Plan in accordance with Public Act 281 of 1986, as amended.

Mayor Pro-Tem Romano requested that Mr. Bonner provide a simple summary in layman's terms as to the contents of this Third Amended Plan.

Mr. Bonner explained they are amending the current LDFA plan, including Sterling Enterprise Park, which is a new development project that will create new revenue dollars. They will be able to capitalize on that new revenue to make improvements throughout the entire LDFA District. He noted that the Council adopted a plan a number of years ago for BAE Systems. That project has been built, completed, and they are employing people. They opted not to take any money from the City for what this plan was going to do for them. There is now revenue coming from that project that they can spend on water, sanitary sewers, roads, landscaping, signage, traffic signals which would all enhance that area. They would like to eliminate the cap that was placed as part of the Chrysler project, and that will allow them to capture more money in the future and reinvest

it back into infrastructure in the LDFA District. He pointed out that the area is “built out” so Sterling Enterprise Park is giving them a good opportunity to reinvest back into this asset, making it an industrial quarter that is a one-of-a-kind destination in the Midwest so they continue to be attractive to companies who will want to move in.

Councilman Skrzyniarz inquired as to the high-gigabyte fiber improvement, and whether there is a time line for the completion of its installation.

Ms. Gerstenberg replied that they are in the process of working with Hubbell Roth and Clark to put together a plan for that industrial corridor, and that involves hiring a consultant to further research the area for the best location to bring high-speed internet and broadband in to attract high-tech companies into the corridor. She replied that it could take six to nine months before they decide the best location, and she replied to further inquiry that it could possibly be done within the next couple of years.

Councilman Skrzyniarz commended the City and thanked them for having the vision to separate them from their competition. He commented that the addition of high-fiber lines would provide a tremendous advantage for the area, both locally and nationally.

Councilwoman Koski stated there has been a lot of information provided, and although she talked with Mr. Bonner earlier today, she felt Council would benefit from knowing exactly how this is going to work. She stated she would like to postpone this item until the next Regular meeting.

Mayor Taylor stated he would be willing to entertain a motion to postpone to May 4th.

Subsidiary Motion: Moved by Koski, supported by Romano, to postpone further consideration of this item to the Regular City Council Meeting scheduled for Wednesday, May 4th, 2016.

Yes: All. The motion carried.

CONSENT AGENDA

2. Moved by Koski, seconded by Romano, **RESOLVED**, to approve the Consent Agenda:

- A. To approve the minutes of the Regular Meeting of April 5, 2016, as presented.
- B. To approve payment of the bills as presented: General Fund - \$911,621.46, Water & Sewer Fund - \$1,575,941.54, Other Funds - \$1,107,262.26, Total Checks - \$3,594,825.26.
- C. **RESOLVED**, to extend the terms and conditions of a proposal by Landscape Services, Inc., 22932 Rasch, Clinton Township, MI 48035, for noxious weed / grass cutting for a one-year period based on the following unit pricing for 2016:

Improved and Select Unimproved Lot – Flat Fee	\$53.13/each
Medium / Unimproved Large Lot – Hourly Rate	\$93.71/hour
Add the per Unapproved Lot Fee	\$ 9.37/each
Miscellaneous Mowing	\$71.66/each

- D. **RESOLVED**, to waive the competitive bidding requirements in accordance with City Code §2-217(A)(9)(b) and purchase banquet services from Penna's of Sterling, Inc., 38400 Van Dyke, Sterling Heights, MI 48312 for the 2016 *Volunteer Appreciation Banquet* at the per plate fee of \$26.00, inclusive of hall rental and gratuities.
- E. **RESOLVED**, to award the bid for elevator maintenance services to Great Lakes Elevator, LLC, 530 E. Grand River, Williamston, Michigan 48895, for a two-year period, with an option for the City Manager to extend for a third year, at unit prices bid.
- F. **RESOLVED**, to award the bid for the mosquito control program to APM Mosquito Control, 21240 34 Mile Road, Armada, Michigan 48005, for a three-year period based on unit prices bid as follows:
- | | |
|--------------|--|
| Bid Item "A" | Adult mosquito control and monitoring |
| | \$215/week |
| Bid Item "B" | Application of Altoid Briquettes |
| | \$825/application |
| Bid Item "C" | Granular larvicide application (150 acres) |
| | \$45/acre |
- G. **RESOLVED**, to award the bid for emergency lighting and equipment for city vehicles to Cruisers, Inc., 988 Rickett Road, Brighton, Michigan 48116, for the term ending February 28, 2017, based on the unit prices bid.

H. **RESOLVED**, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding the emergency repair of the public sanitary sewer line situated at the intersection of Arcola Drive and Dill Drive in Section 22, south of 17 Mile Road and east of Van Dyke, by V.I.L. Construction, Inc., 6670 Sims, Sterling Heights, Michigan 48313, at a total cost of \$28,750.

I. **RESOLVED**, to:

a) Split the award of the bid for miscellaneous fitness equipment between the following vendors at the respective unit prices bid:

To: American Home Fitness, 44937 Schoenherr Road, Sterling Heights, Michigan 48313 for Exercise Circuit Timers;

To: BSN Sports, P.O.Box 7726, Dallas, Texas 75209, for conditioning rope and 80, 85, 90, 95 and 100 lb. dumbbells;

To: The Fitness Armory, 5160 Mercury Pointe, Suite A, San Diego, California 92111, for TRX Suspension Trainers, 44, 53 and 62 lb. kettlebells, yoga mats, and Ab wheels;

To: G & G Fitness Equipment, 7350 Transit Road, Williamsville, New York 14221, for 10, 15, 20 and 25 lb. Slam Balls, Strength Band Packages, foam rollers, hanging Ab straps, and jump ropes;

To: Henry Schein, P.O.Box 3227, Irmo, California 49063, for weight scales.

- b) Reject the bids received for FitBit Blaze Fitness Watches and Sandbag Trainer Combo Package and authorize the Purchasing Manager to seek alternate purchasing options for these items.
- J. **RESOLVED**, to award the bid for water service parts to HD Supply Waterworks, Limited Partnership, d/b/a HD Supply Waterworks, 4901 Dewitt Road, Canton, Michigan 48188 for a one-year period at unit prices bid.
- K. **RESOLVED**, to approve the Consent Special Assessment Agreements for the 2014 Sidewalk Replacement Program, City Project #12-236, Special Assessment District SW-16-01, and authorize the Mayor and City Clerk to sign the Agreements on behalf of the City.
- L. **RESOLVED**, to adopt the resolution designating May 1st through May 7th, 2016 as *Public Service Recognition Week* in the City of Sterling Heights.
- M. **RESOLVED**, to adopt the resolution designating the month of May, 2016 as *Pride & Shine* Month in the City of Sterling Heights.
- N. **RESOLVED**, to approve the reduction in the retainage for the 2015 Local Road Concrete Reconstruction Program, City Project #15-266, to \$20,000.00.

Yes: All. The motion carried.

CONSIDERATION

3. A presentation was made by Mr. Mark Vanderpool, City Manager, to confirm the appointment of John Berg as Chief of Police of the City of Sterling Heights. He outlined the process that took place in filling the vacancy in the office of Police Chief with the retirement of Michael Reese in December, 2015. He noted that

they received applications from both internal and external candidates, and three internal candidates and one external candidate participated in the day-long assessment center conducted by EMPCO, a Troy-based company that specializes in independent testing services for public safety in municipal government agencies. Captain Dale Dwojakowski, Captain John Berg and Captain Dave Smith were the top three candidates. Mr. Vanderpool reported that the top three candidates were subject to a written exercise and an oral interview by a panel comprised of the City Manager, Assistant City Manager/Human Resources Director, and City Attorney, and based on the results of the arduous evaluative process, he emphasized the Sterling Heights Police Department is under the command of three outstanding internal candidates. He selected Interim Chief John Berg for appointment to the position of Police Chief effective April 20th, 2016. Mr. Vanderpool reported that Captain Berg has had a 27-year career with the Sterling Heights Police Department, and he outlined some of his academic and professional achievements, commenting that he performed admirably during the five months he has served as the interim Police Chief.

Captain Dwojakowski agreed that it has been an arduous process and the testing was grueling; however, he wanted to be the first to congratulate and welcome John Berg to his new role as Police Chief. He commented that he is not retiring and looks forward to many years of working together with soon-to-be Chief Berg.

Mr. Charles Jefferson stated he has known John Berg for a long time, and he was confident that he is a good choice. He congratulated him on this appointment.

Moved by Ziarko, seconded by Schmidt, **RESOLVED**, to confirm the City Manager's appointment of John Berg as Police Chief effective April 20, 2016 in accordance with the Charter of the City of Sterling Heights.

Councilwoman Ziarko commented that she had the pleasure of knowing John Berg and watching him, not since the time he joined the force, but she explained he came to her attention in 2004 when he was the City and Police Department liaison with the Sawyers family as they were going through their tragic loss. She felt they are making a good choice, and she expressed confidence that he will do a good job. She added that, in doing his job and doing it well over the years, he has prepared himself for this opportunity. She noted that his loyalty, dedication and leadership to the City, its residents and the Police Department are truly appreciated, and she added that if there is anything that the Council can do to make his life easier, they are here to support him.

Councilwoman Schmidt conveyed complete confidence in Mr. Vanderpool's selection. She pointed out that at the time of Officer Sawyer's shooting, John Berg stepped up to the plate and helped the Sawyer family while going through what she cannot imagine, all the while serving with pride. She hoped the entire Police Department, as well as the other City Departments, will rally around him,

and they will continue to have the best police department in the State of Michigan.

Councilman Skrzyaniarz congratulated soon-to-be Chief Berg, adding he is looking forward to his leadership in the community where he went to school, and continues to live and work here.

Mayor Pro-Tem Romano compared John Berg as someone who “is quiet but gets the job done”, reminding him of President Roosevelt, in the way of “walking softly but carrying a big stick”.

Councilman Shannon offered his congratulations to John Berg on his appointment as Police Chief.

Councilwoman Koski pointed out this City is fortunate to have three such well-qualified candidates, and she wished John Berg well in his role as Police Chief.

Mayor Taylor also acknowledged he is happy to have three wonderful candidates, all of whom are currently serving on the Sterling Heights Police Force. He felt John Berg has shown a lot of leadership over these last few months, and stated he is honored and proud to be voting for John Berg’s ascension to the position of Police Chief. He commended him for handling the process gracefully, and felt it is a testament to his strong leadership skills. He also commended Capt. Dwojakowski for the class he showed this evening. Mayor Taylor expressed confidence that the Police Department will rally around him and the City is in very good hands under John Berg’s leadership.

Yes: All. The motion carried.

Police Chief Berg stated he is honored and humbled to be here tonight, acknowledging that Sterling Heights Police Department is one of the most respected departments in the country, and to be chosen to lead in this capacity is a supreme honor. He thanked Mayor Taylor and all of the members of City Council for giving him this opportunity, and he thanked Mr. Vanderpool for his recommendation. He thanked all of the City directors and their staff who supported him through this process, and he also expressed his gratitude to all of the men and women with whom he has served over the last 27 years. He extended his gratitude to the residents and business owners who provided their support over the last several months. He concluded by thanking his family for their strong support at home, and stated that he is looking forward to starting tomorrow, with many challenges they face as they rebuild the department through the succession process.

COMMUNICATIONS FROM CITIZENS

Ms. Linda Godfrey – Addressed comments made at a previous meeting, cost of proposed community center.

Mr. Joel Thomas – Memorial Parade and road funding civil asset forfeiture.

Mr. Charles Jefferson – Expressed concern that some of the new retail development may not make it, resulting in empty buildings and/or lease spaces. He urged development of gender-free restrooms at the new Community Center.

Ms. Jazmine Early – Congratulated Police Chief Berg on his new appointment. She was pleased to see more business coming into Sterling Heights.

Mr. Ben McKerricher – Logs hanging from utility wires behind his home, unsafe situation.

Mayor Taylor appreciated Mr. McKerricher bringing this item to the Council's attention, and assured they will look into it first thing tomorrow morning. He urged Mr. McKerricher to contact him directly if something like this happens again, rather than having to wait until a City Council meeting to address it.

City Attorney Jeff Bahorski inquired as to whether the City can access Mr. McKerricher's property to get to that line.

Mr. McKerricher replied affirmatively, and he provided his contact information to Mr. Carufel.

Resident – Progress of Srodek's Market at 17-1/2 Mile and Mound.

Mayor Taylor advised that he can ask the City Manager to provide an update as to their progress.

REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool responded to questions from residents. He reported that the Memorial Day Parade is still scheduled this year, but will go from Dodge Park down Utica through the turn-around, south on Dodge Park Road to 17 Mile, then west on 17 Mile and end at Davis Jr. High, so it is slightly shorter this year but is the best they can do with the construction. He advised it starts at 9 am on May 30th.

He addressed the citizen's comment about the logs hanging from the wires, and assured they will get to that tomorrow.

He advised that Srodek's Market is opening in phases, and they hope to open their first phase this year. The remaining couple of phases are anticipated to be completed the following year.

Mr. Bahorski reported that there are no items for closed session.

Councilman Skrzyniarz addressed the earlier presentation on the retail and the research tool used to help to track retail, and he voiced his support of that. He also commented that he and his wife ate at one of the new businesses, Ishtar Restaurant, located at 15 Mile and Ryan, and it was fantastic. He added that there is a new bakery adjacent to the restaurant that has delicious Middle-Eastern desserts.

Councilwoman Ziarko discovered, following last week's budget meeting, that the City does not have any encrypted software for the departments of Finance, Police and Human Resources. She originally thought it might be cost-prohibitive but, depending upon how many licenses are needed, it would be about \$10,000 to \$12,000. She felt this is important. She inquired as to whether the Council would consider adjusting the current budget or bring it up next week when they discuss some of the other finances.

UNFINISHED BUSINESS

There was no Unfinished Business discussed.

NEW BUSINESS

There was no New Business.

ADJOURN

Moved by Ziarko, seconded by Romano, to adjourn the meeting.

Yes: All. The motion carried.

The meeting was adjourned at 9:02 pm.

MARK CARUFEL, City Clerk

EXPENDITURES FOR THE MEETING OF
May 3, 2016

	TOTAL PREPAYMENT LISTING	INTERFUND TRANSFERS	PROPERTY TAXES TO OTHER ENTITIES	EXPENSES & EXPENDITURES
GENERAL FUND	\$412,871.12			\$412,871.12
WATER & SEWER FUND	\$49,961.26			\$49,961.26
OTHER FUNDS	\$760,663.56		\$10.03	\$760,653.53
TOTAL CHECKS	\$1,223,495.94	\$0.00	\$10.03	\$1,223,485.91

BILL LISTING DETAIL IS AVAILABLE AT THE STERLING HEIGHTS PUBLIC LIBRARY

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To award a bid for automobile and light truck body repairs for a two-year period (Estimated annual expenditure of \$17,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)



Attachments

 City Clerk	—	Resolution	—	Minutes
 Finance & Budget Director	—	Ordinance	—	Plan/Map
 City Attorney (as to legal form)	—	Contract	—	Other
 City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

The Department of Public Works (DPW) utilizes the services of an outside vendor to complete bodywork, refinishing, frame alignment and glass replacement on an as-needed basis for the fleet of City-owned automobiles and light trucks. These services are rendered at the vendor's facility at unit pricing bid.

On March 29, 2016, bids were received for body repair for automobile and light truck body repairs. Staff from the Department of Public Works and Office of Purchasing reviewed all bids received.

Recommendation is being made to award the bid to Troy Motors, Inc., d/b/a Elder Ford, as the lowest overall bidder meeting the City's bid specifications. Elder Ford has completed comparable warranty and recall repairs for the City over the past ten years to the satisfaction of the DPW.

Please refer to the attached memorandums for further information.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to award the bid for automobile and light truck body repairs to Troy Motors, Inc., d/b/a Elder Ford, 777 John R Road, Troy, MI 48083, for a two-year period based on unit prices bid.

CITY OF STERLING HEIGHTS
STAFF REPORT
May 4, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

On March 29, 2016, bids were received for automobile and light truck body repairs. An Invitation to Bid was advertised on SHTV, posted to the MITN website, Facebook and Twitter and published in the Sentry Newspaper. Seven (7) vendors responded as shown on the attached bid tabulation. It is anticipated that the City will expend approximately \$17,000 annually on these services. Funds are allocated in 11744553 (DPW Fleet Maintenance) 759000 (Parts and Sublet Services).

STAFF ANALYSIS AND FINDINGS:

The seven bids received were independently evaluated based on six collision repairs previously completed. The hourly rates, marks-ups and discounts from each of the seven bids were input into a spreadsheet containing actual repair/refinishing/mechanical/painting hours as well as OEM and used parts needed. The six vehicle repairs used to evaluate the unit pricing included the following:

- 2013 Dodge Charger,
- 2004 Ford E250 Van,
- 2014 Chevy Caprice,
- 2011 GMC Sierra 4x4,
- 2015 Ford F250 4x4, and
- 2010 Ford Crown Vic.

The scope of work featured:

- Multiple manufacturers (i.e. Fiat Chrysler, Ford and General Motors),
- Various vehicle models (i.e. car, van, 4x4),
- Vehicles from multiple user departments (i.e. police and DPW), and
- All types of work (i.e. body repair, refinishing, painting, and glasswork).

The evaluation of bids and analysis leading to a recommendation by staff takes into consideration the actual type of work completed on each vehicle using actual hours and parts. The greatest impact on the total collision repair cost is the discount on new OEM parts and mark-up on used parts. The attached summary illustrates the lowest overall bid.

The costs associated with insurance claims to repair collision damage to City owned vehicles will

be handled by this vendor and be processed directly through the Michigan Municipal Risk Management Authority (MMRMA) for payment.

Staff from the Department of Public Works and Office of Purchasing is recommending a bid award to Troy Motors, Inc., d/b/a Elder Ford, the overall low bidder meeting the City's bid specifications. Elder Ford has been a reliable vendor for the DPW over the past ten years with products and services meeting or exceeding staff expectations.

STAFF RECOMMENDATION:

Please see Suggested Action on the accompanying Agenda Statement.

Notification list:

Elder Ford

777 John R Road

Troy, MI 48083

Jacqueline Watros, Collision Center Director

jwatros@elderford.com

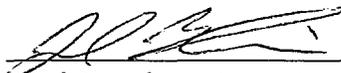


CITY OF
Sterling Heights
DPW

Interoffice Memorandum

Date: April 8, 2016

To: Jim Buhlinger, Purchasing Manager

From: 
Jared Beaudoin, Operations Manager

Subject: Recommendation for Automobile and Light Truck Body Repairs

The Department of Public Works has reviewed the bids received on March 29, 2016 for automobile and light truck body repairs. DPW staff evaluated each bid based on six previously completed collision repairs. After contacting their references and inspecting their facility, the DPW staff recommends the bid be awarded to the following repair shop that is the lowest vendor which met all specifications and requirements:

Elder Ford
777 John R Road
Troy, MI 48083
Attn: Jacqueline Watros

Elder Ford has been a reliable vendor for over ten years with the City. Their products and services meet or exceed staff expectations. They have completed hundreds of warranty and recall repairs to the satisfaction of DPW staff. Their high quality work and fast turn-around time have proven their commitment in providing a successful contract.

This is a two (2) year contract, beginning from the date awarded. The estimated annual expenditure for this work is approximately \$17,000 with funds budgeted in the Fleet Maintenance, Parts and Sublet Services account #11744553-759000.

C: Michael Moore, Public Works Director
Don Barron, Fleet Maintenance Supervisor

	Total cost of Repairs	Cost above Lowest Bid
Auto Body Service Centers	\$38,995.84	\$2,772.11
Elder Ford	\$36,223.73	(\$0.00)
Keena's	\$41,520.33	\$5,296.59
Lakeside Collision	\$39,785.33	\$3,561.59
Showcase Collision	\$37,617.01	\$1,393.28
Superior Automotive Group	\$41,172.43	\$4,948.70
Van-8 Collision	\$37,714.54	\$1,490.81

Repair #1: 2013 Dodge Charger

	Rates	Hours	Cost	Total
Auto Body Service Centers				
Body Repair Labor	\$35.00	15.2		\$532.00
Refinishing Labor	\$35.00	8.1		\$283.50
Mechanical Labor	\$40.00	6.9		\$276.00
Used Parts	125%		\$604.00	\$755.00
OEM Parts	95%		\$476.70	\$452.87
Paint and Material	\$20.00	8.1		\$162.00
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge (Flat)	\$110.00		\$0	\$0.00
Total Repair Cost				\$2,461.37
Elder Ford				
Body Repair Labor	\$38.00	15.2		\$577.60
Refinishing Labor	\$38.00	8.1		\$307.80
Mechanical Labor	\$55.00	6.9		\$379.50
Used Parts	110%		\$604.00	\$664.40
OEM Parts	67%		\$476.70	\$319.39
Paint and Material	\$24.00	8.1		\$194.40
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (Flat)	\$100.00		\$0	\$0.00
Total Repair Cost				\$2,443.09
Keena's				
Body Repair Labor	\$40.00	15.2		\$608.00
Refinishing Labor	\$40.00	8.1		\$324.00
Mechanical Labor	\$55.00	6.9		\$379.50
Used Parts	125%		\$604.00	\$755.00
OEM Parts	90%		\$476.70	\$429.03
Paint and Material	\$24.00	8.1		\$194.40
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (/hr)	\$50.00		\$0	\$0.00
Total Repair Cost				\$2,689.93
Lakeside Collision				
Body Repair Labor	\$36.00	15.2		\$547.20
Refinishing Labor	\$36.00	8.1		\$291.60
Mechanical Labor	\$50.00	6.9		\$345.00
Used Parts	125%		\$604.00	\$755.00
OEM Parts	90%		\$476.70	\$429.03
Paint and Material	\$25.00	8.1		\$202.50
Discount on Glass	75%		\$0	\$0.00
Glass Installation Charge (/hr)	\$35.00		\$0	\$0.00
Total Repair Cost				\$2,570.33
Showcase Collision				
Body Repair Labor	\$35.00	15.2		\$532.00
Refinishing Labor	\$35.00	8.1		\$283.50
Mechanical Labor	\$45.00	6.9		\$310.50
Used Parts	120%		\$604.00	\$724.80
OEM Parts	85%		\$476.70	\$405.20
Paint and Material	\$22.00	8.1		\$178.20
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$2,434.20
Superior Automotive Group				
Body Repair Labor	\$40.00	15.2		\$608.00
Refinishing Labor	\$40.00	8.1		\$324.00
Mechanical Labor	\$50.00	6.9		\$345.00
Used Parts	125%		\$604.00	\$755.00
OEM Parts	90%		\$476.70	\$429.03
Paint and Material	\$25.00	8.1		\$202.50
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge	\$100.00		\$0	\$0.00
Total Repair Cost				\$2,663.53
Van-8 Collision				
Body Repair Labor	\$34.00	15.2		\$516.80
Refinishing Labor	\$34.00	8.1		\$275.40
Mechanical Labor	\$40.00	6.9		\$276.00
Used Parts	125%		\$604.00	\$755.00
OEM Parts	89%		\$476.70	\$424.26
Paint and Material	\$22.00	8.1		\$178.20
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$2,425.66

Repair #2: 2004 Ford E250 Van

	Rates	Hours	Cost	Total
Auto Body Service Centers				
Body Repair Labor	\$35.00	15		\$525.00
Refinishing Labor	\$35.00	6.4		\$224.00
Mechanical Labor	\$40.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	95%		\$440.48	\$418.46
Paint and Material	\$20.00	6.4		\$128.00
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge (Flat)	\$110.00		\$0	\$0.00
Total Repair Cost				\$1,295.46
Elder Ford				
Body Repair Labor	\$38.00	15		\$570.00
Refinishing Labor	\$38.00	6.4		\$243.20
Mechanical Labor	\$55.00	0		\$0.00
Used Parts	110%		\$0.00	\$0.00
OEM Parts	67%		\$440.48	\$295.12
Paint and Material	\$24.00	6.4		\$153.60
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (Flat)	\$100.00		\$0	\$0.00
Total Repair Cost				\$1,261.92
Keena's				
Body Repair Labor	\$40.00	15		\$600.00
Refinishing Labor	\$40.00	6.4		\$256.00
Mechanical Labor	\$55.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$440.48	\$396.43
Paint and Material	\$24.00	6.4		\$153.60
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (/hr)	\$50.00		\$0	\$0.00
Total Repair Cost				\$1,406.03
Lakeside Collision				
Body Repair Labor	\$36.00	15		\$540.00
Refinishing Labor	\$36.00	6.4		\$230.40
Mechanical Labor	\$50.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$440.48	\$396.43
Paint and Material	\$25.00	6.4		\$160.00
Discount on Glass	75%		\$0	\$0.00
Glass Installation Charge (/hr)	\$35.00		\$0	\$0.00
Total Repair Cost				\$1,326.83
Showcase Collision				
Body Repair Labor	\$35.00	15		\$525.00
Refinishing Labor	\$35.00	6.4		\$224.00
Mechanical Labor	\$45.00	0		\$0.00
Used Parts	120%		\$0.00	\$0.00
OEM Parts	85%		\$440.48	\$374.41
Paint and Material	\$22.00	6.4		\$140.80
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$1,264.21
Superior Automotive Group				
Body Repair Labor	\$40.00	15		\$600.00
Refinishing Labor	\$40.00	6.4		\$256.00
Mechanical Labor	\$50.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$440.48	\$396.43
Paint and Material	\$25.00	6.4		\$160.00
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge	\$100.00		\$0	\$0.00
Total Repair Cost				\$1,412.43
Van-8 Collision				
Body Repair Labor	\$34.00	15		\$510.00
Refinishing Labor	\$34.00	6.4		\$217.60
Mechanical Labor	\$40.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	89%		\$440.48	\$392.03
Paint and Material	\$22.00	6.4		\$140.80
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$1,260.43

Repair #3: 2014 Chevy Caprice

	Rates	Hours	Cost	Total
Auto Body Service Centers				
Body Repair Labor	\$35.00	20.4		\$714.00
Refinishing Labor	\$35.00	8.6		\$301.00
Mechanical Labor	\$40.00	0.5		\$20.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	95%		\$1,695.04	\$1,610.29
Paint and Material	\$20.00	8.6		\$172.00
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge (Flat)	\$110.00		\$0	\$0.00
Total Repair Cost				\$2,817.29
Elder Ford				
Body Repair Labor	\$38.00	20.4		\$775.20
Refinishing Labor	\$38.00	8.6		\$326.80
Mechanical Labor	\$55.00	0.5		\$27.50
Used Parts	110%		\$0.00	\$0.00
OEM Parts	67%		\$1,695.04	\$1,135.68
Paint and Material	\$24.00	8.6		\$206.40
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (Flat)	\$100.00		\$0	\$0.00
Total Repair Cost				\$2,471.58
Keena's				
Body Repair Labor	\$40.00	20.4		\$816.00
Refinishing Labor	\$40.00	8.6		\$344.00
Mechanical Labor	\$55.00	0.5		\$27.50
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$1,695.04	\$1,525.54
Paint and Material	\$24.00	8.6		\$206.40
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (/hr)	\$50.00		\$0	\$0.00
Total Repair Cost				\$2,919.44
Lakeside Collision				
Body Repair Labor	\$36.00	20.4		\$734.40
Refinishing Labor	\$36.00	8.6		\$309.60
Mechanical Labor	\$50.00	0.5		\$25.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$1,695.04	\$1,525.54
Paint and Material	\$25.00	8.6		\$215.00
Discount on Glass	75%		\$0	\$0.00
Glass Installation Charge (/hr)	\$35.00		\$0	\$0.00
Total Repair Cost				\$2,809.54
Showcase Collision				
Body Repair Labor	\$35.00	20.4		\$714.00
Refinishing Labor	\$35.00	8.6		\$301.00
Mechanical Labor	\$45.00	0.5		\$22.50
Used Parts	120%		\$0.00	\$0.00
OEM Parts	85%		\$1,695.04	\$1,440.78
Paint and Material	\$22.00	8.6		\$189.20
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$2,667.48
Superior Automotive Group				
Body Repair Labor	\$40.00	20.4		\$816.00
Refinishing Labor	\$40.00	8.6		\$344.00
Mechanical Labor	\$50.00	0.5		\$25.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$1,695.04	\$1,525.54
Paint and Material	\$25.00	8.6		\$215.00
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge	\$100.00		\$0	\$0.00
Total Repair Cost				\$2,925.54
Van-8 Collision				
Body Repair Labor	\$34.00	20.4		\$693.60
Refinishing Labor	\$34.00	8.6		\$292.40
Mechanical Labor	\$40.00	0.5		\$20.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	89%		\$1,695.04	\$1,508.59
Paint and Material	\$22.00	8.6		\$189.20
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$2,703.79

Repair #4: 2011 GMC Sierra 4x4

	Rates	Hours	Cost	Total
Auto Body Service Centers				
Body Repair Labor	\$35.00	60.5		\$2,117.50
Refinishing Labor	\$35.00	19.1		\$668.50
Mechanical Labor	\$40.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	95%		\$2,807.75	\$2,667.36
Paint and Material	\$20.00	19.1		\$382.00
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge (Flat)	\$110.00		\$0	\$0.00
Total Repair Cost				\$5,835.36
Elder Ford				
Body Repair Labor	\$38.00	60.5		\$2,299.00
Refinishing Labor	\$38.00	19.1		\$725.80
Mechanical Labor	\$55.00	0		\$0.00
Used Parts	110%		\$0.00	\$0.00
OEM Parts	67%		\$2,807.75	\$1,881.19
Paint and Material	\$24.00	19.1		\$458.40
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (Flat)	\$100.00		\$0	\$0.00
Total Repair Cost				\$5,364.39
Keena's				
Body Repair Labor	\$40.00	60.5		\$2,420.00
Refinishing Labor	\$40.00	19.1		\$764.00
Mechanical Labor	\$55.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$2,807.75	\$2,526.98
Paint and Material	\$24.00	19.1		\$458.40
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (/hr)	\$50.00		\$0	\$0.00
Total Repair Cost				\$6,169.38
Lakeside Collision				
Body Repair Labor	\$36.00	60.5		\$2,178.00
Refinishing Labor	\$36.00	19.1		\$687.60
Mechanical Labor	\$50.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$2,807.75	\$2,526.98
Paint and Material	\$25.00	19.1		\$477.50
Discount on Glass	75%		\$0	\$0.00
Glass Installation Charge (/hr)	\$35.00		\$0	\$0.00
Total Repair Cost				\$5,870.08
Showcase Collision				
Body Repair Labor	\$35.00	60.5		\$2,117.50
Refinishing Labor	\$35.00	19.1		\$668.50
Mechanical Labor	\$45.00	0		\$0.00
Used Parts	120%		\$0.00	\$0.00
OEM Parts	85%		\$2,807.75	\$2,386.59
Paint and Material	\$22.00	19.1		\$420.20
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$5,592.79
Superior Automotive Group				
Body Repair Labor	\$40.00	60.5		\$2,420.00
Refinishing Labor	\$40.00	19.1		\$764.00
Mechanical Labor	\$50.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$2,807.75	\$2,526.98
Paint and Material	\$25.00	19.1		\$477.50
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge	\$100.00		\$0	\$0.00
Total Repair Cost				\$6,188.48
Van-8 Collision				
Body Repair Labor	\$34.00	60.5		\$2,057.00
Refinishing Labor	\$34.00	19.1		\$649.40
Mechanical Labor	\$40.00	0		\$0.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	89%		\$2,807.75	\$2,498.90
Paint and Material	\$22.00	19.1		\$420.20
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$5,625.50

Repair #5: 2015 Ford F250 4x4				
	Rates	Hours	Cost	Total
Auto Body Service Centers				
Body Repair Labor	\$35.00	91.4		\$3,199.00
Refinishing Labor	\$35.00	23.3		\$815.50
Mechanical Labor	\$40.00	29.4		\$1,176.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	95%		\$8,493.22	\$8,068.56
Paint and Material	\$20.00	23.3		\$466.00
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge (Flat)	\$110.00		\$0	\$0.00
Total Repair Cost				\$13,725.06
Elder Ford				
Body Repair Labor	\$38.00	91.4		\$3,473.20
Refinishing Labor	\$38.00	23.3		\$885.40
Mechanical Labor	\$55.00	29.4		\$1,617.00
Used Parts	110%		\$0.00	\$0.00
OEM Parts	67%		\$8,493.22	\$5,690.46
Paint and Material	\$24.00	23.3		\$559.20
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (Flat)	\$100.00		\$0	\$0.00
Total Repair Cost				\$12,225.26
Keena's				
Body Repair Labor	\$40.00	91.4		\$3,656.00
Refinishing Labor	\$40.00	23.3		\$932.00
Mechanical Labor	\$55.00	29.4		\$1,617.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$8,493.22	\$7,643.90
Paint and Material	\$24.00	23.3		\$559.20
Discount on Glass	60%		\$0	\$0.00
Glass Installation Charge (/hr)	\$50.00		\$0	\$0.00
Total Repair Cost				\$14,408.10
Lakeside Collision				
Body Repair Labor	\$36.00	91.4		\$3,290.40
Refinishing Labor	\$36.00	23.3		\$838.80
Mechanical Labor	\$50.00	29.4		\$1,470.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$8,493.22	\$7,643.90
Paint and Material	\$25.00	23.3		\$582.50
Discount on Glass	75%		\$0	\$0.00
Glass Installation Charge (/hr)	\$35.00		\$0	\$0.00
Total Repair Cost				\$13,825.60
Showcase Collision				
Body Repair Labor	\$35.00	91.4		\$3,199.00
Refinishing Labor	\$35.00	23.3		\$815.50
Mechanical Labor	\$45.00	29.4		\$1,323.00
Used Parts	120%		\$0.00	\$0.00
OEM Parts	85%		\$8,493.22	\$7,219.24
Paint and Material	\$22.00	23.3		\$512.60
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$13,069.34
Superior Automotive Group				
Body Repair Labor	\$40.00	91.4		\$3,656.00
Refinishing Labor	\$40.00	23.3		\$932.00
Mechanical Labor	\$50.00	29.4		\$1,470.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	90%		\$8,493.22	\$7,643.90
Paint and Material	\$25.00	23.3		\$582.50
Discount on Glass	70%		\$0	\$0.00
Glass Installation Charge	\$100.00		\$0	\$0.00
Total Repair Cost				\$14,284.40
Van-8 Collision				
Body Repair Labor	\$34.00	91.4		\$3,107.60
Refinishing Labor	\$34.00	23.3		\$792.20
Mechanical Labor	\$40.00	29.4		\$1,176.00
Used Parts	125%		\$0.00	\$0.00
OEM Parts	89%		\$8,493.22	\$7,558.97
Paint and Material	\$22.00	23.3		\$512.60
Discount on Glass	55%		\$0	\$0.00
Glass Installation Charge	\$35.00		\$0	\$0.00
Total Repair Cost				\$13,147.37

Repair #6: 2010 Ford Crown Vic				
	Rates	Hours	Cost	Total
Auto Body Service Centers				
Body Repair Labor	\$35.00	53.8		\$1,883.00
Refinishing Labor	\$35.00	24.1		\$843.50
Mechanical Labor	\$40.00	51.7		\$2,068.00
Used Parts	125%		\$3,100.00	\$3,875.00
OEM Parts	95%		\$3,605.06	\$3,424.81
Paint and Material	\$20.00	24.1		\$482.00
Discount on Glass	70%		\$250	\$175.00
Glass Installation Charge (Flat)	\$110.00			\$110.00
Total Repair Cost				\$12,861.31
Elder Ford				
Body Repair Labor	\$38.00	53.8		\$2,044.40
Refinishing Labor	\$38.00	24.1		\$915.80
Mechanical Labor	\$55.00	51.7		\$2,843.50
Used Parts	110%		\$3,100.00	\$3,410.00
OEM Parts	67%		\$3,605.06	\$2,415.39
Paint and Material	\$24.00	24.1		\$578.40
Discount on Glass	60%		\$250	\$150.00
Glass Installation Charge (Flat)	\$100.00			\$100.00
Total Repair Cost				\$12,457.49
Keena's				
Body Repair Labor	\$40.00	53.8		\$2,152.00
Refinishing Labor	\$40.00	24.1		\$964.00
Mechanical Labor	\$55.00	51.7		\$2,843.50
Used Parts	125%		\$3,100.00	\$3,875.00
OEM Parts	90%		\$3,605.06	\$3,244.55
Paint and Material	\$24.00	24.1		\$578.40
Discount on Glass	60%		\$250	\$150.00
Glass Installation Charge (/hr)	\$50.00	2.4		\$120.00
Total Repair Cost				\$13,927.45
Lakeside Collision				
Body Repair Labor	\$36.00	53.8		\$1,936.80
Refinishing Labor	\$36.00	24.1		\$867.60
Mechanical Labor	\$50.00	51.7		\$2,585.00
Used Parts	125%		\$3,100.00	\$3,875.00
OEM Parts	90%		\$3,605.06	\$3,244.55
Paint and Material	\$25.00	24.1		\$602.50
Discount on Glass	75%		\$250	\$187.50
Glass Installation Charge (/hr)	\$35.00	2.4		\$84.00
Total Repair Cost				\$13,382.95
Showcase Collision				
Body Repair Labor	\$35.00	53.8		\$1,883.00
Refinishing Labor	\$35.00	24.1		\$843.50
Mechanical Labor	\$45.00	51.7		\$2,326.50
Used Parts	120%		\$3,100.00	\$3,720.00
OEM Parts	85%		\$3,605.06	\$3,064.30
Paint and Material	\$22.00	24.1		\$530.20
Discount on Glass	55%		\$250	\$137.50
Glass Installation Charge	\$35.00	2.4		\$84.00
Total Repair Cost				\$12,589.00
Superior Automotive Group				
Body Repair Labor	\$40.00	53.8		\$2,152.00
Refinishing Labor	\$40.00	24.1		\$964.00
Mechanical Labor	\$50.00	51.7		\$2,585.00
Used Parts	125%		\$3,100.00	\$3,875.00
OEM Parts	90%		\$3,605.06	\$3,244.55
Paint and Material	\$25.00	24.1		\$602.50
Discount on Glass	70%		\$250	\$175.00
Glass Installation Charge	\$100.00			\$100.00
Total Repair Cost				\$13,698.05
Van-8 Collision				
Body Repair Labor	\$34.00	53.8		\$1,829.20
Refinishing Labor	\$34.00	24.1		\$819.40
Mechanical Labor	\$40.00	51.7		\$2,068.00
Used Parts	125%		\$3,100.00	\$3,875.00
OEM Parts	89%		\$3,605.06	\$3,208.50
Paint and Material	\$22.00	24.1		\$530.20
Discount on Glass	55%		\$250	\$137.50
Glass Installation Charge	\$35.00	2.4		\$84.00
Total Repair Cost				\$12,551.80

**CITY OF STERLING HEIGHTS
 BID TABULATION - MARCH 29, 2016
 ITB-SH16-020: AUTOMOBILE AND LIGHT TRUCK BODY REPAIRS**

	<u>Auto Body Service Centers</u>	<u>Elder Ford</u>	<u>Keena's</u>	<u>Lakeside Collision</u>	<u>Showcase Collision</u>	<u>Superior Automotive Group</u>	<u>Van-8 Collision</u>
Hourly Rate:							
Body Repairs	\$35.00/hour	\$38.00/hour	\$40.00/hour	\$36.00/hour	\$35.00/hour	\$40.00/hour	\$34.00/hour
Refinishing	35.00/hour	38.00/hour	40.00/hour	36.00/hour	35.00/hour	40.00/hour	34.00/hour
Frame/unibody realignment	40.00/hour	55.00/hour	55.00/hour	50.00/hour	45.00/hour	50.00/hour	40.00/hour
Mark up on used parts:	25%	10%	25%	25%	20%	25%	25%
Discount on new OEM parts:	5%	33%	10% domestic, 5% foreign	10%	15%	10%	11%
Paint and material charge:	\$20.00/hour	\$24.00/hour	\$24.00/hour	\$25.00/hour	\$22.00/hour	\$25.00/hour	\$22.00/hour
Discount on glass:	30%	40%	40%	25%	45%	30%	45%
Glass installation charge:	\$110.00	\$100.00	\$50.00	\$35.00	\$35.00	\$100.00	\$35.00
Specifications Met:	39/40	40/40	38/40	40/40	40/40	40/40	40/40



CITY OF Sterling Heights

InnovatingLiving

Richard J. Notte Sterling Heights City Center
City Hall
40555 Utica Road | P.O. Box 8009
Sterling Heights, MI | 48311-8009

City Council	
<i>Mayor</i>	Michael C. Taylor
<i>Mayor Pro Tem</i>	Joseph V. Romano
<i>Councilwoman</i>	Deanna Koski
<i>Councilwoman</i>	Maria G. Schmidt
<i>Councilman</i>	Nate Shannon
<i>Councilman</i>	Doug Skrzyniarz
<i>Councilwoman</i>	Barbara A. Ziarko
City Manager	Mark D. Vanderpool

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INVITATION TO BID

ITB-SH16-020

The City of Sterling Heights, Michigan is accepting sealed bids for **AUTOMOBILE AND LIGHT TRUCK BODY REPAIRS** until **TUESDAY, MARCH 29, 2016 AT 2:30 P.M.** in the Office of the City Clerk, 40555 Utica Road, Sterling Heights, Michigan 48313. Specifications are attached.



James Buhlinger
Purchasing Manager

Office of Purchasing
586-446-2740

VI. SPECIFICATIONS

The City of Sterling Heights is accepting sealed bids for automobile and light truck body repair for a two (2) year period.

Bids not conforming to these specifications will be rejected. It will be the responsibility of the bidder to conform to these requirements unless deviations have been cited in the bid and our acceptance made on that basis.

COMPANY NAME _____

Identify whether you meet or take exception to each specification.

Meets Specifications?	Yes	No	Explain Deviations
Must have capability to perform repairs on most makes and models of vehicles.			
Have and maintain all applicable local, state and federal licenses, permits and certifications including:			
• Sales tax number (indicate number)			
• Federal tax ID number (indicate number)			
• State vehicle repair facility license (indicate number)			
• Collision related mechanical State Certification and/or trainee permits (submit copies with bid)			
• State Certification of unitized body structural repair (submit copies with bid)			
Vendor must not have violations of any regulation of the Bureau of Automotive Regulation, specifically related to the repair of motor vehicles, within the most recent three (3) year period.			
Must have been an established collision repair business for a minimum of five (5) years at the same location.			
Must provide valid certificates of insurance for all insurance as outlined within this bid package including garage-keepers liability, fire and workers compensation. Specified coverage must be maintained by successful vendor throughout the entire length of the contract.			
Must have adequate equipment and materials available for all types of vehicles repaired, including by not limited to:			

Meets Specifications?	Yes	No	Explain Deviations
<ul style="list-style-type: none"> • A set of current, printed or electronic, collision repair guides 			
<ul style="list-style-type: none"> • A source for dimensions that cover the frame, upper body dimensions and wheel alignment specifications 			
<ul style="list-style-type: none"> • A camera and film capable of providing a photographic record of vehicle damages (photos must be submitted with invoice) 			
<p>Must have adequate equipment available on site, including but not limited to:</p>			
<ul style="list-style-type: none"> • Equipment necessary to raise, lift or jackstand vehicles for inspections 			
<ul style="list-style-type: none"> • Universal measuring equipment or devices suitable for measuring symmetrical, asymmetrical and upper body dimensions including at least the following measuring devices: 			
<ul style="list-style-type: none"> • Tram 			
<ul style="list-style-type: none"> • Steel tape 			
<ul style="list-style-type: none"> • Self-centering gauges and/or tower gauges 			
<ul style="list-style-type: none"> • Metal inert gas welder (MIG) 			
<ul style="list-style-type: none"> • Plastic welder 			
<ul style="list-style-type: none"> • Equipment necessary to repair and/or replace sheet moulded compound (SMC) 			
<ul style="list-style-type: none"> • Refinishing system, including a spray booth that meets all local, state and federal requirements (including OSHA and EPA) 			
<ul style="list-style-type: none"> • Paint mixing system which includes color tinting capabilities 			
<ul style="list-style-type: none"> • Air conditioning freon recovery system 			
<p>Have electrical or hydraulic equipment to make multiple bodies and structural pulls for straightening on site.</p>			
<p>Must be able to perform both two (2) and four (4) wheel alignments on site.</p>			

Meets Specifications?	Yes	No	Explain Deviations
At least 50% of management and/or estimating staff and repair technicians must have completed ICAR training programs which included:			
<ul style="list-style-type: none"> • Collision repair (8 Part) -Mgmt/Estimates/Body Techs 			
<ul style="list-style-type: none"> • Plastics (3 Part) -Mgmt/Estimates/Body Techs 			
<ul style="list-style-type: none"> • AVS air bags/ABS (2 Part) -Mgmt/Estimates/Body Techs 			
<ul style="list-style-type: none"> • Refinishing (3 Part) -Mgmt/Estimates/Body Techs 			
Utilize quality replacement non-OEM (minimum C.A.P.A. standards) and used rebuilt or reconditioned parts, according to generally accepted industry standards when applicable.			
Bill for accident related repairs only as performed.			
Maintain an average of minimum standard of estimate accuracy within five (5%) percent of actual cost.			
Perform all repairs according to the itemized repair estimate or as subsequently approved by an authorized representative of the City of Sterling Heights.			
Provide priority service to the City of Sterling Heights.			
Provide a written warranty on workmanship, including refinishing, for a period of not less than one (1) year from date of completion of repairs.			
Provide pick up and delivery service, upon request of the City; which may include towing service.			
Vendor must agree to notify the City of Sterling Heights of any deviation to original estimate prior to actual repair including the technique to be utilized and any additional costs.			
Vendor may be required to come to City garage to provide estimate if so requested.			
The quality of all repairs must be equal to restoration of the damaged vehicle to its preloss condition relative to safety, function and appearance.			

Meets Specifications?	Yes	No	Explain Deviations
An authorized City representative will inspect City vehicles on the vendor's premises, during normal business hours, to confirm that repairs are completed according to the estimate.			
All requests for service of the contract must be responded to within 24 hours of request.			

This form **must** be completed and returned with your bid.

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To purchase fitness watches for the Sterling Heights Fire Department (Total expenditure of \$17,050.25 – 90% grant-funded by the Assistance to Firefighters' Grant).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)



Attachments

	City Clerk	—	Resolution	—	Minutes
	Finance & Budget Director	—	Ordinance	—	Plan/Map
	City Attorney (as to legal form)	—	Contract	—	Other
	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Introduction – At the April 19, 2016 regular meeting, the City Council rejected bids received by the Office of Purchasing for Blaze Fitness Watches that were included in the invitation to bid for miscellaneous fitness equipment to be installed at the five Sterling Heights Fire Stations. The two bids received for the FitBit Blaze Fitness Watches were determined to be higher than the cost to the City if these items are purchased directly from the manufacturer. In the interim, the Office of Purchasing has confirmed that a direct purchase of the FitBit Blaze Fitness Watches from FitBit is the lowest cost option.

Background - Physical fitness plays an important role in the ability of a Sterling Heights firefighter / paramedic to carry out his/her job duties. To assist the firefighters in maintaining an optimal level of fitness, the City has recently undertaken a number of fitness initiatives, including:

- o Approved the grant-funded purchase of commercial grade treadmills and elliptical machines for installation at Fire Station work-out rooms.
- o Approved grant-funded medical and physical evaluations for all firefighters.
- o Approved training for six firefighters who will serve as peer fitness counselors for the purpose of facilitating an IAFF/IAFC Peer Fitness Program to be implemented department-wide.
- o Approved grant-funded purchase of miscellaneous fitness equipment for all five fire stations.

The Fire Department is requesting approval to purchase fitness watches for fire personnel to round-out the overall fitness program. The device will track and record physical activity, monitor progress on a number of key fitness metrics and heighten awareness toward continued participation in their fitness program.

Recommendation – The Fire Department and Office of Purchasing is recommending the purchase of 100 fitness watches directly from the manufacturer, FitBit, at a cumulative cost of \$17,050.25. The cumulative cost reflects a quantity discount and a nominal shipping fee. It should be noted that direct purchasing yields a lower cumulative cost than would be realized from purchasing at unit pricing and shipping cost available to the City through the prior ITB.

Funding from the Assistance to Firefighters' Grant (AFG) is available to purchase fitness watches. The AFG covers 90% of the \$17,050.25 purchase price for this fitness equipment. The 10% City-share is included in the fiscal year 2015/16 budget.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to waive the competitive bidding requirements in accordance with City Code §2-217(A)(9)(b) and purchase one hundred (100) Blaze Fitness Watches from FitBit, One Marina Park Drive, Suite 701, Boston, MA 02210, at a total cost of \$17,050.25.

CITY OF STERLING HEIGHTS

STAFF REPORT

May 4, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

The Sterling Heights Fire Department is requesting approval for the purchase of one hundred (100) FitBit Blaze Fitness Watches for use by the Sterling Heights fire fighters. Funds for this purchase are appropriated in the 2015/16 budget in 43733339 (Capital Projects Fund – Fire Extinguishment) 982001 (Machinery & Equipment – Grant).

STAFF ANALYSIS AND FINDINGS:

In February, 2016, the Office of Purchasing included the purchase of FitBit Blaze Fitness Watches in the invitation to bid issued to vendors. Analysis of the unit pricing bid and shipping costs associated with the two bids received revealed that the City would be paying more money for the fitness watches than if the items were purchased directly from the manufacturer. Accordingly, the City Council rejected the bids and authorized the Purchasing Manager to pursue other options for purchasing these items.

Based upon a volume discount available by purchasing 100 units directly from the manufacturer and a nominal shipping fee, the City will realize nearly a \$600 savings.

City Code §2-217(A) provides in relevant part as follows:

Competitive bids shall not be required with respect to the following purchases unless otherwise required by law:

(9) Purchases where a 5/7 majority of the City Council has determined that one or more of the following situation exists and that competitive bids should be waived and is in the best interests of the City, applying the standards of section 2-216(B) (1 – 8):

(b) Past experience indicates that, for the subject of the acquisition or sale, cost variances are negligible, and, therefore, the bid procedure is not economically merited.

Having already demonstrated that competitive bidding fails to yield the lowest cost for the fitness watches, recommendation is being made to purchase the items directly from the manufacturer, FitBit.

Please see the attached departmental memorandum and supporting documentation for additional information in support of this sole source purchase.

STAFF RECOMMENDATION:

Please see the Suggested Action on the Agenda Statement.

O:\Sole Source\Fire\fitbit Blaze Fitness Watch\2016\Agenda.docx

Notification list:

Fitbit (www.fitbit.com)

One Marina Park Drive

Suite 701

Boston, MA 02210

Timothy M. Schmidt, Sales Executive, Fitbit Wellness

tschmidt@fitbit.com



Interoffice Memorandum

Date: April 18, 2016

To: Jim Buhlinger, Purchasing Manager

From: Robert Duke
Robert Duke, EFO
Assistant Fire Chief

Subject: Recommendation for Fitness Watch ITB-SH16-017

After reviewing the bid tabulation for ITB-SH16-017: Miscellaneous Fitness Equipment, the fire department has rejected the bid for the Fitbit Blaze Fitness Watch as the only two bidders on this item are either charging more for this item than the manufacturer or are charging freight.

The fire department is recommending the award for this fitness watch be given to Fitbit.com for the purchase of 100 fitness watches at a Unit Price of \$199.95; including free shipping and a 15% discount for the purchase of this quantity of watches. The total price for these fitness watches is **\$16,995.75**.

Watch band sizes needed are: Small – 1, Large – 85, and Extra Large – 14.

Funding for this fitness equipment has been obtained through the 2013 Assistance to Firefighter's Grant (AFG) and is a continuation of city GID number is 201415-001. Funding has been budgeted in the FY14/15 fire department grant budget account number 43501040-529000.

The fire department is always is looking for ways to motivate firefighters to stay in shape - after all, heart attacks are the No. 1 cause of death in the profession. The department launched this latest initiative: Fitbit activity trackers. Since procuring FEMA/AFG funding to subsidize the devices, all sworn firefighters will wear them day and night to track their steps, heart rate and sleep quality. This fitness creativity is different and based on techno-gadgetry, which makes this initiative more fun and the department can get close to 100 percent buy-in.

Firefighters aren't alone in using fitness devices. A 2014 report from the PwC Health Research Institute indicated about 21 percent of Americans own a wearable fitness device. People that may not be accountable or may not have been as mindful – whether it's about their steps or what they're eating or calories, or that they've been sitting at their desk for the last three hours – are now just a little more mindful and accountable to those thing, now with the implementation and use of the fitness watch.

Jim Buhlinger

From: Keri Marshall
Sent: Friday, April 15, 2016 2:39 PM
To: Jim Buhlinger
Subject: Fitbit

Jim,

See below for the Fitbit information.

Keri Marshall | Purchasing Specialist
City of Sterling Heights
40555 Utica Road | Sterling Heights, MI 48313 T (586) 446-2742 | F (586) 276-4062 www.sterling-heights.net

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-----Original Message-----

From: Tim Schmidt
Sent: Tuesday, April 12, 2016 12:20 PM
To: Keri Marshall
Subject: Re: Fitbit Inquiry

Hi Keri- we charge a very small charge for fed ex- 100 trackers would be \$54.50.

We only accept a prepayment- cc, check or wire transfer.

We offer 15% discounts at 100 trackers purchased, so most companies looking to get 80-85 trackers will order a few extra for future employees to be able to get the discount level. Once the level is obtained, you lock in that rate for future orders of 10 or more.

Thanks

Timothy M Schmidt
Sales Executive- Fitbit Wellness

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To approve an Agreement for Banking Services between the City of Sterling Heights and Comerica Bank (Annual estimated expenditure of \$56,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)



Attachments

	City Clerk	—	Resolution	—	Minutes
	Finance & Budget Director	—	Ordinance	—	Plan/Map
	City Attorney (as to legal form)	—	Contract	—	Other
	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- Pursuant to the terms and conditions of an Agreement for Banking Services expiring June 30, 2016, the City of Sterling Heights utilizes the services of Comerica Bank; a state chartered banking institution, for a variety of cash receipt, cash disbursement, and cash management services essential to the efficient functioning of the City's financial transactions. These services include the receipt and deposit of tax and utility collections, electronic funds transfer, disbursements to other local public entities, payment of expenses, lock-box services, purchasing cards, handling of savings and trust accounts, on-line banking services, and the safekeeping of City's investments from outside brokers. Annually, over \$400 million of cash flow is handled by Comerica Bank on behalf of the City. Comerica Bank has provided these essential banking services to the City for the past thirty years.
- Comerica Bank has submitted an Agreement for Banking Services for the three (3) year period July 1, 2016 through June 30, 2019. The new Agreement reflects heavily discounted fees providing an additional annual savings of approximately 4%, or \$2,240, over the expiring agreement, based on current banking activity. The total savings are estimated at \$6,720 over the three-year extension term. As a long-term client, Comerica Bank has agreed to review the City's pricing on a yearly basis to insure the City is continuing to receive the lowest fees for the services provided. Comerica has also agreed to two (2) one (1) year optional extensions upon mutual consent and under the same terms and conditions.
- To evaluate the proposed Agreement, staff from the Office of Treasury contacted several communities to obtain comparable pricing for banking services. This review has shown that the City's **expiring** agreement with Comerica Bank offers the **lowest** overall pricing for primary bank services, and the discounts to be realized during the three-year extension will lower pricing for banking services even

further.

- The protection of the City's financial assets is of utmost importance. Staff from the Office of Treasury is very familiar and confident in Comerica Bank's long-term financial stability and quality of banking services. Comerica maintains a tradition of corporate governance and business ethics. For all the foregoing reasons, recommendation is being made to approve the addendum extending the term of the banking services agreement between the City and Comerica Bank for a period of three years with discounted fees.
- Based upon the discounted fees being secured under the new Agreement and the significant costs associated with transitioning to a new vendor, recommendation is being made to exempt this purchase for competitive bidding in accordance with City Code §2-217(A)(9)(b).

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to waive the competitive bidding requirements in accordance with City Code §2-217(A)(9)(b) and approve an Agreement for Banking Services between the City of Sterling Heights and Comerica Bank, MC 3354, P.O. Box 75000, Detroit, MI 48275, for the period July 1, 2016 through June 30, 2019, with an option to extend the agreement two (2) additional one (1) year terms upon mutual consent and under the same terms and conditions, and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

CITY OF STERLING HEIGHTS

STAFF REPORT

May 4, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

The existing banking services agreement between the City of Sterling Heights and Comerica Bank terminates on June 30, 2016. In anticipation of this termination date, the City and Comerica Bank negotiated services at a discounted fee that will further reduce the cost of banking services rendered. The City will receive a discount on fees of 64%, an increase from 60% under the expiring agreement. The City will realize saving of or \$2,240 per year. The proposed term of the new banking services agreement is three years.

STAFF ANALYSIS AND FINDINGS:

The banking services provided by Comerica Bank, coordinated through the Office of Treasury, encompass a wide variety of financial tools used on a daily basis by the City. These essential banking services include:

- Savings and checking accounts,
- Investment safekeeping and pricing,
- Wire and ACH transfers,
- Positive pay,
- Payroll and Accounts Payable check clearing,
- Investment brokerage,
- Purchasing card processing,
- Lockbox processing for:
 - Water bills (115,000 annually), and
 - Property tax bills (28,000 annually),
- Direct debit water bill payments processing (10,000 annually).

These banking services increase the overall efficiency of the Treasury operation by automating banking aspects of daily operations and minimizing Treasury personnel involvement in handling of payments allowing City employees to focus on other treasury matters (i.e. customer service).

Comerica Bank has successfully served as the City's primary financial institution for more than 30 years. The bank has partnered with the City along the way introducing new services to enhance Treasury operations. Since the last banking services agreement was approved by City Council, the following services have been added:

- Acceptance of on-line property tax payments,
- Processing on-line water bill payment exceptions (eliminates manual processing 150/month)
- Storage of lock box images on-line, thereby eliminating physical storage on-site for:
 - Water bills
 - Property tax bills

- Access to checking and trust accounts statements on-line,
- Implementation of night deposit service, and
- Dual-control of deposit processing.

Comerica Bank remains highly rated by multiple credit rating agencies, including Bauer Financial, Standard & Poor's, Moody's Investor Services, Fitch Ratings and DBRS. Additionally, Comerica has separate support teams to manage the responsibilities of the municipal relationship, provide technical support for existing electronic services as well as address customer/bank initiated innovations/new products.

Staff from the Office of Treasury contacted several communities (see accompanying schedule) to determine if the recent fee proposal provided by Comerica Bank remained competitive in the current market. The survey indicated that the discounted fees currently received are indeed competitive and the proposed 64% discount on fees during the new three-year term will be the lowest fees paid by any of the municipalities surveyed.

If the City were to transition banking services to a new financial institution, it is estimated that it would cost the City approximately \$20,000 in staff time and out-of-pocket expenditures for new hardware, software, and programming. Based upon the discounted fees being secured under the new Agreement and the significant costs associated with transitioning to a new vendor, recommendation is being made to exempt this purchase for competitive bidding in accordance with City Code §2-217(A)(9)(b).

STAFF RECOMMENDATION:

See Suggested Action on the accompanying Agenda Statement.

Notification List:

Comerica Bank

411 West Lafayette

Detroit, MI 48226

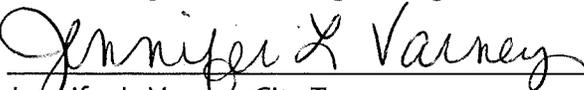
Audrey D. Ward, Vice President, Municipalities Group

adward@comerica.com



Date: April 11, 2016

To: Jim Buhlinger, Purchasing Manager

From: 
Jennifer L. Varney, City Treasurer

Subject: Banking Services Contract

The long-term relationship between the Treasury Office and the City's primary bank, Comerica, has been integral to the continued successful operation of the department over the past five years.

Comerica has continued to provide excellent service for existing products which include:

- Savings and Checking Accounts
- Investment safekeeping and pricing
- Wire and ACH transfers
- Positive pay and check clearing for accounts payable and payroll
- Investment brokerage
- Purchasing card processing
- Lockbox processing of approximately 28,000 property tax payments and 115,000 water bill payments annually
- Processing of approximately 10,000 auto debit water bill payments annually

Comerica also has acted as an innovative partner with the City continually offering new services that enhance departmental operations. Over the past five years the following services have been added:

- Acceptance of on-line property tax payments through the City website
- On-line exception processing of Water Bill payments – eliminating manual processing of approximately 150 payments per month
- On-line lockbox image storage – images of lockbox payments for water and tax are stored online for seven years – eliminating the need for physical storage at the City
- On-line access for all checking and trust account statements
- Implementation of night deposit service and dual control of deposit processing

In the last five-year contract extension Comerica increased our discount from 45% to 60% and now has agreed to increase that discount to 64% for the next five years (three-year contract extension, with two one year renewals).

Given our long successful relationship with Comerica, their continued offering of great service at an exceptional value, as well as the costly and labor intensive process of changing to a new banking services provider, I strongly recommend renewing our contract with Comerica.

City of Sterling Heights
Banking Fee Comparison Survey

<u>Municipality</u>	<u>Primary Bank</u>	<u>Lockbox Bank</u>	<u>Primary Bank Net Fees</u>	<u>Lockbox Bank Net Fees</u>	<u>Total Annual Fees</u>	<u># Households</u>
Macomb Township (1)	Comerica	N/A	\$52,500	\$0	\$52,500	25,000
Ann Arbor	Chase	Chase	\$60,000	\$60,000	\$120,000	46,000
Clinton Township (2)	Chase	Comerica	\$27,640	\$82,775	\$110,415	34,000
Troy	Comerica	Comerica	\$70,000	\$70,000	\$140,000	34,000
Sterling Heights	Comerica	Comerica	\$26,000	\$30,000	\$56,000	47,500

Notes:

- (1) Macomb Township does not use lockbox services - all payments processed in house.
- (2) Clinton Township issues monthly water bills.

CITY OF STERLING HEIGHTS

Statement Period	January	2016	
Net Ledger Balance			\$6,101,584.34
Less: Average Float			\$437,820.55
Net Collected Balance			\$5,663,763.79
Less Reserve Requirement:			\$566,376.38
Investable Balance			\$5,097,387.41
Earnings Credit:	0.25%		\$1,061.96
Less: Total Analyzed Charges			\$12,862.35
Analyzed Charge			\$11,800.39
Discount of	64%		\$7,552.25
Amount Due			\$4,248.14

Service Description	Tier/Threshold Information	Volume	Unit Price	Service Charges	Required Balance
ACCOUNT SERVICES					
CHECKING					
CREDIT		89	\$1.2500	\$111.25	\$583,763.44
DEBIT		723	\$0.2600	\$187.98	\$986,389.68
ACCOUNT BALANCE FEE		5888507	\$0.000125	\$736.06	\$3,862,354.05
ACCOUNT MAINTENANCE		3	\$25.0000	\$75.00	\$393,548.39
CASH PROCESSING - BRANCH		43799	\$0.0150	\$656.99	\$3,447,405.16
DEPOSIT ERROR CORRECTION - CASH		1	\$6.6000	\$6.60	\$34,632.26
TELEPHONE TRANSFERS		6	\$5.0000	\$30.00	\$157,419.35
ELECTRONIC CREDIT		272	\$1.2500	\$340.00	\$1,784,086.02
ELECTRONIC DEBIT		73	\$0.2600	\$18.98	\$99,593.98
ITEMS DEPOSITED		4641	\$0.1700	\$788.97	\$4,139,971.61
			Subtotal:	\$2,951.83	
COLLECTION SERVICES					
CORRESPONDENT BANKING SERVICES					
TRUST CUSTODY-US GOVT ASSETS		16	\$0.8500	\$13.60	\$71,363.44
TRUST CUSTODY-OTHER DOM ASSETS		1	\$2.7500	\$2.75	\$14,430.11
			Subtotal:	\$16.35	
ELECTRONIC BILL PAYMENT (EBP)					
EASY PAY - WEB BILL PAYMENT		973	\$0.5000	\$486.50	\$2,552,817.20
EASY PAY MONTHLY MAINTENANCE		1	\$100.0000	\$100.00	\$524,731.18
			Subtotal:	\$586.50	
ELECTRONIC DATA INTERCHANGE (EDI)					
EDI INFO RPTG RECEIVER MONTHLY FEE		1	\$30.0000	\$30.00	\$157,419.35
			Subtotal:	\$30.00	
LOCKBOX PLUS COUPON					
RLBX MONTHLY MAINTENANCE		2	\$250.0000	\$500.00	\$2,623,655.91
RLBX DATA TRANSMISSION		2	\$175.0000	\$350.00	\$1,836,559.14
RLBX SINGLE PAYMENT/COUPON		7655	\$0.2900	\$2,219.95	\$11,648,769.89
RLBX MULTIPLE PAYMENTS/COUPONS	5001	1627	\$0.1200	\$195.24	\$1,024,485.16
RLBX CHECK ONLY PAYMENT		320	\$0.1200	\$38.40	\$201,496.77
RLBX UNPROCESSED ITEM		356	\$0.4700	\$167.32	\$877,980.22
RLBX CORRESPONDENCE HANDLING		30	\$0.3400	\$10.20	\$53,522.58
RLBX RECIEVED ACCOUNTABLE MAIL		4	\$0.5000	\$2.00	\$10,494.62
RLBX ACCOUNT LOOK-UP MAINTENANCE		1	\$55.0000	\$55.00	\$288,602.15
RLBX ACCOUNT PAPER LOOK-UP ITEM		320	\$0.4500	\$144.00	\$755,612.90
RLBX CHECK AND LIST ITEM		169	\$0.6500	\$109.85	\$576,417.20
RLBX MARK SENSE DETECT ITEM		5	\$0.1000	\$0.50	\$2,623.66
RLBX IMAGE COPIES IN PACKAGE		5	\$0.3000	\$1.50	\$7,870.97
RLBX MANUAL REVIEW		320	\$0.1000	\$32.00	\$167,913.98
RLBX SEVEN YEAR IMAGE STORAGE ITEM		11853	\$0.0130	\$154.09	\$808,553.03
RLBX ONLINE EXCEPTION MAINTENANCE		1	\$125.0000	\$125.00	\$655,913.98
RLBX ONLINE EXCEPTION ITEM		138	\$0.3500	\$48.30	\$253,445.16
RLBX PACKAGE PREPARATION		38	\$2.5000	\$95.00	\$498,494.62
RLBX PAPER REPORT MAINTENANCE		1	\$75.0000	\$75.00	\$393,548.39
RLBX ENVELOPES INCLUDED IN PACKAGE		320	\$0.1000	\$32.00	\$167,913.98

Service Description	Tier/Threshold Information	Volume	Unit Price	Service Charges	Required Balance
RLBX POSTAGE		4111	\$0.0120	\$49.33	\$258,860.39
RLBX BRANCH DELIVERY		19	\$9.0000	\$171.00	\$897,290.32
RLBX ELECTRONIC LOCKBOX MAINTENANCE		1	\$55.0000	\$55.00	\$288,602.15
RLBX ELECTRONIC LOCKBOX ITEM		1451	\$0.1400	\$203.14	\$1,065,938.92
LBX(PLUS)-ITEM DEPOSITED		7669	\$0.1300	\$996.97	\$5,231,412.47
			Subtotal:	\$5,830.79	

RETURNED ITEMS

RETURNED ITEMS REDEPOSIT CHARGE		14	\$6.0000	\$84.00	\$440,774.19
RETURNED ITEMS	500	5	\$12.0000	\$60.00	\$314,838.71
			Subtotal:	\$144.00	

DISBURSEMENT SERVICES

ACCOUNT RECONCILEMENT PLAN (ARP)

ARP DATA ENTRY VIA WEB		64	\$0.6500	\$41.60	\$218,288.17
ARP CHECKS - FULL		623	\$0.0800	\$49.84	\$261,526.02
ARP FILE OUTPUT-TRANSMISSION		2	\$25.0000	\$50.00	\$262,365.59
ARP MAINTENANCE-FULL IMG POS PAY		2	\$85.0000	\$170.00	\$892,043.01
			Subtotal:	\$311.44	

ACCOUNT RECONCILEMENT PLAN (ARP) / POSITIVE PAY

POSITIVE PAY FILE TRANSMISSION		4	\$25.0000	\$100.00	\$524,731.18
			Subtotal:	\$100.00	

AUTOMATED CLEARING HOUSE (ACH)

ACH ITEMS ORIGINATED	1001	3026	\$0.1100	\$332.86	\$1,746,620.22
ACH POSITIVE PAY ITEM		19	\$0.0600	\$1.14	\$5,981.94
ACH POSITIVE PAY MONTHLY MAINT		2	\$30.0000	\$60.00	\$314,838.71
ACH POSITIVE PAY RULES		2	\$10.0000	\$20.00	\$104,946.24
ACH FILE		25	\$15.0000	\$140.00	\$734,623.66
ACH RETURNED ITEM		23	\$5.0000	\$115.00	\$603,440.86
ACH MONTHLY MAINTENANCE		3	\$35.0000	\$105.00	\$550,967.74
ACH NOTIFICATION OF CHANGE		29	\$5.0000	\$145.00	\$760,860.22
ACH ORIGINATED-PER ADDENDA RECORD		15	\$0.0400	\$0.60	\$3,148.39
			Subtotal:	\$919.60	

WIRE TRANSFER

DOMESTIC INCOMING WIRE		3	\$12.0000	\$36.00	\$188,903.23
			Subtotal:	\$36.00	

IMAGE SERVICES

IMAGE SERVICES

IMAGE RETRIEVAL PAID ITEMS MAINT		2	\$15.0000	\$30.00	\$157,419.35
CD ROM ITEM FEE		701	\$0.0550	\$38.56	\$202,310.11
CD ROM MEDIA FEE & DUPLICATE COPIES		1	\$32.0000	\$32.00	\$167,913.98
			Subtotal:	\$100.56	

INFORMATION MANAGEMENT

TM CONNECT WEB

TMCW PRIOR DAY SERVICE		1	\$100.0000	\$100.00	\$524,731.18
TMCW PRIOR DAY ACCOUNT		2	\$22.0000	\$44.00	\$230,881.72
TMCW PRIOR DAY SUMMARY ITEM		440	\$0.0950	\$41.80	\$219,337.63
TMCW PRIOR DAY DETAIL ITEM		1150	\$0.0950	\$109.25	\$573,268.82
TMCW ACH SERVICE		1	\$40.0000	\$40.00	\$209,892.47
TMCW ACH ITEM		10	\$0.1600	\$1.60	\$8,395.70
TMCW OUTGOING DOMESTIC WIRE		3	\$11.0000	\$33.00	\$173,161.29
TMCW CHECK MANAGEMENT SERVICE		1	\$15.0000	\$15.00	\$78,709.68
TMCW SPECIAL REPORTS		1	\$15.0000	\$15.00	\$78,709.68
STATEMENTS		2	\$7.0000	\$14.00	\$73,462.37
TMCW WIRE/ACCOUNT TRANSFER SERVICE		2	\$25.0000	\$25.00	\$131,182.80
			Subtotal:	\$438.65	

MULTI-MARKET CODES

ACCOUNT BALANCE FEE		213077	\$0.0001	\$26.63	\$139,760.18
ACH FILE		4	\$15.0000	\$60.00	\$314,838.71
RLBX ONLINE IMAGE ACCESS		2	\$75.0000	\$150.00	\$787,096.77
HEALTH RESERVE ADMIN FEE		1	\$1,160.0000	\$1,160.00	\$6,086,881.72
			Subtotal:	\$1,396.63	

Total Analyzed Service Charges:

\$12,862.35

\$67,492,756.04

Average Positive Collected Balance Required per \$1.00 of Service Charge is:

\$5,247.31

Service Description	Tier/Threshold Information	Volume	Unit Price	Service Charges	Required Balance
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Note: This Proposal is valid for 90 days from:

4/1/2016

Comments:

This Fee Schedule applies to the services for which you and Comerica Bank have executed a Service Agreement or Service Schedule and the services are implemented on or before 06/30/2016. Otherwise, Comerica Bank reserves the right to provide you with a new Fee Schedule that will be applicable to your services. Additional fees may apply based on actual account activity and/or services/features added after executing the Service Agreement/Service Schedule. The Fee Schedule is subject to change after implementation upon providing you 30 days prior notice. Earnings credit and respective rates are governed by the Business and Personal Deposit Account Contract terms.

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To purchase an Employee Self-Service Module and GoDocs Forms Upgrade to facilitate online employee benefits enrollment and electronic delivery of forms (Total expense of \$19,100).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)



Attachments



City Clerk

— Resolution — Minutes



Finance & Budget Director

— Ordinance — Plan/Map



City Attorney (as to legal form)

— Contract — Other



City Manager

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- The City of Sterling Heights is required to facilitate open enrollment twice per year to accommodate medical coverages being selected by employees. The current open enrollment process is labor intensive requiring a significant amount of paperwork, as well as redundant data input into two unique systems: MUNIS Payroll and Blue Cross Benefits. MUNIS, owned by Tyler Technologies, Inc., is the current provider of the City's Enterprise Resource Planning (ERP) system. MUNIS offers the *Employee Self-Service* module to streamline the open enrollment process while ensuring complete compatibility and interface with the existing ERP system. The *GoDocs Form Upgrade* module further enhances efficiency by allowing the City to deliver certain forms, such as direct deposit pay stubs, W-2s, and purchase orders electronically (rather than through the mailing of hard copies).
- The Offices of Financial Services and Human Resources have researched the software modules available in the market and are recommending the purchase of Tyler Technologies' *Employee Self-Service* and *GoDocs Form Upgrade*. This proposed purchase and installation will increase efficiency, create an electronic repository for employee benefits information, allow for citywide acknowledgement of policy documents and provide for electronic delivery of documents to vendors and employees.
- The purchase and installation price of the *Employee Self-Service* and *GoDocs Form Upgrade* is \$19,100. The *Employee Self-Service* module will receive annual maintenance through an exiting agreement with Tyler Technologies.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to purchase the *Employee Self-Service Module* and *GoDocs Forms Upgrade* from Tyler Technologies, Inc., PO Box 203556, Dallas TX 75320-3556, in the amount of \$19,100.

CITY OF STERLING HEIGHTS
STAFF REPORT
 May 4, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

The Office of Financial Services is requesting approval for the purchase of the *Employee Self-Service Module* and the associated *Tyler GoDocs Forms Upgrade*, both for use in conjunction with the City's Enterprise Resource Planning (ERP) system. These purchases will allow for online enrollment of benefits as well as electronic delivery of documents to employees starting with the open enrollment period of November 2016.

Because the modules will facilitate open enrollment for medical insurance coverages, the cost to purchase will be charged to the Self-Insurance Fund with no impact on the General Fund. The expenses incurred for this purchase, totaling \$19,100, will be charged to 67982722 (Self-Insurance Fund – Administrative Services) 826000 (Other Contracted Services).

STAFF ANALYSIS AND FINDINGS:

The Offices of Financial Services and Human Resources are charged with coordination of medical benefits for full-time employees during the May and November open enrollment periods. The existing process is labor intensive and requires redundant data input into two independent data systems; the payroll system and the benefit providers' system. The implementation of online access for this process is a performance objective for Financial Services and Human Resources.

The City currently uses MUNIS as its ERP system. Therefore, for system compatibility reasons, the City solicited quotes from Tyler Technologies, owner of the MUNIS product, for their *Employee Self-Service Module* and *GoDocs* to facilitate online enrollment. The cost breakdown for each module is presented below:

	License	Implementation	Maintenance	1st Year Total	Recurring Fees
Employee Self-Service	0	8,100	4,250	12,350	4,250
GoDocs	3,750	3,000	0	6,750	0
Total	3,750	11,100	4,250	19,100	4,250

City Code §2-217(A) states "Competitive bids shall not be required with respect to the following purchases otherwise required by law: (6) Contractual services, supplies, materials, and equipment where the overriding consideration in purchasing is compatibility with existing contractual services, supplies, materials or equipment."

The need for these two much-needed modules to interface with the existing MUNIS ERP system is the overriding compatibility concern under City Code §2-217(A). However, to ensure competitive pricing was achieved, the City requested Cornerstone Municipal Advisory Group, LLC (Cornerstone), its benefits coordinator, to survey vendors and provide quotes for similar services. Cornerstone responded with a quote from their preferred vendor, *BenXpress*, at a cost of \$3.50/pepm (per employee per month) with a non-recurring implementation fee of \$2,750. This quote results in a cost of \$21,524 in the first year with recurring fees of \$18,774 in subsequent years. This is \$2,424 higher than the recommended option in the first year (detailed above), and \$14,524 more expensive in each subsequent year. Further, through direct negotiations with Tyler Technologies, the City was able to secure a 50% reduction in the licensing fee for *GoDocs*, a savings of \$3,750, also reflected in the pricing above.

Following the implementation of the proposed *Employee Self-Service Module* and *GoDocs Forms Upgrade*, employees will have access to their pay and benefits information from any device that affords internet access. Responsibility for open enrollment data input will be transferred from Financial Services staff to the employee via online access. This transfer of responsibility will thereby eliminate the need for manual handling/processing of paperwork as well as the redundant entry of this data into multiple systems. The installation of this module will:

- Reduce the City's printing costs
- Reduce the City's mailing costs
- Reduce staff hours spent processing benefit elections
- Create a repository for benefits information that is accessible to employees everywhere over the internet
- Allow for citywide acknowledgement of policy documents
- Allow for electronic delivery of certain payroll documents

STAFF RECOMMENDATION:

See Suggested Action on the accompanying Agenda Statement.

Notification list:

Tyler Technologies, Inc.

PO Box 203556

Dallas TX 75320-3556

Jason Cloutier, Account Representative

jason.cloutier@tylertech.com



Date: March 15, 2016

To: Jim Buhlinger, Purchasing Manager

From: Nick Makie, Controller
Walt Blessed, HR Director

Subject: Online Benefits Enrollment

The Office of Financial Services along with the Office of Human Resources is charged with enrolling and administering medical benefits for all of the City's 447 budgeted Full Time employees. The City currently has two enrollment periods for medical benefits, one in May and one in November. The current enrollment process requires voluminous paperwork to be generated, completed and manually input into both the payroll system and the benefit providers' systems. By implementing online open enrollment, employees will be able to access their pay and benefits information anywhere, as well as select benefits during enrollment periods using web-access from any computer. This will eliminate the need for most enrollment paperwork and it will also eliminate a significant portion of the currently required manual data entry by automatically updating the payroll and benefit providers' systems with the employees' selections. This enhancement will:

- Reduce the City's printing costs
- Reduce the City's mailing costs
- Reduce staff hours spent processing benefit elections
- Create a repository for benefits information that is accessible to employees everywhere over the internet
- Allow for citywide acknowledgement of policy documents

The City currently uses Tyler Technologies' MUNIS as its financial system. Therefore, the City solicited quotes from Tyler Technologies for the Employee Self-Service module and GoDocs form enhancement to facilitate online enrollment for compatibility reasons. The additional GoDocs form enhancement will also provide some additional capabilities above and beyond that of open enrollment. Some of the additional benefits are:

- Electronic delivery of Notification of Deposit (direct deposit pay stubs)
- Electronic delivery of W-2's to employees
- Electronic delivery of Purchase Orders to vendors

As with the benefits noted above for the online enrollment system, these features will also reduce printing and mailing costs for the City.

The initial and recurring costs of these modules can be found in the table below:

	License	Implementation	Maintenance	1st Year Total	Recurring Fees
Employee Self-Service	0	8,100	4,250	12,350	4,250
GoDocs	<u>3,750</u>	<u>3,000</u>	<u>0</u>	<u>6,750</u>	<u>0</u>
Total	3,750	11,100	4,250	19,100	4,250

Pursuant to City Code §2-217(A)(6), the City is not required to seek a competitive bid when the overriding consideration in purchasing an item is compatibility with existing equipment or systems. However, to ensure competitive pricing was achieved for the online benefits enrollment system, the City solicited its benefits consultants, Cornerstone Municipal Advisory Group, LLC (Cornerstone), to survey vendors and provide quotes for similar services. Cornerstone responded with a quote from their preferred vendor, BenXpress, at a cost of \$3.50/pepm (per employee per month) with a non-recurring implementation fee of \$2,750. Using the budgeted Full Time employees for 2015/2016, this quote results in a cost of \$21,524 in the first year with fees of \$18,774 in subsequent years. This is \$2,424 higher than the recommended option in the first year, detailed above, and \$14,524 more expensive in each subsequent year. Further, through direct negotiations with Tyler Technologies, the City was able to secure a 50% reduction in the licensing fee for GoDocs, a savings of \$3,750 which is reflected in the pricing above.

The Office of Financial Services and the Office of Human Resources are requesting approval for the purchase of the Employee Self-Service module for MUNIS and the related Tyler GoDocs form enhancement. These purchases will allow for online enrollment of benefits as well as electronic delivery of payroll documents to employees starting with the enrollment period of November 2016.

Benefits enrollment is strictly related to medical benefits provided by the City. As such, the initial funding for this purchase will be appropriated from the Self-Insurance Fund and will not have an impact on the General Fund budget. The expenses incurred for this purchase, totaling \$19,100, will be charged to the medical insurance activity in account 67982722-826000. Recurring annual maintenance fees of \$4,250 will be charged to 11717201-833000 (Equipment Maintenance) and will commence in budget year 2017/2018.



Quoted By: Jason Cloutier
 Date: 4/26/2016
 Quote Expiration: 10/23/2016
 Quote Name: City of Sterling Heights - ERP - Employee Self Service
 Quote Number: 2016-19962
 Quote Description: ESS - Tyler Hosted

Sales Quotation For

City of Sterling Heights
 P. O. Box 800940555 Utica Road
 Sterling Heights, Michigan 48311-8009
 Phone (586) 446-2621

SaaS

Description	Annual Fee Net	# Years	Total SaaS Fee	Impl. Days
Productivity:				
Employee Self Service (Tyler Hosted)	\$4,250.00	1	\$4,250.00	0
TOTAL:	\$4,250.00		\$4,250.00	0

Other Services

Description	Quantity	Unit Price	Unit Discount	Extended Price
Employee Self Service (Tyler Hosted) - Implementation	4	\$1,275.00	\$0.00	\$5,100.00
Self-Service Installation Fee - Tyler Hosted (Existing Customers)	1	\$3,000.00	\$0.00	\$3,000.00
TOTAL:				\$8,100.00

Summary

	One Time Fees	Recurring Fees
Total SaaS	\$0.00	\$4,250.00
Total Tyler Software	\$0.00	\$0.00
Total Tyler Services	\$8,100.00	\$0.00

2016-19962 - ESS - Tyler Hosted

CONFIDENTIAL

Summary	One Time Fees	Recurring Fees
Total 3rd Party Hardware, Software and Services	\$0.00	\$0.00
Summary Total	\$8,100.00	\$4,250.00
Contract Total	\$12,350.00	

Unless otherwise indicated in the contract or Amendment thereto, pricing for optional items will be held for Six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____
 Print Name: _____ P.O. #: _____

All primary values quoted in US Dollars

Comments

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.



Quoted By: Jason Cloutier
 Date: 1/16/2015
 Quote Expiration: 7/15/2015
 Quote Name: City of Sterling Heights - ERP - GoDocs
 Quote Number: 2015-11167
 Quote Description: GoDocs and Forms Upgrade

Sales Quotation For

City of Sterling Heights
 P. O. Box 800940555 Utica Road
 Sterling Heights, Michigan 48311-8009
 Phone (586) 446-2621

Tyler Software and Related Services

Description	License	Impl. Days	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Productivity:						
Tyler GoDocs	\$7,500.00	0 @ \$1,275.00	\$0.00	\$0.00	\$7,500.00	\$0.00
Sub-Total:	\$7,500.00		\$0.00	\$0.00	\$7,500.00	\$0.00
<i>Less Discount:</i>	<i>\$3,750.00</i>		<i>\$0.00</i>	<i>\$0.00</i>	<i>\$3,750.00</i>	<i>\$0.00</i>
TOTAL:	\$3,750.00	0	\$0.00	\$0.00	\$3,750.00	\$0.00

Other Services

Description	Quantity	Unit Price	Unit Discount	Extended Price
Tyler Forms GoDocs Forms Upgrade	1	\$3,000.00	\$0.00	\$3,000.00
TOTAL:				\$3,000.00

Summary

	One Time Fees	Recurring Fees
Total Tyler Software	\$3,750.00	\$0.00
Total Tyler Services	\$3,000.00	\$0.00
Total 3rd Party Hardware, Software and Services	\$0.00	\$0.00
Summary Total	\$6,750.00	\$0.00

Summary

One Time Fees

Recurring Fees

Contract Total

\$6,750.00

Unless otherwise indicated in the contract or Amendment thereto, pricing for optional items will be held for six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____

Date: _____

Print Name: _____

P.O. #: _____

All primary values quoted in US Dollars

Discount Detail

Description	License	License Discount	License Net	Maintenance Basis	Year One Maint Discount	Year One Maint Net
Productivity:						
Tyler GoDocs	\$7,500.00	\$3,750.00	\$3,750.00	\$0.00	\$0.00	\$0.00
TOTAL:	\$7,500.00	\$3,750.00	\$3,750.00	\$0.00	\$0.00	\$0.00

Comments

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Pricing for optional items will be held for six (6) months from the quote date.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.



Business of the City Council
Sterling Heights, Michigan

DELIVERED APR 28 2016

City Clerk's Use
Item No: 2-6
Meeting: 05/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To award a bid for Clinton River Corridor Habitat Restoration based on unit prices bid (Estimated project expenditure of \$3,300,000.00 – 100% funded through EPA grant).

Submitted By: City Development Department

Contact Person/Telephone: Jason Castor, City Development Manager/(586) 446-2731

Administration (initial as applicable)

Attachments

Table with 4 columns: Initials, Title, Attachment type, and Attachment name. Includes rows for City Clerk, Finance & Budget Director, City Attorney, and City Manager.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

City Project #15-278, entitled Clinton River Corridor Habitat Restoration Project ("Project"), involves improving the Clinton River's habitat diversity, accommodating a wide range of river flows, and resolving sedimentation, incision, and bank erosion issues...

The second component of the Project focuses on the general contractor services necessary to complete channel morphology enhancements, including creation of riffle-pool sequences, woody debris management, bank stabilization, multi-stage channel development, invasive species control, and native species planting.

On April 5, 2016, bids were received for Clinton River Corridor Habitat Restoration, City Project #15-278. Four bids were received ranging from \$3,733,629.00 to \$5,385,339.00. The anticipated budget for restoration work is \$3,300,000, thus the scope of work bid will be reduced to remain in the budgeted amount.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to award the bid for Clinton River Corridor Habitat Restoration, City Project #15-278, to Anglin Civil, LLC, 13000 Newburgh Road, Livonia, MI 48150, based on the unit prices bid and authorize the Mayor and City Clerk to sign all documents required on behalf of the City.

**CITY OF STERLING HEIGHTS
STAFF REPORT
May 4, 2016**

RE: Bid Award - Clinton River Corridor Habitat Restoration, City Project #15-278

Prepared By: Jason Castor, City Development Manager

(586) 446-2731

GENERAL INFORMATION:

On August 18, 2015, the City of Sterling Heights and City of Utica were awarded a \$4.5 million grant by the U.S. Environmental Protection Agency (EPA) to fund habitat improvements along a 9-mile stretch of the Clinton River. The project objectives are to improve habitat diversity, accommodate a wide range of river flows, and resolve sedimentation, incision, and bank erosion issues impairing habitat by addressing in-stream, riparian, and wetland features.

The project work plan includes channel morphology enhancements, including creation of riffle-pool sequences, woody debris management, bank stabilization, multi-stage channel development, invasive species control and native species planting.

The EPA approved preliminary data collection with pictures and notes while awaiting approval of the Quality Assurance Project Plan (QAPP). On January 19, 2016, the City received notice that the EPA approved and signed off on the QAPP. This approval allowed for quantitative data collection and inspections to commence.

This award is for the second component of City Project #15-278, which focuses on general contractor services to complete channel morphology enhancements, including creation of riffle-pool sequences, woody debris management, bank stabilization, multi-stage channel development, invasive species control and native species planting. Construction will commence in the summer of 2016 and be completed spring 2017. The first component of the project was awarded at the February 18, 2016 City Council meeting and focused on the remediation of the banks of the Clinton River within the project area.

TECHNICAL INFORMATION:

On April 5, 2016, bids were received for Clinton River Corridor Habitat Restoration. Four bids were received ranging from \$3,733,629.00 to \$5,385,339.00. The low bid was submitted by Anglin Civil, LLC, 13000 Newburgh Road, Livonia, MI 48150.

The anticipated budget for restoration work is \$3,300,000, thus the scope of work bid will be reduced to remain within the budgeted amount. The budget for this project component came in higher due to the high water levels that prevented accurate measurements for the scope of work. Therefore, in order to maximize money spent on restoration, the City plans to award based on unit prices bid. This process will provide the flexibility to use all funds available selecting the projects providing the best benefit to the river.

Funding for this component of the project is available through the \$4,500,000 grant awarded by the EPA.

STAFF ANALYSIS AND FINDINGS:

The low bid submitted by Anglin Civil, LLC conforms to the requirements of the bid specifications and reflects the value of the work. Representatives of Anglin Civil, LLC were contacted and interviewed to assess their understanding of the project scope and timeline, experience with similar types of work, equipment inventory, and available manpower. References provided were checked and proved favorable.

STAFF RECOMMENDATION:

Please see the Suggested Action included in the accompanying Agenda Statement.

Cc: Denice Gerstenberg, City Development Director
Jamie Burton, Hubbell, Roth & Clark, Inc.
Mike MacDonald, Hubbell, Roth & Clark, Inc.

NOTIFICATION LIST

Anglin Civil, LLC
13000 Newburgh Road
Livonia, MI 48150



PRINCIPALS

George E. Hubbell
Thomas E. Biehl
Walter H. Alix
Keith D. McCormack
Nancy M. D. Faught
Daniel W. Mitchell
Jesse B. VanDeCreek
Roland N. Alix
Michael C. MacDonald
James F. Burton

SENIOR ASSOCIATES

Gary J. Tressel
Kenneth A. Melchior
Randal L. Ford
William R. Davis
Dennis J. Benoit
Robert F. DeFrain
Thomas D. LaCross
Albert P. Mickalich
Timothy H. Sullivan

ASSOCIATES

Jonathan E. Booth
Marvin A. Olane
Marshall J. Grazioli
Donna M. Martin
Charles E. Hart
Colleen L. Hill-Stramsak
Bradley W. Shepler
Karyn M. Stickel
Jane M. Graham

HUBBELL, ROTH & CLARK, INC.

OFFICE: 555 Hulet Drive
Bloomfield Hills, MI 48302-0360
MAILING: PO Box 824
Bloomfield Hills, MI 48303-0824
PHONE: 248.454.6300
FAX: 248.454.6312
WEBSITE: www.hrc-engr.com
EMAIL: info@hrc-engr.com

April 11, 2016

City of Sterling Heights
40555 Utica Road
Sterling Heights, Michigan 48313

Attn: Mr. Jason Castor, City Development Manager

Re: Clinton River Corridor Habitat Restoration HRC Job No. 20140731
Bid Tab and Recommendation

Dear Mr. Castor:

Enclosed herewith is a Bid Tabulation of the four (4) bids received on Tuesday, April 5, 2016

The low bid for the project of \$3,733,629.00 was submitted by Anglin Civil, LLC located at 13000 Newburgh Road, Livonia, Michigan 48150.

During a post bid discussion with staff from Anglin Civil, LLC information was provided by the low bidder in regards to their understanding of the project, experience with similar types of work, their equipment and personnel, their understanding of the timeline, similar project experience, and their project references. Based on the above noted discussion, it is in our opinion that Anglin Civil, LLC has the equipment and experience to complete the project and that the low bid submitted conforms to the requirements of the Specifications and reflects the value of the work. Therefore, we recommend award of the Contract to Anglin Civil, LLC, in the amount of \$3,733,629.00, when the necessary financial arrangements have been made.

If you have any questions or require any additional information, please contact the undersigned.

Very truly yours,

HUBBELL, ROTH & CLARK, INC.

Jennifer L. Chehab, P.E.
Senior Project Engineer

JC/jc
Attachment
Enclosure

pc: Sterling Heights; B. Bashaw, P.E.
HRC; File

BID TABULATION
CLINTON RIVER CORRIDOR HABITAT RESTORATION

Bids Due: 4/5/2016
HRC Job # 20140731
City Job No. 15-278

CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN

Anglin Civil, LLC
13000 Newburgh Road
Livonia, Michigan 48150
(248) 397-4200

TSP Construction
25000 Capitol
Redford, MI 48239
(734) 838-0426

V.I.L. Construction, Inc.
6670 Sims Dr.
Sterling Heights, MI 48313
(589) 979-6020

Item	Quantity	Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost
1. Mobilization (5% max. of bid)	1 lsum	\$ 175,000.00	\$ 175,000.00	\$ 161,886.00	\$ 161,886.00	\$ 185,000.00	\$ 185,000.00
2. Construction Fence, As needed	500 ft	\$ 4.60	\$ 2,300.00	\$ 11.00	\$ 5,500.00	\$ 15.00	\$ 7,500.00
3. MDOT Silt Fence, As needed	2,500 ft	\$ 3.45	\$ 8,625.00	\$ 5.00	\$ 12,500.00	\$ 5.00	\$ 12,500.00
4. Grading Proposed Staging Areas	10 ac	\$ 2,875.00	\$ 28,750.00	\$ 3,868.00	\$ 38,680.00	\$ 5,000.00	\$ 50,000.00
5. 6" 21AA Crushed Concrete, Access Drive	850 tons	\$ 32.20	\$ 27,370.00	\$ 29.00	\$ 24,650.00	\$ 35.00	\$ 29,750.00
6. 1"x3" Crushed Concrete, Access Drive	100 tons	\$ 40.25	\$ 4,025.00	\$ 37.00	\$ 3,700.00	\$ 40.00	\$ 4,000.00
7. Non-woven geotextile fabric, Access Drive	250 syd	\$ 5.75	\$ 1,437.50	\$ 7.00	\$ 1,750.00	\$ 5.00	\$ 1,250.00
8. Remove and Replace Bit. Path	500 syd	\$ 69.00	\$ 34,500.00	\$ 95.00	\$ 47,500.00	\$ 55.00	\$ 27,500.00
9. Clearing and Grubbing	4 ac	\$ 14,375.00	\$ 57,500.00	\$ 3,864.00	\$ 15,456.00	\$ 3,000.00	\$ 12,000.00
10. Remove Trees 8"-18" Dia	40 ea	\$ 517.50	\$ 20,700.00	\$ 505.00	\$ 20,200.00	\$ 200.00	\$ 8,000.00
11. Remove Trees, 19"-36" Dia	40 ea	\$ 1,495.00	\$ 59,800.00	\$ 1,220.00	\$ 48,800.00	\$ 300.00	\$ 12,000.00
12. Remove Trees, 37" or Larger	25 ea	\$ 2,587.50	\$ 64,687.50	\$ 2,353.00	\$ 58,825.00	\$ 600.00	\$ 15,000.00
13. Extract Tree Stump with Roots (Rootwad)	500 ea	\$ 87.40	\$ 43,700.00	\$ 335.00	\$ 167,500.00	\$ 500.00	\$ 250,000.00 *
14. Collection and Transportation of Floodplain Woody Debris	1 lsum	\$ 17,250.00	\$ 17,250.00	\$ 191,369.00	\$ 191,369.00	\$ 647,750.00	\$ 647,750.00
15. Invasive Species Control	2 ac	\$ 9,027.50	\$ 18,055.00	\$ 3,833.00	\$ 7,666.00	\$ 2,500.00	\$ 5,000.00
16. Coir Rolls/Coir Mats, Detail BS-1 (A)	25 lft	\$ 57.50	\$ 1,437.50	\$ 378.00	\$ 9,450.00	\$ 200.00	\$ 5,000.00
17. Stone Toe Protection, Detail BS-1 (B)	240 lft	\$ 115.00	\$ 27,600.00	\$ 311.00	\$ 74,640.00	\$ 200.00	\$ 48,000.00
18. Heavy Riprap Bank Protection, Detail BS-1 (C)	150 syd	\$ 57.50	\$ 8,625.00	\$ 173.00	\$ 25,950.00	\$ 150.00	\$ 22,500.00
19. Rolled Erosion Control Blanket Streambank Stabilization, Detail BS-1 (D)	100 lft	\$ 115.00	\$ 11,500.00	\$ 17.00	\$ 1,700.00	\$ 250.00	\$ 25,000.00
20. Point Bar, Detail BS-1 (E)	10,000 cyd	\$ 9.20	\$ 92,000.00	\$ 5.00	\$ 50,000.00	\$ 5.00	\$ 50,000.00
21. VRSS, Detail BS-2 (A & B), 4 foot height	250 lft	\$ 172.50	\$ 43,125.00	\$ 144.00	\$ 36,000.00	\$ 200.00	\$ 50,000.00
22. VRSS, Detail BS-2 (A & B), 6 foot height	500 lft	\$ 192.05	\$ 96,025.00	\$ 212.00	\$ 106,000.00	\$ 250.00	\$ 125,000.00
23. VRSS, Detail BS-2 (A & B), 8 foot height	750 lft	\$ 201.25	\$ 150,937.50	\$ 265.00	\$ 198,750.00	\$ 300.00	\$ 225,000.00
24. Reset Storm Sewer, Detail BS-2 (C)	200 lft	\$ 46.00	\$ 9,200.00	\$ 244.00	\$ 48,800.00	\$ 70.00	\$ 14,000.00
25. Reset End Section, Detail BS-2 (D)	5 ea	\$ 575.00	\$ 2,875.00	\$ 3,276.00	\$ 16,380.00	\$ 500.00	\$ 2,500.00
26. Rock Cutoff Sill, Detail BS-3 (A)	20 ea	\$ 5,750.00	\$ 115,000.00	\$ 3,922.00	\$ 78,440.00	\$ 1,000.00	\$ 20,000.00
27. Geotech Rolled Bank Stabilization, Detail BS-3 (B)	350 lft	\$ 40.25	\$ 14,087.50	\$ 72.00	\$ 25,200.00	\$ 100.00	\$ 35,000.00
28. Toewood Structures, Detail BS-3 (C), 4 foot height	500 lft	\$ 115.00	\$ 57,500.00	\$ 82.00	\$ 41,000.00	\$ 100.00	\$ 50,000.00
29. Toewood Structures, Detail BS-3 (C), 6 foot height	3,500 lft	\$ 131.10	\$ 458,850.00	\$ 70.00	\$ 245,000.00	\$ 125.00	\$ 437,500.00
30. Toewood Structures, Detail BS-3 (C), 6 foot height	3,000 lft	\$ 147.20	\$ 441,600.00	\$ 73.00	\$ 219,000.00	\$ 150.00	\$ 450,000.00
31. J- Hook Vane, Detail IS-1 (A)	15 ea	\$ 4,197.50	\$ 62,962.50	\$ 2,280.00	\$ 34,200.00	\$ 4,000.00	\$ 60,000.00
32. Log Vane, Detail IS-1 (B)	23 ea	\$ 4,571.25	\$ 105,138.75	\$ 2,251.00	\$ 51,773.00	\$ 3,000.00	\$ 69,000.00
33. Rock V-Cross Vane, Detail IS-1 (C)	10 ea	\$ 11,356.25	\$ 113,562.50	\$ 2,340.00	\$ 23,400.00	\$ 7,500.00	\$ 75,000.00
34. W-Weir, Detail IS-2 (A)	1 ea	\$ 18,831.25	\$ 18,831.25	\$ 12,932.00	\$ 12,932.00	\$ 27,500.00	\$ 27,500.00
35. Stepped Pool Rock Cross Vane, Detail IS-2 (B)	2 ea	\$ 20,849.50	\$ 41,699.00	\$ 10,193.00	\$ 20,386.00	\$ 10,000.00	\$ 20,000.00
36. Rock Vane, Detail IS-2 (C)	2 ea	\$ 4,715.00	\$ 9,430.00	\$ 8,330.00	\$ 16,660.00	\$ 15,000.00	\$ 30,000.00
37. Floating Turbidity Curtain, Detail IS-3 (A)	250 lf	\$ 23.00	\$ 5,750.00	\$ 79.00	\$ 19,750.00	\$ 50.00	\$ 12,500.00
38. Staked Turbidity Curtain, Detail IS-3 (B)	250 lf	\$ 23.00	\$ 5,750.00	\$ 79.00	\$ 19,750.00	\$ 50.00	\$ 12,500.00
39. Riffle, Detail IS-3 (C) , 2 foot height	500 lf	\$ 230.00	\$ 115,000.00	\$ 174.00	\$ 87,000.00	\$ 250.00	\$ 125,000.00
40. Riffle, Detail IS-3 (C) , 3 foot height	500 lf	\$ 258.75	\$ 129,375.00	\$ 255.00	\$ 127,500.00	\$ 300.00	\$ 150,000.00
41. Riffle, Detail IS-3 (C) , 4 foot height	500 lf	\$ 287.50	\$ 143,750.00	\$ 288.00	\$ 144,000.00	\$ 350.00	\$ 175,000.00
42. Instream Sediment Trap, Detail IS-3 (D)	2 ea	\$ 8,625.00	\$ 17,250.00	\$ 12,157.00	\$ 24,314.00	\$ 2,500.00	\$ 5,000.00
43. Earthwork	7,500 cy	\$ 9.20	\$ 69,000.00	\$ 13.00	\$ 97,500.00	\$ 5.00	\$ 37,500.00
44. Wetland Bridging, Temporary Crossing with Restoration	200 lft	\$ 86.25	\$ 17,250.00	\$ 316.00	\$ 63,200.00	\$ 30.00	\$ 6,000.00
45. Remove Fallen Tree	40 ea	\$ 862.50	\$ 34,500.00	\$ 1,318.00	\$ 52,720.00	\$ 300.00	\$ 12,000.00

BID TABULATION
CLINTON RIVER CORRIDOR HABITAT RESTORATION

Bids Due: 4/5/2016
HRC Job # 20140731
City Job No. 15-278

CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN

Anglin Civil, LLC
13000 Newburgh Road
Livonia, Michigan 48150
(248) 397-4200

TSP Construction
25000 Capitol
Redford, MI 48239
(734) 838-0426

V.I.L. Construction, Inc.
6670 Sims Dr.
Sterling Heights, MI 48313
(589) 979-6020

Item	Quantity	Unit Price	Total Cost	Unit Price	Total Cost	Unit Price	Total Cost
46. Temporary River Crossing	4 ea	\$ 28,750.00	\$ 115,000.00	\$ 11,212.00	\$ 44,848.00	\$ 2,500.00	\$ 10,000.00
47. Remove Log Jam #1	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 48,917.00	\$ 48,917.00	\$ 3,000.00	\$ 3,000.00
48. Remove Log Jam #2	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 16,383.00	\$ 16,383.00	\$ 4,000.00	\$ 4,000.00
49. Remove Log Jam #3	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 16,383.00	\$ 16,383.00	\$ 4,000.00	\$ 4,000.00
50. Remove Log Jam #4	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 16,383.00	\$ 16,383.00	\$ 4,000.00	\$ 4,000.00
51. Remove Log Jam #5	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 8,249.00	\$ 8,249.00	\$ 4,000.00	\$ 4,000.00
52. Remove Log Jam #6	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 8,134.00	\$ 8,134.00	\$ 3,000.00	\$ 3,000.00
53. Remove Log Jam #7	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 8,249.00	\$ 8,249.00	\$ 4,000.00	\$ 4,000.00
54. Remove Log Jam #8	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 8,134.00	\$ 8,134.00	\$ 3,000.00	\$ 3,000.00
55. Remove Log Jam #9	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 16,152.00	\$ 16,152.00	\$ 3,500.00	\$ 3,500.00
56. Remove Log Jam #10	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 19,196.00	\$ 19,196.00	\$ 3,500.00	\$ 3,500.00
57. Remove Log Jam #11	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 14,651.00	\$ 14,651.00	\$ 3,500.00	\$ 3,500.00
58. Remove Log Jam #12	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 9,598.00	\$ 9,598.00	\$ 3,500.00	\$ 3,500.00
59. Remove Log Jam #13	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 9,598.00	\$ 9,598.00	\$ 3,500.00	\$ 3,500.00
60. Remove Log Jam #14	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 28,794.00	\$ 28,794.00	\$ 3,500.00	\$ 3,500.00
61. Remove Log Jam #15	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 19,196.00	\$ 19,196.00	\$ 3,500.00	\$ 3,500.00
62. Remove Log Jam #16	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 21,578.00	\$ 21,578.00	\$ 3,500.00	\$ 3,500.00
63. Remove Log Jam #17	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 10,789.00	\$ 10,789.00	\$ 3,500.00	\$ 3,500.00
64. Remove Bridge Abutments (Sta 213+00)	4 ea	\$ 7,475.00	\$ 29,900.00	\$ 10,957.00	\$ 43,828.00	\$ 5,000.00	\$ 20,000.00
65. Remove Bridge Abutments (Sta 267+50)	2 ea	\$ 9,775.00	\$ 19,550.00	\$ 8,360.00	\$ 16,720.00	\$ 5,000.00	\$ 10,000.00
66. Remove Bridge Abutments (Sta 317+00)	2 ea	\$ 9,775.00	\$ 19,550.00	\$ 7,755.00	\$ 15,510.00	\$ 5,000.00	\$ 10,000.00
67. Remove Bridge Abutments (Sta 340+00)	1 ea	\$ 9,775.00	\$ 9,775.00	\$ 6,711.00	\$ 6,711.00	\$ 5,000.00	\$ 5,000.00
68. Remove Steel Sheeting (Sta 340+50)	175 lft	\$ 57.50	\$ 10,062.50	\$ 185.00	\$ 32,375.00	\$ 20.00	\$ 3,500.00
69. Remove Miscellaneous Debris	1 lsum	\$ 20,700.00	\$ 20,700.00	\$ 152,845.00	\$ 152,845.00	\$ 100,000.00	\$ 100,000.00
70. 21AA Restore Forester Drive	1,000 syd	\$ 8.05	\$ 8,050.00	\$ 7.00	\$ 7,000.00	\$ 15.00	\$ 15,000.00
71. Live Stake Shrubs, Detail L-1 (B)	5,000 ea	\$ 10.35	\$ 51,750.00	\$ 7.00	\$ 35,000.00	\$ 7.00	\$ 35,000.00
72. Emergent Wetland Plant Plugs, Detail L-1 (C)	5,000 ea	\$ 4.83	\$ 24,150.00	\$ 6.00	\$ 30,000.00	\$ 7.00	\$ 35,000.00
73. Seed Mix A - Wetland	2.5 ac	\$ 3,415.50	\$ 8,538.75	\$ 11,148.00	\$ 27,870.00	\$ 10,000.00	\$ 25,000.00
74. Seed Mix B - Floodplain	2 ac	\$ 3,961.75	\$ 7,923.50	\$ 7,912.00	\$ 15,824.00	\$ 7,500.00	\$ 15,000.00
75. Seed Mix C - River Bank	0.5 ac	\$ 7,153.00	\$ 3,576.50	\$ 13,528.00	\$ 6,764.00	\$ 11,000.00	\$ 5,500.00
76. Seed Mix D - Forested	0.5 ac	\$ 4,818.50	\$ 2,409.25	\$ 1,972.00	\$ 986.00	\$ 12,000.00	\$ 6,000.00
77. Seed Mix E - Lawn, Staging Areas	3.5 ac	\$ 2,875.00	\$ 10,062.50	\$ 31,972.00	\$ 111,902.00	\$ 8,000.00	\$ 28,000.00
78. Compacted Topsoil/Compost	5,000 cyd	\$ 46.00	\$ 230,000.00	\$ 27.50	\$ 137,500.00	\$ 25.00	\$ 125,000.00
79. Straw Mulch	9.0 ac	\$ 1,460.50	\$ 13,144.50	\$ 1,828.00	\$ 16,452.00	\$ 1,750.00	\$ 15,750.00

TOTAL BID AMOUNT

\$ 3,733,629.00

\$ 3,759,896.00

\$ 4,168,000.00 *

* Corrected by Engineer

Additional Bidders
Inland Lakes Landscaping Corp.

\$5,385,339.00

ENGINEER:
Hubbell, Roth & Clark, Inc.
555 Hulet Drive
P.O. Box 824
Bloomfield Hills, MI 48083-0824



Business of the City Council
Sterling Heights, Michigan

DELIVERED APR 28 2016

City Clerk's Use
Item No: 2-H
Meeting: 05/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To award a bid for Senior Center Parking Lot Reconstruction, City Project #15-270, in the amount of \$366,441.41 (100% funded by Community Development Block Grant funds).

Submitted By: Office of Engineering

Contact Person/Telephone: Brent Bashaw, City Engineer/(586) 446-2720

Administration (initial as applicable)

Attachments

City Clerk	___	Resolution	___	Minutes
Finance & Budget Director	___	Ordinance	<u>X</u>	Plan/Map
City Attorney (as to legal form)	___	Contract	<u>X</u>	Other
City Manager				Staff Report, Bid Tabulation

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

The Senior Center is dedicated to assisting residents 50 years of age and older in maintaining a healthy, active lifestyle and to enjoy life to its fullest. Every year the Senior Center is visited by over 100,000 patrons. Like any facility, there is a need for periodic maintenance of the Senior Center to ensure that its condition remains safe for those using it. The condition of the Senior Center parking lot and sidewalk is deteriorating and in need of reconstruction to eliminate trip hazards for the senior population.

City Project 15-270 was designed to reconstruct the Senior Center parking lot, adjacent sidewalks, and provide for the installation of green infrastructure improvements. Also included within the scope of this CDBG-funded project is the repair of approximately 230 feet of damaged asphalt pathway at Arlingdale Park.

Bids for City Project #15-270 were received on Tuesday, April 12, 2016 at 2:30 p.m. Following a thorough review, the Office of Engineering is recommending that the bid for the Senior Center Parking Lot Reconstruction be awarded to Spartan Paving, Inc., 9690 Andersonville Rd., Clarkston, MI 48346 at a total cost of \$366,441.41.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to award the bid for Senior Center Parking Lot Reconstruction, City Project #15-270, to Spartan Paving, Inc., 9690 Andersonville Rd., Clarkston, MI 48346 in the amount of \$366,441.41, and authorize the Mayor and City Clerk to sign all required documents on behalf of the City.

**CITY OF STERLING HEIGHTS
STAFF REPORT
May 4, 2016**

RE: Award of Bid - Senior Center Parking Lot Reconstruction, City Project #15-270

Prepared By: Brent Bashaw, City Engineer

(586) 446-2720

GENERAL INFORMATION:

The Senior Center Parking Lot Reconstruction, City Project #15-270, provides a total reconstruction of the existing parking lot and adjacent sidewalk. Also included within the project scope of work is the repair of approximately 230 lineal feet of asphalt path installed at Arlingdale Park, which has been damaged by tree roots.

Over the years the Senior Center parking lot and sidewalk has been deteriorating, creating numerous trip hazards. The existing asphalt will be completely replaced with new 4" asphalt pavement. The existing asphalt will be pulverized and used as a base. All concrete sidewalks and the concrete circle drive will be removed and replaced with new concrete. Green infrastructure improvements will be installed in addition to the asphalt parking lot and sidewalk repairs.

Sterling Heights recently became a partner in the Clinton River Watershed Council (CRWC) WaterTown's initiative. As a WaterTown community, the CRWC provides community development support with the goal of leveraging the placemaking potential of the Clinton River and Lake Saint Clair. CRWC and Lawrence Technological University (LTU) have presented the City Council with green infrastructure concepts, designs, and estimates for areas in Dodge Park and in and around the Senior Center. The reconstruction of the Senior Center's parking lot provides an opportunity to incorporate green infrastructure elements in the form of three (3) bioretention cells and a bioswale. These elements will be used to filter and reduce storm water runoff. In support of the City's commitment to the WaterTown's initiative, the CRWC has offered a \$5,000 grant the City will utilize to complete green infrastructure element.

It is anticipated that construction will commence in May and be substantially completed by mid-July. Restoration work will likely be completed in October, 2016. Parking and bus access at the Senior Center will be maintained throughout construction to maintain accessibility.

TECHNICAL INFORMATION:

Community Development Block Grant (CDBG) funds have been provided for in the Fiscal Year 2015/16 approved budget for the Senior Center Parking Lot Reconstruction and Arlingdale Park path repair. The contract award amount is \$366,441.41. The funding required to complete the project includes the construction cost of \$366,441.41 plus \$73,288.28 (or 20%) for engineering, inspection, material testing, and contract administration costs for a total of \$439,729.69. Funding budgeted for this project is sufficient to complete the scope of work.

STAFF ANALYSIS AND FINDINGS:

On Tuesday, April 12, 2016 at 2:30 p.m., bids were received for City Project #15-270. Six bids were received ranging from \$366,441.41 to \$448,079.00. The low bid, submitted by Spartan Paving, Inc. in the amount of \$366,441.41, is less than the Engineer's Estimate of \$376,351.00 by \$9,909.59, or 2.6%.

The low bid submitted by Spartan Paving, Inc. conforms to the requirements of the bid specifications and reflects the value of the work. Spartan Paving has performed pavement maintenance work for private customers for over 15 years. Recently Spartan Paving decided to pursue more public projects in addition to private work. In pursuing more public projects, Spartan Paving became a Michigan Department of Transportation prequalified bidder and was required to submit for review company financial information, equipment list, work experience, and key employee information for approval. In addition, a check of Spartan Paving, Inc. references and a site visit to inspect workmanship on recent projects was performed. The references and workmanship were positive.

STAFF RECOMMENDATION:

Based on relevant work experience, quality of work, and positive references, the Office of Engineering recommends that Spartan Paving, Inc. be awarded the bid for Senior Center Parking Lot Reconstruction, City Project #15-270.

Cc: Denice Gerstenberg, City Development Director
Kyle Langlois, Parks and Recreation Director
Jason Castor, City Development Director
Adam LaClair, Lead Inspector
Teresa Jarzab, CDBG Specialist

NOTIFICATION LIST

Spartan Paving, Inc.
9690 Andersonville Rd.
Clarkston, MI 48346

*Spartan Paving, Inc.
9690 Andersonville Rd.
Clarkston, MI 48346*

*Cadillac Asphalt, LLC
51777 W. 12 Mile Rd.
Wixom, MI 48393*

*James P. Contracting, Inc.
67222 Van Dyke
Washington, MI 48095*

ITEM/DESCRIPTION	CONTRACT QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
<u>Section I - Senior Center Parking Lot Reconstruction</u>							
1. Bituminous Wearing Course Mix 1100T, PG70-22 Binder, 20% Max RAP	770 TONS	91.00	70,070.00	92.00	70,840.00	81.65	62,870.50
2. Bituminous Leveling Course Mix 1100L, PG70-22 Binder, 20% Max RAP	1,280 TONS	85.50	109,440.00	78.35	100,288.00	76.60	98,048.00
3. Pulverize Existing Pavement	8,160 SYD	1.55	12,648.00	0.79	6,446.40	1.22	9,955.20
4. Reshape Pulverized Base to Plan Grade (C.I.P.)	8,160 SYD	1.25	10,200.00	2.40	19,584.00	2.88	23,500.80
5. Earth Excavation	500 CYD	14.00	7,000.00	18.00	9,000.00	13.75	6,875.00
6. Undercut	100 CYD	35.00	3,500.00	18.00	1,800.00	17.80	1,780.00
7. Fill, Pulverized Material	50 CYD	9.50	475.00	12.00	600.00	9.15	457.50
8. Fill, 1"x3" Crushed Concrete	50 CYD	27.00	1,350.00	28.00	1,400.00	37.40	1,870.00
9. Fill, 21AA Crushed Concrete	100 CYD	27.00	2,700.00	30.00	3,000.00	33.55	3,355.00
10. Bioretention Cells	3 EA	4,492.12	13,476.36*	7,700.00	23,100.00	10,775.00	32,325.00
11. 6" Drain tile w/ sock	90 LF	51.50	4,635.00	7.00	630.00	18.55	1,669.50
12. Ilex Verticillata "Winterberry", 2 gal.	9 EA	30.67	276.03	35.00	315.00	43.05	387.45
13. Spiraea Tomentosa "Steeplebush" 4" pot	9 EA	15.61	140.49	22.00	198.00	16.80	151.20
14. Helenium Autumnale "Sneezeweed" 4" pot	9 EA	10.30	92.70	22.00	198.00	24.15	217.35
15. Zizia Aurea "Golden Alexanders" 4" pot	9 EA	10.30	92.70	22.00	198.00	12.60	113.40

CITY OF STERLING HEIGHTS

BID TABULATION

Bid Opening Date: April 12, 2016 @ 2:30 p.m.

Senior Center Parking Lot Reconstruction, City Project #15-270

Spartan Paving, Inc.
 9690 Andersonville Rd.
 Clarkston, MI 48346

Cadillac Asphalt, LLC
 51777 W. 12 Mile Rd.
 Wixom, MI 48393

James P. Contracting, Inc.
 67222 Van Dyke
 Washington, MI 48095

ITEM/DESCRIPTION	CONTRACT QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
16. Physostegia Virginiana "Obedient Plant" " 4" pot	9 EA	10.35	93.15	22.00	198.00	13.65	122.85
17. Shredded Hardwood Mulch	50 CYD	52.08	2,604.00	40.00	2,000.00	84.50	4,225.00
18. 2"-4" Dia. Cobblestone on Fabric	250 SFT	4.15	1,037.50	2.50	625.00	22.60	5,650.00
19. Bioswale	180 LF	10.18	1,832.40	10.00	1,800.00	9.60	1,728.00
20. Swale Seed Mix	300 SYD	2.86	858.00	1.95	585.00	7.35	2,205.00
21. 24" Dia. Rear Yard Inlet w/ EJIW 1170 "N" Cover	3 EA	2,407.92	7,223.76	1,600.00	4,800.00	1,675.00	5,025.00
22. Rebuild Drainage Structure	10 LF	250.00	2,500.00	200.00	2,000.00	428.00	4,280.00
23. 6" Curb and Gutter, Concrete	700 LF	18.15	12,705.00	24.75	17,325.00	24.70	17,290.00
24. 6" Concrete Pavement	145 SYD	40.50	5,872.50	44.00	6,380.00	46.20	6,699.00
25. 7' Wide 4" Concrete Sidewalk/Curb	5,100 SFT	5.28	26,928.00	5.90	30,090.00	6.20	31,620.00
26. 4" Concrete Sidewalk	958 SFT	3.85	3,688.30	3.75	3,592.50	3.95	3,784.10
27. Remove Existing Pavement	1,300 SYD	5.25	6,825.00	11.00	14,300.00	7.65	9,945.00
28. 7" Concrete Pavement	360 SYD	40.50	14,580.00	46.00	16,560.00	48.30	17,388.00
29. Detctable Warning Surface	96 SFT	15.62	1,499.52	15.00	1,440.00	15.75	1,512.00
30. Restoration - 3" Topsoil, Fertilizer, and Hydroseed	1,000 SYD	10.26	10,260.00	5.00	5,000.00	7.20	7,200.00
31. Additional Topsoil	100 CYD	52.08	5,208.00	30.00	3,000.00	25.10	2,510.00
32. Soil Erosion Control and Clean-up	1 LS	4,225.00	4,225.00	6,400.00	6,400.00	7,375.00	7,375.00

Spartan Paving, Inc.
 9690 Andersonville Rd.
 Clarkston, MI 48346

Cadillac Asphalt, LLC
 51777 W. 12 Mile Rd.
 Wixom, MI 48393

James P. Contracting, Inc.
 67222 Van Dyke
 Washington, MI 48095

ITEM/DESCRIPTION	CONTRACT QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
33. Stripe Parking Lot	1 LS	4,000.00	4,000.00	2,800.00	2,800.00	3,290.00	3,290.00
34. Handicap Signs	3 EA	250.00	750.00	400.00	1,200.00	290.00	870.00
35. Traffic Control	1 LS	4,375.00	4,375.00	3,750.00	3,750.00	11,725.00	11,725.00
36. Color Audio-Video Recording of Project Area	1 LS	975.00	975.00	950.00	950.00	1,970.00	1,970.00
Subtotal - Section I			354,136.41*		362,392.90*		389,989.85
<u>Section II - Arlingdale Park</u>							
1. Arlingdale Park Path Repair	230 LF	53.50	12,305.00	75.00	17,250.00	65.00	14,950.00
Subtotal - Section II			12,305.00		17,250.00		14,950.00
TOTAL - SECTIONS I - II			366,441.41*		379,642.90*		404,939.85

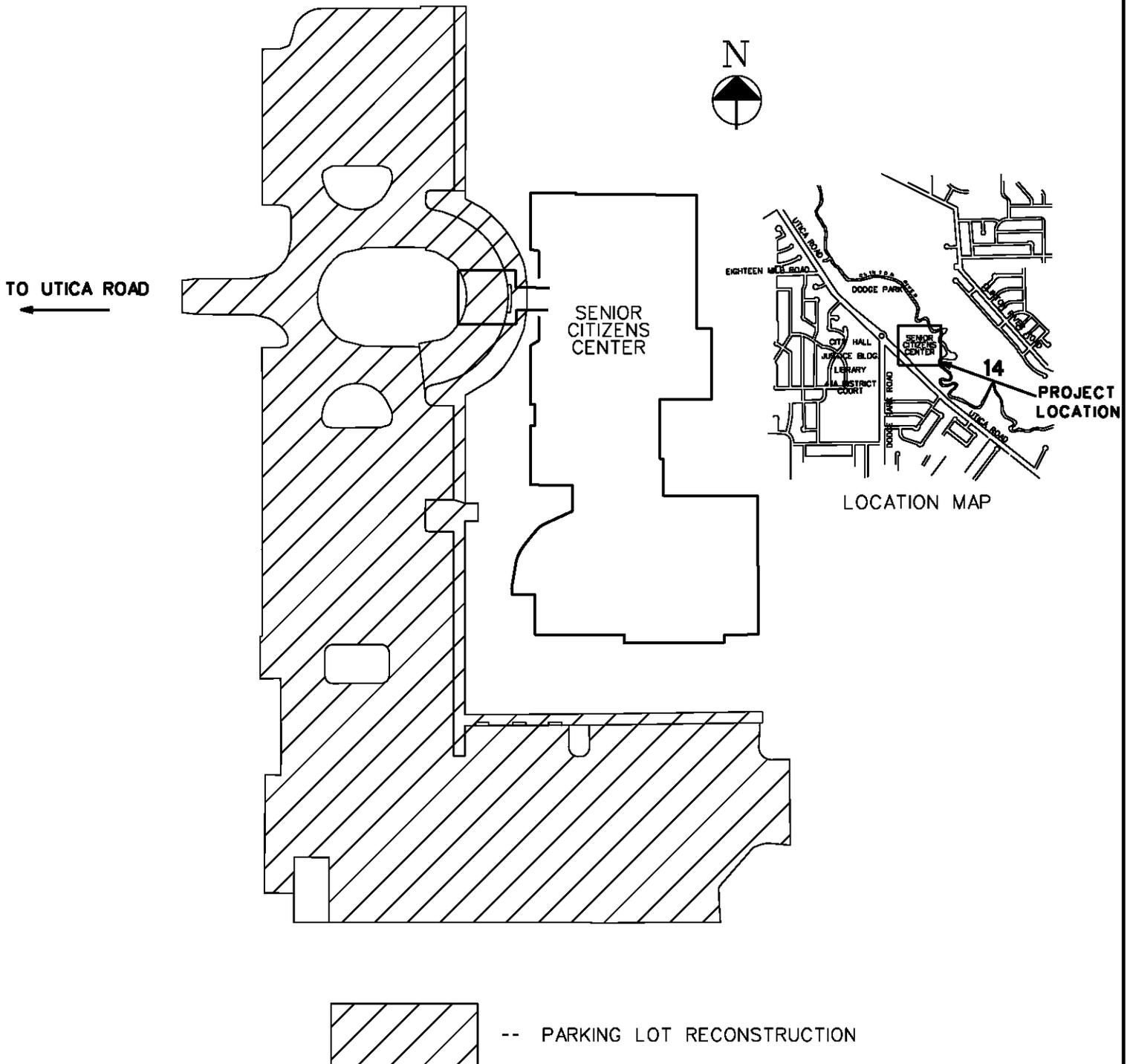
ADDITIONAL BIDDERS:

TOTAL BID AMOUNT:

Asphalt Specialists Inc., 1780 E. Highwood, Pontiac, MI 48340	441,824.00
Pavex Corporation, 2654 Van Horn Rd., Trenton, MI 48183	444,302.28
Best Asphalt, Inc., 6334 N. Beverly Plaza, Romulus, MI 48174	448,079.00

* Adjusted by Office of Engineering

CITY PROJECT #15-270 STERLING HEIGHTS SENIOR CENTER PARKING LOT RECONSTRUCTION



AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To award a bid for the 2016 Concrete Sectional Replacement Program, City Project #16-281, Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway, City Project #16-286, and Comstock Drive Reconstruction, City Project #16-282, at a cumulative cost of \$2,564,169.50.

Submitted By: Office of Engineering



Contact Person/Telephone: Brent Bashaw, P.E., City Engineer/(586) 446-2720

Administration (initial as applicable)

Attachments

 City Clerk	___	Resolution	___	Minutes
 Finance & Budget Director	___	Ordinance	___	Plan/Map
 City Attorney (as to legal form)	___	Contract	<u>x</u>	Other
 City Manager				Staff Report, Bid Tabulation, Location Map

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

The Office of Engineering prepared an invitation to bid for the following City projects concerning concrete work:

A. City Project #16-281 – The 2016 Concrete Sectional Replacement Program is comprised of the following sections:

Section I (concrete replacement on local roads) - addresses the sectional replacement of deteriorating concrete on local roads. The Program objective is to improve the condition of the local roads by eliminating the deteriorating concrete sections. Included in the funding for Section I is \$750,000 of the voter approved Safe Streets dedicated millage;

Section II (sidewalk – ramps and repairs) - involves concrete work dedicated to the installation and repair of sidewalk ramps throughout the City;

Section III (concrete replacement on major roads) - involves sectional repairs similar to Section I, but on major roads throughout the City.

B. City Project #16-286 –

Section IV (Ryan Road Concrete Repairs) - will effectuate the removal and replacement of deteriorated concrete from Ryan Road, between 15 Mile Road to Metropolitan Parkway; and,

C. City Project #16-282 –

Section V (Comstock Drive Reconstruction) - involves the complete removal of the existing concrete roadway comprising Comstock Drive and reconstruction of a new concrete road. Community Development Block Grant funding will cover up to \$100,000 of the cost of this project.

Bids for the aforementioned projects were received on Tuesday, April 12, 2016 at 2:30 p.m. Following a thorough review, the Office of Engineering is recommending that the bid be awarded to the lowest qualified bidder, Fiore Enterprises, LLC, 3411 W. Fort Street, Detroit, MI 48216 at a cumulative cost of \$2,564,169.50.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to:

- (A) Award the bid for the 2016 Concrete Sectional Replacement Program, City Project #16-281, Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway, City Project #16-286, and Comstock Drive Reconstruction, City Project #16-282, at a cumulative cost of \$2,564,169.50;

and direct the Mayor and City Clerk to sign all documents required in conjunction with this bid award;

- (B) Authorize a budget amendment to use \$63,500 of Road Bond Construction Fund Reserves to complete Section IV of the contract;
- (C) Authorize a budget amendment to use \$66,100 of Local Road Reserves to complete Section V of the contract.

Cc: Denice Gerstenberg, City Development Director
Adam LaClair, Lead Inspector
Andrew Konkle, Civil Engineer II
Teresa Jarzab, HUD Plan Coordinator

**CITY OF STERLING HEIGHTS
STAFF REPORT
May 4, 2016**

RE: Award of Bid - 2016 Concrete Sectional Replacement Program, City Project #16-281 Comstock Drive Reconstruction, City Project #16-282 and Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway, City Project #16-286

Prepared By: Brent Bashaw, City Engineer

(586) 446-2720

GENERAL INFORMATION:

The 2016 Concrete Sectional Replacement Program, City Project #16-281 is comprised of the following three sections:

- Section I - Concrete Replacement (Local Roads)
- Section II - Sidewalk (Ramps & Repairs)
- Section III - Concrete Replacement (Major Roads)

City Project #16-286, entitled Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway, involves the reconstruction of Ryan Road between 15 Mile Road and Metropolitan Parkway.

City Project #16-282, entitled Comstock Drive Reconstruction, will effectuate the complete reconstruction of this local road.

TECHNICAL INFORMATION:

The concrete replacement and sidewalk ramps (Sections I and II) will be completed on a priority basis based on the unit prices received until all budgeted funds are expended.

The proposed fiscal year 2016/2017 budget includes \$1,550,000 to fund local road sectional concrete replacement as part of 2016 Concrete Sectional Replacement Program. The breakdown of the budget is as follows:

- \$1,500,000 for sectional concrete replacement along the worst rated local roads within the City Limits. This figure includes \$750,000 of the \$3,300,000 raised by the Safe Streets Proposal. (Account 23700700988281)
- \$25,000 for repairs of pavement related to storm drain repairs (Account 23700700894000)
- \$25,000 for repairs of pavement related to water main repairs (Account 5956055084000)

Included in the budget is a 16% charge for engineering, inspection, and contingency costs. Therefore, the amount to be awarded is \$1,550,000/1.16 for a total of \$1,336,200.

The proposed fiscal year 2016/2017 budget includes \$325,000 to fund sectional concrete replacement of poorly rated major road concrete within the City Limits (Section III of the

contract). A significant portion of these funds will be utilized on 19 Mile Road, between Mound Road and Merrill Road. Included in the budget is a 16% charge for engineering, inspection, and contingency costs. Therefore, the amount to be awarded is \$325,000/1.16 for a total of \$280,000.

The low bid for Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway (Section IV of the contract) is \$804,742.50. An additional 16% is needed to complete the project for engineering, inspection, and contingency costs. Therefore the total cost needed is \$933,500. \$870,000 is provided for in the proposed 2016/2017 budget. Therefore, additional funds need to be allocated from the Road Bond Construction Fund in the amount of \$63,500 to complete this project.

Funding for the reconstruction of Comstock Drive (Section V of the project) has been budgeted in the Community Development Block Grant Fund in the amount of \$100,000. The low bid was submitted at \$143,227. To complete the project a 16% charge for engineering, inspection and contingency costs is needed. Therefore, the total funding needed to complete the project is \$166,100. Therefore, additional funding in the amount of \$66,100 is needed from Local Road Reserves to complete the project.

STAFF ANALYSIS AND FINDINGS:

On April 12, 2016 at 2:30 p.m. bids were received for the 2016 Concrete Sectional Replacement Program, Comstock Drive Reconstruction, and Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway. Three bids were received ranging from \$2,598,390.75 to \$3,574,659.00. Fiore Enterprises, LLC, 3411 W. Fort Street, Detroit, MI 48216 submitted the low bid in the amount of \$2,598,390.75. The bid is greater than the Engineer's estimate by 5.6%. The Office of Engineering conducted a thorough review of Fiore Enterprises, LLC's bid and qualifications. The Office of Engineering is satisfied with the results of the review of Fiore Enterprises, LLC's ability to successfully complete the work associated within this contract.

STAFF RECOMMENDATION:

Please see Suggested Action on the accompanying Agenda Statement.

Cc: Denice Gerstenberg, City Development Director
Adam LaClair, Lead Inspector
Andrew Konkle, Civil Engineer II
Teresa Jarzab, HUD Plan Coordinator

NOTIFICATION LIST

Fiore Enterprises, LLC
3411 W. Fort Street
Detroit, MI 48216

*Fiore Enterprises, LLC
 3411 W. Fort St.
 Detroit, MI 48216*

*Hard Rock Concrete, Inc.
 38146 Abruzzi Dr.
 Westland, MI 48185*

*Major Cement Co.
 15347 Dale St.
 Detroit, MI 48223*

ITEM/DESCRIPTION	CONTRACT QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
<u>Section I - Local Roads</u>							
1. Remove Concrete Pavement & Replace 7" Concrete Pavement	17,500 SYD	54.50	953,750.00	51.00	892,500.00	72.00	1,260,000.00
2. Remove Concrete Pavement & Replace 8" Concrete Pavement	1,000 SYD	58.60	58,600.00	56.00	56,000.00	74.00	74,000.00
3. Remove & Replace 6" Concrete Pavement (Drive Approaches)	150 SYD	47.85	7,177.50	54.00	8,100.00	48.00	7,200.00
4. Earth Excavation	900 CYD	17.95	16,155.00	30.00	27,000.00	20.00	18,000.00
5. 2" MDOT 21AA Crushed Concrete - C.I.P.	16,000 SYD	4.25	68,000.00	4.00	64,000.00	5.00	80,000.00
6. 6" MDOT 21AA Crushed Concrete - C.I.P.	2,500 SYD	9.75	24,375.00	10.00	25,000.00	10.50	26,250.00
7. Saw Cut (Vertical)	150 FT	5.00	750.00	5.00	750.00	5.00	750.00
8. Extra Cement	5 SACKS	6.50	32.50	10.00	50.00	25.00	125.00
9. Reconstruct Drainage Structure	50 FT	100.00	5,000.00	400.00	20,000.00	250.00	12,500.00
10. 6" Edge Drain (Pea Stone Backfill)	14,000 FT	11.25	157,500.00	14.00	196,000.00	10.00	140,000.00
11. 2' Dia. Inlet w/ EJIW 5105 Frame & Cover	2 EA	2,250.00	4,500.00	1,000.00	2,000.00	1,850.00	3,700.00
12. Remove & Replace Catch Basin Lead w/12" RCP C-76 CLIV Storm Sewer (Pea Stone Backfill)	50 FT	65.00	3,250.00	95.00	4,750.00	100.00	5,000.00

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 Detroit, MI 48223*

ITEM/DESCRIPTION	CONTRACT QUANTITY	Fiore Enterprises, LLC		Hard Rock Concrete, Inc.		Major Cement Co.	
		UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
13. Remove & Replace Catch Basin Lead w/ 8" CSP 16 Ga. (Pea Stone Backfill)	50 FT	55.00	2,750.00	85.00	4,250.00	75.00	3,750.00
14. Replace Existing Catch Basin Frame & Cover w/ New EJIW 5105 Frame & Cover	30 EA	510.00	15,300.00	600.00	18,000.00	850.00	25,500.00
15. Pipe in Curb Repair	5 EA	150.00	750.00	200.00	1,000.00	500.00	2,500.00
Subtotal - Section I			1,317,890.00		1,319,400.00		1,659,275.00
<u>Section II - Sidewalk (Ramps and Repairs)</u>							
1. Remove Existing Sidewalk	3,000 SFT	2.00	6,000.00	1.00	3,000.00	1.50	4,500.00
2. 4" Concrete Sidewalk	50 SFT	4.75	237.50	5.50	275.00	7.00	350.00
3. 6" Concrete Sidewalk Ramp	2,500 SFT	7.50	18,750.00	6.00	15,000.00	7.50	18,750.00
4. Detectable Warning Surface	200 FT	40.00	8,000.00	30.00	6,000.00	35.00	7,000.00
5. Sawcut (Vertical), Remove and Replace Existing Curb and Gutter Complete with Hook Bolts	100 FT	40.00	4,000.00	30.00	3,000.00	50.00	5,000.00
6. Horizontal Sawcut and Bevel Existing Curb	100 FT	25.00	2,500.00	70.00	7,000.00	20.00	2,000.00
Subtotal - Section II			39,487.50		34,275.00		37,600.00

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ITEM/DESCRIPTION	CONTRACT QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
<u>Section III - Major Roads</u>							
1. Remove Concrete Pavement & Replace 9" Concrete Pavement	4,000 SYD	60.75	243,000.00	61.00	244,000.00	100.00	400,000.00
2. Pavement Repair, Detail 8	300 SYD	64.85	19,455.00	75.00	22,500.00	150.00	45,000.00
3. Earth Excavation	250 CYD	18.65	4,662.50	30.00	7,500.00	21.00	5,250.00
4. 2" MDOT 21AA Crushed Concrete - C.I.P.	3,750 SYD	3.75	14,062.50	4.00	15,000.00	5.00	18,750.00
5. 6" MDOT 21AA Crushed Concrete - C.I.P.	250 SYD	9.85	2,462.50	10.00	2,500.00	10.00	2,500.00
6. Saw Cut (Vertical)	200 FT	5.00	1,000.00	5.00	1,000.00	5.00	1,000.00
7. Extra Cement	5 SACKS	6.50	32.50	10.00	50.00	25.00	125.00
8. Reconstruct Drainage Structure	15 FT	100.00	1,500.00	400.00	6,000.00	250.00	3,750.00
9. 6" Edge Drain (Pea Stone Backfill)	285 FT	11.25	3,206.25	14.00	3,990.00	10.00	2,850.00
10. Replace Existing Catch Basin Frame & Cover w/New EJIW 5105 Frame & Cover	5 EA	510.00	2,550.00	600.00	3,000.00	850.00	4,250.00
11. Route and Reseal Concrete Pavement Cracks and Joints	250 FT	4.25	1,062.50	2.00	500.00	2.00	500.00
12. Joint Sealing Compound	50 LBS	1.00	50.00	4.00	200.00	2.00	100.00
Subtotal - Section III			293,043.75		306,240.00		484,075.00

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ITEM/DESCRIPTION	CONTRACT QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
<u>Section IV - Ryan Road Concrete Sectional Replacement, 15 Mile Road to Metropolitan Parkway</u>							
1. Remove Concrete Pavement & Replace 9" Concrete Pavement	12,000 SYD	60.75	729,000.00	61.00	732,000.00	91.00	1,092,000.00
2. Earth Excavation	500 CYD	18.65	9,325.00	30.00	15,000.00	20.00	10,000.00
3. 2" MDOT 21AA Crushed Concrete - C.I.P.	12,000 SYD	3.75	45,000.00	4.00	48,000.00	5.00	60,000.00
4. Saw Cut (Vertical)	150 FT	5.00	750.00	5.00	750.00	5.00	750.00
5. Extra Cement	5 SACKS	6.50	32.50	10.00	50.00	25.00	125.00*
6. Reconstruct Drainage Structure	20 FT	100.00	2,000.00	400.00	8,000.00	225.00	4,500.00
7. 6" Edge Drain (Pea Stone Backfill)	200 FT	11.25	2,250.00	14.00	2,800.00	10.00	2,000.00
8. Replace Existing Catch Basin Frame & Cover w/New EJIW 5105 Frame & Cover	1 EA	510.00	510.00	600.00	600.00	850.00	850.00
9. Route and Reseal Concrete Pavement Cracks and Joints	200 FT	4.25	850.00	2.00	400.00	2.00	400.00
10. Joint Sealing Compound	25 LBS	1.00	25.00	4.00	100.00	2.00	50.00
11. Traffic Maintenance and Control	1 LS	15,000.00	15,000.00	5,000.00	5,000.00	25,000.00	25,000.00
Subtotal - Section IV			804,742.50		812,700.00		1,195,675.00*

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ITEM/DESCRIPTION	CONTRACT QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
<u>Section V - Comstock Drive Reconstruction</u>							
1. Remove Concrete Pavement & Replace 7" Concrete Pavement	1,850 SYD	52.50	97,125.00	56.00	103,600.00	68.00	125,800.00
2. 2" MDOT 21AA Crushed Concrete - C.I.P.	1,850 SYD	3.75	6,937.50	5.00	9,250.00	8.00	14,800.00
3. Undercut	50 CYD	18.50	925.00	30.00	1,500.00	20.00	1,000.00
4. Fill, 21AA Crushed Concrete Aggregate - C.I.P	50 CYD	27.80	1,390.00	12.00	600.00	35.00	1,750.00
5. Remove & Replace 6" Concrete Pavement (Drive Approaches)	50 SYD	47.95	2,397.50	59.00	2,950.00	55.00	2,750.00
6. Remove Existing Sidewalk	182 FT	2.00	364.00	1.00	182.00	2.00	364.00
7. 4" Concrete Sidewalk	350 SFT	4.25	1,487.50	6.00	2,100.00	7.00	2,450.00
8. 6" Concrete Sidewalk Ramp	180 SFT	6.50	1,170.00	6.50	1,170.00	8.00	1,440.00
9. Detectable Warning Surface	20 FT	40.00	800.00	35.00	700.00	35.00	700.00
10. Reconstruct Drainage Structure	8 FT	100.00	800.00	500.00	4,000.00	250.00	2,000.00
11. 6" Edge Drain (w/ Pea Stone Backfill)	1,090 FT	11.25	12,262.50	14.00	15,260.00	17.00	18,530.00
12. Replace Existing Catch Basin Frame & Cover w/ New EJIW 5105 Frame & Cover	2 EA	510.00	1,020.00	600.00	1,200.00	900.00	1,800.00
13. Sprinkler Repair, 3/4" Poly Pipe	100 FT	3.10	310.00	3.00	300.00	5.00	500.00

*Fiore Enterprises, LLC
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 Detroit, MI 48216*

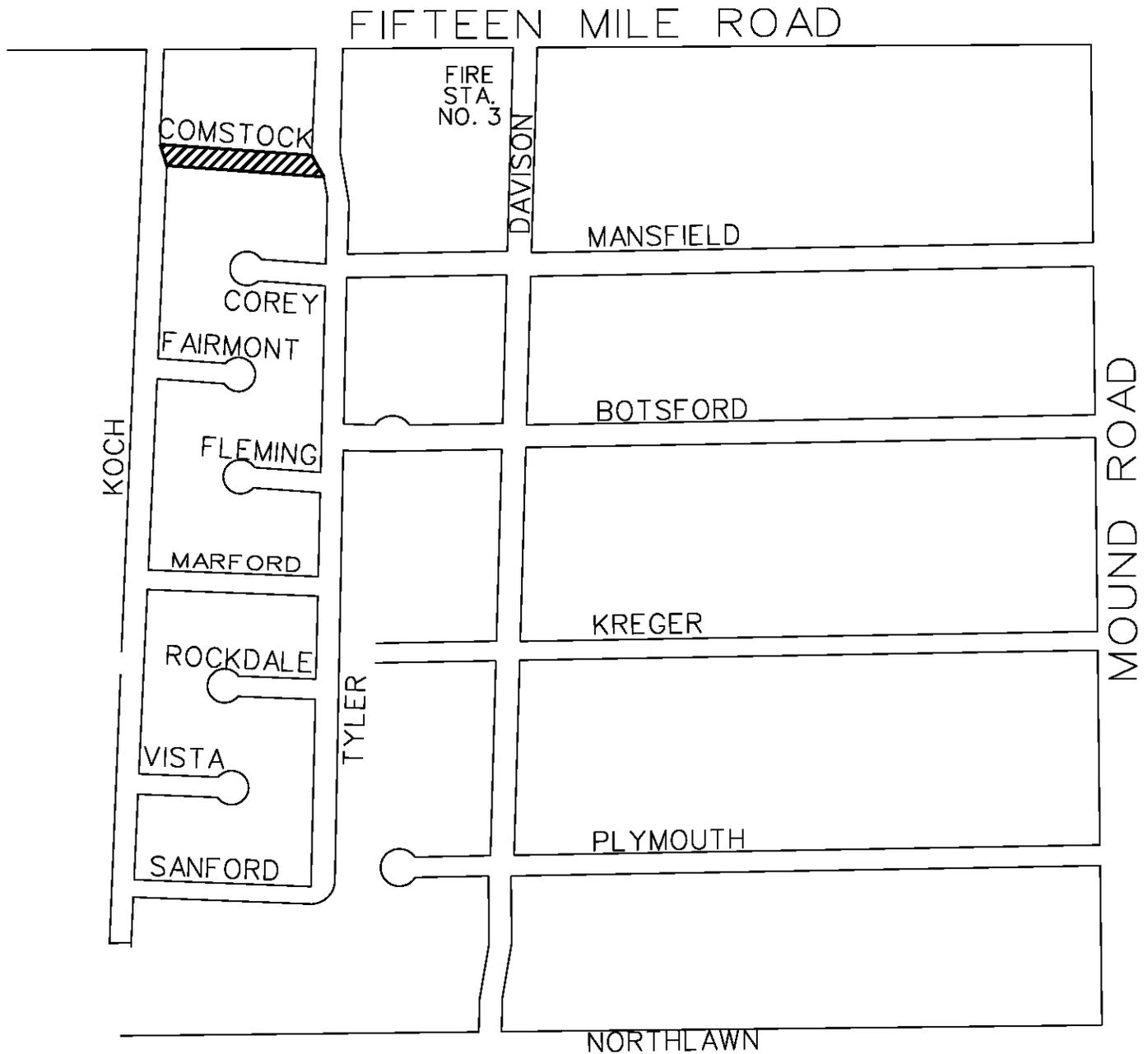
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ITEM/DESCRIPTION	CONTRACT QUANTITY	Fiore Enterprises, LLC		Hard Rock Concrete, Inc.		Major Cement Co.	
		UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
14. Sprinkler Repair, 1" Poly Pipe	100 FT	3.10	310.00	3.00	300.00	7.00	700.00
15. Sprinkler Rotary Head	10 EA	55.90	559.00	40.00	400.00	50.00	500.00
16. Sprinkler Spray Head	10 EA	55.90	559.00	40.00	400.00	50.00	500.00
17. Color Audio-Video Recording of Project Area	1 LS	1,000.00	1,000.00	2,000.00	2,000.00	2,500.00	2,500.00
18. Restoration - 3" Topsoil, Fertilizer, Seed, & Hydroseeding	350 SYD	4.10	1,435.00	7.00	2,450.00	12.00	4,200.00
19. Inlet Filter	5 EA	75.00	375.00	150.00	750.00	150.00	750.00
20. Traffic Maintenance and Control	1 LS	12,000.00	12,000.00	3,000.00	3,000.00	15,000.00	15,000.00
Subtotal - Section V			143,227.00		152,112.00		198,034.00
TOTAL - SECTIONS I - V			2,598,390.75		2,624,727.00		3,574,659.00*

* Adjusted by Office of Engineering

COMSTOCK CONCRETE RECONSTRUCTION CITY PROJECT No. 16-282

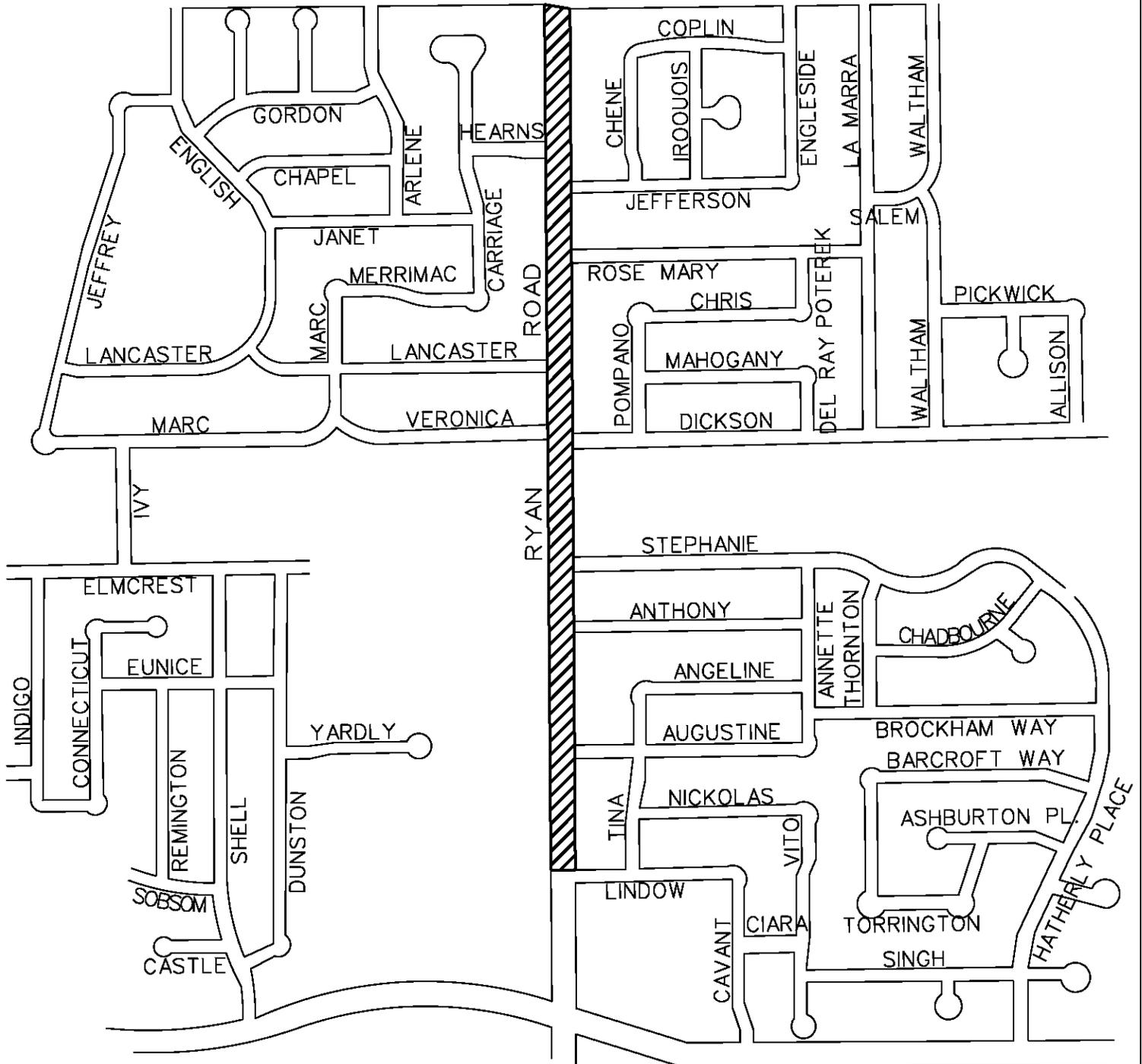


CONSTRUCTION ZONE

RYAN ROAD CONCRETE SECTIONAL REPLACEMENT PROGRAM CITY PROJECT No. 16-286



METROPOLITAN PARKWAY



FIFTEEN MILE ROAD



CONSTRUCTION ZONE



**Business of the City Council
Sterling Heights, Michigan**

City Clerk's Use
Item No: **3**
Meeting: 05/04/2016

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider adoption of a resolution approving the Third Amended and Restated Local Development Finance Authority Development Plan and Tax Increment Finance Plan in accordance with Public Act 281 of 1986, as amended.

Submitted By: Office of City Management

Contact Person/Telephone: Mark Vanderpool, City Manager / Luke Bonner, Bonner Advisory Group; 586.446.2301

Administration (initial as applicable)

Attachments

 City Clerk	<u> X </u>	Resolution	<u> x </u>	Minutes
 Finance & Budget Director	<u> </u>	Ordinance	<u> X </u>	Plan/Map
 City Attorney (as to legal form)	<u> </u>	Contract	<u> </u>	Other
 City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Introduction – At the April 19, 2016 regular meeting, the City Council conducted the public hearing required for approval of the proposed Third Amended and Restated Local Development Finance Authority Development Plan and Tax Increment Finance Plan in accordance with Public Act 281 of 1986. At the conclusion of the public hearing and while a motion to adopt the resolution approving the Plan was on the floor, the City Council postponed this item until the May 4, 2016 regular meeting. In the interim, The City Council has been afforded an opportunity to further study the proposed Third Amended and Restated Local Development Finance Authority Development Plan and Tax Increment Finance Plan and consult with Luke Bonner of the Bonner Advisory Group.

Background - Public Act No. 281 of 1986, entitled *The Local Development Financing Act* (Act 281), is intended to encourage local development to prevent conditions of unemployment and promote economic growth. These objectives are achieved under the Act by the establishment of local development finance authorities (LDFA) which are empowered to create and implement development plans financed through, among other means, tax increment financing.

Presented below is a chronology of the actions undertaken by the Sterling Heights City Council in the creation of the LDFA and SmartZone:

- On May 20, 2008, the City Council conducts a public hearing on the adoption of a proposed resolution establishing a local development financing authority for the City of Sterling Heights and designating the boundaries of the district within which the authority shall exercise its powers, all

pursuant to and in accordance with the provisions of the Local Development Financing Act, being Act 281 of the Public Acts of the State of Michigan of 1986, as amended.

- On August 19, 2008, the City Council adopts a resolution creating the LDFA and designating the original district boundaries. This action facilitates the redevelopment of the former TRW facility by BAE Land and Armaments Systems, LLP.
- On December 16, 2008, the City Council approves a SmartZone Agreement between the City, Michigan Economic Development Corporation, and the LDFA. By the terms of this agreement, the parties designate the certified technology park to be created for purposes of developing the Macomb –OU INCubator.
- Following a public hearing on February 3, 2009, the City Council approves the original Development Plan and Tax Increment Finance Plan for the LDFA.
- As required by the terms and conditions of the SmartZone Agreement, the City Council adopts a resolution on May 19, 2009, which expands the boundaries of the original authority district to establish the SmartZone.
- The SmartZone Agreement further required that the Development Plan approved by resolution of the City Council on February 3, 2009 be amended for the purpose of reflecting the activities and the tax increment financing of the Macomb OU-INCubator. Accordingly, on December 1, 2009, conducts a public hearing and subsequently adopts a resolution approving the First Amended and Restated Development Plan and Tax Increment Finance Plan.
- On December 20, 2011, the City Council adopts a resolution approving the Second Amended and Restated Development Plan. This amendment reflects a cumulative capture from the BAE project and SHAP investments in an amount not to exceed \$500,000 annually through the duration of the SmartZone (being 2011 through 2025) for the purpose of funding SmartZone activities at intended levels. It is important to note that the tax increment revenue being captured is not comprised only of City taxes. The City's general fund is not negatively impacted by the proposed supplemental capture.

Proposed Third Amended and Restated LDFA Development Plan and TIF Plan ("Plan") - With the upcoming development of the Sterling Enterprise Park, a new 144-acre industrial development located at 7191 Seventeen Mile Road, the City has an opportunity to capture tax increment financing revenues from this site, which is strategically located within the LDFA district. The proposed Plan, if approved, will achieve the following primary objectives:

- Provide for the capture of TIF revenue generated from the Sterling Enterprise Park and program such revenues in support of eligible public improvements within the LDFA district. The projected new tax revenue is \$11,750,611. This revenue will be shared 50% with the LDFA for a projected amount of \$5,875,305 over a 20 year period.
- Capture new school TIF revenues generated from the development of the Sterling Enterprise Park. The Plan will reflect the school tax capture and program the incremental revenues in support of incubator-related activities, as well as additional LDFA district improvements that support entrepreneurial growth. The school tax capture is only possible because of the SmartZone designation of the LDFA and would otherwise not be available to the LDFA. The school taxes capture by the LDFA are reimbursed to the schools by the School Aid Fund so there is no drop in revenue.
- The Plan will facilitate a 15-year extension for TIF capture through a collaborative satellite SmartZone with a partner community under House Bill 4226. This legislation allows for up to 9 existing SmartZones (such as the City of Sterling Heights) extend tax capture for an additional 15 years to provide early stage company support services. The primary condition for an existing

SmartZone (City of Sterling Heights) to qualify for a 15-year extension is to collaborate with another community outside of Macomb County, which also has the desire to create a SmartZone of their own. This partner community considered a "satellite" SmartZone location, would only be eligible to get such designation if it collaborates with an existing SmartZone (Sterling Heights). The city is currently talking with Genoa Township in Livingston County, and their partner Cleary University.

- Eliminate reimbursement of eligible expenditures by BAE Systems Land and Armaments L.P., the benefactor of the "Original Plan." BAE did not provide valid invoices for repayment of their eligible activities with tax increment finance (TIF) revenues. Therefore, the Plan will eliminate TIF expenditures adopted in the "Original Plan" and reallocate them to eligible activities that benefit the broader LDFA district. These taxes were already dedicated for capture, but now the LDFA and City Council can direct these taxes to be spent on public improvements throughout the LDFA district for the betterment of many more companies.
- The plan eliminates a \$500,000 not to exceed cap put in place in the "Second Plan". The purpose of this cap was to limit tax capture and expenditure related to the Macomb OU-Incubator and Velocity related activities. By removing this cap, the LDFA and City can enhance programs offered to entrepreneurs in the region, and also make public improvements in the LDFA district that help promote entrepreneurial growth.

Procedure - Act 281 requires in relevant part that "Before adoption of a resolution approving or amending a development plan or approving or amending a tax increment financing plan, the governing body shall hold a public hearing on the development plan. (MCL 125.2166(1)). At the time set for hearing, the governing body shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference to the matter. The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for introduction of documentary evidence pertinent to the development plan. The governing body shall make and preserve a record of the public hearing, including all data presented at that time." (MCL 125.2166 (3)).

To further assist the City Council in their deliberations the following information is attached:

- City Council resolution adopting the Third Amended and Restated Development Plan and Tax Increment Finance Plan
- The proposed Third Amended and Restated Development Plan and Tax Increment Finance Plan
- The Local Development Finance Authority supporting resolution dated March 15, 2016

As previously noted, there is a [motion on the floor](#) (see Suggested Action below) from the April 19, 2016 regular meeting. Following citizen comment, there is no need to repeat the motion before the City Council deliberates and votes.

Suggested Action (Motion on the Floor from April 19th):

MOVED BY: Romano

SECONDED BY: Skrzyniarz

RESOLVED, to adopt the resolution approving the Third Amended and Restated Development Plan and Tax Increment Finance Plan in accordance with Public Act 281 of 1986, as amended.

CITY OF STERLING HEIGHTS

**RESOLUTION APPROVING THE THIRD AMENDED AND RESTATED
DEVELOPMENT PLAN AND TAX INCREMENT FINANCE PLAN FOR
THE LOCAL DEVELOPMENT FINANCE AUTHORITY IN ACCORDANCE
WITH THE PROVISIONS OF PUBLIC ACT 281 OF 1986, AS AMENDED**

This Resolution was made and adopted at a meeting of the City Council of the City of Sterling Heights, Macomb County, Michigan, held at the City Offices on the 4th day of May, 2016.

Members Present: _____

Members Absent: _____

The following preamble and resolution was offered by Member _____ and was supported by Member _____.

RECITALS

The City Council of the City of Sterling Heights (the "City Council"), by Resolution adopted on April 15, 2008 (the "Resolution of Intent"), determined that it is in the best interests of the public to prevent conditions of unemployment and to promote economic growth within the boundaries of the City of Sterling Heights and in the local development financing authority district(s) as may be designated by the City Council, and declared its intention to create and provide for the operation of a Local Development Finance Authority for the City of Sterling Heights (the "Authority") pursuant to and in accordance with the provisions of the Local Development Financing Act, being Act No. 281 of the Public Acts of

1986, as amended, being Sections 125.2151 to 125.2174 of the Michigan Compiled Laws (the "Act").

On May 20, 2008, pursuant to and in accordance with the Act and the Resolution of Intent, the City Council held a public hearing, notice of which was given as required by Section 4(2) of the Act, on the adoption of a resolution creating the Authority and designating the original boundaries of the Authority district within which the Authority will exercise its powers (the "Authority District" or "Authority Districts", as the case may be).

On August 19, 2008, pursuant to and in accordance with the Act, the City Council adopted a resolution establishing the Authority, placing its supervision and control under the seven-member Board (the "Board"), and designating the original boundaries of the Authority District.

On December 16, 2008, the City Council approved a "SmartZone Agreement" between the City, the Authority and the Michigan Economic Development Corporation ("MEDC"). Pursuant to the terms of the SmartZone Agreement between MEDC, LDFA and the City, the City had a duty to designate the area of the Authority District to be included within the SmartZone on or before June 1, 2009. This duty required that the City Council amend the existing boundaries of its Authority District by adoption of a resolution on May 19, 2009. This resolution served to not only establish the area comprising the SmartZone and the location of the business incubator component, but also allows for future economic development opportunities within the expanded Authority District.

The SmartZone designation also required that the Development Plan and Tax Increment Finance Plan approved by resolution of the City Council on February 3, 2009 be

amended for the purpose of reflecting the activities and the tax increment financing of the Macomb OU-INCubator, which is a certified technology park “SmartZone” created pursuant to and in accordance with the Act.

On December 1, 2009, pursuant to and in accordance with the Act, the City Council held a public hearing, notice of which was given as required by Section 4(2) of the Act, and adopted a resolution approving the First Amended and Restated Development Plan and Tax Increment Finance Plan.

On December 20, 2011, the City Council held a public hearing, notice of which was given as required by Section 4(2) of the Act, and adopted a resolution approving the Second Amended and Restated Development Plan and Tax Increment Finance Plan that provided for the capture of supplemental tax increment revenue generated by two project investments for the purpose of funding SmartZone activities at intended levels.

A Third Amended and Restated Development Plan and Tax Increment Finance Plan are being proposed to incorporate a new project that will result in Tax Increment Revenue to support eligible activities in the broader Authority District and SmartZone, facilitate a 15-year extension of the tax increment revenue capture through the establishment of a satellite SmartZone with a collaborative partner community outside of Macomb County, and eliminate the reimbursement of eligible expenditures that have not been pursued by the developer of a LDFA-eligible project and reallocate the capture to date to the benefit of the Authority District.

The Board has reviewed and is recommending approval of the Third Amended and Restated Development Plan and Tax Increment Finance Plan prepared in accordance with the

Act for the Authority District.

Having provided notice of and conducted a public hearing in accordance with the requirements of Section 16 of the Act; and, having provided through this hearing the fullest opportunity for expression of opinion, for argument on the merits, and for consideration of documentary evidence pertinent to the proposed Third Amended and Restated Development Plan and Tax Increment Finance Plan as recommended by the Authority; and, having considered all the information presented in the course of the public hearing;

IT IS RESOLVED that:

1. Public Purpose. The City Council hereby determines that the Third Amended and Restated Development Plan and Tax Increment Finance Plan constitute a public purpose.

2. Best Interest of the Public. The City Council finds that the Third Amended and Restated Development Plan and Tax Increment Finance Plan are consistent with and furthers the interests of the public by preventing conditions of unemployment and promoting economic growth within the boundaries of the City.

3. Review Considerations. As required by the Act, the City Council has in reviewing the Third Amended and Restated Development Plan and Tax Increment Finance Plan taken into account the considerations set forth in Section 17 of the Act, as applicable, and finds:

(a) The Development Plan meets the requirements set forth in Section 15(2) and the Tax Increment Finance Plan meets the requirements set forth in Section 12(1), (2) and (3) of Act.

(b) The proposed method of financing the public facility or facilities is feasible and the authority has the ability to arrange the financing.

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) The amount of captured assessed value estimated to result from adoption of the Tax Increment Finance Plan is reasonable.

(e) The development plan is in reasonable accord with the approved master plan of the City.

(f) The public services, such as fire and police protection and utilities, are or will be adequate to service the property.

(g) The changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the municipality.

4. Approval of the Plan. The Third Amended and Restated Development Plan and Tax Increment Finance Plan are hereby approved and adopted.

AYES: _____

NAYS: _____

ABSTAINED: _____

RESOLUTION DECLARED ADOPTED.

[Certification of City Clerk follows on next page]

STATE OF MICHIGAN)

) ss

COUNTY OF MACOMB)

I, the undersigned, the duly qualified and acting City Clerk of the City of Sterling Heights, County of Macomb, State of Michigan, certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Sterling Heights at a regular meeting held on the 4th day of May, 2016, the original of which resolution is on file in my office.

IN WITNESS WHEREOF, I have set my official signature, this _____ day of May, 2016.

MARK CARUFEL, CITY CLERK
CITY OF STERLING HEIGHTS

CITY OF STERLING HEIGHTS

Local Development Finance Authority

**THIRD AMENDED AND RESTATED
DEVELOPMENT PLAN**

&

TAX INCREMENT FINANCE PLAN

2016



CITY OF STERLING HEIGHTS, MICHIGAN • 40555 UTICA ROAD

P.O. BOX 8009 • Sterling Heights, MI 48311-8009 • (586) 446-CITY (2489)

CITY OF STERLING HEIGHTS CITY OFFICIALS

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Mayor Pro Tem Joseph V. Romano
Councilwoman Deanna Koski
Councilwoman Maria G. Schmidt
Councilman Nate Shannon
Councilman Doug Skryzniarz
Councilwoman Barbara A. Ziarko

City Manager Mark D. Vanderpool

Local Development Finance Authority Board Members

Phillip Hunsberger - Chairman
John Lettang - Secretary
David Corba
Lori Doughty
Stephanie Eagen
Laurel Johnson
Richard Kincaid
John Lamerato
Victor Martin
Camille Silda
Jill Tomy
Kerry Weishaupt
Orest Zachary

City Development Director
Denice Gerstenberg

Senior Economic Development Advisor
Luke Bonner
Bonner Advisory Group

Table of Contents

1.0 Executive Summary	5-8
2.0 Introduction.....	9-11
3.0 Development Plan.....	12-38
Development Plan Overview.....	12-13
Section 15 (2)(a).....	14
Section 15 (2)(b).....	15-16
Section 15 (2)(c).....	17
Section 15 (2)(d).....	18-19
Chart 1- TIF Expenditure Project 1: BAE Land and Armaments L.P.	18
Chart 2- TIF Expenditure Project 2: SmartZone Activities.....	18
Chart 3 – General LDFA Activities.....	19
Section 15 (2)(e).....	20-24
Chart 4 - TIF Expenditure Project 1: BAE Systems Land and Armaments L.P.....	22
Chart 5 - TIF Expenditure Project 2: SmartZone Activities (original).....	23
Chart 6 – Revised TIF Expenditure Project 2: SmartZone Activities.....	24
Chart 7 – TIF Expenditure Project 3: LDFA District Improvements.....	24
Section 15 (2)(f).....	25
Section 15 (2)(g).....	26
Section 15 (2)(h).....	27-28
Section 15 (2)(i).....	29-30
Section 15 (2)(j).....	31
Section 15 (2)(k).....	32
Section 15 (2)(l).....	33
Section 15 (2)(m).....	34
Section 15 (2)(n).....	35
Section 15 (2)(o).....	36
Section 15 (2)(p).....	37
4.0 Tax Increment Finance Plan.....	38-56
Overview.....	38-39
Section 12 (a).....	40-41
Section 12 (b).....	42
Section 12 (c).....	43
Section 12 (d).....	44-47
Chart 6: TIF Capture Breakdown of Not To Exceed Amount.....	47
Chart 7: Summary of TIF Revenue and TIF Expenditure.....	47
Section 12 (e).....	48
Section 12 (f).....	49
Section 12 (g).....	50
Section 12 (h).....	51
Section 12 (i).....	52
Section 12 (j).....	53-54

Section 12 (k).....	55
Section 12 (l).....	56
5.0 Appendix.....	57-84
Table 1-Estimated Capture of Value: BAE Systems Project.....	57
Table 2-Estimated Capture of Value: FCA Paint Shop.....	58
Table 3-Estimated Capture of Value: FCA Body Shop.....	59
Table 4-Estimated Capture Value of Sterling Enterprise Park.....	60
Table 5a-Estimated Local TIF Revenue: BAE Systems	61
Table 5b-2016 Updated Local TIF Revenue: BAE Systems.....	62
Table 6a-Estimated School TIF Revenue: BAE Systems.....	63
Table 6b-2016 Updated School TIF Revenue: BAE Systems.....	64
Table 6c-15 Year SmartZone Extension: BAE Systems.....	65
Table 7a-Estimated TOTAL TIF Revenue: FCA Paint Shop.....	66
Table 7b-2016 Updated Local TIF Revenue: FCA Paint Shop.....	67
Table 7c-2016 Updated School TIF Capture – FCA Paint Facility.....	68
Table 7d-15 year SmartZone Extension – FCA Paint Facility	69
Table 8a-Estimated TOTAL TIF Revenue: FCA Body Shop.....	70
Table 8b-2016 Updated School TIF Capture – FCA Body Shop.....	71
Table 8c-2016 Updated School TIF Capture: FCA Body Shop.....	72
Table 8d-15 year SmartZone Extension Capture: FCA Body Shop.....	73
Table 9a- Estimated Local TIF Capture: Sterling Enterprise Park.....	74
Table 9b-Estimated School TIF Capture: Sterling Enterprise Park.....	75
Table 9c-15 Year SmartZone Extension: Sterling Enterprise Park.....	76
Table 10a-Total Local TIF Capture: All Projects.....	77
Table 10b- Total School TIF Capture All Projects.....	78
Table 10c- Total SmartZone Extension TIF Capture: All Projects.....	79
Map 1 Local Development Finance Authority District	80
Map 2 BAE SYSTEMS.....	81
Map 3 Velocity	82
Map 4 Chrysler Sterling Heights Assembly Plant.....	83
Map 5 Sterling Enterprise Park.....	84
Ratified State Agreement by the State Treasurer for the City of Sterling Heights SmartZone.....	85-86

1.0 Executive Summary

BACKGROUND

The City Council of the City of Sterling Heights, Macomb County, Michigan, having determined that it is necessary for the best interests of the public to encourage local development to prevent conditions of unemployment and promote economic growth, adopted a resolution on April 15th, 2008, declaring its intention to create and provide for the operation of a Local Development Finance Authority (LDFA). The resolution stated that “The City Council (the “Council”) of the City of Sterling Heights (the "City") is strongly committed to the revitalization and redevelopment of local properties to prevent conditions of unemployment and promote economic growth.”

The Council received and reviewed reports from the City Administration demonstrating that these objectives are furthered by the creation of a local development financing authority and the exercise of powers granted to a board authority pursuant to the Local Development Financing Act, Act 281 of 1986, as amended (the Act).

In order to create a Local Development Finance Authority, the Act required Council (a) to declare by resolution its intention to create and provide for the operation of a Local Development Finance Authority (LDFA) and designate the boundaries of the authority district or districts; (b) to publish and provide a notice of the public hearing in accordance with the requirements set forth in §4 of the Act (MCL 125.2154); (c) to conduct a public hearing affording a resident, taxpayer, or property owner from a taxing jurisdiction in which the proposed district is located or an official from the taxing jurisdiction with millage that would be subject to capture a right to be heard in regard to the establishment of the LDFA and the boundaries of the proposed district; and, (d) to adopt a resolution establishing the LDFA and designating the boundaries of the district or districts within which its powers are exercised.

Original Development Plan and Tax Increment Finance Plan

In accordance with PA 281, on May 20, 2008 the City Council held a public hearing to consider the creation of a Local Development Finance Authority. The City Council directed City Administration to proceed with the preparation of a resolution establishing a Local Development Finance Authority for the City of Sterling Heights and designating the boundaries of the authority district pursuant to and in accordance with the provisions of Act No. 281 of the Public Acts of 1986, as amended, for consideration at the regular meeting on Tuesday, August 6, 2008.

On August 19, 2008 the Sterling Heights City Council adopted a resolution confirming the creation of the Local Development Finance Authority and designated the boundaries of the original authority district pursuant to and in accordance with the provisions of Act No. 281 of the Public Acts of 1986. The original district was specific to the site located at 34201 Van Dyke between 14 and 15 Mile Road. On February 3, 2009, the City Council held a public hearing in accordance with PA 281, to consider the approval of the Development Plan and Tax Increment Finance Plan and adopted a resolution approving the original Development and Tax Increment Finance Plan (“The Original Plan”). This original Development Plan addressed issues associated with the redevelopment of the former TRW property by BAE Systems, including associated remediation costs resulting from environmental contamination on the site to be reimbursed. As a result of the approval of this plan, BAE Systems Land and Armament L.P. (BAE Systems) constructed a state of the art business development and technology center focused upon the requirements of the United

States Department of Defense and its worldwide allies. This property supports future business growth, product development, and personnel headcount expansion in Sterling Heights, Michigan by BAE Systems.

The LDFA district created on behalf of BAE Systems addressed issues associated with the redevelopment of the former TRW property. At that time, the site consisted of 529,105 square feet of office and obsolete manufacturing space. Additionally, the site was constructed in 1954 and had severe environmental implications. The previous owner, TRW Automotive, filed a Remedial Action Plan (RAP) with the Michigan Department of Environmental Quality for the western portion of the property known as the “former test track area”. Additional site preparation and remediation costs that were to be incurred by BAE and site infrastructure improvements required the use of Tax Increment Finance to ensure redevelopment of the site to productive use.

The original Tax Increment Finance Plan (Original TIF Plan) was prepared to support the redevelopment of the site at 34201 Van Dyke and utilized a December 31st 2008 assessment as the base, and fiscal year 2009/2010 taxable value for the original District of \$3,921,700. The capital investment in real property was projected to be \$54,000,000 with an inflationary growth rate of 1.5%. The goal of the TIF Plan was to reimburse BAE Systems eligible costs related to the redevelopment activities from tax increment revenues.

BAE Systems completed their project in 2011. The final investment value of real property was approximately \$26,000,000 with a 2014 taxable value of \$13,270,800. Local tax capture on BAE Systems project has averaged \$104,000 annually. BAE Systems did not comply with the provisions of the development agreement that required them to provide adequate documentation in order to receive reimbursements for eligible activities from the LDFA.

The tax increment revenue generated from 34201 Van Dyke will be re-distributed towards eligible activities throughout the entire LDFA district.

First Amended and Restated Development Plan and Tax Increment Finance Plan

Subsequent to the approval of the original TIF Plan, the LDFA and City Council approved a First Amended and Restated Development Plan and Tax Increment Finance Plan. This First Amended and Restated Development Plan and Tax Increment Finance Plan amended the district boundaries, and added the SmartZone designation and Incubator project.

The subsequent approval of the First Amended and Restated Development Plan and Tax Increment Finance Plan (“First Plan”) was pursuant to amendments to the LDFA Act that were passed by the State legislature that providing for the creation of Certified Technology Parks (SmartZones or “Smart Parks”). Specifically, in 2008 the State of Michigan amended the LDFA Act to allow for 3 additional SmartZones to be added to the original limit of 12, bringing the State total to 15. SmartZones are designed to create clusters of technology businesses and research institutions throughout the state, and intended designed to encourage partnerships between municipalities, universities and business by creating an environment of cooperation.

On or about July 1, 2008, the City made application to the Michigan Economic Development Corporation (MEDC) for designation of the authority district as a certified technology park (“SmartZone”).

On or about October 15, 2008, the MEDC gave notice to the City that its application had been approved for the designation of a SmartZone.

On December 16, 2008, the City Council approved a SmartZone Agreement between the MEDC, City, and Sterling Heights LDFA. By the terms of this Agreement, the City is required to designate for the MEDC the area of the authority district to be included in the designated SmartZone on or before June 1, 2009.

On February 17, 2009, the City Council adopted a resolution of intent to amend the boundaries of the authority district.

On March 17, 2009, the City Council conducted a public hearing which afforded residents, taxpayers, property owners, and officials from taxing jurisdictions with millages subject to capture, an opportunity to be heard in regard to the proposed amendment to the boundaries of the authority district. Following the March 17th public hearing, City Council resolved to direct City Administration to proceed with the preparation of a resolution amending the boundaries of the authority district within which the LDFA exercises its powers. On May 19, 2009 the City Council adopted a resolution amending the boundaries of the district. The district is now generally located in the central portion of the city with 14 Mile Road being the south boundary, Van Dyke the east boundary, Mound the west boundary, and M-59 the north boundary.

The SmartZone Agreement further required that the Development Plan and Tax Increment Finance Plan approved by resolution of the City Council on February 3, 2009 be amended for the purpose of reflecting the activities and the tax increment financing of the Incubator. Accordingly, pursuant to and in accordance with the Act, the City Council set a public hearing on December 1, 2009, notice of which has been given as required by Section 4(2) of the Act, to consider adoption of a resolution approving the First Amended and Restated Local Development Tax Increment Finance Plan and Development Plan. At this meeting, the City Council adopted a resolution approving the First Amended and Restated Local Development Finance Authority Plan in accordance with Public Act 281 of 1986, as amended.

The First Amended and Restated Development and Tax Increment Finance Plan provided for the capture of 50% of *local* taxes to reimburse BAE for eligible expenses associated with the redevelopment of 34201 Van Dyke (consistent with the Original Development Plan and Tax Increment Finance Plan), and the capture of 50% of *school* taxes to provide for the incubator in the SmartZone. The ability to capture school taxes is provided by the SmartZone designation, and schools are made whole by the State under this program. The TIF funds captured pursuant to the SmartZone agreement may be used to fund property acquisition, infrastructure, business incubators and other park facilities, management and marketing for the SmartZone.

The related SmartZone Agreement entered into by the Michigan Economic Development Corporation, City of Sterling Heights, and the Sterling Heights Local Development Finance Authority provides that the capture of tax increment revenue is for a period of 15 years for tax levies imposed on or after January 1, 2011 through December 31, 2025. (See Appendix p 60-61)

Business Incubator

The SmartZone program includes the development of a “business incubator” as described in Act 281. Under the First Amended and Restated Development Plan and Tax Increment Finance Plan, the Authority’s four-year university partner is Oakland University. A business incubator program has been operating at 6633 18 Mile Road, the facility also known as Velocity, within the Technology Advancement SmartZone of Sterling Heights. The Incubator program will be devoted to assisting early stage technology companies and the regional high technology and manufacturing industry. The growth of high-technology businesses in the Certified Technology Park will in turn yield economic development benefits within the City of Sterling Heights and the surrounding Macomb County community.

Second Amended and Restated Development Plan and Tax Increment Finance Plan

Two new projects were announced in 2011 that generated new activity in the Local Development Finance Authority district and result in TIF revenue. Significant investment occurred at the Chrysler Sterling Heights Assembly Plant location on Van Dyke between 16 Mile and 17 Mile, making the site a highly advanced and modern automotive assembly facility playing an integral role in the success of the company by building the next generation of all-new vehicles.

Chrysler Sterling Heights Assembly Paint Shop

Chrysler Group LLC (Chrysler) invested approximately \$850 million in an all new, 425,000 square-foot paint shop at the Sterling Heights Assembly Plant. This project revived the plant, previously slated for closure. This project retained 1,300 jobs and created 900 additional new jobs, not to mention thousands of indirect jobs through suppliers and support industries in the community. The new paint shop enables production of a variety of vehicles with new, state-of-the-art equipment and an eco-friendly focus. The project resulted in \$21,357,363 million of increased taxable value upon completion, and an associated local tax increment of approximately \$239,097 per year. Supported by a tax abatement from the City, the project revenue will increase upon expiration of this abatement in 2024 to a projected value of approximately \$478,193.

Chrysler Sterling Heights Assembly Body Shop

Chrysler invested a total of \$165 million to add a new one million square-foot body shop to the Sterling Heights Assembly Plant, including the addition of new equipment that made the facility the most advanced in the industry. The new Body Shop replaced the existing outdated shop on the site and compliment the investment at the Paint shop, further securing the future of this site as a premier assembly location for Chrysler and securing the retention of jobs at this location. The project resulted in \$16,498,252 million increase of taxable value upon completion, and an associated local tax increment of approximately \$184,699 per year, and will increase to \$369,398 when the tax abatement expires.

Approval of the proposed Second Amended and Restated Development Plan and Tax Increment Finance Plan (“Second Plan”) allows for the capture of TIF revenue from real property to support the SmartZone program in the LDFA and to provide adequate funding for the Incubator (TIF Expenditure Project 2). Personal property taxes, although eligible, have been excluded from capture within the boundaries of this district. Specifically, the Second Amended and Restated Development Plan and Tax Increment Finance Plan allows for revenue capture necessary to support SmartZone management, administration, facility costs and marketing, as well as maintain support of the business incubator.

The proposed “Second Plan” maintains the TIF funding from BAE, and allows for additional capture from Chrysler. The combined amount (from Chrysler projects and school TIF from BAE) is ***not to exceed \$500,000 annually for SmartZone Activities***. Local TIF revenue from BAE to provide for eligible costs related to the redevelopment activities is unaffected and is not included in the not to exceed amount. It is anticipated that a TIF capture not to exceed \$500,000 for SmartZone activities will be possible from the combined school TIF capture resulting from the BAE Systems project, and the Chrysler Sterling Heights Assembly Paint Shop project TIF alone once completed. However, the Chrysler Sterling Heights Assembly Body Shop is included because it is on the same parcel as the Paint Shop project, and provides a reasonable assurance that there will be sufficient funding to support the incubator building location, personnel costs, and SmartZone activities despite any unforeseeable changes to project timing, scope, or taxable value. ****The Third Plan removes the not to exceed provision.***

2.0 Introduction

The City of Sterling Heights is located in the west central region of Macomb County. The City encompasses 36.8 square miles and is bounded by M-59 to the north, Dequindre Road to the west, 14 Mile Road to the south and Hayes Road to the east. With a population approaching 130,000 residents, the City is the fourth largest municipality in the State of Michigan. Approximately 3,000 commercial and industrial businesses are located within the City.

A diversity of industrial uses are concentrated in the City's central corridor between Mound Road and Van Dyke Road, from 14 Mile Road and M-59. Commercial uses are concentrated along two major corridors within the City; the Van Dyke corridor, which bisects the city from south to north, and M-59 which is the northernmost boundary of the City and traverses east to west.

The City Council, having determined that it is necessary for the best interests of the public to encourage local development to prevent conditions of unemployment and promote economic growth, established the Local Development Finance Authority on August 19, 2008, in accordance with P.A. 281 of 1986, as amended. The intent of the enabling legislation is to encourage manufacturing and high technology development in Sterling Heights.

The Act seeks to accomplish its goals by providing local units of government with the necessary legal, monetary and organization tools, to eliminate conditions of unemployment, underemployment, and joblessness and to promote economic growth through publicly initiated projects undertaken cooperatively with private sector participation.

The Development Plan outlines public facilities that are needed to support continued economic growth and prosperity in the City of Sterling Heights. It is recognized that local economic development efforts will not only benefit city residents, but also the region as a whole. It is for this reason, that tax increment financing is proposed to be utilized to help finance planned improvements within the LDFA district support by revenue from by BAE Systems development (34201 Van Dyke) and Sterling Enterprise Park (7171 17 Mile Road). Using this method, the financial burden for making public improvements (primarily infrastructure and environmental) is shared with larger taxing jurisdictions under a partnership agreement.

Additionally, it will provide funding to support the ongoing efforts to support small businesses and SmartZone activities, including the acquisition, construction, furnishing and equipping of a business incubator facility and related infrastructure, operating expenses, business planning, intellectual property management, technology transfer, commercialization and capital acquisition services, the hiring of a director to manage the incubator, and administrative and marketing costs.

The Finance Plan will provide for the capture of tax revenues from certain property within the Certified Technology Park including the capture of 50% of the operating levies of State, K-12 school districts and the State Education Tax.

To meet the requirements of PA 281, it is necessary to prepare a Development Plan and TIF Plan for the LDFA to adhere to when implementing and financing the District improvements.

The organization of the Development Plan and TIF Plan are in accordance with the requirements and follow the format presented in PA 281 of 1986. The Development Plan must include a legal description and map of

the district, a description of the proposed construction activities, an implementation schedule, estimated construction costs and other pertinent information regarding the District.

The TIF Plan provides a summary of the methods proposed to generate the revenue needed to fund the proposed projects. As outlined in the TIF Plan, funding for projects generated through tax increment financing, grants, local cooperation and funding eligible under Section 10 of PA 281.

Third Amended and Restated Development Plan and Tax Increment Financing Plan

The Third Amended and Restated Development Plan and Tax Increment Financing Plan “(the Third Plan)” accomplishes seven objectives.

Objective One – BAE Systems Land and Armaments L.P., the benefactor of the “Original Plan”, did not provide valid invoices for repayment of their eligible activities with tax increment finance (TIF) revenues. Therefore, “the Plan” will eliminate TIF expenditures adopted in the “Original Plan” and reallocate them to eligible activities that benefit the broader LDFA district.

Objective Two – The “First Plan” referenced the Macomb OU-INCubator as the sole service provider of incubator related activities. The “Third Plan” removes Macomb OU-INCubator and references incubation services more generally as an eligible activity under the broader “SmartZone Activities” heading. The defined terms of service of any organization providing incubation services on behalf of the LDFA will require a contract between the LDFA and the specific service provider, or service providers.

Objective Three – The Second Plan has a combined tax increment finance capture, not to exceed \$500,000. The third amended and restated TIF plan eliminates the not to exceed portion of the capture.

Objective Four – A new project within the LDFA, known as Sterling Enterprise Park, will generate a significant amount of new TIF revenue. The Third Plan will include the eligible activities in the broader LDFA district supported by TIF revenue generated by the Sterling Enterprise Park development project.

Objective Five – The Sterling Enterprise Park project will also generate new school TIF. The Third Plan will reflect the school tax capture and its use to support incubator related activities as well as additional LDFA district improvements that support entrepreneurial growth. The charts in the Third Plan will acknowledge the change in these funding activities.

Objective Six – The Second Plan mistakenly used an incorrect base taxable value for the Chrysler Paint Facility. The Paint Facility was built on a newly established IFT Parcel (Industrial Facility Tax) with a base value of \$0. However, a value of \$19,827,400 was used as the base value. The Third Plan corrects the base value of the Paint Facility and now projects an annual capture of \$159,572 of school capture and \$239,097 for local capture.

Objective Seven – The City of Sterling Heights, and the Sterling Heights LDFA, would like to pursue a 15-year extension to its tax increment finance capture period for SmartZone Related activities. On July 15th, 2015 Governor Snyder signed into law House Bill 4226. This legislation allows for up to 9 existing SmartZones (such as the City of Sterling Heights) extend tax capture for an additional 15 years to provide early stage company support services. The primary condition for an existing SmartZone (City of Sterling Heights) to qualify for a 15-year extension is to collaborate with another community outside of Macomb County, which also has the desire to create a SmartZone of their own. This partner community considered a “satellite” SmartZone location, would only be eligible to get such designation if it collaborates with an existing SmartZone (Sterling Heights). The satellite zones have a commitment to work with the partner zone

on joint projects of interest. No exchange of resources or control of revenue collected in either zone is required in the partnership agreement. The City of Sterling Heights can capture school taxes under the SmartZone provision until approximately the 2025/2026 fiscal year.

The intent of the Third Plan is to outline in broad terms, the activities that are eligible under Public Act 281 of 1986 as amended. The development plan should be very flexible in nature to limit the amount of times the plan requires an amendment to increase and add eligible activities and the associated costs of those activities. The ability to carry out the eligible activities is solely dependent on the revenue available to the LDFA, the cost of those activities, and the priorities set by the LDFA and City Council collectively. Each year the City and the LDFA approve a budget based on the priorities listed above and the revenues available to complete them. The LDFA and City should expect to have contracts in place with any vendor providing services. Those contracts will very clearly spell out the terms, performance requirements, and budget for that contract. The Sterling Enterprise Park project may have an unpredictable amount of investment; therefore, the revenue to the LDFA is highly unpredictable. With that in mind, the size of investments conceptualized in the forthcoming charts reflect unpredictable investments. Charts 7 and 8 cover the entire LDFA district as defined in section 15(2)(a)

Sterling Enterprise Park

Sterling Enterprise Park, a new 144-acre industrial development, is located at 7191 Seventeen Mile Road. In 2015, the vacancy rate for industrial real estate for lease was approximately 2.7%. With increased production in the automotive industry and a tremendous rebound in the North American manufacturing sector, industrial space in Sterling Heights is at a premium. The new park will cater to industrial uses as large as 500,000 square feet or as small as 60,000 square feet. It is anticipated this development will ultimately provide anywhere between 1.3 million to 1.8 million square feet of industrial space.

The LDFA district encompasses nearly 30 million square feet of industrial, office, and commercial real estate over 6 square miles. The district itself impressively houses many major facilities, including two Ford facilities (Axle and Transmission), two Fiat-Chrysler facilities (Stamping and Assembly), General Dynamics Land Systems, KUKA Systems, BAE Systems, among others. The district developed over the last fifty to sixty years, and much of the infrastructure requires upgrades and additions to accelerate the pace of manufacturing technology. Obsolete and blighted properties also exist throughout the LDFA district. These properties could impede development, and at times, contribute to a negative perception of the area. The Third Plan will address infrastructure upgrades, property acquisition, and promotion and marketing opportunities. Infrastructure upgrades include, but are not limited to; road construction, completing streets, improving traffic flow, high gigabyte fiber connectivity, and traffic and engineering studies. The intent of property acquisitions may include but are not limited to; acquiring and removing blight, improving road connectivity and traffic flow, and leasing facilities to qualified companies. Marketing and promotional activities include but are not limited to; streetscape enhancements, LDFA district branding studies, directional and place making signage, social media and website marketing.

The Third Amended and Restated Tax Increment Finance Plan (TIF Plan) is prepared to support the investment of eligible activities within the approved LDFA district. The December 31st 2014 assessment is the base assessment year, and fiscal year 2015/2016 taxable value for the Sterling Enterprise Park property is \$2,818,200. The capital investment in real property is aggressively projected to be \$100,000,000 with an inflationary growth rate of 1.5%. The Projected Local TIF Capture over 20 years is \$17,325,222. The City of Sterling Heights Administration has proposed capturing 50% of the available TIF revenue, and returning the remaining 50% to the taxing jurisdictions. Therefore, the total project TIF capture at 50% is \$5,875,305. The Projected Local School Capture over 10 years, fiscal year ending 2025/2026 (consistent with the 15 year capture period under the SmartZone program) to be \$3,817,652.

3.0 Development Plan

The presentation of the Development Plan follows the statutory requirements of PA 281, specifically Section 15(2)(a) through (p). (MCL 125.2165(a) through (p)).

PA 281 requires that a development plan contain all of the following:

- (a) A description of the property to which the plan applies in relation to the boundaries of the authority district and a legal description of the property.
- (b) The designation of boundaries of the property to which the plan applies in relation to highways, streets, or otherwise.
- (c) The location and extent of existing streets and other public facilities in the vicinity of the property to which the plan applies; the location, character, and extent of the categories of public and private land uses then existing and proposed for the property to which the plan applies, including residential, recreational, commercial, industrial, educational, and other uses.
- (d) A description of public facilities to be acquired for the property to which the plan applies, a description of any repairs and alterations necessary to make those improvements, and an estimate of the time required for completion of the improvements.
- (e) The location, extent, character, and estimated cost of the public facilities for the property to which the plan applies, and an estimate of the time required for completion.
- (f) A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.
- (g) A description of any portions of the property to which the plan applies, which the authority desire to sell, donate, exchange, or lease to or from the municipality and the proposed terms.
- (h) A description of desired zoning changes and changes in streets, street levels, intersections, traffic flow modifications, or utilities.
- (i) An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the authority to arrange the financing.
- (j) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.
- (k) The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.
- (l) Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the

authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

(m) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

(n) Provisions for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the uniform relocation assistance and real property acquisition policies act of 1970, Public Law 42 U.S.C 4601 to 4655.

(o) A plan for compliance with 1972 PA 227, MCL 213.321 to 231.332. of the Michigan Compiled Laws.

(p) Other material that the authority, local public agency, or governing body considers pertinent. It shall be necessary for the board to prepare a development plan pursuant to this section if a development plan that adequately provides for accomplishing the proposed development program has already been prepared and where the development plan has been approved by the board and the governing body pursuant to sections 16 (MCL 125.2166) and 17(MCL 125.2167).

Section 15(2)(a) A description of the property to which the plan applies in relation to the boundaries of the authority district and a legal description of the property. (MCL 125.2165(2)(a)).

At the August 19, 2008 meeting, the City Council adopted a resolution creating the LDFA and establishing the boundaries of the development area now identified as the District.

On May 19, 2009, The City Council adopted a resolution amending the boundaries of the District to include the property designated below.

Section 4:

The East half of the West half of Section 4, Also Parcel Numbers 10-04-251-004, 10-04-401-001, 10-04-451-002, 10-04-451-003, 10-04-451-005, 10-04-451-006

Section 8:

Parcel Numbers 10-08-426-009, 10-08-426-014, 10-08-426-016, 10-08-476-010, 10-08-476-004, 10-08-476-013, 10-08-476-012, 10-08-476-011

Section 9:

All of Section 9 ***Excluding*** the following Parcel Numbers 10-09-226-011, 10-09-200-040, 10-09-200-045, 10-09-200-046, 10-09-200-011, 10-09-200-031, 10-09-200-044, 10-09-200-043, 10-09-200-016, 10-09-200-010, 10-09-277-007, 10-09-276-016, 10-09-200-028

All of Section 16

Section 17:

All of the platted subdivision named Parkridge Industrial Sub. No. 1, Parkridge Industrial Sub. No. 2, Parkridge Industrial Sub. No. 3, and Parkridge Industrial Sub. No. 4

Also Parcel Numbers 10-17-200-007, 10-17-226-032, 10-17-226-004, 10-17-226-045, 10-17-226-046, 10-17-226-047, 10-17-226-048, 10-17-226-049, 10-17-276-006, 10-17-276-006, 10-17-200-006, 10-17-276-008

All of Section 21

All of Section 28

All of Section 33

The district is now generally located in the central portion of the city with 14 Mile Road being the south boundary, Van Dyke the east boundary, Mound the west boundary, and M-59 the north boundary. Please see attached exhibit Map 1.

Section 15(2)(b) The designation of boundaries of the property to which the plan applies in relation to highways, streets, or otherwise. (MCL 125.2165(2)(b)).

Map 1 – City of Sterling Heights LDFA District Boundaries

The district is now generally located in the central portion of the city with 14 Mile Road being the south boundary, Van Dyke the east boundary, Mound the west boundary, and M-59 the north boundary. Eligible activities under the Certified Technology Park provision Public Act 280 are included within this defined LDFA district.

Map 2 – 34201 Van Dyke

This site is located within the LDFA district. It is located at 34201 Van Dyke generally located west of Van Dyke Avenue, north of 14 Mile Road, and south of 15 Mile Road. The site is comprised of one parcel totaling 81.56 acres. This parcel is home to BAE Systems Land and Armaments, L.P.

Parcel ID Number:

10-33-276-004

Parcel Address

34201 Van Dyke

Parcel Description:

THAT PART OF LAND IN THE NORTHEAST 1/4 OF SECTION 33, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN T2N, R12E, SEC 33; S 60.0 ACRES OF E 1/2 OF NE 1/4; EXC THAT PART LYING N OF LINE DESC AS FOLL; COMM AT NE COR SEC 33; TH S01*40'23"E 891.36 FT ALG E SEC LINE TO POB; TH S88*10'34"W 1340.39 FT TO POE, EXC THAT PART FOR VAN DYKE; ALSO BEG AT SW COR OF E 1/2 OF NE 1/4 SEC 33; TH N88*44'40"W 1004.32 FT; TH N02*21'40"W 1313.12 FT; TH S89*13'20"E 997.94 FT; TH S02*04"W 1321.34 FT TO POB. 81.60 A. SPLIT FROM 1033276002 FOR 1988

Map 3- 6633 18 Mile Road – Commonly known as Velocity

The incubator is located within the LDFA district. It is located at 6633 18 Mile Road. Parsimony Lane is a private drive that connects 18 Mile Road to 18 ½ Mile Road. There is a nature preserve to the northwest of the site. Ford Transmission is to the East, and a 350,000 square foot industrial building is to the north.

Parcel ID Number:

10-09-300-042-000

Parcel Description:

T2N, R12E, SEC 9: COMM AT SW COR SEC 9; TH EAST 1829.68 FT; TH N19*59'53"W 63.85 FT; TH EAST 193.23 FT TO POB; TH N00*41'54"E 417.28 FT; TH 96.63 FT ALG A CURVE NW R=128, CB N20*17'01"W 94.35 FT; TH N41*43'53"W 449.73 FT; TH 64.52 FT ALG A CURVE NW R=88, CB N20*06'46"W 63.08 FT; TH N01*07'25"E 187.07 FT; TH S88*38'43"E 965.88 FT; TH S01*20'55"W 572.12 FT; TH WEST 530.00 FT; TH S01*20'55"W 492.98 FT; TH WEST 65.54 FT TO POB. 12.25 AC. Split on 08/13/2003 into 10-09-300-041-000, 10-09-300-042-000;

Map 4 - 38111 Van Dyke (Chrysler Plant and Body Shop)

Parcel ID Number:

10-21-400-012

Parcel Description:

T2N, R12E, SEC 21 E 1/2 OF SEC 21, EXC M.C.R.R. R/W; ALSO EXC BEG AT SE COR SEC 21; TH N0*10"W 330.0 FT; TH S89*17'00"W 665.20 FT; TH S00*06'00"W 330.0 FT; TH N89*17'00"E 666.0 FT TO POB; ALSO EXC M-53 R/W DESC AS BEG AT NE COR SEC 21; TH S01*28'59"E 2688.46 FT; TH S02*00'29"E 2288.07 FT; TH S87*16'37"W 77.0 FT; TH N02*00'29"W 2288.07 FT; TH N88*07'16"E 478.41 FT TO POB; ALSO EXC COM AT SE COR SEC 21; TH W 660.0 FT TO POB; TH N00*06'00"E 60.01 FT; TH S89*20'50"W 1951.12 FT; TH S00*09'20"W 60.01 FT; TH N89*20'50"E 1951.18 FT TO POB; ALSO EXC COMM AT INTERSECTION OF S SEC LINE & E R/W LINE OF M.C.R.R.; TH N00*09'20"E 60.01 FT TO POB; TH N00*09'20"E 600.0 FT; TH N89*20'50"E 490.0 FT; TH S00*09'20"W 600.0 FT; TH S89*20'50"W 490.0 FT TO POB. ALSO EXC: T2N, R12E SEC 21 COMM AT NE 1/4 COR SEC 21; TH S01*29'12"E 60.0 FT; TH S88*07'16"W 110.0 FT TO POB; TH S01*29'12"E 391.45 FT; TH S88*31'01"W 143.14 FT; TH N01*28'59"W 110.0 FT; TH N46*40'52"W 141.58 FT; TH S88*07'16"W 195.0 FT; TH N01*52'44"W 180.0 FT; TH N88*07'16"E 439.82 FT TO POB. SPLIT FROM -008 FOR 2002

This site is located within the LDF district at 38111 Van Dyke generally located west of Van Dyke Avenue, north of Metro Parkway, and south of 17 Mile Road.

Map 5 –7191 17 Mile Road - Sterling Enterprise Park – Commonly referred to as Sunnybrook

This site is adjacent and contiguous to 17-mile road to the south, Conrail line and Ford Axel to the west, and commercial uses to the east. Located directly south of 17 mile from the site is the Chrysler Assembly plant. The City of Sterling Heights Department of Public Works is located to the north of this property. This parcel has a small section, which also connects to Van Dyke Ave to the east.

Parcel ID Number:

10-16-401-005-000

Parcel Description

T2N, R12E SEC 16 COMM AT SE COR SEC 16; TH N89*23'00"W 1325.88 FT TO POB; TH N89*23'00"W 1309.05 FT; TH N00*06'37"E 2598.68 FT; TH N00*00'57"E 1317.08 FT; TH S89*36'02"E 1329.40 FT; TH S00*29'29"W 1314.36 FT; TH S00*21'08"W 33.63 FT; TH S89*24'55"E 241.86 FT; TH S38*57'44"E 168.59 FT; TH N89*24'55"W 348.67 FT; TH S00*21'08"W 660.99 FT; TH S89*28'16"E 596.50 FT; TH S00*10'24"W 99.30 FT; TH S89*11'13"E 411.84 FT; TH S00*10'00"W 65.0 FT; TH S89*30'28"E 222.86 FT; TH S00*40'23"W 327.65 FT; TH N88*52'45"W 554.92 FT; TH S00*41'01"W 905.65 FT; TH N89*23'00"W 167.27 FT; TH N00*33'33"E 260.00 FT; TH S89*23'00"W 335.17 FT; TH N00*21'24"E 42.98 FT; TH S59*19'00"W 195.74 FT; TH S00*14'00"W 590.24 FT TO POB. 142.36 AC. 02-21-05: Split/Comb 10-16-476-008 & 10-16-401-004 into 10-16-476-029 & 10-16-401-005

Parcel ID

10-16-426-021-000

Parcel Description

T2N, R12E, SEC 16: COMM AT E 1/4 COR SEC 16; TH S 925.0 FT ALG E SEC LINE; TH S89*53'56"W 355.0 FT TO POB; TH CONT S89*53'56"W 385.16 FT; TH N00*24'42"W 100.0 FT; TH S89*53'56"W 598.62 FT; TH N00*10'25"W 495.0 FT; TH N89*53'56"E 986.0 FT; TH S 595.0 FT TO POB. 12.08 AC SPLIT & COMB FROM -006, -015, -017 & -019 FOR 1997

Please see attached exhibit Maps 1-5.

Section 15(2)(c) The location and extent of existing streets and other public facilities in the vicinity of the property to which the plan applies; the location, character, and extent of the categories of public and private land uses then existing and proposed for the property to which the plan applies, including residential, recreational, commercial, industrial, educational, and other uses. (MCL 125.2165(2)(c)).

Map 1- LDFA District shows the district boundaries are adjacent to major arterial roadways that traverse the City of Sterling Heights and Macomb County. Van Dyke is to the east, Mound to the West, and M-59 to the north. 14 Mile road is the southern boundary and serves as a secondary feeder street. Existing public facilities include water main, sanitary sewer, and storm sewer located in right-of-way. All other telecommunications utilities are also available. Conrail bisects the district north and south. There are a variety of zoning classifications throughout the entire district that include industrial, commercial, and office. The Conrail service lines bisect this “corridor” allowing for rail access along the LDFA.

Map 2 - 34201 Van Dyke shows Van Dyke Avenue as adjacent and contiguous to the east of this parcel. Conrail railroad runs to the west of the property but is not contiguous; a private conservation easement buffers the property from the rail line. An abandoned rail spur is located on the northwest portion of the property. Existing public facilities include water main, sanitary sewer, and storm sewer located in the Van Dyke right-of-way. All other telecommunications utilities are also available. The Busch Drain runs on the western portion of the property, and a private drain borders the southern boundary. Current zoning for the BAE Systems site is M-1, (Light Industrial), the proposed use is allowed within this zoning category. A PCD (planned commercial district) is adjacent and contiguous to the south, and C-3 (General Business) zoned properties is adjacent and contiguous to the north.

Map 3 – 6633 18 Mile Road (Velocity Center) This building is approximately 12 years old and comprises approximately 35,000 square feet. 6633 18 Mile is a city road that serves a private industrial park known as Plumbrook Technology Park with many other tenants in adjacent buildings including Mitsubishi, TDIC, and United Machining. Water, sewer, sanitary, and all other major utilities service 18 Mile Road.

Map 4 - 38111 Van Dyke (Chrysler Plant and Body Shop)

This site is located within the LDFA district at 38111 Van Dyke generally located west of Van Dyke Avenue, north of Metro Parkway, and south of 17 Mile Road.

Map 5 – 7191 17 Mile Road Sterling Enterprise Park This site is adjacent and contiguous to 17-mile road to the south, Conrail line and Ford Axel to the west, and commercial uses to the east. Located directly south of 17 mile from the site is the Chrysler Assembly plant. The City of Sterling Heights Department of Public Works is located to the north of this property. This parcel has a small section, which also connects to Van Dyke Ave to the east. Existing public facilities include water main, sanitary sewer, and storm sewer located in the Van Dyke right-of-way. All other telecommunications utilities are also available. Current zoning for the site is M-2, (Heavy Industrial), the proposed use is allowed within this zoning category.

Section 15(2)(d) A description of public facilities to be acquired for the property to which the plan applies, a description of any repairs and alterations necessary to make those improvements, and an estimate of the time required for completion of the improvements. (MCL 125.2165(2)(d)).

Chart 1- Project 1: *BAE Land and Armaments L.P.

Site Infrastructure Improvements	Projected Timeline
Demolition	2009
Site Preparation	2009
Water Supply/Distr.	2010
Sanitary Sewer	2010
Storm Sewer	2010
Tele/IT Distr. Sys.	2010
Environmental Remediation	
Surveying	2008
Geotechnical Borings	2008
Soil Remediation Oversight & VSR Sampling	2009
Remediation	2009
Due Diligence and Baseline Environmental Assessment (BEA)	2008
Additional Environmental contingency	2009

** The LDFA has no further obligation to pay costs relating to the BAE Land and Armaments L.P. and the TIF Revenue generated from the BAE Land and Armaments L.P. will be used to pay for eligible activities in other areas of the LDFA district to be better described in Chart 2 and Chart 3.*

Chart 2 - Project 2: SmartZone Activities

SmartZone Expenditures	Projected Timeline
Administration and Operations (including Sterling Heights/Non Sterling Heights Personnel)	2013and on-Going
Road Improvements	2016 and on-going
Marketing and Promotion	2016 and on-going
Technology Acceleration programs	2016 and on-going
Equipment for technology acceleration	2016 and on-going
Grants and Loans to accelerate company growth	2016 and on-going
Facility Improvements (owned or leased)	2016 and on-going
High Gigabyte Fiber Improvements	2016 and on-going
Entrepreneurial Training and Education	2016 and on-going
Property Acquisition	2016 and on-going
Technical Consultants	2016 and on-going
Planning, Engineering, Environmental, or Market Studies	2016 and on-going

Chart 3- Project 3: General LDFA Activities

District Infrastructure Improvements	Projected Timeline
Signage and Landscape Improvements	2016 and on going
Street Lighting and Signalization Improvements	2016 and on going
Road and Rail Construction	2017 and on going
High Giga Byte Fiber	2017 and on going
Property Acquisition	2017 and on going
Sanitary, Stormwater, and Sewer System Improvements	2017 and on going
Environmental and Engineering	2016 and on going
Marketing and Promotion	2016 and on going

Section 15(2)(e) The location, extent, character, and estimated cost of the public facilities for the property to which the plan applies, and an estimate of the time required for completion. (MCL 125.2165(2)(e)).

The Local Development Finance Authority Board is empowered to undertake a variety of assignments to revitalize and expand the industrial district. These powers include (MCL 125.2157 (7)), but are not limited to:

- Study and analyze unemployment, underemployment, and joblessness and the impact of the growth upon the authority district or districts;
- Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility;
- Develop long range plans, in cooperation with the agency which is chiefly responsible for planning the municipality, to promote the growth of the authority district or districts, and take steps that are necessary to implement the plans to the fullest extent possible to create jobs, and promote economic growth;
- Implement any plan of development necessary to achieve the purposes of this act in accordance with the powers of the authority as granted by this act;
- Make and enter into contracts necessary or incidental to the exercise of the board's powers and the performance of its duties;
- Acquire by purchase or otherwise on terms and conditions and in a manner the authority considers proper, own or lease as lessor or lessee, convey, demolish, relocate, rehabilitate, or otherwise dispose of real or personal property, or rights or interest in that property, which the authority determines is reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options with respect to property;
- Improve land, prepare sites for buildings, including the demolition of existing structures, and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, or operate a building, and any necessary or desirable appurtenances to a building , as provided in section 12 (2) for the use, in whole or in part, of a public or private person or corporation, or a combination thereof;
- Fix, charge, and collect fees, rents, and charges for the use of a building, or property or a part of a building or property under the board's control, or a facility in the building or on the property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority;
- Lease a building or property or part of a building or property under the board's control;
- Accept grants and donations of property, labor, or other things of value from a public or private source;
- Acquire and construct public facilities;
- Incur costs in connection with the performance of the board's authorized functions including, but not limited to, administrative costs, and architects, engineers, legal, and accounting fees;
- Plan, propose, and implement an improvement to a public facility on eligible property to comply with the barrier free design requirements of the state construction code promulgated under the state construction code act.

Public facilities are defined in accordance with MCL 125.2152 (2)(ff)

- A street, road, bridge, storm water or sanitary sewer;
- Sewage treatment facility, facility designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination;
- Drainage system, retention basin, pretreatment facility, waterway, waterline, water storage facility;

- Rail line;
- Electric, gas, telephone or other communications, or any other type of utility line or pipeline;
- Or other similar or related structure or improvement, together with necessary easements for the structure or improvement;
- Except for rail lines, utility lines, or pipe lines, the structures or improvements described in this sub paragraph shall be either owned or used by a public agency, functionally connected to similar or supporting facilities owned or used by a public agency, or designed and dedicated to used by, for the benefit of, or for the protection of the health, welfare, or safety of the public generally, whether or not used by a single business entity;
- Any road street or bridge shall be continuously open to the public;
- A public facility shall be located on public property or in a public, utility, or transportation easement or right-of-way;
- The acquisition and disposal of land that is proposed or intended to be used in the development of eligible property or an interest in that land, demolition of structures, site preparation, and relocation costs.
- All administrative and real and personal property acquisition and disposal costs related to a public facility described in subparagraphs (i) and (iv), including, but not limited to, architects', engineer's, legal, and accounting fees as permitted by the district's development plan.
- An improvement to a facility used by the public or a public facility as those terms are defined in section 1 of 1996 PA1, MCL 125.1351, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531
- Operational costs and the costs related to acquisition, improvement, preparation, demolition, disposal, construction, reconstruction, remediation, rehabilitation, restoration, preservation, maintenance, repair, furnishing, and equipping of land and other assets that are or may become eligible for depreciation under the internal revenue code of 1986 for a business incubator located within a certified technology park.
- Costs related to the acquisition, improvement, preparation, demolition, disposal, construction, reconstruction, remediation, rehabilitation, restoration, preservation, maintenance, repair, furnishing, and equipping of land and other assets that are or may become eligible for depreciation under the internal revenue code of 1896 for laboratory facilities, research and development facilities, conference facilities, teleconference facilities, testing, training facilities, and quality control facilities that are or that support eligible property under subdivision (p)(iii), that are owned by a public entity, and that are located within a certified technology park.
- Operating and planning costs included in a plan pursuant to section 12(1)(f), including costs of marketing property within the district and attracting development of eligible property within the district.

Chart 4 - Project *1: BAE Systems Land and Armaments L.P.

Site Infrastructure Improvements	
Site Preparation	\$154,800
Water Supply/Distr.	\$86,430
Sanitary Sewer	\$61,920
Storm Sewer	\$397,320
Tele/IT Distr. Sys.	\$180,600
Sub Total	\$881,070
Escalation	\$264,321
Environmental Remediation	
Surveying	\$40,765
Geotechnical Borings	\$6,450
Soil Remediation Oversight & VSR Sampling	\$150,000
Remediation	\$500,000
Due Diligence and Baseline Environmental Assessment (BEA)	\$170,000
<i>Additional Environmental contingency</i>	\$800,000
Subtotal	\$2,812,606

** The LDFA has no further obligation to pay costs relating to the BAE Land and Armaments L.P. and the TIF Revenue generated from the BAE Land and Armaments L.P. will be used to pay for eligible activities in other areas of the LDFA district to be better described in Chart 2 and Chart 3.*

Project 2: SmartZone Activities

Clarification Third Plan - Project 2 is supported by Tax Increment Revenue from BAE Systems Project, the Chrysler Paint and Body Shop, and the Sterling Enterprise Park.

For purposes of securing designation of the LDFA district as a Certified Technology Park under the provisions of Public Act No. 281 of 1986, entitled *The Local Development Financing Act* (the Act), the City of Sterling Heights is required to “partner” with a Four-Year University, to fulfill the statutory requirement of demonstrating “significant support from an institution of higher education as evidenced by, but not limited to, the following types of support:

- (i) Grants of preferences for access to and commercialization of intellectual property.
- (ii) Access to laboratory and other facilities owned by or under control of the institution of higher education or private research-based institute.
- (iii) Donations of services.
- (iv) Access to telecommunication facilities and other infrastructure.
- (v) Financial commitments.
- (vi) Access to faculty, staff, and students.
- (vii) Opportunities for adjunct faculty and other types of staff arrangements or affiliations.”

The City and the LDFA have conducted activities allowing for commencement of operations of the business incubator within the Certified Technology Park, and an Affiliated Partner Agreement (APA) shall be executed and filed with the Michigan Economic Development Corporation and Sterling Heights City Council according PA 281 as amended. An APA was approved by the Local Development Finance Authority and adopted by the City of Sterling Heights City Council on June 2, 2009 with Oakland University. An APA outlines the partnership of the Sterling Heights LDFA and the affiliated party.

The term of an APA is negotiated by the LDFA and the affiliated party. *The Third Plan requires a contract to accompany any APA agreement.*

The proposed Incubator and related SmartZone administration, marketing, management and personnel items that will be funded based on a total TIF Capture not to exceed \$500,000 are below:

Chart 5 - TIF Expenditure Project 2: SmartZone Activities

Tax Year	Fiscal Year Ending	PROJECT 2: SmartZone Activities			TOTAL
		Incubator Support*	Personnel Cost 33% Reimbursement**	SmartZone Activities***	
2011	2012	22,689			22,689
2012	2013	80,491			80,491
2013	2014	285,000	\$122,400	\$92,600	500,000
2014	2015	285,000	\$124,848	\$90,152	500,000
2015	2016	285,000	\$127,345	\$87,655	500,000
2016	2017	285,000	\$129,892	\$85,108	500,000
2017	2018	285,000	\$132,490	\$82,510	500,000
2018	2019	285,000	\$135,139	\$79,861	500,000
2019	2020	285,000	\$137,842	\$77,158	500,000
2020	2021	285,000	\$140,599	\$74,401	500,000
2021	2022	285,000	\$143,411	\$71,589	500,000
2022	2023	285,000	\$146,279	\$68,721	500,000
2023	2024	285,000	\$149,205	\$65,795	500,000
2024	2025	285,000	\$152,189	\$62,811	500,000
2025	2026	285,000	\$155,233	\$59,767	500,000
TOTALS		\$3,808,180	\$1,796,873	\$998,127	\$6,603,180

* It is anticipated the Incubator program will continually be supplemented by securing grant funds from a variety of organizations. The categories listed above are described in Public Act 281 of 1986 as costs eligible for business incubators.

**Sterling Heights Economic Development Department Personnel Costs are projected to be approximately \$408,000 in FY ending 2014 and an annual increase of 2% was used to project increases in total personnel costs.

***SmartZone Activities include costs associated with marketing, administration, and services that may occur. Periodic reporting on the use of funds will demonstrate actual uses that may arise.

Third Plan - There will no longer be a cap on tax capture as approved in the Second Plan. LDFA capture will be used on infrastructure improvements. Additional tax capture will assist in moving the improvements ahead more quickly. Any un-used funds in a given year will be held in the LDFA account until they are used for eligible activities. Please refer to Chart 6 and 7 for SmartZone TIF Expenditures and LDFA District Wide Expenditures.

Chart 6 – Revised Project 2 – SmartZone Activities

SmartZone Expenditures	Projected Costs
Administration and Operations	\$3 million
Road Improvements	\$5 Million
Marketing and Promotion	\$500,000
Technology Acceleration programs	\$3 million
Equipment for technology acceleration	\$1 million
Grants and Loans to accelerate company growth	\$1 million
Facility Improvements (owned or leased)	\$2 million
High Gigabyte Fiber Improvements	\$5 million
Entrepreneurial Training and Education	\$3 million
Property Acquisition	\$2 million
Technical Consultants	\$3 million
Planning, Engineering, Environmental, or Market Studies	\$500,000

Total \$29,000,000

Chart 7 – Project 3 – LDFA District Improvements

LDFA District Infrastructure Improvements	Projected Costs
Signage and Landscape Improvements	\$5 million
Street Lighting and Signalization Improvements	\$2 million
Road and Rail Improvements	\$12 million
High Giga Byte Fiber	\$5 million
Property Acquisition	\$10 million
Stormwater, Sanitary, Sewer Management Systems	\$3 million
Environmental and Engineering and other Planning	\$500,000
Marketing and Promotion	\$500,000

Total \$38,000,000

**As funds become available the LDFA board will prioritize the development projects against the available funds. Each year, the City Administration will present a budget and projects approval and recommendation to the City of Sterling Heights City Council.*

Section 15 (2)(f) A statement of the construction or stages of construction planned, and the estimated time of completion of each stage. (MCL 125.2165(2)(f)).

BAE Systems Land and Armaments L.P.

Staged construction commenced in 2009 with demolition and removal of the obsolete TRW manufacturing and office space. BAE Systems is constructing its new technology center with an estimated occupancy date of Spring 2012.

**The project is now complete, however, it is anticipated that the BAE Systems Tactical Wheeled Center of Excellence may expand in the future.*

Velocity Improvements

Required alterations to the facility at 6633 18 Mile Road, as permitted in Public Act 281 of 1986 were conducted in 2011, including build out of tenant client company space, leasehold improvements for the Velocity to accommodate an increase in staff, and required improvements to site facilities and infrastructure to make ready for business occupancy. In 2015, parking lot improvements were made to remedy decaying asphalt conditions. It is anticipated that roof improvements will begin in 2016 to 2017 City fiscal years.

Fiat Chrysler Assembly Plant Body Shop and Paint Shop

FCA started construction on the Assembly plant expansion in 2011. The expansion added an additional 1.5 million square feet of industrial, automotive space. The body shop and paint shop are considered state-of-the-art. The construction on this project was completed in 2014.

Sterling Enterprise Park

Sterling Enterprise Park will begin construction in 2016. First tenants will likely move in the Fall of 2016. The vertical construction of new tenant buildings is expected to continue from 2016 to 2021-2023.

Section 15(2)(g) A description of any portions of the development area that the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms. (MCL 125.2165(2)(g)).

Not applicable.

Section 15(2)(h) A description of desired zoning changes and changes in streets, street levels, intersections, and traffic flow modifications, or utilities. (MCL 125.2165(2)(h)).

The City exercises zoning authority pursuant to Michigan Zoning Enabling Act, Public Act 110 of 2006, and the City's Zoning Ordinance and Map establish and define those zoning districts where specified uses may occur.

Zoning consists of dividing the community into districts or zones and regulating within such districts land use, and heights and area of buildings for the purpose of conserving and promoting the health, safety, and general welfare of the people of the community. Zoning also controls numerous aspects of development within each district, such as intensity and bulk of development, and requirements for parking, landscaping and signage. The zoning ordinance and its administration are the legislative and administrative acts or processes for carrying out the goals and objectives of the Master Land Use Plan. A major component of the City's recent update of the Master Land Use Plan was redevelopment. In order to promote continued development and redevelopment of properties for mixed uses (residential, office, and commercial), City Council adopted a Planned Unit Development (PUD) option to the Zoning Ordinance.

The zoning for the Local Development Finance Authority/Certified Technology Park is a combination of M-2 Zoning, Heavy Industrial, M-1 Zoning, Light Industrial, PCD-Planned Center District, and C-3 General Business. The zoning for the BAE Systems eligible property is M-1, Light Industrial. The proposed project is allowable under the current zoning. The zoning for the Business Incubator is Planned Commercial District, the project is allowable under the current zoning.

The M-1 Light Industrial District is intended to accommodate industrial activities whose external effects are minimal and in no way detrimental to surrounding districts, plus wholesale, warehousing and intensive service activities of a nature such as not to justify their inclusion in the commercial use district, but whose external effects also are non-detrimental. All uses in the district are intended to be compatible with one another. It is further the intent to carefully conserve land in the M-1 Zone for manufacturing and related uses, only in special circumstances will certain convenience services needed to serve the basic light industrial and related uses be permitted. All uses located within this district shall be so designed and operated as to observe the performance standards and regulations of use contained herein. The processing of raw material for shipment in bulk form for use in an industrial operation at another location shall not be permitted.

The M-2 Heavy Industrial District is intended to provide land for the more large-scale and intense manufacturing, fabricating and assembling uses. While such uses may occasionally produce external physical effects noticeable to a limited degree beyond the boundaries of the site, nevertheless, every possible effort shall be made to minimize such effects. All uses located within this district shall be so designed and operated as to observe the performance standards and regulations of use contained in the zoning ordinance.

The Planned Center District is intended to provide, through comprehensive planning, zoning and project review for the development of high intensity, multipurpose centers in planned locations which will serve as focal points within the total urban design of the city, while providing stability and longevity for the economic development of the City of Sterling Heights. The C-3 General Business District is designed to provide for a wide diversity of business activities, which are predominantly but not necessarily totally retail in character. In addition to retail uses, a number of other activities, usually requiring considerable land area and access to major thoroughfares, are permitted. Uses in this district normally must have good automobile accessibility, but should not cause congestion on adjacent thoroughfares

The proposed changes in streets, street levels, intersections, traffic flow modifications, or utilities are detailed in the section Section 15.(2)(e) of this Development Plan. (MCL 125.2165(2)(e)).

Section 15(2)(i) An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the authority to arrange the financing. (MCL 125.2165(2)(i)).

Project 1: *BAE Systems Land and Armaments L.P.

The original projected total cost for the implementation of the project as outlined in Chart 4 above is approximately \$2,812,606. This amount is based on figures provided by BAE Systems during planning and actual amounts may differ. Actual reimbursement is limited to the actual TIF Revenue from the project and cost of eligible expenses. Given the credit of the City the Authority is confident that financing could be arranged on terms favorable to the LDFA should the project require a bond issue. The total real property tax value of the site upon completion is estimated at \$16 million.

The activities of the authority and the development of public improvements shall be financed from one or more of the following sources:

- Tax Incremental Financing (TIF)
- Private cooperation in the District.
- Funding received through grant programs.
- Municipal participation (Staff and Administrative Support/Start Up Costs)
- Bonding for improvements

Tax Increment Financing will be the primary source of funding for the project. The LDFA may issue bonds to generate capital for improvements or it may elect to pay for the improvements on a “pay-as-you-go” basis.

** The LDFA has no further obligation to pay costs relating to the BAE Land and Armaments L.P. and the TIF Revenue generated from the BAE Land and Armaments L.P. will be used to pay for eligible activities in other areas of the LDFA district to be better described in Chart 2 and Chart 3.*

Project 2: SmartZone Activities

The estimated total cost for the implementation of Project 2 is approximately \$29,500,000 as outlined in Chart 6 for Incubator Operations and Administration, facility improvements, infrastructure improvements, marketing, and programs dedicated to entrepreneurs. As new projects occur within the certified technology park that require local redevelopment incentives, it has been the goal of the Sterling Heights LDFA to amend this plan to add school tax capture from these new projects. Revenue generated from the BAE Systems Project, The Chrysler Assembly Paint and Body Shop, and Sterling Enterprise Park fund SmartZone Related Activities.

The activities of the authority as it pertains to SmartZone activities are funded in the following ways:

- Tax Incremental Financing (TIF)
- Private donations from the corporate partner program.
- Funding received through grant programs.
- Municipal participation (Staff and Administrative Support/Start Up Costs)
- Bonding for improvements

Tax Increment Financing will be the primary source of funding for the project. The LDFA may issue bonds to pay for capital improvements for the Incubator or it may elect to pay for the improvements on a “pay-as-you-go” basis. Operational expenses will be funded on a “pay-as-you-go” basis. Appropriate grant opportunities will also be pursued as they arise.

Project 3: LDFA District Improvements

The original projected total cost for the implementation of the project as outlined above is approximately \$38,000,000 as outlined in Chart 7. This amount represents broad category estimates for infrastructure improvements throughout the LDFA district, not just one singular parcel. Establishing a large estimate gives the LDFA ultimate flexibility to spend within the categories up to the amount based on available revenues or potential bonding. Given the credit of the City, the Authority is confident that financing could be arranged on terms favorable to the LDFA should the project require a bond issue. Revenue generated from the BAE Systems Project, The Chrysler Assembly Paint and Body Shop, and Sterling Enterprise Park fund LDFA District Improvements.

The activities of the authority and the development of public improvements shall be financed from one or more of the following sources:

- Tax Incremental Financing (TIF)
- Private cooperation in the District.
- Funding received through grant programs.
- Municipal participation (Staff and Administrative Support/Start Up Costs)
- Bonding for improvements

Tax Increment Financing will be the primary source of funding for the project. The LDFA may issue bonds to generate capital for improvements or it may elect to pay for the improvements on a “pay-as-you-go” basis.

Section 15 (2)(j) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority. (MCL 125.2165(2)(j)).

Project 1: *BAE Land and Armaments L.P.

The project was undertaken for the benefit of BAE Systems Land and Armaments L.P.

** The LDFA has no further obligation to pay costs relating to the BAE Land and Armaments L.P. and the TIF Revenue generated from the BAE Land and Armaments L.P. will be used to pay for eligible activities in other areas of the LDFA district to be better described in Chart 2 and Chart 3.*

Project 2: SmartZone Activities

The project is being undertaken for the benefit of the Sterling Heights and Macomb County community as a whole to create jobs and employment opportunities. The activities in the SmartZone will be a source of services to companies developing technologies in the areas of Defense, Aerospace, Advanced Manufacturing, Medical Devices, and other high technology industries. The LDFA will be the recipient of tax increment revenues, which it will in turn use to fund SmartZone activities that foster the goal of creating companies and jobs. Tenant client companies physically located at Velocity may also benefit from tax increment revenues that support training and education, grants or loans, equipment, technical consultants, fiber, marketing programs and the like as eligible under Public Act 281 as amended.

Project 3: Sterling Enterprise Park – LDFA District Wide Improvements

Sterling Development Group LLC, is developing Sterling Enterprise Park a new 144-acre industrial development. In 2015, the vacancy rate for industrial real estate for lease was approximately 2.7%. With increased production in the automotive industry and a tremendous rebound in the North American manufacturing sector, industrial space in Sterling Heights is at a premium. The new park will cater to industrial uses as large as 500,000 square feet or as small as 60,000 square feet. It is anticipated this development will ultimately provide anywhere between 1.3 million to 1.8 million square feet of industrial space.

The district developed over the last fifty to sixty years, and much of the infrastructure requires upgrades and additions. Throughout the LDFA district, obsolete and blighted properties also exist. These properties impede development and at times contribute to a negative perception of the area. An amended LDFA Plan will address infrastructure upgrades, property acquisition, and promotion and marketing opportunities. Infrastructure upgrades include, but are not limited to, road construction, completing streets, improving traffic flow, high gigabyte fiber connectivity, and traffic and engineering studies. Property acquisitions may include but are not limited to acquiring and removing blight, acquiring property to improve road connectivity and traffic flow, and acquiring and leasing facilities to qualified companies. Marketing and promotional improvements include but are not limited to streetscape enhancements, LDFA district branding studies, directional and place making signage, social media and website marketing.

Companies located in the industrial district will benefit from these improvements.

Section 15(2)(k) The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons. (MCL 125.2165(2)(k)).

The Sterling Heights Local Development Finance Authority reviews leases presented to them by the City of Sterling Heights administration as it pertains to client companies leasing space at Velocity. This practice will continue. However, the LDFA has adopted guidelines by resolution that allows the administration to manage leases within certain parameters, and therefore do not require consistent LDFA approval.

The LDFA may also adopt guidelines providing the administration the flexibility to conduct business prescribed by the City of Sterling Heights City Council.

Section 15(2)(l) Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals. (MCL 125.2165(2)(l)).

The LDFA has powers prescribed by the Act to acquire property including residential, commercial, and industrial. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

Section 15(2)(m) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area. (MCL 125.2165(2)(m)).

Not applicable.

Section 15(2)(n) Provisions for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646, 84 Stat. 1894. (MCL 125.2165(2)(n)).

Not applicable.

Section 15(2)(o) A plan for compliance with 1972 PA 227, MCL 213.321 to 231.332. (MCL 125.2165(2)(o)).

Not applicable.

Section 15(2)(p) Other material that the authority, local public agency, or governing body considers pertinent. It shall be necessary for the board to prepare a development plan pursuant to this section if a development plan that adequately provides for accomplishing the proposed development program has already been prepared and where the development plan has been approved by the board and the governing body pursuant to sections 16 and 17. (MCL 125.2165(2)(p)).

As required, the LDFA shall submit amendments to the Development Plan or Tax Increment Plan to the governing body (City Council) for review and approval. Sterling Heights Economic Development will monitor and periodically report on the use of TIF funds to ensure the programs developed and offered in the SmartZone are fulfilling the goals of creating companies and jobs for the community and promoting economic development. The amount of budgeted items must fall within the not to exceed limitation of \$500,000 for TIF Expenditure Project 2: SmartZone Activities, and may be less.

Third Amended and Restated Development Plan and TF Plan - There will no longer be a “not to exceed” on TIF capture for the LDFA and SmartZone.

4.0 Tax Increment Finance Plan

The projects detailed within the Development Plan are designed to stimulate private sector investment within the District and conduct eligible SmartZone activities to achieve a true economic growth and opportunity for new employment. Proposed project expenditures are intended to directly reimburse private entities redevelopment construction costs, conduct activities on behalf of the authority, and provide for SmartZone activities that are eligible under the Act. A number of potential funding sources are available to the LDFA. The following narrative describes how programming expenditures will be funded.

It is the intention of this Plan to capture the incremental tax revenues generated within the District, and utilized ancillary funding sources such as grant programs, private cooperation, municipal participation, or other funding sources to which the LDFA may be eligible for under Section 10 of P A 281 (MCL 125.2160).

The presentation of the Tax Increment Finance Plan follows the statutory requirements of PA 281, specifically Section 12(1)(a) through (k). (MCL 125.2162(a) through (k)).

- (a) A statement of the reason that the plan will result in the development of captured assessed value that could not otherwise be expected. The reason may include, but are not limited to, activities of the municipality, authority, or others undertaken before formulation or adoption of the plan in reasonable anticipation that the objectives of the plan would be achieved by some means.
- (b) An estimate of the captured assessed value for each year of the plan. The plan may provide for the use of part or all of the captured assessed value or, subject to subsection (3).
- (c) The estimated tax increment revenues for each year of the plan.
- (d) A detailed explanation of the tax increment procedure.
- (e) The maximum amount of bond indebtedness to be incurred if any.
- (f) The amount of operating and planning expenditures of the authority and municipality, the amount of advances extended by or indebtedness incurred by the municipality, and the amount of advances by others to be repaid from tax increment revenues.
- (g) The costs of the plan anticipated to be paid from tax increment revenues are received.
- (h) The duration of the development plan and tax increment financing plan.
- (i) An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the eligible property is or is anticipated to be located.
- (j) A legal description of the eligible property to which the tax increment financing plan applies or shall apply upon qualification as eligible property.
- (k) An estimate of the number of jobs to be created as a result of the implementation of the tax increment financing.
- (l) The proposed boundaries of a certified technology park to be created under an agreement proposed to be entered into pursuant to section 12a, an identification of the real property within the certified technology

park to be included in the tax increment financing plan for purposes of determining tax increment revenues, and whether personal property located in the certified technology park is exempt from determining tax increment revenues.

Section 12(a) A statement of the reasons that the plan will result in the development of captured assessed value that could not otherwise be expected. The reasons may include, but are not limited to, activities of the municipality, authority, or others undertaken before formulation or adoption of the plan in reasonable anticipation that the objectives of the plan would be achieved by some means. (MCL 125.2162)(1)(a)).

BAE Systems completed their project in 2011. The final investment value of real property was approximately \$26,000,000 with a 2014 taxable value of \$13,270,800. Local tax capture on BAE Systems project has averaged \$104,000 annually. BAE Systems did not comply with the provisions of the development agreement that required them to provide adequate documentation in order to receive reimbursements for eligible activities from the LDFA.

(Project 1)

Chrysler Sterling Heights Assembly Paint Shop Chrysler Group LLC (Chrysler) invested approximately \$850 million in an all new, 425,000 square-foot paint shop at the Sterling Heights Assembly Plant. This project revived the plant, previously slated for closure. This project retained 1,300 jobs and created 900 additional new jobs, not to mention thousands of indirect jobs through suppliers and support industries in the community. The new paint shop enables production of a variety of vehicles with new, state-of-the-art equipment and an eco-friendly focus. The project resulted in \$21,357,363 million of increased taxable value upon completion, and an associated local tax increment of approximately \$239,097 per year. Supported by a tax abatement from the City, the project revenue will increase upon expiration of this abatement in 2024 to a projected value of approximately \$478,193.

Chrysler Sterling Heights Assembly Body Shop Chrysler invested a total of \$165 million to add a new one million square-foot body shop to the Sterling Heights Assembly Plant, including the addition of new equipment that made the facility the most advanced in the industry. The new Body Shop replaced the existing outdated shop on the site and compliment the investment at the Paint shop, further securing the future of this site as a premier assembly location for Chrysler and securing the retention of jobs at this location. The project resulted in \$16,498,252 million increase of taxable value upon completion, and an associated local tax increment of approximately \$184,699 per year, and will increase to \$369,398 when the tax abatement expires. The BAE project will generate increased tax increment revenues from the available school millages (Macomb ISD millage, Stated Education millage, and Local schools millage). The Chrysler projects will also generate tax increment revenues from all both local and school millages. These revenue sources will be made available to the LDFA to fund SmartZone activities under Public act 281 of 1986. Without the support of the tax increment funds, it would not be possible to support the Incubator and achieve the goals of creating jobs and companies that are critical to economic development goals without the plan.

Third Plan - Sterling Development Group LLC, is developing Sterling Enterprise Park a new 144-acre industrial development. In 2015, the vacancy rate for industrial real estate for lease was approximately 2.7%. With increased production in the automotive industry and a tremendous rebound in the North American manufacturing sector, industrial space in Sterling Heights is at a premium. The new park will cater to industrial uses as large as 500,000 square feet or as small as 60,000 square feet. It is anticipated this development will ultimately provide anywhere between 1.3 million to 1.8 million square feet of industrial space.

The December 31st 2014 assessment is the base year, and fiscal year 2015/2016 taxable value for the Sterling Enterprise Park property is \$2,818,200. The capital investment in real property is conservatively projected to be \$100,000,000 with an inflationary growth rate of 1.5%. The Projected Local TIF Capture over 20 years is \$12,370,619. The City of Sterling Heights Administration has proposed capturing 50% of the available

TIF revenue, and returning the remaining 50% to the taxing jurisdictions. Therefore, the total project TIF capture at 50% is \$6,185,310. The Projected Local School Capture over 10 years, fiscal year ending 2025/2026 (consistent with the 15 year capture period under the SmartZone program) to be \$3,057,054.

Section 12(b) An estimate of the captured assessed value for each year of the plan. (MCL 125.2162)(1)(b)).

See the following tables for estimated capture of value:

Table 1-Estimated Capture of Value: BAE Systems Project.....55
Table 2-Estimated Capture of Value: FCA Paint Shop.....56
Table 3-Estimated Capture of Value: FCA Body Shop.....57
Table 4-Estimated Capture Value of Sterling Enterprise Park.....58

Section 12(c) The estimated tax increment revenues for each year of the plan. (MCL 125.2162)(1)(c)).

See the following tables for estimated tax increment revenues and updated revenues for each year of the plan.

Table 5a-Estimated Local TIF Revenue: BAE Systems	59
Table 5b-2016 Updated Local TIF Revenue: BAE Systems.....	60
Table 6a-Estimated School TIF Revenue: BAE Sytems.....	61
Table 6b-2016 Updated School TIF Revenue: BAE Systems.....	62
Table 6c-15 Year SmartZone Extension: BAE Systems.....	63
Table 7a-Estimated TOTAL TIF Revenue: FCA Paint Shop.....	64
Table 7b-2016 Updated Local TIF Revenue: FCA Paint Shop.....	65
Table 7c-2016 Updated School TIF Capture – FCA Paint Facility.....	66
Table 7d-15 year SmartZone Extension – FCA Paint Facility	67
Table 8a-Estimated TOTAL TIF Revenue: FCA Body Shop.....	68
Table 8b-2016 Updated School TIF Capture – FCA Body Shop.....	69
Table 8c-2016 Updated School TIF Capture: FCA Body Shop.....	70
Table 8d-15 year SmartZone Extension Capture: FCA Body Shop.....	71
Table 9a- Estimated Local TIF Capture: Sterling Enterprise Park.....	72
Table 9b-Estimated School TIF Capture: Sterling Enterprise Park.....	73
Table 9c-15 Year SmartZone Extension: Sterling Enterprise Park.....	74
Table 10a-Total Local TIF Capture: All Projects.....	75
Table 10b- Total School TIF Capture All Projects.....	76
Table 10c- Total SmartZone Extension TIF Capture: All Projects.....	77

The Third Plan - The LDFA will no longer be subject to a not to exceed amount for TIF capture.

Section 12(d) Detailed explanation of the tax increment procedure. (MCL 125.2162)(1)(d)).

Tax increment financing (TIF) is a governmental financing mechanism which contributes to economic growth and development by dedicating a portion of the tax base resulting from economic growth and development to certain public facilities and structures or improvements of the type designed and dedicated to public use and thereby facilitates certain projects which create economic growth and development.

The LDFA adopts by reference and incorporates the contents of the Development Plan contained herein to be adopted simultaneously with the TIF Plan.

Tax Increment Procedure

TIF is a method of funding public investments in an area slated for redevelopment by capturing, for a time, all or a portion of the incremental tax revenues that results from increased property values through private investment and inflation. The capture of incremental tax revenues is applied only to the designated district for which a development plan has been prepared and approved by the LDFA and governing body. This plan contains both the development plan and TIF plan.

PA 281 treats all increases in valuation resulting from the development plan whether in fact these increases bear any relation to the development, or from inflationary increases on taxable values in the district. With some exceptions, the incremental tax revenues levied by other governmental units are captured through the approved TIF Plan. These include the city, county, community college, SMART, HCMA, Zoo, Macomb Veterans, or any other millages that may apply in the future*. In regard to the Certified Technology Park, these include the Macomb Intermediate School District, Local Schools, and State Education tax. The amount to be transmitted to a LDFA is that portion of the tax levy of all of these applicable taxing bodies paid each year on real property. Personal property taxes, although eligible, have been excluded from capture within the boundaries of this district.

***Zoo and Detroit Institute of Arts (DIA) Millages are not eligible for tax capture under State Law....The City chooses to reimburse the Veterans millage.**

"Initial value" means the taxable value, of the property within the boundaries of the district area at the time the resolution establishing the tax increment-financing plan is approved, as shown by the most recent assessment roll of the municipality at the time the resolution is adopted. "Captured value," means the amount in any one year by which the current taxable value of the district, exceeds the initial value. Property for which a commercial facilities exemption certificate an industrial facilities exemption certificate, or a commercial housing facilities exemption certificate, is in effect shall not be considered to be property that is exempt from taxation and they will be included in the overall initial value of the district. Tax dollars accrued from any incremental increase in taxable value, as a result of new development or annual inflationary increases, above the initial value (base year total) will then be captured and used by the LDFA for projects in the district. New taxable value resulting in personal property investment will be excluded from the tax increment-financing plan. The proposed personal property investment is less than the real property investment and its eventual depreciation is counterintuitive to tax increment financing.

Total Potential Revenue

The total potential TIF revenue from school taxing units available to the LDFA from captured taxable value from TIF Revenue Project 1: BAE Systems was originally anticipated to total \$3,350,470 per The Original

Plan. The updated and revised figures provided in Table 5 of this plan provide a more accurate projection of incremental value and associated TIF revenue, which is reduced to approximately \$1.5 million now that the project is nearing completion. The proposed Second Amended and Restated Development and Tax Increment Finance Plan will account for the reduction in projected TIF revenue from BAE, which represents a key source of funding for the incubator. Additional revenue will be captured from Chrysler's combined projects as needed to capture TIF revenues not to exceed \$500,000 per year to fund the Incubator and SmartZone activities. Note that local millage revenue from TIF Revenue Project 1: BAE Systems that is dedicated to provide for reimbursement of eligible costs associated with the redevelopment of the site at 34201 Van Dyke pursuant to the Original Development Plan and Tax Increment Plan (TIF Expenditure Project 1: BAE Systems) is not a part of the not to exceed amount and reimbursement of expenses will be limited to actual TIF Capture from local millages. **This plan is no longer subjected to the \$500,000 not to exceed amount for tax capture.**

To total potential TIF revenue from TIF Revenue Projects 1-3 (excluding local millages from BAE Systems) to fund TIF Expenditures for Projects 2 & 3 is \$16 million and is detailed in Table 5-7. This is based on a 0% projected inflationary growth and an incremental value increase totaling over \$79 million upon the completion of all projects. An annual not to exceed amount of \$500,000 represents the maximum combined total from the both the newly identified projects at Chrysler Sterling Heights Assembly Plant and the previously identified project at BAE Systems (school capture only) to fund TIF Expenditure Projects 2 & 3, resulting in a total actual TIF Revenue Capture of approximately \$6.6 million. **This plan is no longer subjected to the \$500,000 not to exceed amount for tax capture.**

BAE Systems completed their project in 2011. The final investment value of real property was approximately \$26,000,000 with a 2014 taxable value of \$13,270,800. Local tax capture on BAE Systems project has averaged \$104,000 annually. BAE Systems did not comply with the provisions of the development agreement that required them to provide adequate documentation in order to receive reimbursements for eligible activities from the LDFA.

(Project 1)

Chrysler Sterling Heights Assembly Paint Shop Chrysler Group LLC (Chrysler) invested approximately \$850 million in an all new, 425,000 square-foot paint shop at the Sterling Heights Assembly Plant. This project revived the plant, previously slated for closure. This project retained 1,300 jobs and created 900 additional new jobs, not to mention thousands of indirect jobs through suppliers and support industries in the community. The new paint shop enables production of a variety of vehicles with new, state-of-the-art equipment and an eco-friendly focus. The project resulted in \$21,357,363 million of increased taxable value upon completion, and an associated local tax increment of approximately \$239,097 per year. Supported by a tax abatement from the City, the project revenue will increase upon expiration of this abatement in 2024 to a projected value of approximately \$478,193.

Chrysler Sterling Heights Assembly Body Shop Chrysler invested a total of \$165 million to add a new one million square-foot body shop to the Sterling Heights Assembly Plant, including the addition of new equipment that made the facility the most advanced in the industry. The new Body Shop replaced the existing outdated shop on the site and compliment the investment at the Paint shop, further securing the future of this site as a premier assembly location for Chrysler and securing the retention of jobs at this location. The project resulted in \$16,498,252 million increase of taxable value upon completion, and an associated local tax increment of approximately \$184,699 per year, and will increase to \$369,398 when the tax abatement expires. The BAE project will generate increased tax increment revenues from the available school millages (Macomb ISD millage, Stated Education millage, and Local schools millage). The Chrysler projects will also generate tax increment revenues from all both local and school millages. These revenue sources will be made available to the LDFA to fund SmartZone activities under Public act 281 of 1986. Without the support of the tax

increment funds, it would not be possible to support the Incubator and achieve the goals of creating jobs and companies that are critical to economic development goals without the plan.

The Third Plan

- **TIF Revenue Project 3: Chrysler Sterling Heights Assembly Body Shop (Funds Project 2 SmartZone Activities and Project 3 LDFA Districtwide Improvements)**

Data presented in the attached Table 3 represents the anticipated capture on the taxable value for the District through the year 2025 from the TIF Revenue Project 3: Chrysler Sterling Heights Assembly Body Shop. The base year, assessment year December 31, 2011 (Fiscal Year 2009/2010), Taxable Value for the District is \$19,872,400. The basic assumptions in this table are a 0% annual inflationary growth, and increment value ramping up to \$30 million by tax year 2014. Tax increment from this project is projected to be approximately \$708,000. However, if the amount not to exceed \$500,000 needed to cover TIF Expenditure Project 2 SmartZone Activities is reached by the combined TIF from TIF Revenue Project 1: BAE Systems project and TIF Revenue Project 2: Chrysler Paint Shop project, no TIF revenue will be derived from the Body Shop investment.

The Third Plan - The LDFA will no longer be subject to a not to exceed amount for TIF capture.

- **TIF Revenue Project 4: Sterling Enterprise Park (Funds Project 2 SmartZone Activities and Project 3 LDFA Districtwide Improvements)**

The TIF Plan will result in a reallocation of tax revenues from the local taxing jurisdictions to the LDFA. The effect of this reallocation of revenue on all taxing bodies affected is detailed in Tables 10 and 11.

Total Potential Expenditure

TIF Expenditure Project 1: BAE Systems

Project 1 will be funded from local millage revenue from TIF Revenue Project 1: BAE Systems. Local millage revenue from this project is solely dedicated to provide for reimbursement of eligible costs associated with the redevelopment of the site at 34201 Van Dyke pursuant to the Original Development Plan and Tax Increment Plan. Local millage revenue dedicated to TIF Expenditure Project 1 is not a part of the not to exceed amount of \$500,000 and reimbursement of expenses will be limited to actual TIF Capture from local millages. Projected amount of local millage revenue from TIF Revenue Project 1: BAE Systems is reflected in Table 5 (Local Capture) and Table 6 (School Capture).

** The LDFA has no further obligation to pay costs relating to the BAE Land and Armaments L.P. and the TIF Revenue generated from the BAE Land and Armaments L.P. will be used to pay for eligible activities in other areas of the LDFA district to be better described in Chart 2 and Chart 3.*

TIF Expenditure Project 2: SmartZone Activities

Of the “not to exceed” amount of \$500,000, up to \$285,000 per year of the total will be provided for the SmartZone Activities. The amount of up to \$285,000 will include building related expenses and incubator administration at 6633 18 Mile Road. The balance, up to \$215,000, may be provided annually for SmartZone activities, including reimbursement of up to 33% of Sterling Heights Economic Development Department personnel costs associated with the administration and management of the SmartZone, and other administrative and marketing costs.

The Third Plan - The LDFA will no longer be subject to a not to exceed amount for TIF capture.

Third Amended and Restated Plan -The estimated total cost for the implementation of Project 2 is approximately \$38,500,000 as outlined in Chart 7 for Incubator Operations and Administration, facility improvements, infrastructure improvements, marketing, and programs dedicated to entrepreneurs. As new projects occur within the certified technology park that require local redevelopment incentives, it has been the goal of the Sterling Heights LDFA to amend this plan to add school tax capture from these new projects. Revenue generated from the BAE Systems Project, The Chrysler Assembly Paint and Body Shop, and Sterling Enterprise Park fund SmartZone Related Activities.

Chart 6- TIF Capture Breakdown of Not To Exceed Amount (Per Third Plan – this is no longer applicable)

Project	Annual TIF Amount
Macomb-OU Incubator	\$285,000
SmartZone Administration, Management, and Marketing and Personnel Expense	\$215,000
TOTAL NOT TO EXCEED AMOUNT	\$500,000*

Chart 7 - Summary of TIF Revenue and TIF Expenditure (Per Third Plan – this is no longer applicable)

TIF Revenue Project	TIF Expenditure Project	Amount
Project 1: BAE Systems (local) →	Project 1: BAE Systems	Limited to amount of local TIF
Project 1. BAE Systems (school) Project 2: Chrysler SHAP Paint Shop } → Project 3. Chrysler SHAP Body Shop	Project 2: SmartZone Activities	Limited to combined amount not to exceed \$500,000

Section 12(e) The maximum amount of note or bonded indebtedness to be incurred. (MCL 125.2162)(e)).

TIF Expenditure Project 1: BAE Systems Land and Armaments L.P.

Certain state, federal, and local grants, loans, loan guarantees and other funding sources will be pursued for financing the projects approved for the District. The Development Plan can be financed through the authorization, issuance, and sale of revenue bonds, general obligation bonds and tax increment bonds. It is expected that the LDFA will be implemented on a “pay-as-you-go” basis as tax increment revenues are transmitted to the LDFA on an annual basis. The LDFA intends to create a project fund to deposit captured tax increment revenues to be used to finance the projects described in the Development Plan as sufficient funds become available. A bond for this project is unlikely; however, if the scenario were to occur the city will incur not to exceed the amount of projected TIF Revenue at that time in bond indebtedness, subject to inflationary increases, to finance a portion of the projects, or improvements.

** The LDFA has no further obligation to pay costs relating to the BAE Land and Armaments L.P. and the TIF Revenue generated from the BAE Land and Armaments L.P. will be used to pay for eligible activities in other areas of the LDFA district to be better described in Chart 2 and Chart 3.*

TIF Expenditure Project 2: SmartZone Activities

Certain state, federal, and local grants, loans, loan guarantees and other funding sources will be pursued for financing the projects approved for the District. The Development Plan can be financed through the authorization, issuance, and sale of revenue bonds, general obligation bonds and tax increment bonds. It is expected that the LDFA will be implemented on a “pay-as-you-go” basis as tax increment revenues are transmitted to the LDFA on an annual basis. The LDFA intends to create a project fund to deposit captured tax increment revenues to be used to finance the projects described in the Development Plan as sufficient funds become available. Operations expenses such as personnel costs are not bond eligible expenses.

The estimated total cost for the implementation of Project 2 is approximately \$29,000,000 as outlined in Chart 6 for Incubator Operations and Administration, facility improvements, infrastructure improvements, marketing, and programs dedicated to entrepreneurs. As new projects occur within the certified technology park that require local redevelopment incentives, it has been the goal of the Sterling Heights LDFA to amend this plan to add school tax capture from these new projects. Revenue generated from the BAE Systems Project, The Chrysler Assembly Paint and Body Shop, and Sterling Enterprise Park fund SmartZone Related Activities.

TIF Expenditure Project 4: Sterling Enterprise Park

The original projected total cost for the implementation of the project as outlined in Chart 7 above is approximately \$38,000,000 as outlined in Chart 8. This amount represents broad category estimates for infrastructure improvements throughout the LDFA district, not just one singular parcel. Establishing a large estimate gives the LDFA ultimate flexibility to spend within the categories up to the amount based on available revenues or potential bonding. Given the credit of the City, the Authority is confident that financing could be arranged on terms favorable to the LDFA should the project require a bond issue. Revenue generated from the BAE Systems Project, The Chrysler Assembly Paint and Body Shop, and Sterling Enterprise Park fund LDFA District Improvements.

Section 12(f) The amount of operating and planning expenditures of the authority and municipality, the amount of advances extended by or indebtedness incurred by the municipality, and the amount of advances by others to be repaid by tax increment financing. (MCL 125.2162)(f)).

Plan for TIF Expenditure Project 1: BAE Systems Land and Armaments L.P

The city will use tax increment funds to pay or reimburse the city for operating and planning expenditures related to the creation of the Local Development Finance Authority and the tax increment finance and development plans. The estimated cost of the expenditures is \$30,000.

Plan for TIF Expenditure Project 2: SmartZone Activities

The City will be reimbursed for tax increment funds for reasonable costs for personnel time necessary to support the SmartZone activities, up to 33%, and related SmartZone administration, management, etc. Chart 4 details projected expenditures of the TIF funds including allocations for City cost reimbursement.

Per the Third Plan \$3.5 million is dedicated to administrative, operations, and planning.

Plan for TIF Expenditure Project 3: LDFA District Wide Improvements

The budgeted amount for planning is \$500,000.

Section 12(g) The costs of the plan anticipated to be paid from tax increment revenues as received. (MCL 125.2162)(g)).

All of the costs of the public facilities identified in the development plan for TIF Expenditure Projects 1-4 are to be paid from tax increment revenues.

Section 12(h) The duration of the development plan and tax increment plan. (MCL 125.2162)(h)).

Project 1: BAE Systems Land and Armaments L. P.

The duration of the Original Plan is 13 years or until the anticipated costs of the plan has been reimbursed to the eligible entity, pursuant to the Original Development Plan and Tax Increment Finance Plan. Additionally, all bond indebtedness issued to fund LDFA projects and paid directly or indirectly from captured tax increment revenues will be retired commencing on its adoption by the City Council in February 2008 and terminating at the end of the LDFA's fiscal year on June 30, 2022 unless the Development Plan and TIF Plan are amended to extend or shorten its duration.

Project 2: SmartZone Activities

The duration of this Development Plan and Tax Increment Finance Plan is 15 years as permitted by Public Act 281 of 1986. Local and State school millage capture for Certified Technology Parks cannot extend beyond this time period. The end date for the Tax Increment Finance Plan for the Certified Technology Park is anticipated to be 2025 based on the ratified agreement with the State (Appendix p 60-61)

Project 3: LDFA Districtwide Improvements (Sterling Enterprise Park)

The duration of the Third Plan is 20 years starting in 2016 and ending in 2036.

Section 12(i) An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the eligible property is or is anticipated to be located. (MCL 125.2162)(i)).

TIF Expenditure Project 1: BAE Systems Land and Armaments L.P.

The impact on local tax millages resulting from TIF Revenue Project 1: BAE Systems to fund TIF Expenditure Project 1: BAE Systems (in order to reimburse for eligible expenses needed to redevelop the property) is unchanged by The Second Plan

TIF Expenditure Project 2: SmartZone Activities

See Attached Revised Table 8 for Combined Tax Increment Revenue captured from all taxing jurisdictions. This table is based on an assumption that the actual TIF capture will not exceed \$500,000 to fund TIF Expenditure Projects 2 and that achieving this capture will not require capture of TIF resulting from the Chrysler Sterling Heights Assembly Body Shop (TIF Revenue Project 3), and will require less than 100% of the TIF Capture from the Sterling Heights Assembly Paint Shop (TIF Revenue Project 2)

Per The Third Amended and Restated Plan there is no longer a “not to exceed” limitation on TIF capture. Please see Table 11 for the impact on school capture as it relates to Project 4 – Sterling Enterprise Park.

TIF Expenditure Project 3: LDFA Districtwide Improvements

See attached Table 10 for the impact of local millages resulting in new tax capture. See attached Table 11 for the impact of school millages resulting in new tax capture.

Section 12(j) A legal description of the eligible property to which the tax increment financing plan applies or shall apply upon qualification as eligible property. (MCL 125.2162)(j)).

TIF Revenue Project 1: BAE Systems Land and Armaments L. P.

This site is located within the LDFA District generally West of Van Dyke Avenue, North of 14 Mile and South of 15 Mile.

Parcel ID Number:
10-33-276-004

Parcel Address:
34201 Van Dyke

Parcel Description:

THAT PART OF LAND IN THE NORTHEAST 1/4 OF SECTION 33, TOWN 2 NORTH, RANGE 12 EAST, CITY OF STERLING HEIGHTS, MACOMB COUNTY, MICHIGAN
T2N, R12E, SEC 33; S 60.0 ACRES OF E 1/2 OF NE 1/4; EXC THAT PART LYING N OF LINE DESC AS FOLL; COMM AT NE COR SEC 33; TH S01*40'23"E 891.36 FT ALG E SEC LINE TO POB; TH S88*10'34"W 1340.39 FT TO POE, EXC THAT PART FOR VAN DYKE; ALSO BEG AT SW COR OF E 1/2 OF NE 1/4 SEC 33; TH N88*44'40"W 1004.32 FT; TH N02*21'40"W 1313.12 FT; TH S89*13'20"E 997.94 FT; TH S02*04"W 1321.34 FT TO POB. 81.60 A. SPLIT FROM 1033276002 FOR 1988

TIF Revenue Projects 2 & 3: Chrysler Sterling Heights Assembly Plant

This site is located within the LDFA district at 38111 Van Dyke generally located west of Van Dyke Avenue, north of Metro Parkway, and south of 17 Mile Road.

Parcel ID Number:
10-21-400-012

Parcel Address:
38111 Van Dyke
Zip Code: 48312

Parcel Description:

T2N, R12E, SEC 21 E 1/2 OF SEC 21, EXC M.C.R.R. R/W; ALSO EXC BEG AT SE COR SEC 21; TH N0*10"W 330.0 FT; TH S89*17'00"W 665.20 FT; TH S00*06'00"W 330.0 FT; TH N89*17'00"E 666.0 FT TO POB; ALSO EXC M-53 R/W DESC AS BEG AT NE COR SEC 21; TH S01*28'59"E 2688.46 FT; TH S02*00'29"E 2288.07 FT; TH S87*16'37"W 77.0 FT; TH N02*00'29"W 2288.07 FT; TH N88*07'16"E 478.41 FT TO POB; ALSO EXC COM AT SE COR SEC 21; TH W 660.0 FT TO POB; TH N00*06'00"E 60.01 FT; TH S89*20'50"W 1951.12 FT; TH S00*09'20"W 60.01 FT; TH N89*20'50"E 1951.18 FT TO POB; ALSO EXC COMM AT INTERSECTION OF S SEC LINE & E R/W LINE OF M.C.R.R.; TH N00*09'20"E 60.01 FT TO POB; TH N00*09'20"E 600.0 FT; TH N89*20'50"E 490.0 FT; TH S00*09'20"W 600.0 FT; TH S89*20'50"W 490.0 FT TO POB. ALSO EXC: T2N, R12E SEC 21 COMM AT NE 1/4 COR SEC 21; TH S01*29'12"E 60.0 FT; TH S88*07'16"W 110.0 FT TO POB; TH S01*29'12"E 391.45 FT; TH S88*31'01"W 143.14 FT; TH N01*28'59"W 110.0 FT; TH N46*40'52"W 141.58 FT; TH S88*07'16"W 195.0 FT; TH N01*52'44"W 180.0 FT; TH N88*07'16"E 439.82 FT TO POB. SPLIT FROM -008 FOR 2002

Project 4: Sterling Enterprise Park 7191 Seventeen Mile Road

The site is located along Seventeen Mile Road, which acts as the southern boundry. Adjacent and contiguous to the east, by a small amount of frontage, is Van Dyke. Ford Axel Facility is immediately adjacent to the west, which is bounded by the Conrail service line.

Parcel ID Number:

10-16-401-005-000

Parcel Description

T2N, R12E SEC 16 COMM AT SE COR SEC 16; TH N89*23'00"W 1325.88 FT TO POB; TH N89*23'00"W 1309.05 FT; TH N00*06'37"E 2598.68 FT; TH N00*00'57"E 1317.08 FT; TH S89*36'02"E 1329.40 FT; TH S00*29'29"W 1314.36 FT; TH S00*21'08"W 33.63 FT; TH S89*24'55"E 241.86 FT; TH S38*57'44"E 168.59 FT; TH N89*24'55"W 348.67 FT; TH S00*21'08"W 660.99 FT; TH S89*28'16"E 596.50 FT; TH S00*10'24"W 99.30 FT; TH S89*11'13"E 411.84 FT; TH S00*10'00"W 65.0 FT; TH S89*30'28"E 222.86 FT; TH S00*40'23"W 327.65 FT; TH N88*52'45"W 554.92 FT; TH S00*41'01"W 905.65 FT; TH N89*23'00"W 167.27 FT; TH N00*33'33"E 260.00 FT; TH S89*23'00"W 335.17 FT; TH N00*21'24"E 42.98 FT; TH S59*19'00"W 195.74 FT; TH S00*14'00" W 590.24 FT TO POB. 142.36 AC. 02-21-05: Split/Comb 10-16-476-008 & 10-16-401-004 into 10-16-476-029 & 10-16-401-005

Parcel ID

10-16-426-021-000

Parcel Description

T2N, R12E, SEC 16: COMM AT E 1/4 COR SEC 16; TH S 925.0 FT ALG E SEC LINE; TH S89*53'56"W 355.0 FT TO POB; TH CONT S89*53'56"W 385.16 FT; TH N00*24'42"W 100.0 FT; TH S89*53'56"W 598.62 FT; TH N00*10'25"W 495.0 FT; TH N89*53'56"E 986.0 FT; TH S 595.0 FT TO POB. 12.08 AC SPLIT & COMB FROM -006, -015, -017 & -019 FOR 1997

Section 12(k) An estimate of the number of jobs to be created as a result of implementation of the tax increment-financing plan. (MCL 125.2162)(k)).

TIF Expenditure Project 1: BAE Systems Land and Armaments L.P.

BAE Systems announced that 600 high tech jobs would be created at the site after completion with an average annual wage of \$82,000.

TIF Expenditure Project 2: SmartZone Activities

It is projected that by 2016 the Macomb OU-INCubator (now referred to as SmartZone activities under the Third Amended and Restated Plan) will serve 45 companies creating up to 609 direct jobs and an additional 305 indirect jobs for a total impact of 914 jobs for the local community. Various SmartZone activities will compliment and support Macomb-OU Incubator in achieving this goal.

TIF Expenditure Project 3: LDFA Districtwide Improvements (Sterling Enterprise Park)

It is anticipated that 1,500 jobs will be created at Sterling Enterprise Park upon completion. It is also anticipated that after undertaken improvements throughout the LDFA district that another 1,000 jobs will be created over 20 years.

Section 12(l) The proposed boundaries of a certified technology park to be created under an agreement proposed to be entered into pursuant to section 12a, an identification of the real property within the certified technology park to be included in the tax increment financing plan for purposes of determining tax increment revenues, and whether personal property located in the certified technology park is exempt from determining tax increment revenues. (MCL 125.2162)(l)).

The legal description of the Certified Technology Park is described below and attached as Map 1:

Section 4:

The East half of the West half of Section 4, Also Parcel Numbers 10-04-251-004, 10-04-401-001, 10-04-451-002, 10-04-451-003, 10-04-451-005, 10-04-451-006

Section 8:

Parcel Numbers 10-08-426-009, 10-08-426-014, 10-08-426-016, 10-08-476-010, 10-08-476-004, 10-08-476-013, 10-08-476-012, 10-08-476-011

Section 9:

All of Section 9 *Excluding* the following Parcel Numbers 10-09-226-011, 10-09-200-040, 10-09-200-045, 10-09-200-046, 10-09-200-011, 10-09-200-031, 10-09-200-044, 10-09-200-043, 10-09-200-016, 10-09-200-010, 10-09-277-007, 10-09-276-016, 10-09-200-028

All of Section 16

Section 17:

All of the platted subdivision named Parkridge Industrial Sub. No. 1, Parkridge Industrial Sub. No. 2, Parkridge Industrial Sub. No. 3, and Parkridge Industrial Sub. No. 4

Also Parcel Numbers 10-17-200-007, 10-17-226-032, 10-17-226-004, 10-17-226-045, 10-17-226-046, 10-17-226-047, 10-17-226-048, 10-17-226-049, 10-17-276-006, 10-17-276-006, 10-17-200-006, 10-17-276-008

All of Section 21

All of Section 28

All of Section 33

The property to which the tax increment finance plan applies for purpose of determining tax increment revenues is the real property for TIF Revenue Project 1:BAE Systems, TIF Revenue Project 2: Chrysler Sterling Heights Assembly Paint Shop, and TIF Revenue Project 3: Chrysler Sterling Heights Assembly Body Shop described in section 12(j). Within the Certified Technology Park boundaries other tax increment finance plans will likely be approved on a project-by-project basis. Personal property is exempt from capture from the tax increment finance plan.

5.0 Appendix

Table 1
Estimated Capture Value
TIF Revenue Project 1
BAE Systems

Tax Year	Fiscal Year Ending	New Taxable Value	Base Year Amount*	Captured Value (A.K.A. Increment Value)
2011	2012	6,676,651	3,921,700	2,754,950
2012	2013	13,695,050	3,921,700	9,773,350
2013	2014	16,018,950	3,921,700	12,097,250
2014	2015	16,018,950	3,921,700	12,097,250
2015	2016	16,018,950	3,921,700	12,097,250
2016	2017	16,018,950	3,921,700	12,097,250
2017	2018	16,018,950	3,921,700	12,097,250
2018	2019	16,018,950	3,921,700	12,097,250
2019	2020	16,018,950	3,921,700	12,097,250
2020	2021	16,018,950	3,921,700	12,097,250
2021	2022	16,018,950	3,921,700	12,097,250
2022	2023	16,018,950	3,921,700	12,097,250
2023	2024	16,018,950	3,921,700	12,097,250
2024	2025	16,018,950	3,921,700	12,097,250
2025	2026	16,018,950	3,921,700	12,097,250

Updated Information as of Dec. 31 2015

Taxable Value - \$13,270,800

Increment Value - \$4,116,500 (IFEC Value)

Table 2
 Estimated Capture of Value
 TIF Revenue Project 2: Chrysler Sterling Heights Assembly Paint Shop

Tax Year	Fiscal Year Ending	New Taxable Value	Base Year Amount*	Captured Value (A.K.A. Increment Value)
2013	2014	52,800,000	19,827,400	32,972,600
2014	2015	52,800,000	19,827,400	32,972,600
2015	2016	52,800,000	19,827,400	32,972,600
2016	2017	52,800,000	19,827,400	32,972,600
2017	2018	52,800,000	19,827,400	32,972,600
2018	2019	52,800,000	19,827,400	32,972,600
2019	2020	52,800,000	19,827,400	32,972,600
2020	2021	52,800,000	19,827,400	32,972,600
2021	2022	52,800,000	19,827,400	32,972,600
2022	2023	52,800,000	19,827,400	32,972,600
2023	2024	52,800,000	19,827,400	32,972,600
2024	2025	52,800,000	19,827,400	32,972,600
2025	2026	52,800,000	19,827,400	32,972,600

Updated Information as of Dec. 31 2015

Taxable Value \$21,357,363

Tax Increment Value \$10,678,682 (IFEC Value)

The Base Year Amount for the FCA Paint Facility should be \$0. Previously \$19,827,400 was mistakenly used as the base value.

Table 3
 Estimated Capture of Value
 TIF Revenue Project 3: Chrysler Sterling Heights Assembly Body Shop

Tax Year	Fiscal Year Ending	New Taxable Value	Base Year Amount*	Captured Value (A.K.A. Increment Value)
2014	2015	50,300,000	19,827,400	30,472,600
2015	2016	50,300,000	19,827,400	30,472,600
2016	2017	50,300,000	19,827,400	30,472,600
2017	2018	50,300,000	19,827,400	30,472,600
2018	2019	50,300,000	19,827,400	30,472,600
2019	2020	50,300,000	19,827,400	30,472,600
2020	2021	50,300,000	19,827,400	30,472,600
2021	2022	50,300,000	19,827,400	30,472,600
2022	2023	50,300,000	19,827,400	30,472,600
2023	2024	50,300,000	19,827,400	30,472,600
2024	2025	50,300,000	19,827,400	30,472,600
2025	2026	50,300,000	19,827,400	30,472,600

Updated Information as of Dec. 31 2015

Taxable Value - \$16,498,251

Tax Increment Value - \$8,249,126 (IFEC Value)

Table 4
 Estimated Capture of Value
 TIF Revenue Project 4: Sterling Enterprise Park

Year	Fiscal Year	Initial Taxable Value *	Building Taxable Value	Tax Increment Value Assuming 50% Abatement	Land Taxable Value	Total New Taxable Value	Tax Increment Value
1	2015/2016	\$ 2,818,200.00			\$ 4,760,536.00	\$ 4,760,536.00	\$ 1,942,336.00
2	2016/2017	\$ 2,818,200.00			\$ 7,180,536.00	\$ 7,180,536.00	\$ 4,362,336.00
3	2017/2018	\$ 2,818,200.00	\$10,000,000.00	\$ 5,000,000.00	\$ 9,600,536.00	\$ 14,600,536.00	\$ 11,782,336.00
4	2018/2019	\$ 2,818,200.00	\$20,500,000.00	\$ 10,250,000.00	\$ 10,080,562.80	\$ 19,850,536.00	\$ 17,032,336.00
5	2019/2020	\$ 2,818,200.00	\$31,525,000.00	\$ 15,762,500.00	\$ 10,584,590.94	\$ 25,363,036.00	\$ 22,544,836.00
6	2020/2021	\$ 2,818,200.00	\$43,101,250.00	\$ 21,550,625.00	\$ 11,113,820.49	\$ 31,151,161.00	\$ 28,332,961.00
7	2021/2022	\$ 2,818,200.00	\$55,256,312.50	\$ 27,628,156.25	\$ 11,669,511.51	\$ 37,228,692.25	\$ 34,410,492.25
8	2022/2023	\$ 2,818,200.00	\$58,019,128.13	\$ 29,009,564.06	\$ 12,252,987.09	\$ 38,610,100.06	\$ 35,791,900.06
9	2023/2024	\$ 2,818,200.00	\$60,920,084.53	\$ 30,460,042.27	\$ 12,865,636.44	\$ 40,060,578.27	\$ 37,242,378.27
10	2024/2025	\$ 2,818,200.00	\$63,966,088.76	\$ 31,983,044.38	\$ 13,508,918.26	\$ 41,583,580.38	\$ 38,765,380.38
11	2025/2026	\$ 2,818,200.00	\$67,164,393.20	\$ 33,582,196.60	\$ 14,184,364.18	\$ 43,182,732.60	\$ 40,364,532.60
12	2026/2027	\$ 2,818,200.00	\$70,522,612.86	\$ 35,261,306.43	\$ 14,893,582.39	\$ 44,861,842.43	\$ 42,043,642.43
13	2027/2028	\$ 2,818,200.00	\$74,048,743.50	\$ 37,024,371.75	\$ 15,638,261.50	\$ 46,624,907.75	\$ 43,806,707.75
14	2028/2029	\$ 2,818,200.00	\$77,751,180.67	\$ 38,875,590.34	\$ 16,420,174.58	\$ 48,476,126.34	\$ 45,657,926.34
15	2029/2030	\$ 2,818,201.00	\$81,638,739.71	\$ 40,819,369.85	\$ 17,241,183.31	\$ 50,419,905.85	\$ 47,601,705.85
16	2030/2031	\$ 2,818,201.00	\$81,638,739.71	\$ 40,819,369.85	\$ 17,241,183.31	\$ 50,419,905.85	\$ 47,601,705.85
17	2031/2032	\$ 2,818,201.00	\$81,638,739.71	\$ 40,819,369.85	\$ 17,241,183.31	\$ 50,419,905.85	\$ 47,601,705.85
18	2032/2033	\$ 2,818,201.00	\$81,638,739.71	\$ 40,819,369.85	\$ 17,241,183.31	\$ 50,419,905.85	\$ 47,601,705.85
19	2034/2035	\$ 2,818,201.00	\$81,638,739.71	\$ 40,819,369.85	\$ 17,241,183.31	\$ 50,419,905.85	\$ 47,601,705.85
20	2035/2036	\$ 2,818,201.00	\$81,638,739.71	\$ 40,819,369.85	\$ 17,241,183.31	\$ 50,419,905.85	\$ 47,601,705.85

Table 5a Estimated Tax Increment Revenue from Local Millages –Project 1: BAE Systems

Tax Year	Fiscal Year Ending	New Taxable Value	Base Value	Tax Increment Value	City	Macomb County	County Zoo Authority	Veterans Operations	HCMA	SMART	Macomb Community College Operating	TIF Revenue	
2009	2010	3,832,200	3,921,700	0	0	0	0	0	0	0	0	0	
2010	2011	3,331,600	3,921,700	0	0	0	0	0	0	0	0	0	
2011	2012	6,676,650	3,921,700	2,754,950	8,736	3,146	69	28	148	406	979	13,512	
2012	2013	13,695,050	3,921,700	9,773,350	30,993	11,162	244	98	524	1,442	3,472	47,936	
2013	2014	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2014	2015	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2015	2016	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2016	2017	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2017	2018	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2018	2019	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2019	2020	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2020	2021	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2021	2022	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2022	2023	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2023	2024	16,018,950	3,921,700	12,097,250	38,363	13,817	302	121	649	1,784	4,298	59,334	
2024*	2025	16,018,950	3,921,700	12,097,250	76,726	27,633	605	242	1,298	3,569	8,596	118,669	
2025	2026	16,018,950	3,921,700	12,097,250	76,726	27,633	605	242	1,298	3,569	8,596	118,669	
					TOTAL	615,172	221,557	4,850	1,940	10,407	28,613	68,924	951,463

*This project has a PA 198 tax abatement that will expire in 2024.

Table 5b Updated 2016 –Project 1: BAE Systems

Local Tax Capture - BAE Facility									
<u>Year</u>	<u>Fiscal Year</u>	<u>Initial Taxable Value</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>City</u>	<u>County</u>	<u>Macomb Community College</u>	<u>Huron Clinton Metro Authority</u>	<u>S.M.A.R.T</u>	<u>Total Annual Capture</u>
				0.0150736	0.0045685	0.0014212	0.0002146	0.001	
1	2016/2017	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
2	2017/2018	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
3	2018/2019	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
4	2019/2020	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
5	2020/2021	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
6	2021/2022	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
7	2022/2023	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
8	2023/2024	\$ -	\$ 4,116,500.0	\$ 62,050	\$ 18,806	\$ 5,850	\$ 883	\$ 4,117	\$ 91,707
9	2024/2025	\$ -	\$ 7,020,100.0	\$ 105,818	\$ 32,071	\$ 9,977	\$ 1,507	\$ 7,020	\$ 156,393
10	2025/2026	\$ -	\$ 7,020,100.0	\$ 105,818	\$ 32,071	\$ 9,977	\$ 1,507	\$ 7,020	\$ 156,393
				\$ 708,040	\$ 214,592	\$ 66,757	\$ 10,080	\$ 46,972	\$ 1,046,442

Table 6a- Estimated Tax Increment Revenue from School Millages –Project 1: BAE Systems “Original Plan”

Tax Year	Fiscal Year Ending	New Taxable Value	Base Value	Tax Increment Value	Warren Consolidated School	Macomb County ISD	State Education Tax	SHLDFA Revenue
2011	2012	6,676,650	3,921,700	2,754,950	\$12,397	\$2,027	\$8,265	\$22,689
2012	2013	13,695,050	3,921,700	9,773,350	\$43,980	\$7,191	\$29,320	\$80,491
2013	2014	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2014	2015	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2015	2016	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2016	2017	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2017	2018	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2018	2019	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2019	2020	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2020	2021	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2021	2022	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2022	2023	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2023	2024	16,018,950	3,921,700	12,097,250	\$54,438	\$8,901	\$36,292	\$99,630
2024*	2025	16,018,950	3,921,700	12,097,250	\$108,875	\$17,801	\$36,292	\$162,968.10
2025	2026	16,018,950	3,921,700	12,097,250	\$108,875	\$17,801	\$36,292	\$162,968.10
				TOTAL	\$872,945	\$142,731	\$509,381	\$1,525,046

*This project has a PA 198 tax abatement that will expire in 2024. The State Education Tax was not abated.

Table 6b – 2016 Updated School TIF Capture – BAE Systems

School Tax Capture - FCA Paint Facility							
<u>Year</u>	<u>Fiscal Year</u>	<u>Initial Taxable Value</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>Local Schools</u>	<u>Macomb Intermediate School District</u>	<u>State Education</u>	<u>Total Annual Capture</u>
				0.009	0.002943	0.003	
1	2016/2017	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
2	2017/2018	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
3	2018/2019	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
4	2019/2020	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
5	2020/2021	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
6	2021/2022	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
7	2022/2023	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
8	2023/2024	\$ -	\$ 4,116,500.0	\$ 37,049	\$ 12,115	\$ 12,350	\$ 61,513
9	2024/2025	\$ -	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
10	2025/2026	\$ -	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901

Table 6c –15 Year SmartZone Extension – BAE Systems

SmartZone Extension Projections						
<u>Year</u>	<u>Fiscal Year</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>Local School</u>	<u>State Education</u>	<u>Macomb Intermediate School District</u>	<u>Total Annual Capture</u>
11	2026/2027	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
12	2027/2028	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
13	2028/2029	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
14	2029/2030	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
15	2030/2031	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
16	2031/2032	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
17	2032/2033	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
18	2033/2034	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
19	2034/2035	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
20	2035/2036	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
21	2035/2037	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
22	2035/2038	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
23	2035/2039	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
24	2035/2040	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
25	2035/2041	\$ 7,020,100.0	\$ 63,181	\$ 20,660	\$ 21,060	\$ 104,901
			\$ 947,714	\$ 309,902	\$ 315,905	\$ 1,573,520

Table 7a Estimated TOTAL Tax Increment Revenue – TIF Revenue Project 2: Chrysler Sterling Heights Assembly Plant Paint Shop “Second Plan”

Tax Year	Fiscal Year Ending	New Taxable Value	Base Value	Captured Value A.K.A. Increment Value	City	Utica Comm. School (Sum. + Win.)	Macomb County ISD	Macomb County	County Zoo Authority	Veterans Operations	HCMA	SMART	MCC	State Education Tax	TIF Revenue
2013	2014	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2014	2015	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2015	2016	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2016	2017	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2017	2018	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2018	2019	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2019	2020	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2020	2021	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2021	2022	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2022	2023	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2023	2024	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2024	2025	52,800,000	19,827,400	32,972,600	104,563	147,813	24,260	37,659	824	330	1,769	4,863	11,715	98,918	432,713
2025	2026	52,800,000	19,827,400	32,972,600	209,125	295,626	48,519	75,318	1,649	659	3,538	9,727	23,430	98,918	766,509
TOTAL					1,463,881	2,069,382	339,639	527,226	11,537	4,619	24,766	68,083	164,010	1,285,934	5,959,065

*This project has a PA 198 tax abatement that will expire in 2025. The State Education Tax was not abated.

Table 7b – Updated 2016 Local Capture – FCA Paint Facility

Local Tax Capture - FCA Paint Facility									
<u>Year</u>	<u>Fiscal Year</u>	<u>Initial Taxable Value</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>City</u>	<u>County</u>	<u>Macomb Community College</u>	<u>Huron Clinton Metro Authority</u>	<u>S.M.A.R.T</u>	<u>Total Annual Capture</u>
				0.0151858	0.0045685	0.0014212	0.0002146	0.001	
1	2016/2017	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
2	2017/2018	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
3	2018/2019	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
4	2019/2020	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
5	2020/2021	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
6	2021/2022	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
7	2022/2023	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
8	2023/2024	\$ -	\$ 10,678,682	\$ 162,164	\$ 48,786	\$ 15,177	\$ 2,292	\$ 10,679	\$ 239,097
9	2024/2025	\$ -	\$ 21,357,363.0	\$ 324,329	\$ 97,571	\$ 30,353	\$ 4,583	\$ 21,357	\$ 478,193
10	2025/2026	\$ -	\$ 21,357,363.0	\$ 324,329	\$ 97,571	\$ 30,353	\$ 4,583	\$ 21,357	\$ 478,193
				\$ 1,945,972	\$ 585,427	\$ 182,119	\$ 27,500	\$ 128,144	\$ 2,869,161

Table 7c – 2016 Updated School TIF Capture – FCA Paint Facility

School Tax Capture - FCA Paint Facility							
<u>Year</u>	<u>Fiscal Year</u>	<u>Initial Taxable Value</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>City</u>	<u>County</u>	<u>Macomb Intermediate School District</u>	<u>Total Annual Capture</u>
				0.009	0.003	0.002943	
1	2016/2017	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
2	2017/2018	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
3	2018/2019	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
4	2019/2020	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
5	2020/2021	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
6	2021/2022	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
7	2022/2023	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
8	2023/2024	\$ -	\$ 10,678,682	\$ 96,108	\$ 32,036	\$ 31,427	\$ 159,572
9	2024/2025	\$ -	\$ 21,357,363	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
10	2025/2026	\$ -	\$ 21,357,363	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143

Table 7d – 15 year SmartZone Extension – FCA Paint Facility

SmartZone Extension							
<u>Year</u>	<u>Fiscal Year</u>	<u>Initial Taxable Value</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>City</u>	<u>County</u>	<u>Macomb Intermediate School District</u>	<u>Total Annual Capture</u>
11	2026/2027	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
12	2027/2028	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
13	2028/2029	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
14	2029/2030	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
15	2030/2031	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
16	2031/2032	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
17	2032/2033	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
18	2033/2034	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
19	2034/2035	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
20	2035/2036	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
21	2035/2037	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
22	2035/2038	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
23	2035/2039	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
24	2035/2040	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143
25	2035/2041	\$ -	\$ 21,357,363.0	\$ 192,216	\$ 64,072	\$ 62,855	\$ 319,143

Table 8a Estimated TOTAL Tax Increment Revenue – TIF Revenue Project 3: Chrysler Sterling Heights Assembly Plant Body Shop “Second Plan”

Tax Year	Fiscal Year Ending	New Taxable Value	Base Value	Captured Value A.K.A. Increment Value	City	Utica Comm. School (Sum. + Win.)	Macomb County ISD	Macomb County	County Zoo Authority	Veterans Operations	HCMA	SMART	MCC	State Education Tax	TIF Revenue	
2014	2015	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2015	2016	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2016	2017	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2017	2018	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2018	2019	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2019	2020	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2020	2021	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2021	2022	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2022	2023	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2023	2024	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2024	2025	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
2025	2026	50,300,000	19,827,400	30,472,600	193,284.65	273,211	44,840	69,607	1,524	609	3,270	8,989	21,654	91,418	\$708,407	
					TOTAL	\$543,331.50	\$3,278,535	\$538,085	\$835,284	\$18,284	\$7,313	\$39,237	\$107,873	\$259,846	\$1,097,014	\$8,500,880

*This project does not have a real property tax abatement as of the time this plan was prepared.

Table 8b – 2016 Updated Local TIF Capture – FCA Body Shop

Local Tax Capture - FCA Body Shop									
<u>Year</u>	<u>Fiscal Year</u>	<u>Initial Taxable Value</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>City</u>	<u>County</u>	<u>Macomb Community College</u>	<u>Huron Clinton Metro Authority</u>	<u>S.M.A.R.T</u>	<u>Total Annual Capture</u>
				0.0151858	0.0045685	0.0014212	0.0002146	0.001	
1	2016/2017	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
2	2017/2018	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
3	2018/2019	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
4	2019/2020	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
5	2020/2021	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
6	2021/2022	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
7	2022/2023	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
8	2023/2024	\$ -	\$ 8,249,126	\$ 125,270	\$ 37,686	\$ 11,724	\$ 1,770	\$ 8,249	\$ 184,699
9	2024/2025	\$ -	\$ 16,498,252	\$ 250,539	\$ 75,372	\$ 23,447	\$ 3,541	\$ 16,498	\$ 369,398
10	2025/2026	\$ -	\$ 16,498,252	\$ 250,539	\$ 75,372	\$ 23,447	\$ 3,541	\$ 16,498	\$ 369,398
				\$ 1,503,235	\$ 452,234	\$ 140,684	\$ 21,243	\$ 98,990	\$ 2,216,385

Table 8c – 2016 Updated School TIF Capture – FCA Body Shop

School Tax Capture - FCA Body Shop						
<u>Year</u>	<u>Fiscal Year</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>Local Schools</u>	<u>Stated Education</u>	<u>Macomb Intermediate School District</u>	<u>Total Annual Capture</u>
			0.009	0.003	0.002943	
1	2016/2017	\$ 8,249,126	\$ 74,242	\$ 24,747	\$ 24,277	\$ 123,267
2	2017/2018	\$ 8,249,126	\$ 74,242	\$ 24,747	\$ 24,277	\$ 123,267
3	2018/2019	\$ 8,249,126	\$ 74,242	\$ 24,747	\$ 24,277	\$ 123,267
4	2019/2020	\$ 8,249,126	\$ 74,242	\$ 24,747	\$ 24,277	\$ 123,267
5	2020/2021	\$ 8,249,126	\$ 74,242	\$ 24,747	\$ 24,277	\$ 123,267
6	2021/2022	\$ 8,249,126	\$ 74,242	\$ 24,747	\$ 24,277	\$ 123,267
7	2022/2023	\$ 8,249,126	\$ 74,242	\$ 24,747	\$ 24,277	\$ 123,267
8	2023/2024	\$ 16,498,251.0	\$ 148,484	\$ 49,495	\$ 48,554	\$ 246,533
9	2024/2025	\$ 16,498,251.0	\$ 148,484	\$ 49,495	\$ 48,554	\$ 246,533
10	2025/2026	\$ 16,498,251.0	\$ 148,484	\$ 49,495	\$ 48,554	\$ 246,533

Table 8d – 15 Year SmartZone Extension – FCA Body Shop

SmartZone Extension						
<u>Year</u>	<u>Fiscal Year</u>	<u>Tax Increment Value - 50% Abatement</u>	<u>Local Schools</u>	<u>State Education</u>	<u>Macomb Intermediate School District</u>	<u>Total Annual Capture</u>
11	2026/2027	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
12	2027/2028	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
13	2028/2029	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
14	2029/2030	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
15	2030/2031	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
16	2031/2032	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
17	2032/2033	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
18	2033/2034	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
19	2034/2035	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
20	2035/2036	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
21	2035/2037	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
22	2035/2038	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
23	2035/2039	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
24	2035/2040	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533
25	2035/2041	\$ 16,498,251.0	\$148,484	\$ 49,495	\$ 48,554	\$246,533

Table 9a projected local tax increment revenues from TIF Revenue Project 4: Sterling Enterprise Park.

Local Tax Capture - Sterling Enterprise Park															
Year	Assessment Year*	Fiscal Year	Initial Taxable Value **	Real Property Investment	Building Taxable Value	Tax Increment Value Assuming 50% Abatement	Land Taxable Value	Total New Taxable Value	Tax Increment Value	City	County	Macomb Community College	Huron Clinton Metro Authority	S.M.A.R.T	Total Annual Capture
										0.0151858	0.0045685	0.0014212	0.0002146	0.001	
1	2015	2016/2017	\$2,863,291				\$ 5,488,600	\$ 5,488,600	\$ 2,625,309	\$ 39,867	\$ 11,994	\$ 3,731	\$ 563	\$ 2,625	\$ 58,781
2	2016	2017/2018	\$2,863,291				\$ 7,180,536	\$ 7,180,536	\$ 4,317,245	\$ 65,561	\$ 19,723	\$ 6,136	\$ 926	\$ 4,317	\$ 96,664
3	2017	2018/2019	\$2,863,291	\$ 20,000,000	\$ 10,000,000	\$ 5,000,000	\$ 9,600,536	\$14,600,536	\$14,600,536	\$ 221,721	\$ 66,703	\$ 20,750	\$ 3,133	\$ 14,601	\$ 326,907
4	2018	2019/2020	\$2,863,291	\$ 20,000,000	\$ 20,500,000	\$10,250,000	\$10,080,563	\$19,850,536	\$19,850,536	\$ 301,446	\$ 90,687	\$ 28,212	\$ 4,260	\$ 19,851	\$ 444,455
5	2019	2020/2021	\$2,863,291	\$ 20,000,000	\$ 31,525,000	\$15,762,500	\$10,584,591	\$25,363,036	\$25,363,036	\$ 385,158	\$ 115,871	\$ 36,046	\$ 5,443	\$ 25,363	\$ 567,881
6	2020	2021/2022	\$2,863,291	\$ 20,000,000	\$ 43,101,250	\$21,550,625	\$11,113,820	\$31,151,161	\$31,151,161	\$ 473,055	\$ 142,314	\$ 44,272	\$ 6,685	\$ 31,151	\$ 697,478
7	2021	2022/2023	\$2,863,291	\$ 20,000,000	\$ 55,256,313	\$27,628,156	\$11,669,512	\$37,228,692	\$37,228,692	\$ 565,347	\$ 170,079	\$ 52,909	\$ 7,989	\$ 37,229	\$ 833,554
8	2022	2023/2024	\$2,863,291		\$ 58,019,128	\$29,009,564	\$12,252,987	\$38,610,100	\$38,610,100	\$ 586,325	\$ 176,390	\$ 54,873	\$ 8,286	\$ 38,610	\$ 864,484
9	2023	2024/2025	\$2,863,291		\$ 60,920,085	\$30,460,042	\$12,865,636	\$40,060,578	\$40,060,578	\$ 608,352	\$ 183,017	\$ 56,934	\$ 8,597	\$ 40,061	\$ 896,960
10	2024	2025/2026	\$2,863,291		\$ 63,966,089	\$31,983,044	\$13,508,918	\$41,583,580	\$41,583,580	\$ 631,480	\$ 189,975	\$ 59,099	\$ 8,924	\$ 41,584	\$ 931,061
11	2025	2026/2027	\$2,863,291		\$ 67,164,393	\$33,582,197	\$14,184,364	\$43,182,733	\$43,182,733	\$ 655,764	\$ 197,280	\$ 61,371	\$ 9,267	\$ 43,183	\$ 966,866
12	2026	2027/2028	\$2,863,291		\$ 70,522,613	\$35,261,306	\$14,893,582	\$44,861,842	\$44,861,842	\$ 681,263	\$ 204,951	\$ 63,758	\$ 9,627	\$ 44,862	\$ 1,004,461
13	2027	2028/2029	\$2,863,291		\$ 74,048,743	\$37,024,372	\$15,638,262	\$46,624,908	\$46,624,908	\$ 708,037	\$ 213,006	\$ 66,263	\$ 10,006	\$ 46,625	\$ 1,043,936
14	2028	2029/2030	\$2,863,291		\$ 77,751,181	\$38,875,590	\$16,420,175	\$48,476,126	\$48,476,126	\$ 736,149	\$ 221,463	\$ 68,894	\$ 10,403	\$ 48,476	\$ 1,085,385
15	2029	2030/2031	\$2,863,291		\$ 81,638,740	\$40,819,370	\$17,241,183	\$50,419,906	\$50,419,906	\$ 765,667	\$ 230,343	\$ 71,657	\$ 10,820	\$ 50,420	\$ 1,128,907
16	2030	2031/2032	\$2,863,291		\$ 85,720,677	\$42,860,338	\$17,241,184	\$52,460,874	\$52,460,874	\$ 796,660	\$ 239,668	\$ 74,557	\$ 11,258	\$ 52,461	\$ 1,174,604
17	2031	2032/2033	\$2,863,291		\$ 90,006,711	\$45,003,355	\$17,241,185	\$54,603,891	\$54,603,891	\$ 829,204	\$ 249,458	\$ 77,603	\$ 11,718	\$ 54,604	\$ 1,222,587
18	2032	2033/2034	\$2,863,291		\$ 94,507,046	\$47,253,523	\$17,241,186	\$56,854,059	\$56,854,059	\$ 863,374	\$ 259,738	\$ 80,801	\$ 12,201	\$ 56,854	\$ 1,272,968
19	2033	2034/2035	\$2,863,291		\$ 99,232,398	\$49,616,199	\$17,241,187	\$59,216,735	\$59,216,735	\$ 899,253	\$ 270,532	\$ 84,159	\$ 12,708	\$ 59,217	\$ 1,325,869
20	2034	2035/2036	\$2,863,291		\$ 104,194,018	\$52,097,009	\$17,241,188	\$61,697,545	\$61,697,545	\$ 936,927	\$ 281,865	\$ 87,685	\$ 13,240	\$ 61,698	\$ 1,381,414
				\$ 100,000,000						\$ 11,750,611	\$ 3,535,057	\$ 1,099,709	\$ 166,055	\$ 773,789	\$ 17,325,222
* The base assessment year is Dec. 31 2014															
* **Includes the value of the land in year one.															
									50% LDFA	\$ 5,875,305.49	\$ 1,767,528.42	\$ 549,854.74	\$ 83,027.60	\$ 386,894.70	\$ 8,662,610.95
									50% Local	\$ 5,875,305.49	\$ 1,767,528.42	\$ 549,854.74	\$ 83,027.60	\$ 386,894.70	\$ 8,662,610.95

Table 9b projected *school* tax increment revenues from TIF Revenue Project 4: Sterling Enterprise Park

School Tax Capture-Sterling Enterprise Park												
Year	Fiscal Year	Initial Taxable Value **	Real Property Investment	Building Taxable Value	Tax Increment Value Assuming 50% Abatement	Land Taxable Value	Total New Taxable Value	Tax Increment Value	Local Schools Millage	State Education Tax	Macomb Intermediate School District	Total Annual Capture
									0.009	0.003	0.002943	
1	2016/2017	\$2,818,200				\$ 5,488,600	\$ 5,488,600	\$ 2,670,400	\$ 24,034	\$ 8,011	\$ 7,859	\$ 39,904
2	2017/2018	\$2,818,200				\$ 7,180,536	\$ 7,180,536	\$ 4,362,336	\$ 39,261	\$ 13,087	\$ 12,838	\$ 65,186
3	2018/2019	\$2,818,200	\$ 20,000,000	\$10,000,000	\$ 5,000,000	\$ 9,600,536	\$ 14,600,536	\$ 14,600,536	\$ 131,405	\$ 43,802	\$ 42,969	\$ 218,176
4	2019/2020	\$2,818,200	\$ 20,000,000	\$20,500,000	\$10,250,000	\$10,080,563	\$ 19,850,536	\$ 19,850,536	\$ 178,655	\$ 59,552	\$ 58,420	\$ 296,627
5	2020/2021	\$2,818,200	\$ 20,000,000	\$31,525,000	\$15,762,500	\$10,584,591	\$ 25,363,036	\$ 25,363,036	\$ 228,267	\$ 76,089	\$ 74,643	\$ 379,000
6	2021/2022	\$2,818,200	\$ 20,000,000	\$43,101,250	\$21,550,625	\$11,113,820	\$ 31,151,161	\$ 31,151,161	\$ 280,360	\$ 93,453	\$ 91,678	\$ 465,492
7	2022/2023	\$2,818,200	\$ 20,000,000	\$55,256,313	\$27,628,156	\$11,669,512	\$ 37,228,692	\$ 37,228,692	\$ 335,058	\$ 111,686	\$ 109,564	\$ 556,308
8	2023/2024	\$2,818,200		\$58,019,128	\$29,009,564	\$12,252,987	\$ 38,610,100	\$ 38,610,100	\$ 347,491	\$ 115,830	\$ 113,630	\$ 576,951
9	2024/2025	\$2,818,200		\$60,920,085	\$30,460,042	\$12,865,636	\$ 40,060,578	\$ 40,060,578	\$ 360,545	\$ 120,182	\$ 117,898	\$ 598,625
10	2025/2026	\$2,818,200		\$63,966,089	\$31,983,044	\$13,508,918	\$ 41,583,580	\$ 41,583,580	\$ 374,252	\$ 124,751	\$ 122,380	\$ 621,383
			\$ 100,000,000						\$ 2,299,329	\$ 766,443	\$ 751,880	\$ 3,817,652
* The base assessment year is Dec. 31 2014												
**Includes the value of the land in year one.												
The LDFA has 10 years of capture remaining under the current SmartZone												

Table 9c – 15 Year SmartZone Extension - Sterling Enterprise Park

SmartZone Extension												
Year	Fiscal Year	Initial Taxable Value *	Real Property Investment	Building Taxable Value	Tax Increment Value Assuming 50% Abatement Expires in Year 20	Land Taxable Value	Total New Taxable Value	Tax Increment Value	Local Schools Millage	State Education Tax	Macomb Intermediate Schools	Total Annual Capture
			\$100 Million						0.009	0.003	0.002943	
11	2026/2027	\$ 2,818,200		\$ 67,164,393	\$ 33,582,197	\$ 14,184,364	\$ 43,182,733	\$ 43,182,733	\$ 388,645	\$ 129,548	\$ 127,087	\$ 645,280
12	2027/2028	\$ 2,818,200		\$ 70,522,613	\$ 35,261,306	\$ 14,893,582	\$ 44,861,842	\$ 44,861,842	\$ 403,757	\$ 134,586	\$ 132,028	\$ 670,371
13	2028/2029	\$ 2,818,200		\$ 74,048,743	\$ 37,024,372	\$ 15,638,262	\$ 46,624,908	\$ 46,624,908	\$ 419,624	\$ 139,875	\$ 137,217	\$ 691,527
14	2029/2030	\$ 2,818,200		\$ 77,751,181	\$ 38,875,590	\$ 16,420,175	\$ 48,476,126	\$ 48,476,126	\$ 436,285	\$ 145,428	\$ 142,665	\$ 713,742
15	2030/2031	\$ 2,818,200		\$ 81,638,740	\$ 40,819,370	\$ 17,241,183	\$ 50,419,906	\$ 50,419,906	\$ 453,779	\$ 151,260	\$ 148,386	\$ 737,067
16	2031/2032	\$ 2,818,200		\$ 85,720,677	\$ 42,860,338	\$ 17,241,184	\$ 52,460,874	\$ 52,460,874	\$ 472,148	\$ 157,383	\$ 154,392	\$ 761,559
17	2032/2033	\$ 2,818,200		\$ 90,006,711	\$ 45,003,355	\$ 17,241,185	\$ 54,603,891	\$ 54,603,891	\$ 491,435	\$ 163,812	\$ 160,699	\$ 787,275
18	2033/2034	\$ 2,818,200		\$ 94,507,046	\$ 47,253,523	\$ 17,241,186	\$ 56,854,059	\$ 56,854,059	\$ 511,687	\$ 170,562	\$ 167,321	\$ 814,277
19	2034/2035	\$ 2,818,200		\$ 99,232,398	\$ 49,616,199	\$ 17,241,187	\$ 59,216,735	\$ 59,216,735	\$ 532,951	\$ 177,650	\$ 174,275	\$ 842,629
20	2035/2036	\$ 2,818,200		\$ 104,194,018	\$ 104,194,018	\$ 17,241,188	\$ 113,794,554	\$ 113,794,554	\$ 1,024,151	\$ 341,384	\$ 334,897	\$ 1,497,563
21	2036/2037	\$ 2,818,200		\$ 109,403,719	\$ 109,403,719	\$ 17,241,189	\$ 119,004,255	\$ 119,004,255	\$ 1,071,038	\$ 357,013	\$ 350,230	\$ 1,560,079
22	2037/2038	\$ 2,818,200		\$ 114,873,905	\$ 114,873,905	\$ 17,241,190	\$ 124,474,441	\$ 124,474,441	\$ 1,120,270	\$ 373,423	\$ 366,328	\$ 1,625,722
23	2038/2039	\$ 2,818,200		\$ 120,617,600	\$ 120,617,600	\$ 17,241,191	\$ 130,218,136	\$ 130,218,136	\$ 1,171,963	\$ 390,654	\$ 383,232	\$ 1,694,646
24	2039/2040	\$ 2,818,200		\$ 126,648,480	\$ 126,648,480	\$ 17,241,192	\$ 136,249,016	\$ 136,249,016	\$ 1,226,241	\$ 408,747	\$ 400,981	\$ 1,767,017
25	2040/2041	\$ 2,818,200		\$ 132,980,904	\$ 132,980,904	\$ 17,241,193	\$ 142,581,440	\$ 142,581,440	\$ 1,283,233	\$ 427,744	\$ 419,617	\$ 1,843,006
*The base year is Dec 31 2014									\$ 11,007,206	\$ 3,669,069	\$ 3,599,356	\$ 16,651,760
This table represents an additional 15 years of capture IF the LDFA is granted a 15 year extension by the MEDC												

Table 10a - Total Local Tax Increment Revenues – All Projects

Local Capture All Projects								
Year	Fiscal Year	BAE Systems	FCA Paint	FCA Body	Total		Sterling Enterprise	Total
1	2016/2017	\$ 91,707	\$ 239,097	\$ 184,699	\$ 515,502		\$ 29,390	\$ 544,893
2	2017/2018	\$ 91,707	\$ 239,097	\$ 184,699	\$ 515,502		\$ 48,332	\$ 563,834
3	2018/2019	\$ 91,707	\$ 239,097	\$ 184,699	\$ 515,502		\$ 163,454	\$ 678,956
4	2019/2020	\$ 156,393	\$ 478,193	\$ 369,398	\$ 1,003,984		\$ 222,228	\$ 1,226,212
5	2020/2021	\$ 156,393	\$ 478,193	\$ 369,398	\$ 1,003,984		\$ 283,940	\$ 1,287,925
6	2021/2022	\$ 156,393	\$ 478,193	\$ 369,398	\$ 1,003,984		\$ 348,739	\$ 1,352,723
7	2022/2023	\$ 156,393	\$ 478,193	\$ 369,398	\$ 1,003,984		\$ 416,777	\$ 1,420,761
8	2023/2024	\$ 156,393	\$ 478,193	\$ 369,398	\$ 1,003,984		\$ 432,242	\$ 1,436,226
9	2024/2025	\$ 156,393	\$ 478,193	\$ 369,398	\$ 1,003,984		\$ 448,480	\$ 1,452,464
10	2025/2026	\$ 156,393	\$ 478,193	\$ 369,398	\$ 1,003,984		\$ 465,530	\$ 1,469,514
11	2026/2027						\$ 483,433	\$ 1,093,952
12	2027/2028						\$ 502,231	\$ 1,136,490
13	2028/2029						\$ 521,968	\$ 1,181,153
14	2029/2030						\$ 542,693	\$ 1,228,051
15	2030/2031						\$ 564,453	\$ 1,277,293
16	2031/2032						\$ 587,302	\$ 1,328,997
17	2032/2033						\$ 611,293	\$ 1,383,286
18	2033/2034						\$ 636,484	\$ 1,440,290
19	2034/2035						\$ 662,934	\$ 1,500,143
20	2035/2036						\$ 690,707	\$ 1,562,990
							\$ 8,662,611	\$ 24,566,153

10b – School Tax Capture – All Projects

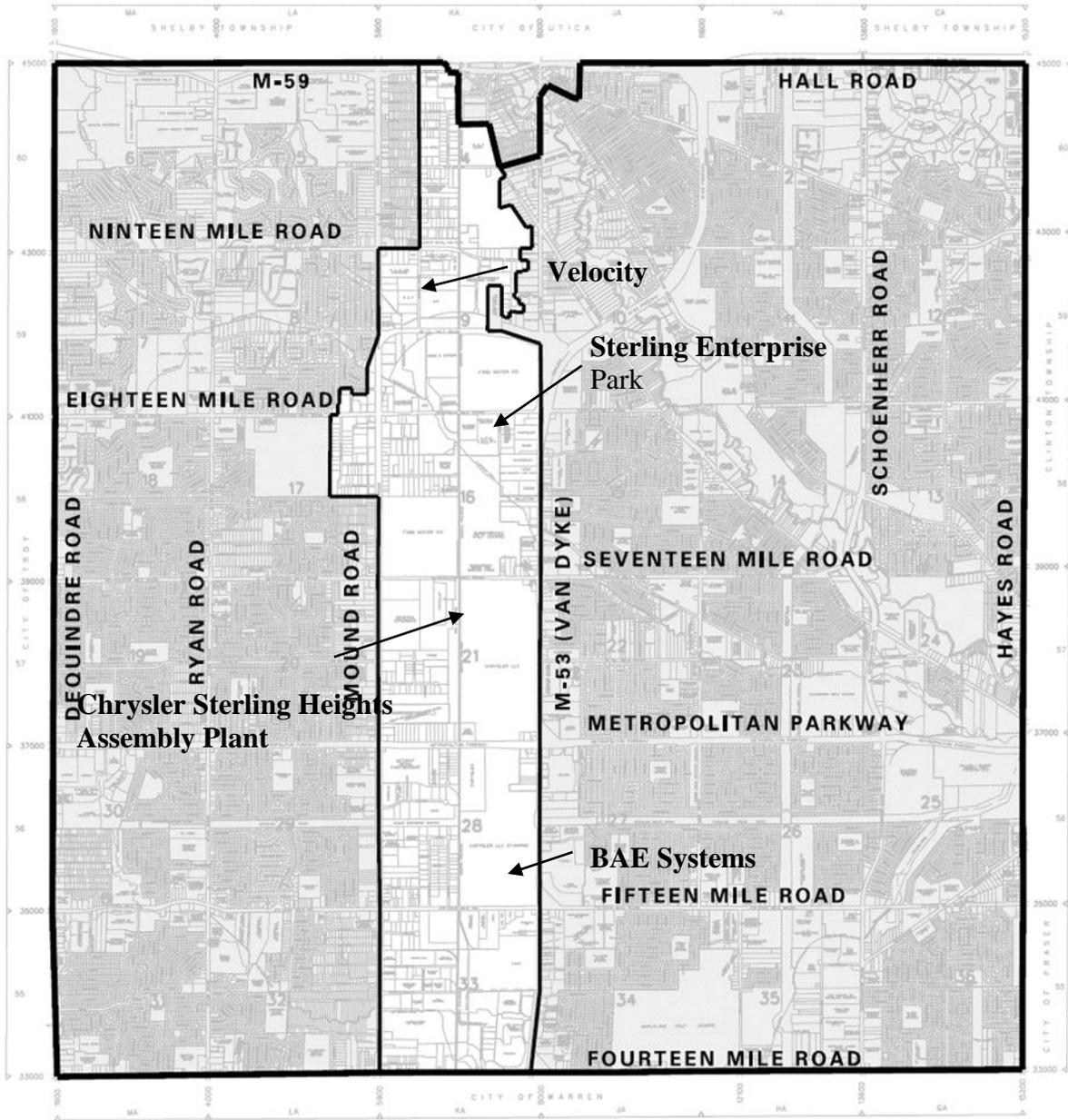
School Capture All Projects								
Year	Fiscal Year	BAE Systems	FCA Paint	FCA Body	Total		Sterling Enterprise	Total
1	2016/2017	\$ 61,513	\$ 159,572	\$ 123,267	\$ 344,351		\$ 39,904	\$ 384,255
2	2017/2018	\$ 61,513	\$ 159,572	\$ 123,267	\$ 344,351		\$ 65,186	\$ 409,537
3	2018/2019	\$ 61,513	\$ 159,572	\$ 123,267	\$ 344,351		\$ 218,176	\$ 562,527
4	2019/2020	\$ 61,513	\$ 159,572	\$ 123,267	\$ 344,351		\$ 296,627	\$ 640,978
5	2020/2021	\$ 61,513	\$ 159,572	\$ 123,267	\$ 344,351		\$ 379,000	\$ 723,351
6	2021/2022	\$ 61,513	\$ 159,572	\$ 123,267	\$ 344,351		\$ 465,492	\$ 809,843
7	2022/2023	\$ 61,513	\$ 159,572	\$ 123,267	\$ 344,351		\$ 556,308	\$ 900,659
8	2023/2024	\$ 61,513	\$ 159,572	\$ 246,533	\$ 467,618		\$ 576,951	\$ 1,044,568
9	2024/2025	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578		\$ 598,625	\$ 1,269,203
10	2025/2026	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578		\$ 621,383	\$ 1,291,961
		\$ 701,906	\$ 1,914,859	\$ 1,602,467	\$ 4,219,231		\$ 3,817,652	\$ 8,036,883

10c – SmartZone Extension – School Tax Capture – All Projects

SmartZone Extension All Projects							
Year	Fiscal Year	BAE Systems	FCA Paint	FCA Body	Total	Sterling Enterprise	Total
11	2026/2027	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 645,280	\$ 1,315,858
12	2027/2028	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 670,371	\$ 1,340,948
13	2028/2029	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 691,527	\$ 1,362,105
14	2029/2030	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 713,742	\$ 1,384,320
15	2030/2031	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 737,067	\$ 1,407,645
16	2031/2032	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 761,559	\$ 1,432,137
17	2032/2033	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 787,275	\$ 1,457,853
18	2033/2034	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 814,277	\$ 1,484,855
19	2034/2035	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 842,629	\$ 1,513,207
20	2035/2036	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 1,497,563	\$ 2,168,141
21	2036/2037	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 1,560,079	\$ 2,230,657
22	2037/2038	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 1,625,722	\$ 2,296,299
23	2038/2039	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 1,694,646	\$ 2,365,224
24	2039/2040	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 1,767,017	\$ 2,437,594
25	2040/2041	\$ 104,901	\$ 319,143	\$ 246,533	\$ 670,578	\$ 1,843,006	\$ 2,513,583
					\$ 10,058,667	\$ 16,651,760	\$ 26,710,427

Map 1

Local Development Finance Authority District Technology Advancement SmartZone of Sterling Heights



TECHNOLOGY ADVANCEMENT SMARTZONE OF STERLING HEIGHTS

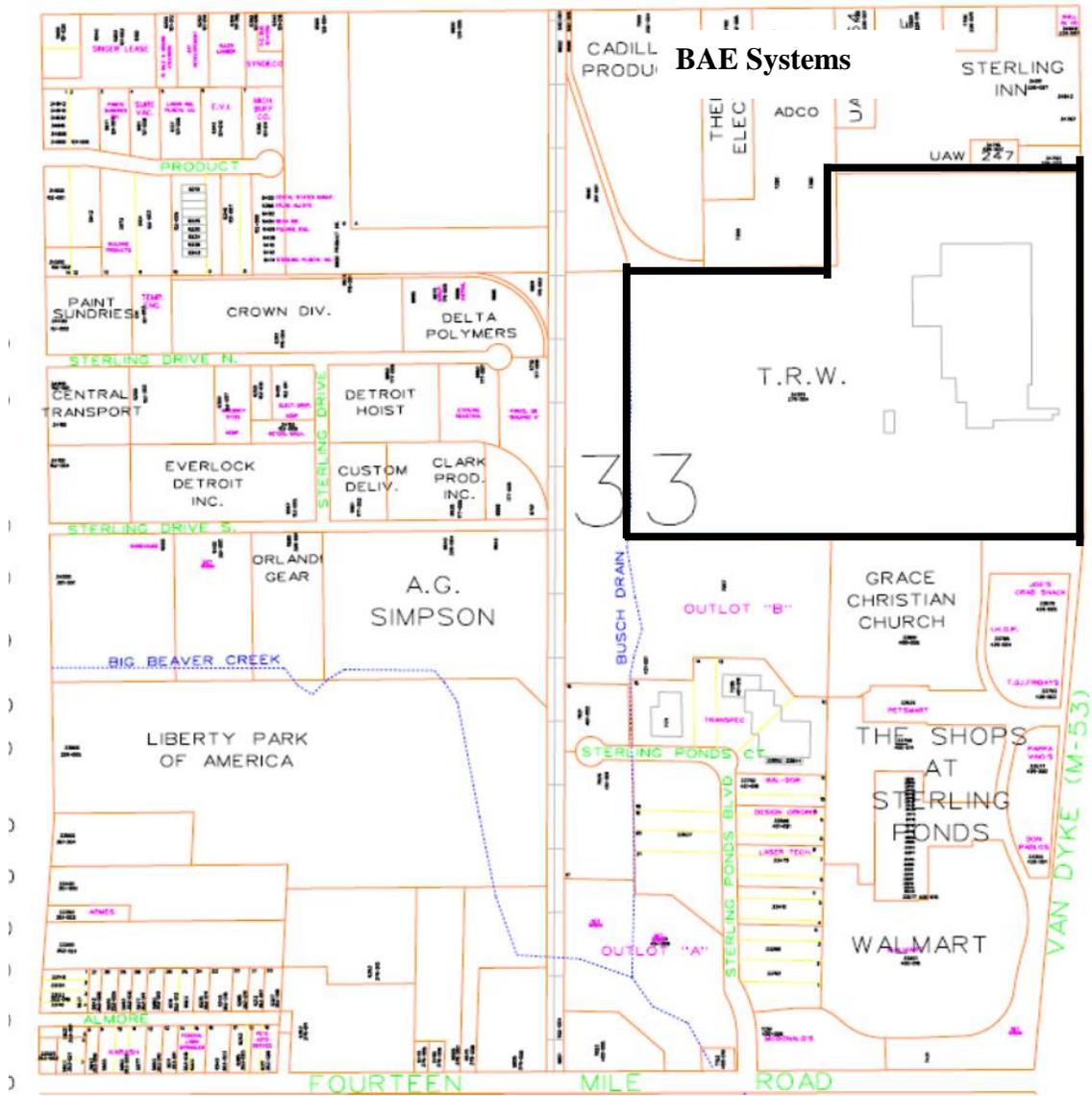


STERLING HEIGHTS, MICHIGAN



PREPARED BY
ENGINEERING DEPARTMENT
REVISED 7-24-07

Map 2
BAE SYSTEMS
34201 Van Dyke



Map 3
Velocity
6633 18 Mile Road



Map 4
Chrysler Sterling Heights Assembly Plant

38111 Van Dyke Ave



Map 5
Sterling Enterprise Park



**RATIFICATION AGREEMENT BY THE STATE TREASURER
City of Sterling Heights SmartZone**

WHEREAS, the Michigan Legislature passed and the Governor signed Public Act 248 of 2000 to promote, *inter alia*, the development of high technology businesses throughout the State of Michigan; and

WHEREAS, the Michigan Economic Development Corporation ("MEDC") has been authorized by Public Act 281 of 1986, as amended, being MCL 125.2151 et seq. (the "Act"), to designate a certain number of areas within districts of a local development finance authority created under the Act as certified technology parks, by December 31, 2002; and

WHEREAS, Public Act 105 of 2008, amended the Act to allow for 3 additional SmartZones

WHEREAS, the MEDC, for strategic marketing purposes, has chosen to designate certain of the aforementioned certified technology parks as "SmartZones"; and

WHEREAS, the MEDC issued a Request for Proposals for SmartZone designation; and

WHEREAS, the MEDC received a proposal requesting designation as a certified technology park of certain area located within the jurisdictions of the City of Sterling Heights ("City"); and

WHEREAS, on December 16, 2008 the MEDC, the City of Sterling Heights, and the Sterling Heights Local Development Finance Authority ("LDFA") entered into an agreement ("SmartZone Agreement") which established a certified technology park in the City of Sterling Heights (CTP); and

WHEREAS, on December 1, 2009 the City and the LDFA approved a tax increment financing plan ("TIFP"), pursuant to the Act which contemplates, with respect to the CTP, the capture of fifty percent (50%), of the amounts levied by the State pursuant to the State Education Tax Act, Public Act 331 of 1993, being MCL 211.901 et seq. (the "State Education Tax"), and by local and intermediate school districts for a period of fifteen (15) years commencing with levies imposed on or after January 1, 2011 and concluding with levies imposed on or before December 31, 2025, (such levies from the CTP collectively referred to as the "State Capture"), on the basis of an initial taxable value determined as of December 31, 2008, for all purposes and in those amounts authorized under the Act by the TIFP; and

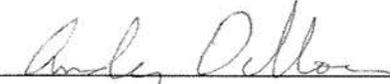
WHEREAS, the State Capture may be authorized under the Act to fund the costs of public facilities related to or for the benefit of eligible property located within the CTP if those public facilities have been included in the SmartZone Agreement and if the State Treasurer determines that the State Capture is necessary to reduce unemployment, promote economic growth, and increase capital investment in the City, and;

WHEREAS, the State Treasurer has made no determination of the validity, adequacy or sufficiency of the TIFP or the SmartZone Agreement for purposes of this ratification or compliance therewith or with the Act.

NOW THEREFORE, the State Treasurer makes the following determinations:

1. The State Capture is necessary to reduce unemployment, promote economic growth, and increase capital investment in the City subject to the following conditions:
 - a. The State Capture shall be determined from those ad valorem and specific tax levies by the State of the State Education Tax and by local and intermediate school districts that may be included as tax increment revenues under the Act and the TIFP. The State Capture shall be based upon the captured assessed value of all property that is identified within the CTP and included in the TIFP.
 - b. State Capture may be based upon up to 50% of the amounts levied by the State pursuant to the State Education Tax Act, Public Act 331 of 1993, being MCL 211.901 et seq., and by local and intermediate school districts. Tax increment revenues captured by the CTP may include State Capture for a period of fifteen (15) years commencing with levies imposed on or after January 1, 2011 and concluding with levies imposed on or before December 31, 2025, with captured assessed value calculated on the basis of an initial taxable value established on the basis of assessments made on December 31, 2008.
 - c. All costs of public facilities, as defined by section (aa)(v) of the Act, have been approved by the MEDC.
 - d. Except as provided by subdivision (e) below, the LDFA will not capture the TIFP other than those taxes comprising the State Capture for the purposes authorized under the TIFP and the SmartZone Agreement as in effect on the date of this Ratification.
 - e. This Ratification does not prohibit the LDFA from amending the TIFP to capture local non-educational taxes ("Local Taxes") for the purposes authorized under the TIFP and the SmartZone Agreement, provided that the LDFA may not capture Local Taxes and State Capture from any one parcel in an amount in excess of the total taxes assessed against such parcel, and provided further that the LDFA submit to the State Treasurer such documentation as the State Treasurer may deem necessary or appropriate to verify compliance with this subparagraph.

Approved on this 30th day of March, 2011.

BY: 
Andy Dillon, State Treasurer



Business of the LDFA
Sterling Heights, Michigan

Item No:
Meeting: 3/15/2016

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: LDFA/SMARTZONE Third Amended and Restated TIF and Development Plan

Submitted By: Luke Bonner, Senior Economic Development Advisor

Contact /Telephone: Luke Bonner 734-846-9746

Administration (initial as applicable)

Attachments

Table with 4 columns: Administration, Attachments, Attachments, Attachments. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager with corresponding attachment checkboxes.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Several changes were made to the tax increment financing plan previously approved by the LDFA board on February 16, 2016. The changes are as follows: 1) The Macomb Intermediate School District millage should be captured by the SmartZone and not the Local Tax Capture 2) The property values of each project were changed to reflect their current IFEC values (Industrial Facilities Exemption Certificate)

Attached is the Third Amended and Restated Tax Increment Finance Plan and Development Plan. The Main Objective of this plan includes the following:

Objective One - BAE Systems Land and Armaments L.P., the benefactor of the "Original Plan", did not provide valid invoices for repayment of their eligible activities with tax increment finance (TIF) revenues. Therefore, "the Plan" will eliminate TIF expenditures adopted in the "Original Plan" and reallocate them to eligible activities that benefit the broader LDFA district.

Objective Two - The "First Plan" referenced the Macomb OU-INCubator as the sole service provider of incubator related activities. The "Plan" removes Macomb OU-INCubator and references incubation services more generally as an eligible activity under the broader "SmartZone Activities" heading. The defined terms of service of any organization providing incubation services on behalf of the LDFA will require a contract between the LDFA and the specific service provider, or service providers.

Objective Three - The Second Plan has a combined tax increment finance capture, not to exceed \$500,000. The third amended and restated TIF plan eliminates the not to exceed portion of the capture.

Objective Four - A new project within the LDFA, known as Sterling Enterprise Park, will generate a significant amount of new TIF revenue. The Third Plan will include the eligible activities in the broader LDFA district supported by TIF revenue generated by the Sterling Enterprise Park development project.

Objective Five - The Sterling Enterprise Park project will also generate new school TIF. The Third Plan will reflect the school tax capture and its use to support incubator related activities as well as additional LDFA district improvements that

support entrepreneurial growth. The charts in the Third Plan will acknowledge the change in these funding activities.

Objective Six – The Second Plan mistakenly used an incorrect base taxable value for the Chrysler Paint Facility. The Paint Facility was built on a newly established IFT Parcel (Industrial Facility Tax) with a base value of \$0. However, a value of \$19,827,400 was used. The Third Plan corrects the base value of the Paint Facility and now projects an annual capture of \$256,288 of school capture and \$541,048 for local capture.

Objective Seven – The City of Sterling Heights, and the Sterling Heights LDFA, would like to pursue a 15-year extension to its tax increment finance capture period for SmartZone Related activities. On July 15th, 2015 Governor Snyder signed into law House Bill 4226. This legislation allows for up to 9 existing SmartZones (such as the City of Sterling Heights) extend tax capture for an additional 15 years to provide early stage company support services. The primary condition for an existing SmartZone (City of Sterling Heights) to qualify for a 15-year extension is to collaborate with another community outside of Macomb County, which also has the desire to create a SmartZone of their own. This partner community considered a “satellite” SmartZone location, would only be eligible to get such designation if it collaborates with an existing SmartZone (Sterling Heights). The satellite zones have a commitment to work with the partner zone on joint projects of interest. No exchange of resources or control of revenue collected in either zone is required in the partnership agreement. The City of Sterling Heights can capture school taxes under the SmartZone provision until approximately the 2025/2026 fiscal year.

Suggested Action:

MOVED BY: 

SECONDED BY: 

RESOLVED, to receive and place on file the Third Amended and Restated Tax Increment Finance and Development Plans and recommend approval the Sterling Heights City Council – with the administrative changes that have taken place.



Business of the City Council
Sterling Heights, Michigan

City Clerk's Use
Item No: 4
Meeting: 05/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider a request by Graebner Parent Teacher Organization for recognition as a local nonprofit organization for the purpose of obtaining a State of Michigan charitable gaming license.

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager, 586/446-2421

Administration (initial as applicable)

Attachments

<i>MC</i> City Clerk			
<i>AB</i> Finance & Budget Director	___	Resolution	___ Minutes
<i>JA</i> City Attorney (as to legal form)	___	Ordinance	___ Plan/Map
<i>MM</i> City Manager	___	Contract	___ Other

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Graebner Parent Teacher Organization, a Michigan nonprofit corporation (Applicant), is an IRC 501(c)(3) non-profit corporation seeking to obtain a charitable gaming license through the State of Michigan. Applicant's primary stated purpose is to provide financial support for educational, family-oriented events throughout the school year, including an annual Ice Cream Social, Santa Shop, Holiday Night, and year-end Carnival.

A charitable gaming license will enhance Applicant's fundraising to support this stated purpose. Specifically, Applicant is seeking a Raffle License for the annual June carnival.

In order to obtain a charitable gaming license to perform fundraising activities, the Charitable Gaming Division of the State of Michigan requires a resolution adopted by a local governing body recognizing the Applicant as a "local nonprofit group operating in the community." The enclosed resolution, if adopted, will recognize Applicant as a local nonprofit group operating in the community.

Included in the backup are Applicant's Bylaws, Articles of Incorporation, IRS notification of IRC 501(c)(3) status, financial documents, and other information.

In the past, the City Council has adopted Local Governing Body resolutions for other nonprofit organizations whose beneficiaries were students enrolled in public schools or participating in school-sponsored activities.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, that the request from Graebner Parent Teacher Organization, of Sterling Heights, County of Macomb, asking that they be recognized as a nonprofit organization operating in the community for the purpose of obtaining a charitable gaming license be considered for approval; provided, however, that this action is not an endorsement of the organization and the City of Sterling Heights should not be listed on any promotional materials associated with their charitable gaming activities.



Graebner Parent Teacher Organization
41875 Saal Road, Sterling Heights, MI 48313



April 12, 2016

Tax ID Number: 38-2986163

Angel C. Tuck
Graebner Parent Teacher Organization
41875 Saal Road
Sterling Heights, MI 48313

To the City of Sterling Heights Governing Body-

We are the Graebner Parent Teacher Organization (GPTO) of Graebner Elementary located in Sterling Heights Michigan. Our purpose is to provide an avenue of communication between parents/guardians, teachers and administrators and the community we serve. We also strive to provide and support special projects, events, and extracurricular activities for the benefit of all Graebner students.

Through our fundraising activities we are able to financially support educational, family oriented events throughout the year, many with little to no cost to our students and families. It is important to us that every family feels they are included in our events. In the first week of school, we host an "Ice Cream Social". This is a free event where students and parents can mingle, forming new relationships and also meet our teaching staff. During the holiday season we provide a "Santa Shop", and we host an annual "Holiday Night", also free of charge. We changed it up a bit this year, hiring a balloon animal artist, a face painter, renting a photo booth and also having Santa Claus stop by to get our students gift lists. We do have events that have an admission charge, but our goal has always been to cover our budget assigned to the events only. Examples are "Trunk or Treat" for Halloween, our "Daddy and Daughter Dance" is another popular activity. This month we are having our first "Mother and Son Bowling Bash".

Our fundraising projects are how we are able to fund the budgets for our activities. This year we had our first Entertainment Book sale. The profit from this fundraiser allowed us to purchase agendas for the entire student body. The agendas were one of the many things cut from Graebner's budget this year. We were also able to supplement the school's paper budget. Our Cookie Dough fundraiser at the end of April has supported our Special Education teachers, the purchase of Smartboards for the classrooms and digital cameras and memory cards for all of our teachers.

We have always strived to support our teachers. Each year in December, we gift a \$100 reimbursement to all of our teachers from our "Teacher Allocations" budget. We recently funded a New York production that focused on bullying for our Media Center. We have also funded many extracurricular groups including "Garden Club" and "Beautification Club". We are especially proud of our involvement with our "Green Schools" program. They were recognized both last year and this year for their recycling programs, and were presented with a banner making us an official "Green School" for the State of Michigan.

We also hold various roller skating evenings and restaurant nights to support our Playground Equipment budget. To help support our financials we have recently become a 501©(3) nonprofit organization. All donations to the GPTO are tax deductible. With this we are beginning to form new relationships with local businesses.

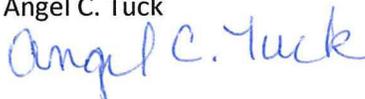
Graebner Parent Teacher Organization



Every year we have an annual Carnival in June. This is both our biggest event and fundraiser. We have games and inflatables, a food tent, crafts and prizes. Then at the end of the carnival we have our "Basket Raffle". Each grade level has a basket assigned with a specific theme. Throughout the year we ask for donations, which we use to fill each basket. For example, we have a "Detroit Tigers" basket. Last year it was one of our most popular with Tiger apparel, tickets to a game and many other Tiger memorabilia. Another is our "Money Tree" basket. This one is all gift cards, another very popular basket. A large portion of our event budgets are funded by the Basket Raffle. Without it, our funds raised be cut in half. From there we would have to cut out some of the free events we offer or perhaps say no to teachers requesting funds for educational activities.

Our fundraisers and events have a positive impact on our students, parents, teachers and community. Our mission is a simple one, to continue to do what we have always done, to support Graebner. We thank you for your time and consideration.

Angel C. Tuck



Treasurer

Graebner Parent Teacher Organization

gptoboard@gmail.com

(586) 219-3542

Nichole Mansell



President

Graebner Parent Teacher Organization

gptoboard@gmail.com





Graebner Parent Teacher Organization
41875 Saal Road, Sterling Heights, MI 48313



April 12, 2016

Organization ID: 113114

Angel C. Tuck
Graebner Parent Teacher Organization
41875 Saal Road
Sterling Heights, MI 48313

To the State of Michigan, Bureau of State Lottery-

We are the Graebner Parent Teacher Organization. Our organization supports the students, parents, teachers and community of Graebner Elementary located in Sterling Heights Michigan. We are requesting a lottery license for our "Basket Raffle" at our year end carnival being held on June 10, 2016. Per your request, please see below our membership criteria.

"The voting membership consists of parents and/or guardians of a Graebner Elementary School student in grades kindergarten through sixth (6th) grade. It also includes the teaching staff of Graebner Elementary. There are no membership fees assessed."

The chairperson for our Basket Raffle event is Mrs. Holly Mayhew. Mrs. Mayhew has been a member of the Graebner Parent Teacher Organization for four (4) years. She is our current Secretary of the Board, and has held that position since the 2014-2015 school year. Mrs. Mayhew meets your two criteria; that she be a bona fide member for six (6) months and also a member of our board of directors.

Thank you for your consideration of a gaming license for our Basket Raffle.

Angel C. Tuck

A handwritten signature in blue ink that reads "Angel C. Tuck".

Treasurer
Graebner Parent Teacher Organization
gptoboard@gmail.com
(586) 219-3542





RICK SNYDER
GOVERNOR

State of Michigan
Bureau of State Lottery
101 E. Hillsdale • P.O. BOX 30023 • Lansing, Michigan 48909
www.michigan.gov/cg • (517) 335-5780 • FAX (517) 267-2285

city clerk # 5



M. Scott Bowen
COMMISSIONER

May 21, 2015

Organization ID: 113114

Tracey A Fischer Kramarczyk
Graebner Parent Teacher Organization
41875 Saal Rd
Sterling Heights, MI 48313



Dear Tracey A Fischer Kramarczyk:

We have received documentation to qualify your organization as a Local Civic organization to conduct licensed gaming events as allowed by Act 382 of the Public Acts of 1972, as amended.

To complete the qualification process, please submit the following information:

1. A copy of the organization's current bylaws or constitution, including membership criteria, signed and dated by your principal officer.
2. A copy of the letter from the IRS stating the organization is exempt from federal income tax under IRS code 501(c) or copies of one bank statement per year for the previous five years, excluding the current year, from 5/21/2010 to 5/21/2014.
3. If incorporated, a complete filed copy of your Articles of Incorporation, including all amendments.
4. A provision in your bylaws, constitution, or Articles of Incorporation that states should the organization dissolve, all assets, and real and personal property will revert: A. If exempt under 501(c)3, to another 501(c)3 organization. B. If not exempt under 501(c)3, to the local government.
- * 5. A copy of a resolution passed by the local government stating the organization is a recognized nonprofit organization in the community; form enclosed.
6. A revenue and expense statement for the previous 12 month period to prove all assets are used for charitable purposes, i.e. 990's, treasurer's report, audit. Do not send check registers or cancelled checks. Explain the purpose of each expenditure made to an individual. Once the organization has conducted licensed gaming events, the Bureau may require the organization to provide additional proof that all assets are being used for charitable purposes.
7. A provision in the bylaws, constitution, or Articles of Incorporation indicating the organization will remain nonprofit forever.
8. A written statement defining your membership criteria, if any. The charitable gaming rules require the licensed gaming event chairperson(s) be a bona fide member for 6 months. If you do not have general membership criteria, your chairperson(s) must be members of your board of directors.
9. Proof of a current bank account in the name of the organization.

Your large raffle license has been issued, however, it is now time to update your qualification information. No further licenses will be issued until you submit all of the above to prove your continued eligibility under the act and rules.

Please enclose a copy of this letter with the requested information and mail, fax to 517/267-2285, or email to CG-Additional-Info@michigan.gov. Be sure to include your organization ID number 113114 on all correspondence submitted to our office.

We look forward to working with you in the future. If you have any questions or need further assistance, please contact us at 517/335-5780.

Sincerely,

Charitable Gaming Division



Charitable Gaming Division
 Box 30023, Lansing, MI 48909
 OVERNIGHT DELIVERY:
 101 E. Hillsdale, Lansing MI 48933
 (517) 335-5780
 www.michigan.gov/cg

LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES
 (Required by MCL.432.103(K)(ii))

At a _____ meeting of the _____
REGULAR OR SPECIAL TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD

called to order by _____ on _____
DATE

at _____ a.m./p.m. the following resolution was offered:
TIME

Moved by _____ and supported by _____

that the request from _____ of _____
NAME OF ORGANIZATION CITY

county of _____, asking that they be recognized as a
COUNTY NAME

nonprofit organization operating in the community for the purpose of obtaining charitable

gaming licenses, be considered for _____
APPROVAL/DISAPPROVAL

APPROVAL

DISAPPROVAL

Yeas: _____

Yeas: _____

Nays: _____

Nays: _____

Absent: _____

Absent: _____

I hereby certify that the foregoing is a true and complete copy of a resolution offered and

adopted by the _____ at a _____
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL

meeting held on _____
DATE

SIGNED: _____
TOWNSHIP, CITY, OR VILLAGE CLERK

PRINTED NAME AND TITLE

ADDRESS

COMPLETION: Required.
 PENALTY: Possible denial of application.
 BSL-CG-1153(R6/09)



Charitable Gaming Division
 c/o Accounting
 Box 30023, Lansing, MI 48909
OVERNIGHT DELIVERY:
 101 E. Hillsdale, Lansing, MI 48933
 (517) 335-5780
 www.michigan.gov/cg

RAFFLE LICENSE APPLICATION

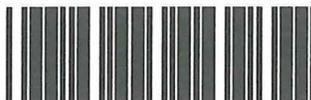
For Bureau Use Only

ALLOW 6 WEEKS FOR PROCESSING.
 PLEASE PRINT OR TYPE IN BLUE OR BLACK INK.

QUALIFICATION INFORMATION	1. Organization Name Graebner Parent Teacher Organization				2. Organization ID Number or Last License Number Issued 113114	
	3. Organization Street Address 41875 Saal Road		City Sterling Hts	State MI	Zip Code 48313	
	Organization Mailing Address 41875 Saal Road		City Sterling Hts	State MI	Zip Code 48313	County 50 Macomb <input type="checkbox"/>
	4. Has your organization ever received a license such as bingo, millionaire party, raffle, charity game ticket, or numeral game? <input checked="" type="checkbox"/> Yes - Complete application and submit with the appropriate fee. <input type="checkbox"/> No - Please follow the instructions on the qualification guideline. If a guideline was not included or you do not understand it, contact our office at (517) 335-5780 to inquire as to what documentation must be submitted to qualify for licensing.					
5. Is your organization a candidate committee, political committee, political party committee, ballot question committee, independent committee or any other committee as defined by, and organized pursuant to, the Michigan Campaign Finance Act 388 of the Public Acts of 1976, as amended, being sections 169.201 to 169.282 of the Michigan Compiled Laws? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			6. Has your organization received contributions or made expenditures of \$500 or more in the last calendar year for the purpose of influencing or attempting to influence the action of voters for or against the nomination or election of a candidate, or the qualification, passage, or defeat of a ballot question? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

SIGNATURE(S)	7. Provide name, title, home address, and telephone numbers for the PRINCIPAL OFFICER, e.g., president, grand knight, worthy matron, etc., and the vice president or equivalent and one other officer of the organization. SIGNATURE OF PRINCIPAL OFFICER REQUIRED - OR - signatures of the vice president or equivalent and one other officer. NOTE: Executive director signature not acceptable.		
	Name and Title	Street, City, State, ZIP Code	Telephone Numbers
	Principal Officer Nichole Mansell	15010 Annapolis	Day (586) 260-0244
	Title President	Sterling Hts., MI 48313	Evening (586) 260-0244
	Signature of Principal Officer <i>Nichole Mansell</i>		Date 4-12-16
	- OR -		
	Name and Title	Street, City, State, ZIP Code	Telephone Numbers
	Vice President or Equivalent Krista Girardin	15012 Congress	Day (586) 321-2077
	Title Vice President	Sterling Hts., MI 48313	Evening (586) 321-2077
	Signature of Vice President or Equivalent <i>Krista Girardin</i>		Date 4-12-16
	Name and Title	Street, City, State, ZIP Code	Telephone Numbers
	Other Officer Angel Tuck	42268 Sycamore	Day (586) 219-3542
Title Treasurer	Sterling Hts., MI 48313	Evening (586) 219-3542	
Signature of Other Officer <i>Angel Tuck</i>		Date 4-12-16	
By signing above, I CERTIFY that I am at least 18 years of age, the organization applying is a NONPROFIT organization, I have examined this application and there is no misrepresentation or falsification in the information stated or attached, and the facts underlying our original qualification status remain unchanged. I FURTHER CERTIFY that I am aware that false or misleading statements will be cause for rejection of this application or revocation of the right to obtain any future licenses and I AM AWARE OF AND AGREE TO the conditions of Act 382 of the Public Acts of 1972, as amended, and the rules and directives of the Michigan Bureau of State Lottery.			

**PLEASE COMPLETE THE BACK PAGE OF THIS APPLICATION
 PLEASE MAKE A COPY OF THE COMPLETED APPLICATION FOR YOUR RECORDS**



RAFFLE INFORMATION	8. Contact Person Angel Tuck			9. Raffle Location (building name, if any) Graebner Elementary		
	Mailing Address Where License Should Be Sent 41875 Saal Road			Street Address 41875 Saal Road		
	City Sterling Hts.	State MI	ZIP Code 48313	City Sterling Hts.		
	Telephone Number (Day) (586) 797-5000	Telephone Number (Evening) (586) 797-5000	ZIP Code 48313	County 50 Macomb		
10. List name, home address, and telephone numbers of the person(s) in charge of raffle. Must be member for 6 months. If more than one chairperson, attach additional list.						
Raffle Chairperson		Street, City, State, ZIP Code		Telephone Numbers		
Name Angel Tuck		42268 Sycamore		Day (586) 219-3542		
		Sterling Hts., MI 48313		Evening (586) 219-3542		
11. If the total value of all prizes awarded in one day is \$500 or LESS, complete this section.						
Drawing Date(s) and Time(s) (Must be between the hours of 8 a.m.-2 a.m.):			License Fee:			
Date _____ Time a.m. _____ to _____ p.m. <input type="checkbox"/>			All drawing dates included on this application must be at the same location. \$15 for 1, 2, or 3 drawing dates plus \$5 for each additional drawing date. (Example: 1 drawing date = \$15 fee, 6 drawing dates = \$30 fee.)			
Date _____ Time a.m. _____ to _____ a.m.			Enter the total number of small drawing dates. _____			
Date _____ Time a.m. _____ to _____ a.m.			\$15			
<input type="checkbox"/> Check here if there are additional drawing dates and attach list.						
-OR- If the total value of all prizes awarded in one day is MORE than \$500, complete this section.						
Drawing Date(s) and Time(s) (Must be between the hours of 8 a.m.-2 a.m.):			License Fee:			
Date <u>06/10/16</u> Time p.m. <input checked="" type="checkbox"/> 4:00 to 9:00 p.m. <input checked="" type="checkbox"/>			All drawing dates included on this application must be at the same location.			
Date _____ Time a.m. _____ to _____ a.m.			\$50 x <u>1</u> = \$50			
Date _____ Time a.m. _____ to _____ a.m.			Number of Dates			
<input type="checkbox"/> Check here if there are additional drawing dates and attach list.						

TICKET INFORMATION	12. Will you be conducting an in-house raffle ONLY where there is no presale of the raffle tickets before the occasion? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, there is no need to complete the raffle ticket below.	
	13. Complete the boxes below in ink; ensure the ticket is printed with all of the required items. See Raffle Rule 506.	
	Indicate any additional information that will appear on the actual tickets.	
	RAFFLE	001 Ticket #
	Name of Licensee	001 Ticket #
	Drawing Date(s)	Drawing Time(s) p.m.
	Prizes	
	First Prize *	
	Second Prize (if applicable)	
	Third Prize (if applicable)	
Minimum 50/50 Prize (if applicable)		
Raffle Location	Ticket Price	
	(to be added when issued) License Number	
Purchaser's Name		
Purchaser's Address		
Purchaser's Phone #		
* For large prizes, you may want to include a disclaimer that states "If xxx (indicate number) tickets are not sold, the drawing will revert to a 50/50 raffle with the minimum prize of \$xxx (indicate dollar amount) awarded."		

Make checks payable to: STATE OF MICHIGAN
 Submit completed application, supporting documents, and license fee to:
 Charitable Gaming Division, c/o Accounting, Box 30023, Lansing, MI 48909
OVERNIGHT DELIVERY: 101 E. Hillsdale, Lansing, MI 48933

Graebner Parent Teacher Organization Bylaws

(Ratified 2/2/16)

ARTICLE 1: NAME

The name of this organization shall be the Graebner Parent Teacher Organization (GPTO).

ARTICLE 2: PURPOSE

The purpose of this organization shall be to:

- A. Provide an avenue for communication between parents, teachers, and administrators.
- B. Coordinate and/or support special projects for the good of all Graebner students.
- C. Operate and be organized exclusively for charitable and educational purposes under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.
- D. Remain a non-profit organization forever.

ARTICLE 3: MEMBERSHIP

The voting membership shall consist of parents and/or guardians of a Graebner Elementary School student in grades kindergarten through sixth (6th) grade and teaching staff of Graebner Elementary School. There will not be any membership fees assessed. Honorary members will consist of guest speakers and other interested parties.

- A. Teachers will be exempt from voting on issues that may result in conflict of interest, such as teacher allocations, teachers' gifts, and Staff Appreciation events.

ARTICLE 4: DUTIES OF OFFICERS

The elected officers of this organization shall be the President, Vice President, Secretary, and Treasurer. They will be known as the Executive Board.

- A. The duties of the President shall be as follows:
 1. To preside over Executive Board meetings and meetings of the general membership.
 2. To schedule the general monthly meetings with the Principal.
 - a. To establish a monthly meeting calendar from September through June.
 - b. To provide a copy of this calendar at each GPTO monthly meeting.
 - c. To post a copy of the agenda in the GPTO Showcase the Friday prior to the monthly GPTO meeting.
 3. To chair and/or delegate the Vice President to chair an initial committee meeting until a chairperson has been appointed.
 4. To call an emergency Executive Board meeting if the need arises.
 5. To keep the Principal and teachers informed of Graebner Parent Teacher Organization activities.
 6. To coordinate the work of the officers and various committee chairpersons.
 7. To check the bank records monthly.
- B. The duties of the Vice President shall be as follows:
 1. To preside over any meeting when the President is unavailable.
 2. To assume the office and responsibilities of President if the President is unable to complete his/her term of office. If the Vice President declines this position, a special election will take place as soon as possible.
 3. To call an emergency Executive Board meeting if the need arises.
 4. To provide assistance to the Executive Board members as needed.
 5. To uphold the Graebner Parent Teacher Organization bylaws.
 6. To chair an initial committee meeting if so delegated by the President.
 7. To create absentee ballots and make them available upon request, and then bring them to the next monthly GPTO meeting.
 8. To make absentee ballots available in the event that voting on an issue will take place at the next monthly meeting. These ballots are to be numbered consecutively and returned in a sealed envelope to the GPTO mailbox. These ballots are to be handed to the person requesting the ballot, and are not to be taken from the building.
- C. The duties of the Secretary shall be as follows:
 1. To provide assistance to Executive Board members as needed.
 2. To call an emergency Executive Board meeting if the need arises.
 3. To record the minutes at all GPTO meetings.

4. To have an attendance sign-in sheet at each meeting.
 5. To prepare a report or newsletter of the GPTO monthly meeting (which will be called the *Grapevine*) for distribution to the general membership prior to the next GPTO meeting.
 6. To maintain a Secretary's journal of all records to be handed down to the next Secretary.
 - a. The Secretary's journal is to include copies of the monthly GPTO meeting agenda, copies of the monthly attendance sheets from the monthly GPTO meeting, copies of the monthly Treasurer's Report and Check Register, and copies of the monthly GPTO meeting minutes/Grapevine.
 - b. The Secretary's journal shall also keep accurate records of all committee sign-up sheets.
 7. To maintain the GPTO file cabinet.
 - a. The Secretary shall maintain a sign out sheet of all files kept in the GPTO file cabinet.
 - b. The Secretary will collect, file, and maintain current Activity Reports for all committees.
 8. To maintain all electronic files.
 - a. The Secretary will collect all electronic files used throughout the year and post them on the GPTO Dropbox website.
 9. To record Executive Board decisions made outside of the general membership meetings.
 10. To act as chairperson for the Classroom Representatives/Basket Raffle Committee.
- D. The duties of the Treasurer shall be as follows:
1. To provide assistance to Executive Board members as needed.
 2. To call an emergency Executive Board meeting if the need arises.
 3. To preside over the general membership meetings when the President and Vice President are unavailable.
 4. To be an advisor on the Budget Committee, and to be present at all Budget Committee meetings.
 5. To keep accurate financial records and receipts.
 - a. A Monthly Financial Report and Check Register Report must be presented at each GPTO meeting and copies prepared for distribution to all members present. This report must consist of all monetary transactions, including detailed lists of deposits, withdrawals, and budgeted reserved funds. A copy will be maintained in a ledger form for review.
 - b. A current monthly budget statement for all active committees must be presented at each GPTO monthly meeting.
 - c. A copy of these reports must be given to the Secretary for the Secretary's journal.
 - d. All general and reserved funds shall be maintained in one account.
 - e. A Check Requisition Form with an attached receipt must be filled out and submitted to the Treasurer, and returned to the GPTO mailbox for any monetary request from the GPTO account. The Check Requisition Forms can be obtained from the GPTO Treasurer.
 6. To complete and submit, or secure the services of an accountant to complete and submit, all required tax forms by the yearly deadline in order to maintain the organization's 501(c)(3) status.
 7. To make deposits and withdrawals within a three (3) day time span.
 - a. All committees must turn in money within 48 hours of the end of the event to the Treasurer.
 8. To provide a member with a check made payable to that member to purchase items for any given activity, that had been pre-approved by the general membership. A receipt of said funds will be kept for record keeping. The payee of this check will provide the Treasurer, for record keeping purposes, with receipts to substantiate all expenditures. Any remaining cash must be returned to the Treasurer. The payee shall account for all monies received within thirty (30) days from the date of the check.
 9. To maintain the Graebner Parent Teacher Organization checking and/or savings account, with the four (4) Executive Board members' signatures required on the account. Two (2) signatures shall be required for any and all checks.
 10. To ensure that no check is made payable to "cash."
 11. To adhere to the following procedures in regard to any non-sufficient funds (NSF) checks.
 - a. Call the bank of the issued check within three (3) days of an NSF notice and inquire if funds are available.
 - b. If funds are not available, immediately contact the NSF check writer and obtain full cash payment.
 - c. If full cash payment is not received within three (3) days of personal contact, issue a formal request in writing to be sent by registered mail demanding that cash payment be made or legal action will follow. Maintain a copy of the letter and the signed registered receipt for record keeping and legal action.

- d. Proceed with legal action per recommendation of UCS Administration if funds are not received within thirty (30) days of the NSF notice.
 - e. The general membership must be made aware of all NSF items through the monthly Treasurer's Report.
 - f. NSF check writers with outstanding checks will be notified through a mailed letter that their checks will no longer be accepted by the Graebner Parent Teacher Organization. Any committee chairperson in a position of having to accept money will be given a confidential listing of persons whose checks are not to be accepted.
 - g. The Executive Board reserves the right to refuse checks, for the remainder of the school year, from anyone who has written two (2) or more NFS checks during the current school year.
12. The Treasurer may obtain up to \$250 to be used as start-up cash to make change at any GPTO-sponsored event where goods, tickets, admission, and the like are sold. These funds will then be returned to the GPTO account after the event has concluded, and will not be considered part of the income for any event.

ARTICLE 5: DUTIES OF EXECUTIVE BOARD

The duties of the Executive Board shall be as follows:

1. To hold a monthly general membership meeting where a minimum of two (2) officers are present.
 - a. Executive Board members must attend at least seven (7) of the ten (10) general membership meetings.
2. To hold Executive Board meetings in order to prepare an agenda for the monthly GPTO meeting. At least two (2) members must be present. All members will be notified of this meeting.
 - a. Absent Executive Board members will be provided with a summary of the Executive Board meeting.
 - b. An agenda will be prepared for distribution to the general membership on the Friday prior to the monthly GPTO meeting.
 - c. Any monetary requests subject to a vote will be published in the agenda.
3. To hold an emergency Executive Board meeting if the need arises.
 - a. No Executive Board decision shall be made without a majority vote of the Executive Board officers.
 - b. If, at the emergency Executive Board meeting, a decision cannot be reached by a majority vote, an emergency meeting must be held within 48 hours with the general membership of the GPTO.
4. To familiarize themselves with the organization's bylaws and *Robert's Rules of Order, Newly Revised*.
 - a. A copy of *Robert's Rules of Order, Newly Revised* shall stay on file with the current Executive Board members. A copy will be made available at each monthly GPTO meeting.
5. To authorize the expenditure of not more than \$100.00 when the general membership cannot be convened for a decision. The Executive Board will discuss this expenditure and a majority vote will rule.
6. To discuss, at the March GPTO meeting, the duties of each Executive Board member and nomination/election process.
7. To provide baby-sitting at the monthly GPTO meeting.
8. To have the treasury accounts examined by the current Executive Board within thirty (30) days prior to the newly elected Executive Board taking office. Once satisfied that the Treasurer's reports are accurate, the outgoing Executive Board will sign off on them, verifying an accurate transfer to the new Executive Board.
9. To have a private, professional audit done of all the Graebner Parent Teacher Organization's banking accounts if requested by Utica Community Schools Administration.
10. To maintain all financial records and submit all required yearly tax forms in order to maintain the organization's 501(c)(3) status.
11. To maintain insurance coverage at all times for the organization.

ARTICLE 6: ELECTION OF OFFICERS

The nomination/election process shall take place as follows:

- A. In March, a Nomination/Election Committee will be formed, consisting of a chairperson and a minimum of one other volunteer, to oversee the nomination/election process established herein:
 1. Executive Board members seeking re-election may not serve on this committee.
 2. These committee members will be ineligible to run for an elected office.
- B. At the April GPTO meeting, the Nomination/Election Committee will make nomination forms available.

1. The Nomination/Election Committee will collect the completed nomination forms at the end of the April GPTO meeting.
 2. A Nomination/Election Letter will be sent home to notify each member of his/her nomination(s). This letter will request him/her to accept or decline any office for which he/she has been nominated. The candidates will be given five (5) days to respond; no response by the fifth (5th) day will be considered a decline.
 3. In order to accept a nomination for an Executive Board position, that member must have served as a chairperson or co-chairperson for at least one (1) GPTO committee.
- C. During the May GPTO monthly meeting, the Nomination/Election Committee will announce the slate.
1. Voting will take place at the May GPTO meeting.
 2. Only members present at the May GPTO meeting are eligible to vote.
 3. Ballots will be distributed at the meeting and collected immediately.
 4. The Nomination/Election Committee will go into a closed session meeting to tabulate the votes.
 5. At the end of the May GPTO meeting, the Nomination/Election Committee will announce the results of the election.
 6. The candidates will be given written confirmation of their newly elected position. Results will then be published by way of the Grapevine.
- D. If the entire Executive Board is running unopposed, there will be no election.

ARTICLE 7: TERM OF OFFICE

The Executive Board's term of office will be governed by the following:

- A. The Executive Board members' term of office shall run from July 1st to June 30th of the following year.
- B. No one is eligible to hold the same office for more than three (3) consecutive years.
- C. No one is eligible to hold more than one (1) office at any given time.
- D. Vacancies in office will be handled in the following manner:
 1. Any other Executive Board member shall fill any temporary vacancies of the Executive Board. A volunteer may also fill this vacancy if an Executive Board member is unable or unwilling to fill this temporary position. The current Executive Board selects the volunteer. This temporary position will not last more than two (2) months.
 - a. If a vacancy lasts over the two (2) month limit, nominations will be accepted to fill this position at the next monthly GPTO meeting.
 - b. An election to fill the vacancy will then be held at the following month's GPTO meeting.
- E. A transition period will take place from the election until the official end of the school year. During this time, all outgoing Executive Board members shall deliver to their successors all official material and updated files pertaining to their offices.

ARTICLE 8: FISCAL YEAR

The fiscal year shall run from July 1st to June 30th of the following year.

ARTICLE 9: COMMITTEES

Volunteers will be accepted to fill the committees listed in the Official GPTO Handbook. The Official GPTO Handbook is available at Graebner's Open House/Curriculum Night and at every monthly GPTO meeting. It will be the GPTO Vice President's duty to appoint a committee chairperson and maintain accurate records of that chairperson's activities, and be prepared to give progress reports at monthly GPTO meetings.

- A. Additional committees will form as the need arises throughout the school year.
- B. The guidelines for any committee chairperson shall be as follows:

Committee Chairperson Guidelines

1. The chairperson must find out what amount is budgeted for the event.
2. The chairperson cannot spend any money over the budgeted amount without the general membership's approval, even if the chairperson expects to make money at the event to cover these extra expenses. A cash box and/or start up cash must come out of the budget. If the activity does not have a budget, the GPTO Executive Board will allocate up to \$100.00 for this purpose.
3. If a problem arises that needs attention before the next monthly GPTO meeting and cannot wait until that meeting, the chairperson will contact one of the GPTO Executive Board members.
4. All monies collected, whether cash or checks, must be turned in to the Treasurer within 48 hours of the conclusion of the event. The chairperson is responsible for the money until it is turned in to the Treasurer.

5. Any person or persons helping on the committee must turn in all receipts to the chairperson of the event as soon as possible.
 6. Upon receiving the receipts, the chairperson must fill out a Check Requisition Form and turn it in to the Treasurer. The Treasurer will then give the reimbursement checks to the chairperson to disperse to the appropriate committee members.
 7. Any papers that need to be sent out to the general membership or anywhere else must first be shown to the Principal for approval.
 8. The name, phone number, and email address of a chairperson must be included on all flyers being sent home to the school children.
 9. When the event has ended, the chairperson must complete a Committee Activity Report. It should be filled out and turned in to the GPTO Secretary to be filed.
 10. The committee chairperson will assign one member to be the treasurer for the event and this treasurer will make sure the committee stays within its budget.
 11. A report of profit or loss must be turned in to the GPTO Treasurer and then presented by the chairperson at the next monthly GPTO meeting.
 12. In the case of a new committee/event not on the current budget, the GPTO Executive Board will determine the amount of money to be allocated for this committee/event for the current school year. The committee/event will be added to the budget for the following school year and the allocation amount will be voted on during the Budget Committee meeting for the following school year.
- C. In the event of the death of a student's parent, sibling, stepparent or legal guardian, the Community Relations Committee will take the following actions:
1. The book "The Next Place" written by Warren Hanson (ISBN#0-85N-53-634-3) will be given to the student upon his/her return.
 2. A book selected by the student is to be purchased for circulation in the Graebner Media Center. The book will include a dedication plate in honor of the deceased. The book can be purchased outright or ordered through the Media Center and paid for by the GPTO. A committee member will initiate and follow through with this process.
 3. Due to the sensitive nature of the Community Relations Committee, the chairperson for this committee must be a member of the Executive Board.
- D. Any one person cannot serve as chairperson for more than two (2) committees per school year. This allows more people to become involved in the organization's yearly events.

ARTICLE 10: GENERAL MEETING

The Graebner Parent Teacher Organization's meetings shall be conducted in the following manner:

- A. All GPTO meetings will be held monthly at Graebner Elementary. The date and time of the meetings will be determined by the availability of the building and the availability of the Principal. This schedule will be decided by a vote at the first GPTO meeting of the school year.
- B. Agendas of the monthly meetings will be written by the Executive Board and prepared for distribution to the general membership on the Friday prior to the next monthly GPTO meeting.
- C. Any expenditure request over \$250.00 will be voted on during the monthly GPTO meeting at which the motion/request is made, provided that the request was published in the agenda for that meeting.
- D. A committee that has obtained three (3) quotes, when possible, must present any expenditure over \$1000.00. Each quote shall include the company's name, address, phone number, and an itemized list of all goods and services being provided for or to Graebner Elementary School. If not presented in this manner, it will not be voted on at the current monthly GPTO meeting.
- E. *Robert's Rules of Order, Newly Revised* will be used as a guideline for conducting all meetings.
- F. Discussion time for any given topic will be limited to fifteen (15) minutes. The discussion time can be extended an additional fifteen (15) minutes by a majority vote of all those present.
- G. All motions being voted on by the Graebner Parent Teacher Organization shall require a majority vote by all members present.
- H. All voting for monetary funds will be done on written ballots. Ballots will be distributed and collected by the Treasurer. The Treasurer will then tally the votes and announce the results.

ARTICLE 11: BYLAWS

All members of the Graebner Parent Teacher Organization shall adhere to these bylaws. A current copy of these bylaws shall be obtained from an Executive Board member and is also included in the welcome packet handed out at the first GPTO meeting of the new school year.

- A. These bylaws can be amended at any monthly GPTO meeting by a majority vote of the members present. The amendment(s) will be read and then voted upon at that same meeting.
- B. Review of these bylaws will occur every three (3) years by a volunteer committee to be titled the Bylaw Committee. The next review will occur in April or May 2016 in time for the 2016-2017 school year.
 - 1. A ratification vote will occur in the following manner:
 - a. A special meeting will be called to review the proposed bylaws.
 - b. A vote will take place at the May monthly GPTO meeting.
 - c. If there are no changes to the bylaws, other than updating when the next review is required, no vote is needed.
 - d. The results will be published in the next Grapevine.
 - 2. Upon ratification, the adopted bylaws will take effect immediately.
 - 3. In the event that the proposed bylaws are not ratified, the Bylaws Committee will re-convene to rework the bylaws to bring back to the general membership for ratification at the June monthly meeting.

ARTICLE 12: VIOLATION OF BYLAWS

If a member suspects that any article or amendment of the bylaws is being deliberately violated, it is suggested that a letter (signature optional) be forwarded to the Executive Board for investigation and disclosure to the general membership.

- A. If the investigation reveals any improprieties by the member, the Executive Board may request resignation from any committee or Executive Board position and exclusion from serving the Graebner Parent Teacher Organization in the same capacity in the future.

ARTICLE 13: DISSOLUTION

The Graebner Parent Teacher Organization can only be dissolved by a majority vote at a scheduled monthly meeting.

- A. Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or to a state or local government for a public purpose.

Nicholas A. Mansueti
President 4/15/16

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

MAR 17 2016

Date:

GRAEBNER PARENT TEACHER
ORGANIZATION
41875 SAAL ROAD
STERLING HEIGHTS, MI 48313-0000

Employer Identification Number:
38-2986163
DLN:
26053439005426
Contact Person:
WILLIAM SCHRODER ID# 31694
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
509(a)(2)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
February 5, 2016
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form ~~990/990-EZ/990-N~~, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 5436

GRAEBNER PARENT TEACHER

We sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey I. Cooper". The signature is stylized and cursive.

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
FILING ENDORSEMENT

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT

for

GRAEBNER PARENT TEACHER ORGANIZATION

ID NUMBER: 71861V

received by facsimile transmission on February 4, 2016 is hereby endorsed.

Filed on February 5, 2016 by the Administrator.

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



Sent by Facsimile Transmission

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 5th day of February, 2016.

Julia Dale

***Julia Dale, Acting Director
Corporations, Securities & Commercial Licensing Bureau***

CSSL/CD-502 (Rev. 8/16)

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

Date Received

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Name

Mattina, Kent & Gibbons, PC

Address

1214 N Main Street

City

State

ZIP Code

Rochester, MI 48307

EFFECTIVE DATE:

Document will be returned to the name and address you enter above. If left blank, document will be returned to the registered office.

**ARTICLES OF INCORPORATION
For use by Domestic Nonprofit Corporations
(Please read information and instructions on the last page)**

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:

ARTICLE I

The name of the corporation is:

Graebner Parent Teacher Organization

ARTICLE II

The purpose or purposes for which the corporation is formed are:

Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distribution to organizations that qualify as exempt organizations under section 501 (c)(3) of the Internal Revenue Code, or the corresponding provision of any future United States Internal Revenue Law. The specific purpose is to promote and support the students of Graebner Elementary School and provide an avenue for communication between parents, teachers and administrators.

ARTICLE III

1. The corporation is formed upon a Nonstock basis.
(Stock or Nonstock)

2. If formed on a stock basis, the total number of shares the corporation has authority to issue is N/A. If the shares are or are to be divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences and limitations of the shares of each class to the extent that the designations, numbers, relative rights, preferences, and limitations have been determined are as follows:

ARTICLE III (cont.)

3. a. If formed on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

None

b. The description and value of its personal property assets are: (if none, insert "none")

None

c. The corporation is to be financed under the following general plan:

Receive contributions, fund raising events, bequests and grants

d. The corporation is formed on a Membership basis.
(Membership or Directorship)

ARTICLE IV

1. The name of the resident agent at the registered office is:

Angel Tuck

2. The address of its registered office in Michigan is:

41875 Saal Rd, Sterling Heights, Michigan 48313
(Street Address) (City) (ZIP Code)

3. The mailing address of the registered office in Michigan if different than above:

_____, Michigan _____
(Street Address or PO Box) (City) (ZIP Code)

ARTICLE V

The name(s) and address(es) of the incorporator(s) is (are) as follows:

Name	Residence or Business Address
Nichole Mansell	41875 Saal Rd, Sterling Heights, MI 48313
Krista Girardin	41875 Saal Rd, Sterling Heights, MI 48313
Angel Tuck	41875 Saal Rd, Sterling Heights, MI 48313
Holly Mayhew	41875 Saal Rd, Sterling Heights, MI 48313

Use space below for additional Articles or for continuation of previous Articles. Please identify any Article being continued or added. Attach additional pages if needed.

ARTICLE VI

A. Restrictions on Operations

1. No part of the assets or the net earnings of the corporation shall inure to the benefit of, or be distributed to its members, trustees, officers, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II.

2. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

3. Notwithstanding any other provisions of these articles, the corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law) or, (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), or (c) by a non-profit corporation organized under the laws of the State of Michigan pursuant to the provisions of Act 162, Public Acts of 1982 as amended.

B. Dissolution and Disposition of Corporate Assets

Upon the dissolution of the corporation, the Board of Trustees shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized, and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501 (c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes

I, (We), the incorporator(s) sign my (our) name(s) this 2 day of February, 2016

[Handwritten Signature]
[Handwritten Signature]
[Handwritten Signature]
[Handwritten Signature]



**Business of the City Council
Sterling Heights, Michigan**

City Clerk's Use

Item No: 5

Meeting: 05/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider a request to transfer ownership of escrowed 2016 Class C liquor license located at 21611 - 21613 Van Dyke, Warren, MI 48089 from The Bear, LLC to Club Vic Entertainment, Inc. and transfer location to 44899 Mound Rd., Sterling Heights, MI 48314, with new entertainment permit.

Submitted By: Office of the City Clerk

MC

Contact Person/Telephone: Mark Carufel, City Clerk 586/446-2421

Administration (initial as applicable)

Attachments

<i>MC</i> City Clerk	___	Resolution	___	Minutes
<i>AB</i> Finance & Budget Director	___	Ordinance	___	Plan/Map
<i>JB</i> City Attorney (as to legal form)	___	Contract	___	Other
<i>MM</i> City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Background – Club Vic Entertainment, Inc., a Michigan Corporation, doing business as Art & Jakes Sports Bar & Grill (Applicant), has made application to the Michigan Liquor Control Commission (MLCC) for the transfer of ownership of an escrowed 2016 Class C liquor license, with Sunday Sales (AM and PM) and dance permit, from The Bear, LLC and a change in location from 21611 – 21613 Van Dyke Ave., Warren, MI 48089 to 44899 Mound Rd., Sterling Heights, MI 48314. Applicant is also seeking new outdoor service and new entertainment permit.

Applicant has purchased the building formerly occupied by a Max & Erma’s chain restaurant that has been closed for over a year. Applicant is currently renovating the building for an Art & Jakes Sports Bar & Grill. Substantial interior and exterior work will be completed prior to opening the fifth Art & Jakes Sports Bar & Grill in Macomb County. Other locations include 14741 23 Mile Road, Shelby Township, 45537 Mound Road, Shelby Township, 65859 Van Dyke, Washington Township, and another site under development in Washington Township.

Applicant is owned by Victor and Brenda Trpcevski, husband and wife. The owners have extensive business/management experience in general and specifically with the operation of Class C liquor licensed restaurants. Since 2002, the owners have owned and managed one or more Art & Jakes Sports Bar & Grill restaurants. Over the course of the past 14 years, the owners have developed the Art & Jakes Sports Bar & Grill brand, with each subsequent location holding a Class C liquor license.

Applicant offers patrons a full menu with multiple entrées, specializing in American and Eastern European cuisine. The floor plan offers sit-down seating for more than 200 patrons. The proposed hours of operation

are Monday thru Saturday, 11:00 a.m. to 2:00 a.m., Sunday, Noon to 2 a.m. Applicant is seeking a new entertainment permit and a permit for outdoor service in an patio area with occupant load for 24 patrons.

The Police Department, Fire Department, Office of Planning, Office of Building Services and Office of Treasury have completed their respective reviews and report no objections to the application.

Since this is an application to *transfer* the liquor license to a location in Sterling Heights, it will have **no effect** on the number of City quota licenses available.

City Administration is recommending that City Council recommend approval of the transfer utilizing the one-step process. The following criteria from §5-34(G) of the City Code support this recommendation:

- (1) The Applicant's management experience in operating a liquor licensed business;
As previously noted, Applicant's ownership currently owns and operates liquor licensed businesses in Shelby Township and Washington Township.
- (2) The Applicant's general business management experience;
Applicant has extensive business management experience, having owned and operated the first Art & Jakes since 2002.
- (5) The Applicant's financial status and its ability to build and/or operate the proposed facility on which the proposed liquor license is to be located;
Applicant has provided evidence of the financial ability to acquire and successfully operate a liquor licensed business.
- (10) The recommendations of the local law enforcement agency, Building Department, Zoning Department and Fire Department with regard to the proposed facility;
Please see the attached reports from City Departments and Offices indicating no negative information regarding Applicant's application.

Suggested Action:

MOVED BY:

SECONDED BY:

Resolved, that the request to transfer ownership of an escrowed 2016 Class C liquor license, with Sunday sales (AM and PM) and dance permit, located at 21611 - 21613 Van Dyke, Warren, MI 48089, from The Bear, LLC to Club Vic Entertainment, Inc. and transfer location to 44899 Mound Rd., Sterling Heights, MI 48314, with new outdoor service permit and entertainment permit, be considered for approval.

CITY OF STERLING HEIGHTS

LIQUOR LICENSE APPLICATION

SUBMIT TO: CITY CLERK
CITY OF STERLING HEIGHTS
40555 UTICA ROAD
P.O. BOX 8009
STERLING HEIGHTS, MI 48311-8009

(Please print or type - a separate application is required for each applicant)

1. Applicant VICTOR TRPEVSKI
 Address 600 Valley Forge WASHINGTON, MI 48094
 Type of License CLASS C SDM
 Type of Permit DANCE, Entertainment, Sunday Sales
Include all permits to be issued with this license,
 Business Name CLUB VIC Entertainment Inc / DBA ARTSALES Sports Gr.
 Business Address 44899 MOUND RD Sterling Hts. 48314
 Telephone 586 - 924-1184
 Legal Description Northeast 1/4 of Section 5, Town 2 North range 12 East
 If this is a transfer, date application was filed with the Michigan Liquor Control
 Commission 3-4-16

2. Give the following information for the business proprietor, partners and persons with an interest in the business to be licensed. If incorporated, give same information for officers, directors and managerial employees:

Name	Address	Nature of interest in business or official position	Citizen of U.S. Answer Yes or No
VICTOR TRPEVSKI	600 WASHINGTON Valley Forge MI 48094	President	Yes
Brenda TRPEVSKI	600 WASHINGTON Valley Forge MI 48094	Vice President	Yes

3. Have any of the persons named above had a license issued under any alcoholic control law suspended or revoked at any time? NO

If so, attach a statement giving a full explanation of each such suspension or revocation, including the date thereof.

4. Has there been a suspension or denial to the applicant or applicants of a liquor license within the past two years? NO

5. Is the applicant the owner of the premises to be licensed? Yes
If not, do you have a lease covering the full license period for the premises to be licensed? _____ Give date lease expires _____
(Include a copy of the lease with the application.)

If the applicant is not the owner of the premises to be licensed, give name of owner and address:

Name: VICTOR TRPECUSKI
Complete Address: 6600 Valley Forge Washington MI 48094

6. Do you or any member of your family hold a license for sale of alcoholic beverages at the present time, either as an individual, a member of a partnership or stockholder in a licensed corporation? ~~NO~~ YES If so, give type of license: CLASS C SOM DANUE ENT Shelby

Name in which license is issued and relationship: MAM Entertainment INC Secunovec ENT
14741 23 mile rd. Shelby 45537 Mount Shelby (President)
Address: 65859 VAN DYKE Washington

7. Have you or any member of your family previously held a license or any interest in a license for sale of alcoholic beverages in the State of Michigan? ~~NO~~ YES

If so, give type of license or licenses, names in which licenses were issued, stating relationship and location:

CLASS C MAM Entertainment President 14741 23 mile Rd. Shelby
CLASS C Brendan Victor ENT. President 65859 VAN DYKE WASH
CLASS C Secunovec ENT. President 45537 Mount rd. Shelby

8. Have you or any member of your family ever held a license for sale of alcoholic beverages anywhere in the United States? NO If so, give address, city, state and name in which license was issued: _____

State whether or not you will be active in the management of this business if the license is granted: _____ If so, in what capacity? _____
If a partnership, number of shares owned: _____

9. Does applicant propose to operate a restaurant, an SDM or SDD business, or conduct any form of entertainment in connection with his business or operate a jukebox or offer music of any type? Yes

If yes, furnish all details: Jukebox, Satellite Radio

10. PERSONAL INFORMATION:

Applicant

Full Name VICTOR TRPECUSKI Age _____ Date of Birth _____

Address 6600 VALLEY Forge WASHINGTON MI 48094

Telephone number _____

Sex M Height _____ Weight _____ Color of Hair _____ Color of Eyes _____

Driver's License No. _____

U.S. Citizen? Yes Naturalized? (number and place) _____

Marital Status Married Michigan Resident? Yes How Long? _____

Spouse

Full name (including maiden name) Brenda Lee Trpecuski

Address 6600 VALLEY Forge WASHINGTON MI 48094

Telephone number _____ Date of Birth _____

10. Personal Information (Cont'd)

Dependents and/or children

<u>Name</u>	<u>Address</u>	<u>Telephone No.</u>	<u>Date of Birth</u>

Employment (past 10 years)

<u>Occupation</u>	<u>Name & Address of Employer</u>	<u>Supervisor</u>	<u>From</u>	<u>To</u>
Art. Jakes	65859 VAN DYKE		2008	Present
Art. Jakes	14741 23 mile		2015	Present
Art & Jakes	45537 mound rd.			

Residence (past 10 years)

<u>Address</u>	<u>City and State</u>	<u>From</u>	<u>To</u>
6600 VALLEY Forge	WASHINGTON MI	2006	Present

Have you ever had your name legally changed? NO Have you ever used a name other than the one you now use? NO If so, give former name(s) _____

10. Personal Information (Cont'd)

Have you ever been arrested? (This means any arrest regardless of whether or not you were convicted) NO Have you ever been convicted? NO

Give a complete record of all arrests and convictions, including dates and places:

11. Do you agree to obtain local approval for all permits to be issued with the requested license, at this time or in the future. (I.e. dance, entertainment, dance-entertainment)

Yes X No _____

I, VICTOR TRPECUSKI, do hereby solemnly swear or affirm that all statements contained in this application are true and correct to the best of my knowledge, information and belief.

Signature of Applicant *Victor Trpecuski*

Sworn to and subscribed before me this 7th day of March, 20 16

Meghan E. Ahearn
Notary Public

Macomb County, Michigan

MEGHAN E. AHEARN
NOTARY PUBLIC, STATE OF MI
COUNTY OF MACOMB
MY COMMISSION EXPIRES Aug 24, 2020
ACTING IN COUNTY OF Macomb

My commission expires: 8-24-2020

CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN

TO ANY PERSON PRESENTED WITH THIS AUTHORIZATION BY AN AGENT
OF THE CITY OF STERLING HEIGHTS.

YOU, AND ANY PERSON ASSOCIATED WITH YOU, ARE HEREBY
AUTHORIZED TO GIVE TO THE CITY OF STERLING HEIGHTS, OR ANY
REPRESENTATIVE THEREOF, ANY AND ALL INFORMATION WHICH MAY BE
REQUESTED REGARDING MY EMPLOYMENT, BANK ACCOUNTS, STOCK AND
BOND ACCOUNTS, OTHER FINANCIAL MATTERS, MY PHYSICAL CONDITION AND
TREATMENT RENDERED BY YOU THEREFOR, AND, IF NECESSARY TO ALLOW
THEM TO EXAMINE ANY RECORDS WHICH YOU MAY HAVE CONCERNING
MYSELF OR MY HEALTH.

Victor Trpiewski
SIGNATURE
VICTOR TRPIEWSKI
TYPE OR PRINT NAME

WITNESS:
[Signature]
3/07/2016
Date

Sworn to and subscribed before me this 7th day of March, 2016

Meghan E Ahearn
Notary Public

Macomb County, Michigan

My commission expires: 8-24-2020

MEGHAN E. AHEARN
NOTARY PUBLIC, STATE OF MI
COUNTY OF MACOMB
MY COMMISSION EXPIRES Aug 24, 2020
ACTING IN COUNTY OF Macomb

AUTHORIZATION TO INSPECT PREMISES

I AUTHORIZE THE CITY OF STERLING HEIGHTS TO CONDUCT ANY INSPECTIONS IT CONSIDERS NECESSARY TO DETERMINE COMPLIANCE WITH CODES, ORDINANCES AND LAWS APPLICABLE TO:

44899 mound Rd. Sterling Heights
(ADDRESS OF BUSINESS)

Victor Trpceuski

SIGNATURE

VICTOR TRPCEUSKI

TYPE OR PRINT NAME

WITNESS:

Ann Spill

03/07/2016

Date

Sworn to and subscribed before me this 7th day of March, 2016

Meghan E Ahearn
Notary Public

Macomb County, Michigan

My commission expires: 8-24-2020

AGREEMENT REGARDING LIQUOR LICENSE REQUEST

This Agreement, made this 6 day of MARCH, 2016, by and between the CITY OF STERLING HEIGHTS, MICHIGAN, a municipal corporation, with offices located at 40555 Utica Road, Sterling Heights, Michigan, 48313, hereinafter known as "THE CITY", and Name of Business: CLUB VIC Entertainment Inc / DBA Art Takes Sports Grill a (State) MI Corporation, whose address is: (Street Address): 6600 Valley Forge (City, State, Zip): WASHINGTON MI 48094 Short Name of Business: ART Takes Sports Grill, the Applicant, hereinafter known as "APPLICANT".

1. The City Council of THE CITY, for and in consideration of the following covenants and conditions, agrees to recommend to the Michigan Liquor Control Commission Approval of the Request for Class C liquor control license by the APPLICANT.
2. In consideration of THE CITY'S recommendation for approval of the request for a Class C liquor license, APPLICANT hereby agrees that:
 - a. It has read and is aware of the provisions of the Sterling Heights Code of Ordinances, including but not limited to Chapter 5, Chapter 7, Chapter 12, and Chapter 29, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Code and said Chapters which may become effective during the term of this agreement.
 - b. It has read and is in receipt of copies of the provisions of the City of Sterling Heights City Council Resolution Adopting Guidelines for Revocation of Licenses and Permits, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Resolution which may become effective during the term of this Agreement.
 - c. It agrees to observe and comply with all laws, statutes, ordinances, rules, regulations or resolutions of the United States, State of Michigan, and the City of Sterling Heights, or

any department or agency of the governmental entities, as well as the rules and regulations of the Michigan Liquor Control Commission as they pertain to the operation of a Class C or Class B liquor licensed business in the City of Sterling Heights.

- d. It agrees to implement procedures to prevent alcohol abuse on its premises or related to its premises by instituting a program such as Training for Intervention Procedures by Servers of Alcohol (T.I.P.S.), Techniques of Alcohol Management (T.A.M.), or the Management/Server Alcohol Awareness Program.
3. APPLICANT agrees that the recommendation for Approval agreed upon by the City Council is not a property right and is approved upon the express and continuing condition that no violation of this Agreement, or of the provisions referenced in paragraph 2 of this Agreement, shall occur.
 4. APPLICANT agrees that the recommendation of Approval agreed upon by the City Council is contingent upon the express and continuing condition that the physical characteristics (including but not limited to the inside layout, building design and engineering, seating capacity, parking space allocations, fire exits, and other physical attributes), and also the nature and type of business and entertainment intended to be conducted, remain virtually the same.
 5. APPLICANT agrees that upon a violation, a full investigation shall be conducted by the City Manager, affording an opportunity for APPLICANT to be heard and/or to take corrective action, which might render a recommendation of revocation or non-renewal unnecessary.
 6. APPLICANT agrees that the City Manager shall have the discretion to forward the results of the investigation to the City Council with a recommendation for revocation or non-renewal proceedings.
 7. APPLICANT agrees that, upon review of the City Manager's recommendations by the City Council and upon a finding that a violation of this Agreement, or of any of the provisions referenced in paragraph 2 of this Agreement, has occurred, the City Council shall have just cause for revocation of said recommendation of Approval.

8. The City and APPLICANT agree that this Agreement shall remain in effect for the duration of the liquor license in question, including all consecutive renewals.
9. The City and APPLICANT agree that this Agreement becomes null and void in the event that state law or administrative rules are revised to prohibit or effectively prevent its use or purpose.

CLUB VIC ENT INC / DBA
ACT 3 HUS Spk
 (NAME OF APPLICANT BUSINESS)

CITY OF STERLING HEIGHTS

By: Victor Tupashki 3-6-16
 President (Dated)

By: _____
 Michael C. Taylor, Mayor (Dated)

By: _____
 (Dated)

By: _____
 Mark Carufel, City Clerk (Dated)

Subscribed and sworn to before me
 this 7th day of March, 2016

Subscribed and sworn to before me
 this _____ day of _____, _____

Meghan E Ahearn
 Notary Public, Macomb County, MI

 Notary Public, Macomb County, MI

My commission expires: 8-24-2020

My commission expires:

MEGHAN E. AHEARN
 NOTARY PUBLIC, STATE OF MI
 COUNTY OF MACOMB
 MY COMMISSION EXPIRES Aug 24, 2020
 ACTING IN COUNTY OF Macomb

AGREEMENT REGARDING ENTERTAINMENT PERMIT REQUEST

This Agreement, made this 6 day of March, 2016, by and between the CITY OF STERLING HEIGHTS, MICHIGAN, a municipal corporation, with offices located at 40555 Utica Road, Sterling Heights, Michigan, 48313, hereinafter known as "THE CITY", and

Name of Business: CLUB VIC Entertainment Inc / DBA ART Jakes Sports Grill
a (State) MI Corporation, whose address is:

(Street Address): 6600 Valley Forge

(City, State, Zip): WASHINGTON MI 48094

Short Name of Business: ART = Jakes Sports Grill,

the Applicant, hereinafter known as "APPLICANT".

1. The City Council of THE CITY, for and in consideration of the following covenants and conditions, agrees to recommend to the Michigan Liquor Control Commission Approval of the Request for an entertainment permit by APPLICANT.

2. In consideration of THE CITY's recommendation for approval of the request for an entertainment permit, APPLICANT hereby agrees that:
 - a. It has read and is aware of the provisions of the Sterling Heights Code of Ordinances, including but not limited to Chapter 5, Chapter 7, Chapter 12, and Chapter 29, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Code and said Chapters which may become effective during the term of this agreement.
 - b. It has read and is in receipt of copies of the provisions of the City of Sterling Heights City Council Resolution Adopting Guidelines for revocation of Licenses and Permits, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Resolution which may become effective during the term of this Agreement.

- c. It agrees to observe and comply with all laws, statutes, ordinances, rules, regulations or resolutions of the United States, State of Michigan, and the City of Sterling Heights, or any department or agency of the governmental entities, as well as the rules and regulations of the Michigan Liquor Control Commission as they pertain to the operation of a Class C liquor licensed business in the City of Sterling Heights.
- d. It agrees that the only form of entertainment to be conducted pursuant to the entertainment permit shall be as follows:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Dancing | <input type="checkbox"/> Still Slides |
| <input type="checkbox"/> Monologues | <input type="checkbox"/> Closed Circuit Television |
| <input type="checkbox"/> Dialogues | <input type="checkbox"/> Contests |
| <input type="checkbox"/> Motion Pictures | <input type="checkbox"/> Other Performances (Specify): |

- 3. APPLICANT agrees that the recommendation for Approval agreed upon by the City Council is not a property right and is approved upon the express and continuing condition that no violation of this Agreement, or of the provisions referenced in paragraph 2 of this Agreement, shall occur.
- 4. APPLICANT agrees that the recommendation of Approval agreed upon by the City Council is contingent upon the express and continuing condition that the physical characteristics (including but not limited to the inside layout, building design and engineering, seating capacity, parking space allocations, fire exits, and other physical attributes), and also the nature and type of business and entertainment intended to be conducted, remain virtually the same.
- 5. APPLICANT agrees that upon a violation, a full investigation shall be conducted by the City Manager, affording an opportunity for APPLICANT to be heard and/or to take corrective action, which might render a recommendation of revocation or non-renewal unnecessary.

6. APPLICANT agrees that the City Manager shall have the discretion to forward the results of the investigation to the City Council with a recommendation for revocation or non-renewal proceedings.
7. APPLICANT agrees that, upon review of the City Manager's recommendations by the City Council and upon a finding that a violation of this Agreement, or of any of the provisions referenced in paragraph 2 of this Agreement, has occurred, the City Council shall have just cause for revocation of said recommendation of Approval.
8. THE CITY and APPLICANT agree that this Agreement shall remain in effect for the duration of the entertainment permit in question, including all consecutive renewals.
9. The City and APPLICANT agree that this Agreement becomes null and void in the event that state law or administrative rules are revised to prohibit or effectively prevent its use or purpose.

CLUB VILE Entertainment F&B
 (NAME OF APPLICANT BUSINESS)

CITY OF STERLING HEIGHTS

By: Nector Turpin 3-6-16
 President (Dated)

By: _____
 Michael C. Taylor, Mayor (Dated)

By: _____
 (Dated)

By: _____
 Mark Carufel, City Clerk (Dated)

Subscribed and sworn to before me
 this 7th day of March, 2016

Subscribed and sworn to before me
 this _____ day of _____, _____

Meghan E Ahearn
 Notary Public, Macomb County, MI

 Notary Public, Macomb County, MI

My commission expires: 8-24-2020

My commission expires:

MEGHAN E. AHEARN
 NOTARY PUBLIC, STATE OF MI
 COUNTY OF MACOMB
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Past, Present and Future of Art & Jakes - Sport Bar and Grill

Who were Art & Jake and describe Art & Jakes? These are the two questions we hear constantly. The first one is simple to answer, it's a guy and his dog. The original owner of the fledgling bar named it after his father and faithful companion, hence Art & Jakes Sports Bar was born. The second question is a little bit more complicated to explain. We use the tag line "A Sports Bar Setting with a Fine Dining Flavor" but that evolution has been 13 years in the making thru hard work, dedication, and perseverance. We also like to say that it is the epicenter where sports entertainment, family fun, great food, drinks and people meet.

We currently have 3 locations and are very active in our communities. We also support many local charities thru fundraising events, as well as being prominent local sports boosters. We give back to our communities and in turn we have gained the support, admiration and respect of those we serve. With a proven track record, experienced hands on leadership, knowledgeable management, and a dedicated team, Art & Jakes has become the #1 destination in Macomb County for food and drinks, and as we grow it will be the #1 destination in all of southeast Michigan.

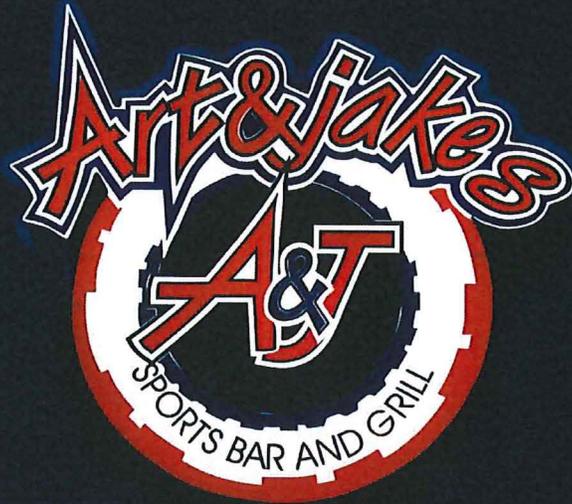
- ⇒ 2002 - Victor and Brenda Trpcevski purchase the original Art & Jakes on Mound Road just north of M-59, in the corner of Shelby Crossings Plaza, a neighborhood bar and grill, with a limited menu and an up north feel! Many of our long time patrons, of which many still visit our original location til this day, will attest to the transformation of what was to come!
- ⇒ 2004 - As business grew at the Mound location, Victor started crafting the vision for what Art & Jakes was to become and undertook the first of many remodels. Introducing a brand new logo and the current color scheme, and the addition of many more TV's, which introduced the sports like atmosphere. A brand new expanded menu was created, which offered guests a wide variety of choices, with delicious items that you can still find on our menu today!
- ⇒ 2007 - Victor, with the belief that you always must re-invest and re-invent began the second major remodel. Decorative stone was added, outdoor granite fire pits went in, and one of the first glass garage doors leading to an outdoor patio was in the local area was installed. An even more expanded food and draft beer menu was launched. The vision became closer!
- ⇒ 2008 - Knowing that he had something special on his hand and at the urging of the Washington Township supervisor, Victor started the construction of the Ava Center location.
- ⇒ 2009 - Art and Jakes opens in Washington Township to great reviews and was embraced by the community rather quickly. At this point Victor knew he had a winner on his hands.
- ⇒ 2013 - The parcel where the 23 Mile locations site was purchased and the ground work was laid for the future of the Art & Jakes family.
- ⇒ 2014 - Art & Jakes 23 Mile road is opened to great fanfare with waits of up to 2 hours to dine with us, keep in mind we have almost 400 seats.
- ⇒ 2015 - Property was purchased in Washington Township to build a stand alone building which will rival the beauty of our 23 Mile location.
- ⇒ 2016 - Offer made and accepted with a contingency to purchase a building in Sterling Heights to be able to move our Mound location to a newer and larger facility.
- ⇒ 2016 - Plan to occupy our new Washington Location by October 1st.
- ⇒ 2016 - Solidified plans to expand the Art & Jakes brand to Atlanta, Georgia. With two location planned to open this year.

Art & Jakes – Future Plans

Art and Jakes is being actively pursued by communities throughout the southeast Michigan to bring our brand of entertainment, food and drinks to them. We plan on opening 2-3 location per year starting in 2017, with some locations being Lake Orion, Chesterfield Twp., Imlay City, Brighton and Beyond. We are also actively exploring locations in Chicago, Cleveland and Indianapolis.

Art & Jakes by the Numbers

- With almost 200 employees and climbing, Art & Jakes is doing our part to help the local economy by providing well paying jobs with health benefits.
- Art & Jakes is a family owned business that prides itself on being debt free.
- Serving over 10000 pounds of chicken, 15000 pounds of French Fries and over 5000 pizzas per month.
- Serving over a million customers per year with our locations, drawing customers and dollars to our communities from all over southeast Michigan.
- Art & Jakes supports the communities that they call home by donating over \$100,000.00 per year to support local causes.
- With 60 tap handles dedicated to craft beer, Art & Jakes is proud to support the Michigan craft beer scene with over 7000 gallons poured monthly.



A Sports Bar Setting *WITH* a Fine Dining Flavor



Here at Art & Jake's, we strive to give our customers the best dining experience. In 2002 we started providing excellent food and service at our first location on Mound in Shelby Township. We felt we had something great to share and opened our second location on Van Dyke in Washington Township in 2009. In 2014, we have expanded with a third location on 23 Mile Road in Shelby Township. Whether you are looking for a quick lunch, drinks and appetizers, cold beers and watching a game or a full dining experience, we have all you're looking for and more! With our flat screen televisions surrounding our bar, on every wall, and some table tops, it's impossible to miss your favorite game!

Thanks a million! My wife and I, and the whole staff at Art & Jake's would like to thank you for being our guest. We hope your experience was enjoyable, your food great and your service exceptional. We wish to see you again real soon.

Sincerely, Victor, Brenda & Trpevski family and staff

ARTJAKES.COM  

Art & Jake's is proud to now offer you **THREE LOCATIONS** to enjoy our food, drinks, service and atmosphere! Follow all of our locations at artjakes.com, [facebook](https://www.facebook.com/artjakes) and [twitter](https://twitter.com/artjakes).

SIGN UP FOR REWARDS!
ASK YOUR SERVER!!



Join Art And Jake's Rewards for the latest happenings and exclusive offers, including your Welcome Gift, Points Rewards, Birthday Gifts, Anniversary Gift and Holiday Gifts. It's easy to join and easy to redeem your rewards and gifts. To redeem a reward, just come in and give us your phone number, our rewards system will do the rest.

BEVERAGES



SOFT DRINKS

Coke • Diet Coke • Sprite • Mello Yello
Orange Pop • Cherry Coke • Lemonade
Chicago Style Root Beer • Coffee • Milk
Chocolate Milk • Unsweetened Iced Tea

SMOOTHIES

Banana • Strawberry
Piña Colada • Mango • Ice Cream

Draft Beer SELECTIONS

Coor's Light • Miller Lite
Bud Light • Labatt Blue

Ask your server for our seasonal beer selection

A&J'S Signature WINGS & SAUCES

TRADITIONAL BREADED OR NAKED

Twelve wings tossed in your choice of A&J's signature sauces.
Served with celery sticks and your choice of ranch or bleu cheese dressing .. 9.95

BONELESS

Twelve wings tossed in your choice of A&J's signature sauces.
Served with celery sticks and your choice of ranch or bleu cheese dressing .. 9.95

"IT'S ALL ABOUT THE SAUCE"

Hot, Medium, Blazing BBQ, Thai Sweet Chili,
Honey BBQ, Parmesan Garlic, Bourbon
Sesame, Sweet Heat Dry Rub, Pub Rub



Ask your server about menu items that are cooked raw. Consuming raw or undercooked meats, poultry, seafood, shellfish or eggs may increase your risk of foodborne illness.

LUNCH Daily 11am-4pm
Specials \$7.45



BUFFALO CHICKEN WRAP

Buffalo chicken strips, bleu cheese dressing, lettuce, tomato and cheddar jack cheese in a grilled flour tortilla. Served with French fries

PORK SCHNITZEL

Breaded pork loin pan-fried to a golden brown, atop a bed of rice, finished with crispy onions, served with vegetable of the day

CHICKEN PITA

Golden fried chicken tenders, lettuce, tomato, American cheese and mayo, stuffed in a grilled pita fold. Served with French fries

CHICKEN KABOB

One char-grilled skewer served with rice, vegetable of the day and grilled pita bread

SLIM ART PANINI

Ham, Swiss cheese, Horsey sauce, lettuce and tomato served on panini bread with French fries

SOUTHWEST SALAD

Half salad with fresh greens, black olives, tomatoes, cucumbers and pepperoncini topped with cheddar jack cheese, tortilla chips and Cajun-spiced, char-grilled chicken breast

FISH & CHIPS

Two pieces of beer-battered cod, served with cole slaw and French fries

PARMESAN TILAPIA

Parmesan-encrusted tilapia, served with rice and vegetable of the day

LIL' HAVANA FLATBREAD

Our crispy flatbread topped with Cubano meat, cheddar jack cheese, red onion, lettuce and tomato finished with chipotle mayo



Shareable APPETIZERS

SPINACH AND ARTICHOKE DIP

Our special blend of artichoke hearts, chopped spinach, Parmesan and cheddar jack cheese, sour cream and spices; served with tortilla chips .. 8.95

STEAK BITES

Marinated New York Strip on top of baked French bread topped with melted provolone cheese. Served with BBQ sauce and au jus .. 10.95

BELGIAN MUSSELS

Sautéed mussels in a white wine garlic butter sauce; served with garlic toast .. 10.95

CRISPY TENDERS 'N' FRIES

Hand-dipped, crispy white meat chicken tenders fried to a golden brown; served with French fries .. 9.95

SOUTHWEST EGGROLLS

A spicy blend of chicken, cheddar jack cheese, corn and beans fried to a golden brown; served with southwest dressing .. 8.95

SAGANAKI...OPA!!

A Greektown tradition, served with grilled pita bread .. 7.95

MOZZARELLA STICKS

Served with ranch dressing or marinara sauce .. 6.95

BAVARIAN PRETZELS

Warm, soft pretzel sticks served with your choice of honey mustard vinaigrette or beer cheese sauce .. 7.95

CHICKEN QUESADILLA

Sautéed red and green bell peppers, onions, grilled chicken and cheddar jack cheese in a grilled flour tortilla. Served with pico de gallo and lettuce .. 9.95

FRIED PICKLES

Breaded pickle chips deep-fried to a golden brown. Served with ranch dressing .. 5.95

ITALY MEATS POLAND

Italian & Polish sausage grilled, topped with spicy pickled peppers and served with pub mustard and herb garlic crostini .. 8.95

ONE GIANT MEATBALL

Meatball topped with marinara sauce and mozzarella cheese served on a sizzling skillet with garlic herb toasted crostini .. 8.95

JAKE'S NACHO SUPREME

Crisp corn tortillas, piled high with our seasoned ground beef, cheddar jack cheese, pico de gallo, black olives, jalapeños and lettuce .. 10.95

TIPSY PIG SLIDERS

Beer-braised pulled pork finished with our signature BBQ sauce and topped with crispy onions on three mini slider buns .. 8.95

ISLAND SHRIMP

Coconut-encrusted shrimp deep fried to a golden brown and served with a side of our trio of sauces; mango, piña colada and strawberry .. 10.95

SEA SIDE CALAMARI

Lightly-breaded calamari, flash fried to golden brown tossed in your choice of Thai sweet & sour sauce or a lemon caper butter sauce .. 8.95

ADRIATIC PLATTER

Fresh carrots, cucumbers, kalamata olives, celery and tomatoes served with a spicy feta dip and fresh hummus, served with fried pita bread..9.95

CHIPS AND SALSA .. 3.95



Grilled FLATBREADS

LIL' HAVANA

Cubano meat, cheddar jack cheese, red onions, lettuce and tomatoes finished with chipotle mayo..9.95

SEVEN LAYER

Ground beef, tortilla chips, chopped jalapeños, cheddar jack cheese, lettuce and tomato finished with sour cream and nacho cheese..9.95

CHICKEN BACON RANCH

Grilled chicken, bacon, red onion, diced tomato, cheddar jack cheese and ranch dressing..9.95

MEDITERRANEAN

Olive oil, tomato, artichoke hearts, garlic, sun-dried tomato, kalamata olives and feta cheese..10.95

MARGHERITA

Basil pesto, shredded and fresh mozzarella cheese, herb-marinated roma tomato and red onions finished with balsamic glaze..10.95

LONE STAR

Combine San Antonio, Houston, Austin and Dallas, now you have a bold flavor that is as big as Texas itself: pork, mozzarella, cheddar, bacon, jalapeño, red Spanish onions..9.95

GARLIC SHRIMP

Roasted garlic, shrimp, diced tomatoes and mozzarella cheese finished with a balsamic drizzle and spring mix..10.95

LITTLE ITALY

Marinara, sausage, ham, salami, mozzarella and asiago cheeses, basil and oregano..9.95

THE TORINO

Our special blend of artichoke hearts, chopped spinach, parmesan and cheddar jack cheese, tomatoes, sour cream, grilled chicken and mozzarella cheese..9.95



SOUPS



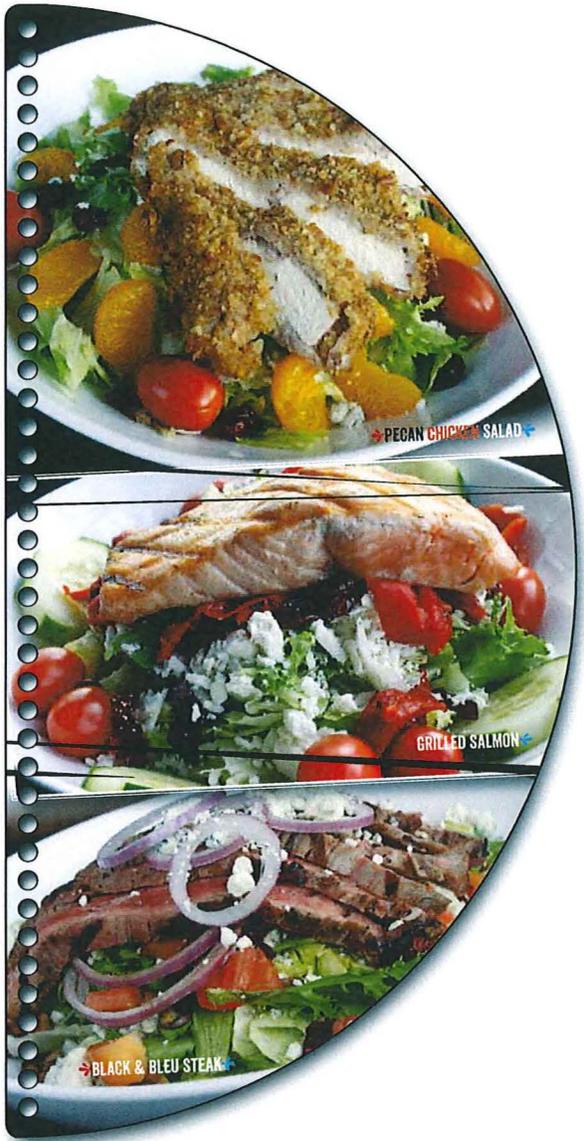
CROCK OF FRENCH ONION .. 4.95

SOUP OF THE DAY .. 3.95

SOUP AND SALAD COMBO

Bowl of soup with our house salad .. 6.95

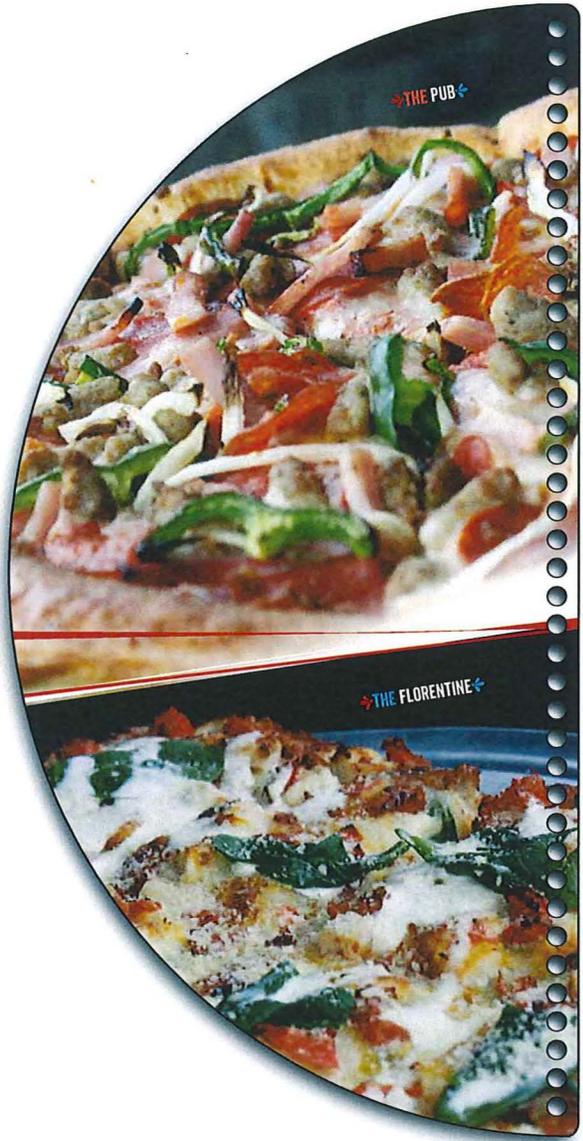
Ask your server about menu items that are cooked to order or served raw. Consuming raw or undercooked meats, poultry, seafood, shellfish or eggs may increase your risk of foodborne illness.



PECAN CHICKEN SALAD

GRILLED SALMON

BLACK & BLEU STEAK



A&T'S GOURMET PIZZAS

Fresh, house-made dough prepared daily, topped with a three-cheese blend of provolone, mozzarella and Parmesan cheese.

Detroit-Style **DEEP DISH**
Personal .. 10.95 Large .. 16.95 *Square*

OR **HAND-TOSSED** *Round*
Personal .. 9.95 Large .. 14.95

THE PUB

Pepperoni, Italian sausage, ham, green peppers and onions

MEATLOVERS

Pepperoni, Italian sausage, ham and crisp bacon

THE GARDENER

Red peppers, fresh spinach, red onions, mushrooms, tomatoes, black olives and feta cheese

DETROIT SPICY CHICKEN

Grilled chicken, Buffalo sauce, celery and red onions

THE FLORENTINE

Grilled chicken breast, Alfredo sauce, fresh spinach, roasted garlic, Parmesan cheese and slices of seasoned tomatoes

MEDITERRANEAN VEGGIE

Tomatoes, black olives, banana peppers, onions and feta cheese

HAWAIIAN FIVE-O

Ham, bacon, onions and pineapple chunks and cheese

BLT

Crisp bacon, lettuce, tomatoes and mayo

EL-JEFE

Spicy chorizo, bacon, pork, red onions, jalapeños, Cholula hot sauce and special cheese blend finished with a chipotle drizzle

BBQ CHICKEN

Sweet 'n' Tangy BBQ sauce, cheddar jack cheese, char-grilled strips of chicken breast, crisp bacon and red onions

Build Your Own PIZZA

Topped with our three-cheese blend
ADDITIONAL TOPPINGS 75¢ each

Detroit-Style **DEEP DISH**
Personal .. 8.95 Large .. 13.95 *Square*

OR **HAND-TOSSED** *Round*
Personal .. 7.95 Large .. 12.95

MEAT TOPPINGS

Grilled Chicken, Ham, Italian Sausage, Pepperoni, Bacon

VEGETABLE TOPPINGS

Tomatoes, Mushrooms, Black Olives, Green Peppers, Spinach, Banana Peppers, Onions, Jalapeños, Artichoke Hearts, Pineapple, Feta Cheese

CALZONE

Hand-tossed dough with pizza sauce and a three-cheese blend with your choice of three toppings
Personal .. 9.95

CHEESY BREAD

Hand-Tossed or Detroit Deep-Dish dough topped with a three-cheese blend
Personal .. 7.95 Large .. 9.95

THREE CHEESE

BREAD

Personal .. 9.95
Large .. 11.95



Ask your server about menu items that are cooked to order or served raw.
Consuming raw or undercooked meats, poultry, seafood, shellfish or eggs may increase your risk of foodborne illness.



Garden Fresh SALADS

GRILLED SALMON

Mixed greens topped with fresh salmon seasoned and grilled to perfection, roma tomatoes, roasted red peppers, red onions, cucumbers and feta cheese. Served with balsamic vinaigrette .. 13.95

BLACK & BLEU STEAK

Mixed greens topped with Cajun-seasoned flank steak, tomatoes, cucumbers, red onions, artichoke hearts and bleu cheese crumbles. Served with balsamic vinaigrette .. 12.95

SANTA FE

Blackened chicken breast, romaine, red onions, fire-roasted peppers, cheddar jack cheese, avocado, corn, diced tomatoes and crisp tortilla strips tossed with Santa Fe dressing .. 11.95

PECAN CHICKEN

Pecan-encrusted chicken breast over mixed greens with bleu cheese crumbles, Michigan dried cranberries, mandarin oranges, tomatoes and diced red onions. Served with raspberry vinaigrette on the side .. 11.95

MICHIGAN ORCHARD

Fresh greens topped with grilled chicken breast, sliced apples, Michigan dried cranberries and bleu cheese crumbles, served with raspberry vinaigrette on the side .. 10.95

ANTIPASTO

Fresh greens topped with Genoa salami, ham, mild peppers, black olives, tomatoes, red onions and mozzarella cheese .. 9.95

COBB

Fresh greens topped with char-grilled chicken breast, tomatoes, crisp bacon, bleu cheese crumbles and hard-boiled egg .. 10.95

JAKE'S FAVORITES DRESSINGS

Ranch, Bleu Cheese, Italian, Balsamic Vinaigrette, Thousand Island, Greek, Honey Mustard, Oil & Vinegar, French, Raspberry Vinaigrette, Caesar

KICKIN' BUFFALO

Spicy chicken strips, fresh greens tossed with ranch dressing, diced tomato, cucumber, bleu cheese crumbles and crisp tortillas topped with cheddar jack cheese .. 10.95

BBQ CHOPPED CHICKEN

Grilled chicken, tomatoes, jicama, corn, black beans, scallions, cilantro and mozzarella cheese, tossed in a house-made sweet and smoky chipotle vinaigrette, topped with onion straws and a BBQ drizzle .. 10.95

TACO LOCO

Crispy taco shell bowl with mixed greens tossed in our house Fiesta Ranch topped with pico de gallo, black beans, black olives, jalapeños and cheddar jack cheese .. 8.95
Add chicken .. 9.95 Add beef .. 10.95

MAURICE'S CLASSIC MAURICE

Mixed greens tossed in our traditional Maurice dressing topped with julienne ham, turkey, Swiss, hard-boiled eggs, cucumbers and gherkin pickles .. 10.95

GREEK

Fresh greens topped with kalamata olives, beets, red onions, pepperoncini, hard-boiled egg and crumbled feta cheese. Served with Greek dressing and grilled pita bread .. 8.95 With chicken .. 10.95

CLASSIC CAESAR

Fresh romaine hearts tossed with Caesar dressing Parmesan cheese and croutons .. 8.95
With Chicken .. 10.95
With Ahi Tuna .. 14.95
With Salmon .. 13.95

SIDE CAESAR .. 4.45

SIDE SALAD .. 3.85

Perfect PANINI \$9.95



All panini sandwiches are served with French fries. Onion rings, add 1.00

SMOKEHOUSE TURKEY

Smoked turkey breast, bacon, cheddar jack cheese and chipotle mayo

THE CLUB

Ham, turkey, crisp bacon, American and Swiss cheese, lettuce, tomato and mayo

RUSSIAN REUBEN

Grilled corned beef, creamy coleslaw, Swiss cheese and Thousand Island dressing

SLIM JAKE

Ham, Swiss cheese, horseradish sauce, lettuce and tomato

DA BOOT

Grilled Genoa salami, ham, provolone cheese, lettuce, tomato, red onion and mild pepper rings

WRAPS \$8.95



Each wrap is tightly rolled in a grilled white tortilla and served with French fries. Onion rings, add 1.00

EL PASO STEAK

Tender grilled Black Angus roast beef, grilled onions and peppers, chipotle sauce and cheddar jack cheese

BUFFALO CHICKEN

Buffalo chicken strips, lettuce, tomato, blue cheese dressing and cheddar jack cheese

CAJUN CAESAR

Grilled Cajun chicken, romaine, Parmesan cheese and Caesar dressing

WHISKEY RIVER BBQ CHICKEN

Grilled chicken, tangy Whiskey River BBQ sauce, cheddar jack cheese, lettuce, tomato, tortilla strips and a touch of ranch dressing

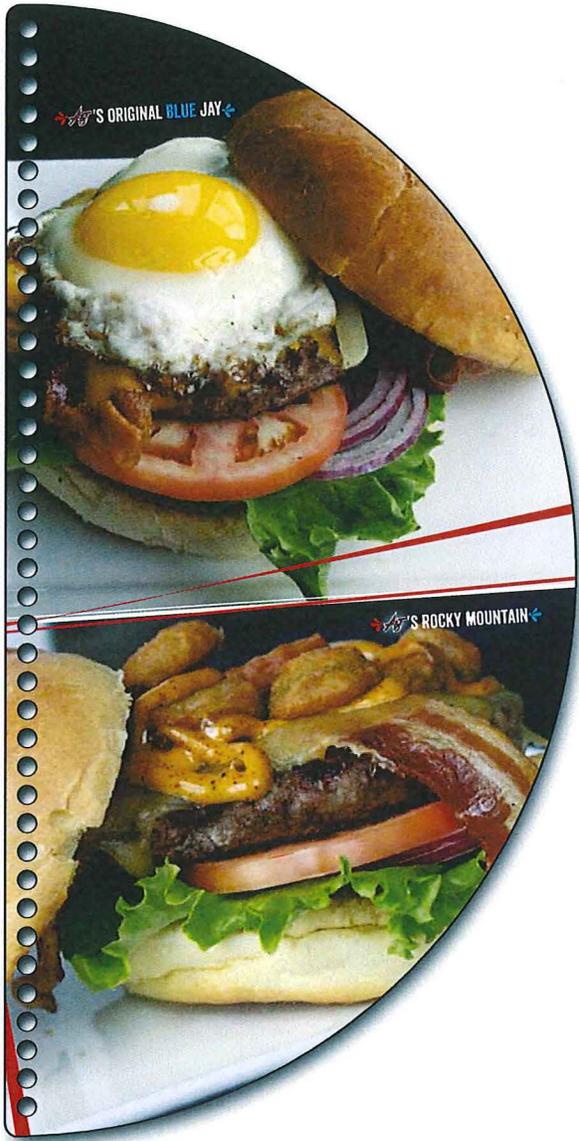
CHICKEN FAJITA

Char-grilled strips of chicken breast, grilled onions, red & green bell peppers and cheddar jack cheese. Served with warm tortilla chips, a side of sour cream and salsa

BAJA TURKEY

Grilled turkey, bacon, Swiss cheese, diced avocado, lettuce, tomato and paprika







MEDITERRANEAN SALMON

CHICKEN KABOBS

STEAK FAJITAS

ETHNIC Trill



Ask your server about menu items that are cooked to order or served raw. Consuming raw or undercooked meats, poultry, seafood, shellfish or eggs may increase your risk of foodborne illness.

SALADS

VILLAGE (SOPSKA)

Tomatoes and cucumbers, tossed with olive oil and salt; topped with feta cheese
Small .. 6.95 Large .. 11.95

MACEDONIAN (MAKEDONSKA)

Chopped grilled hot peppers, tomatoes, cucumbers and onions; tossed with olive oil and salt
Small .. 6.95 Large .. 11.95

CABBAGE (KUPUS)

Shredded cabbage tossed with olive oil, salt and vinegar, topped with kalamata olives.
Small .. 6.95 Large .. 11.95

ENTRÉES

All entrées served with French fries, diced onions and seasoning salt. Add hot peppers for 1.00 each.

CEVAPI

Sausages made of fresh lamb, beef and pork blended with Macedonian spices char-grilled to perfection .. 12.95

UVIJAC (STUFFED PORK TENDERLOIN)

Two pieces of center-cut pork loin, stuffed with bacon and cheese; char-grilled to perfection .. 13.95

MIXED GRILL

This plate gives you a little bit of everything, if you're not sure what you want to try!!
3 Cevapi, 1 Sharska and 1 Uvijac .. 16.95

SHARSKA PLESKAVICA (VILLAGE PATTIES)

Two patties made of ground pork, beef and spices, stuffed with Kasserli cheese and char-grilled to perfection. Prepared mild, medium or hot .. 12.95

BALKAN SUPER COMBO

(Feeds three or more) 6 Cevapi, 2 Sharska, 2 Uvijac, 2 chicken kabobs and sausage .. 54.95

Signature PASTAS

All dinner entrées come with your choice of soup of the day or a side salad.

TRAVERSE CITY CHICKEN PASTA

Grilled chicken breast, penne pasta, fresh spinach and dried cherries tossed in a white wine cream sauce, served with garlic toast .. 12.95

RATTLESNAKE PASTA

Sautéed chicken breast, onions, peppers, jalapeños and penne pasta. Tossed in Cajun cream sauce and topped with cheddar jack cheese. Served with garlic toast .. 12.95

BEEF TIP CARBONARA

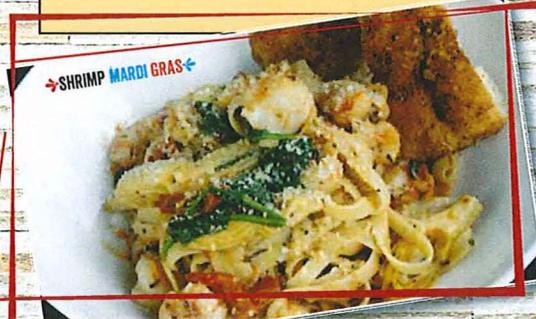
Tender beef tips sautéed with peas, ham, bacon, tomato, spinach and penne pasta tossed in an Alfredo sauce. Served with garlic toast .. 13.95

SLAMMIN' SAUSAGE PALOMINO

Sliced sausage, feta cheese, fresh spinach and penne pasta tossed in a palomino sauce. Served with garlic toast .. 13.95

SHRIMP MARDI GRAS

Sautéed shrimp, sun-dried tomato, fresh spinach, artichoke hearts and fettuccine noodles tossed in an herb butter garlic cream sauce. Served with garlic toast .. 15.95





DINNER Entrées

Fresh Cuts of MEAT

All dinner entrées come with your choice of soup of the day or a side salad, unless otherwise noted** Starch choices include rice, red skins or French fries. Onion rings, add 1.00

BLACK JACK NEW YORK

14 oz. New York Strip steak char-grilled to your liking, topped with our house Jack Daniel's mushroom sauce and crispy onions. Served with your choice of starch and vegetable of the day ..21.95

LONGHORN RIBEYE

14 oz. ribeye steak seasoned with our house rub, char-grilled to your liking smothered with sautéed onions and mushrooms, and zip sauce, finished with crispy onions and served with your choice of starch and vegetable of the day ..23.95

YOUR STEAK, Your Way

CHOOSE FROM:

Filet 8 oz. .24.95 • Ribeye 14 oz. .20.95
New York Strip 12 oz. .19.95

MAKE IT YOURS:

Each topping, 1.00
Cajun Rub • BBQ Rub • Mushrooms
• Onions • Zip Sauce • Crispy Onions
• Bleu Cheese Crumbles

Ask your server about menu items that are cooked to order or served raw. Consuming raw or undercooked meats, poultry, seafood, shellfish or eggs may increase your risk of foodborne illness.

All dinner entrées come with your choice of soup of the day or a side salad, unless otherwise noted** Starch choices include rice, red skins or French fries. Onion rings, add 1.00

CHICKEN KABOBS

Two skewers with tender chicken, onions and red & green bell peppers. Served with rice, vegetable of the day and grilled pita bread .. 12.95

MARSALA

Lightly-dusted chicken breast sautéed with mushrooms and garlic, finished with a traditional marsala wine sauce .. 12.95

FISH & CHIPS**

Four pieces of beer-battered cod, fried to a golden crisp; served with French fries and coleslaw .. 12.95

STIR FRY

Asian stir-fried vegetables, tossed with teriyaki sauce and served over a bed of rice With chicken .. 11.95 With steak .. 13.95

SIZZLING FAJITAS

Sautéed red & green bell peppers and onions. Served with warm flour tortillas, cheddar jack cheese, lettuce and tomato With chicken .. 12.95 With steak .. 13.95 Shrimp .. 15.95

BBQ BABY BACK RIBS**

A half/full slab seasoned with our secret rub, then slow cooked to perfection and finished off with sweet and tangy BBQ sauce. Served with fried battered onion rings and coleslaw. Half Slab .. 12.95 Full Slab .. 18.95

LAKE PERCH

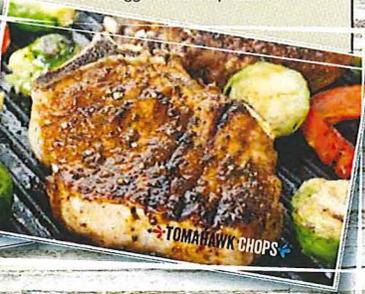
Fresh Lake Perch, lightly breaded and pan-fried to a golden brown; served with rice and vegetable of the day .. 14.95

MEDITERRANEAN SALMON

Fresh salmon char-grilled to perfection topped with sautéed spinach, feta cheese, roasted red peppers and kalamata olives, finished with a balsamic drizzle served with rice and vegetable of the day .. 14.95

TOMAHAWK PORK CHOP

A 10 oz. smoked, double cut, bone-in chop char-grilled and finished with a honey chipotle glaze and served with your choice of starch and veggie of the day .. 13.95



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Tourmet BURGERS

Half-pound, Certified Angus Beef char-grilled to your liking served on a toasted Brioche bun, topped with lettuce, tomato and red onion. Served with French fries. Extra toppings are 50¢ each. Onion rings, add 1.00

AS'S DUKE

Traditional burger .. 7.95

OLIVE

Chopped green olives and your choice of any cheese .. 8.95

HOUSTON

-WE HAVE FLAVOR-

Grilled onion, crisp bacon, sweet & tangy BBQ sauce and American cheese .. 8.95

ROCKY MOUNTAIN

Crisp bacon, spicy Aioli, smoked Gouda cheese and fried jalapeños .. 9.95

BACON BLEU

Crisp bacon and our signature house made bleu cheese crumbles .. 8.95

AS'S ORIGINAL BLUE JAY

"Often attempted but never duplicated." Topped with fried egg, grilled onions, crisp bacon and American cheese .. 8.95

SMOKEY RIVER BBQ

Sweet and tangy BBQ sauce, American cheese and fried onion straws .. 8.95

SWEET HOME ALABAMA

Topped with creamy coleslaw, sweet and tangy BBQ sauce and Swiss cheese .. 8.95

HELLFIRE BURGER

Sriracha hot sauce, jalapeños and topped with Pepper Jack cheese .. 8.95

BIG BENNY

Two grilled cheese sandwiches, one Swiss, one American with a half-pound Angus burger in the middle with lettuce, tomato and onion .. 9.95

AS'S GHOST JALAPEÑO

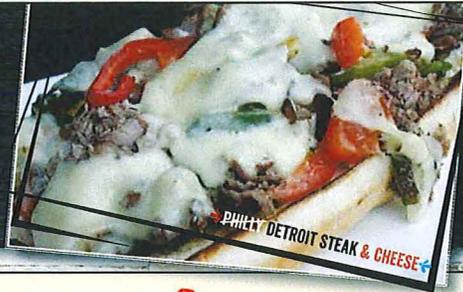
Ghost Pepper Jack cheese, fried jalapeños and sriracha .. 10.95

KANSAS CITY

BBQ pulled pork, bacon, Good Ole American cheese and crispy onions .. 9.95

MALIBU TURKEY

Our housemade turkey burger with medley of diced peppers and onions, topped with chipotle mayo, Swiss cheese and sliced avocado, served on a Brioche bun .. 8.95



Specialty SANDWICHES

All sandwiches are topped with lettuce, tomato and red onion. Served with French fries. Extra toppings are 50¢ each. Onion rings, add 1.00

CARIBBEAN JERK CHICKEN

Chicken breast marinated in 27 differed spices, char-grilled, topped with bacon, Pepper Jack cheese and chipotle mayo; served on a Brioche bun .. 8.95

SOUTH-DETROIT DIP

Slow-roasted beef and provolone cheese; served on a toasted split-top sub bun with a side of au jus .. 9.95

THE PROFESSIONAL

Char-grilled chicken breast topped with bacon, Swiss cheese, honey comb dijon mustard, pesto mayonnaise, lettuce and tomato on a grilled sourdough bun .. 8.95

PHILLY DETROIT STEAK AND CHEESE

Slow-roasted beef with sautéed onions and peppers topped with provolone cheese; served on a hoagie bun .. 9.95

MOTOR CITY PITA

The classic chicken pita all Detroiters have come to love. Golden fried chicken tenders, lettuce, tomato, American cheese and mayo; stuffed in a grilled pita fold .. 7.95

AS'S SIGNATURE REUBEN

Grilled corned beef on marble rye with Swiss cheese, sauerkraut and Thousand Island dressing .. 8.95

CUBAN

Fresh grilled ham, pork and bacon topped with smoked gouda cheese, lettuce, tomato, spicy pickles and chipotle mayo served on a grilled hoagie bun .. 9.95

EUROPEAN GYRO

Grilled cevapi, tzatziki, tomato, red onion and feta cheese stuffed in a grilled pita fold .. 9.95

RAJUN CAJUN CHICKEN CLUB

Golden fried, breaded chicken breast tossed with our Atomic seasoning blend, topped with Pepper Jack cheese, lettuce, tomato and mayo, served on a Brioche bun .. 8.95

ALL-AMERICAN CLUB

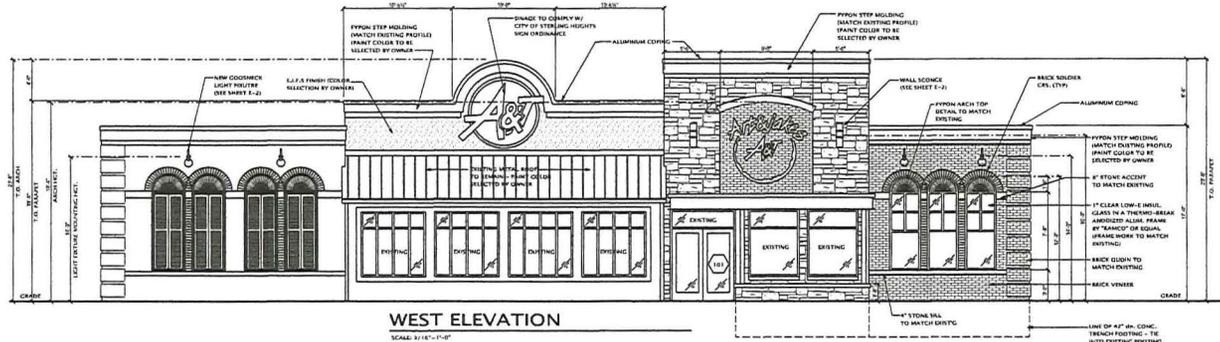
Deli stacked ham, turkey, American cheese, lettuce, tomato, bacon and mayo; served on toasted white bread .. 9.95

THE ULTIMATE STEAK

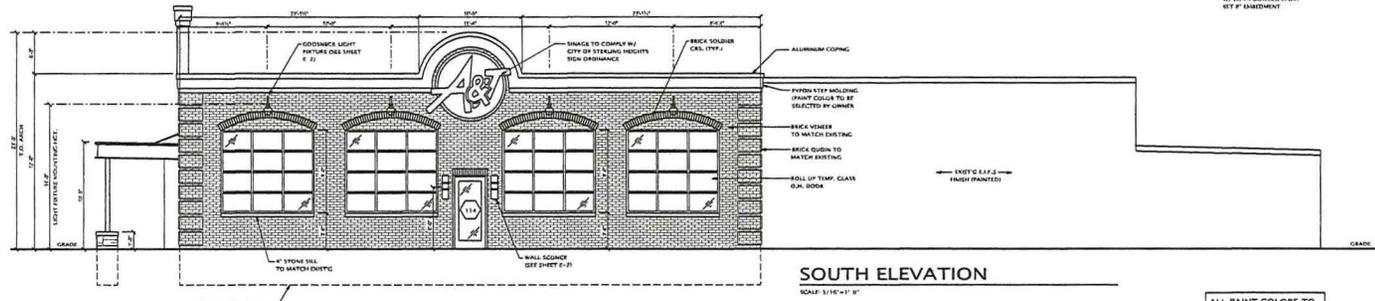
New York Strip Steak topped with bacon, 3 sunny-side up eggs and cheddar Jack cheese, served on a hoagie bun..9.95



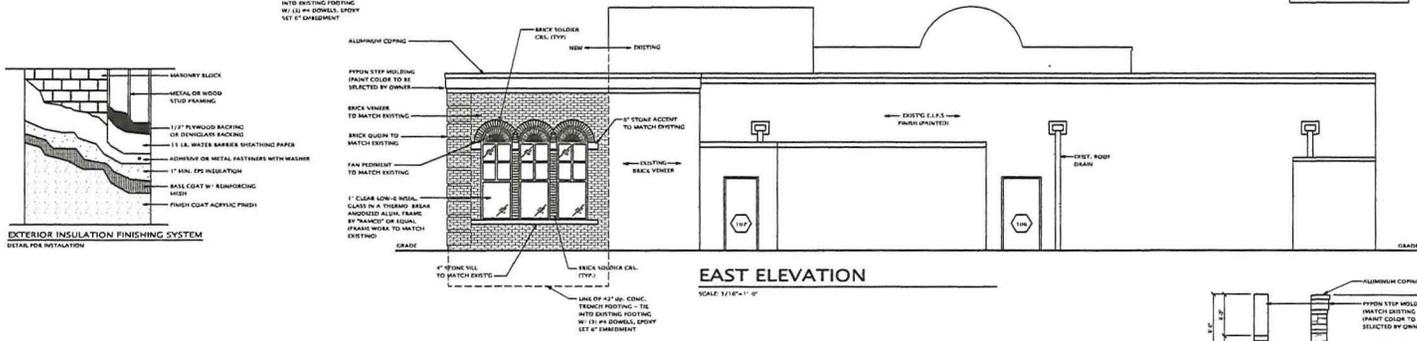
Ask your server about menu items that are cooked to order or served raw. Consuming raw or undercooked meats, poultry, seafood, shellfish or eggs may increase your risk of foodborne illness.



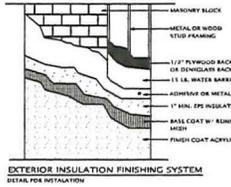
WEST ELEVATION
SCALE: 1/4" = 1'-0"



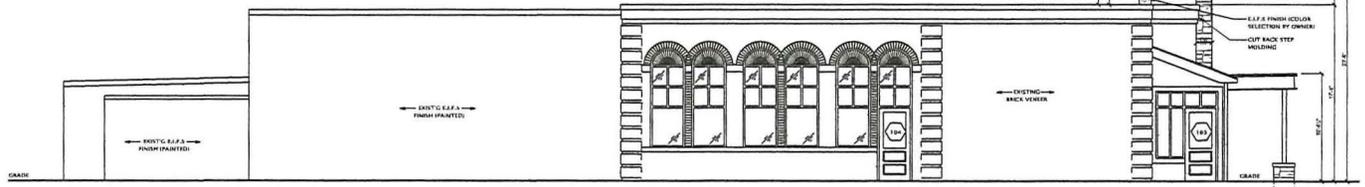
SOUTH ELEVATION
SCALE: 1/4" = 1'-0"



EAST ELEVATION
SCALE: 1/4" = 1'-0"



EXTERIOR INSULATION FINISHING SYSTEM
METAL FOR INSULATION



NORTH ELEVATION
SCALE: 1/4" = 1'-0"



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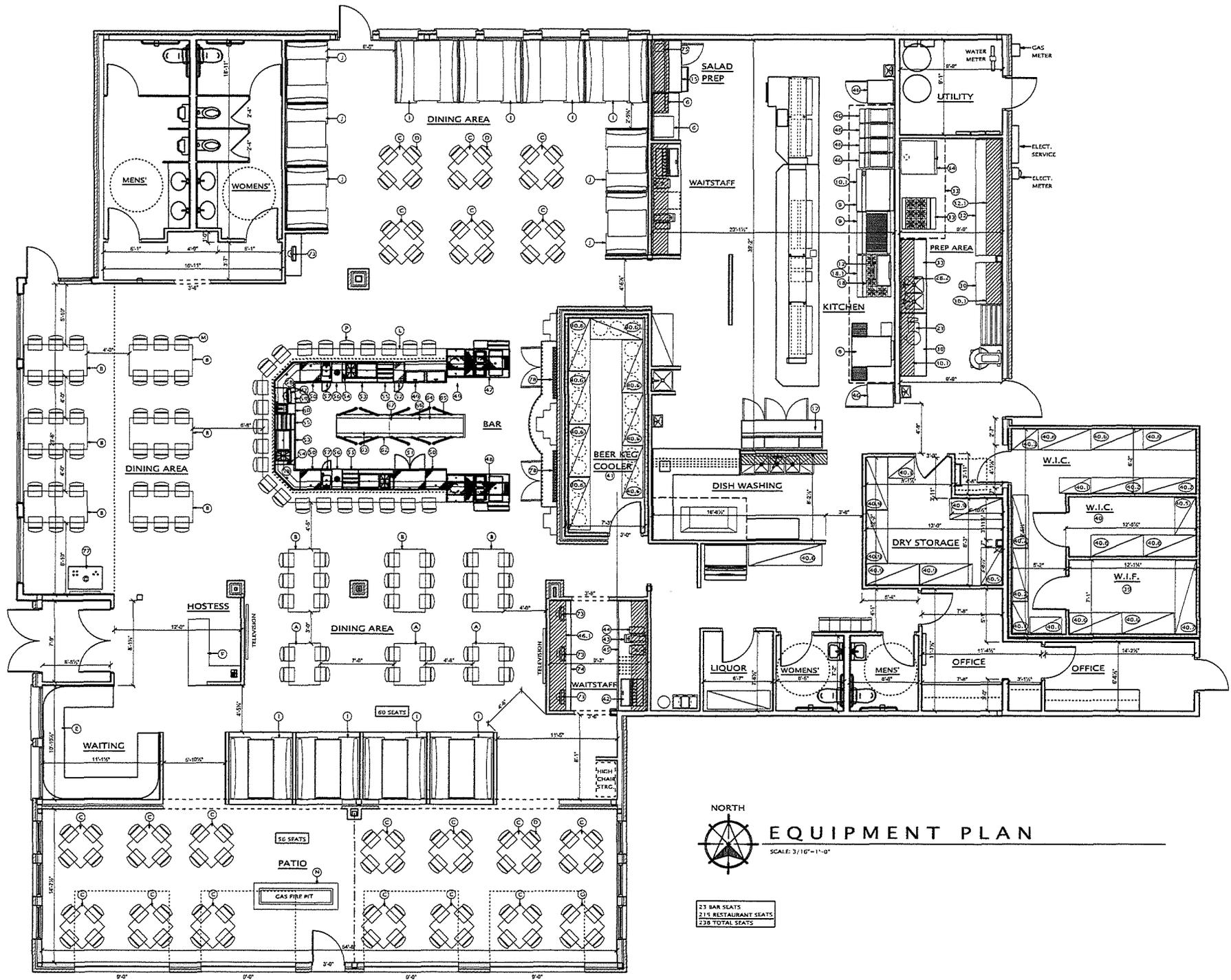
PROJECT
Art & Jake's
SPORTS BAR AND GRILL
44139 Highway 24
Stevens Heights, IN 46384



BUILDER/CLIENT

PRELIMINARY ●
CONSTRUCTION ○
PERMIT ○
SHEET TITLE:
EXTERIOR ELEVATIONS

DATE: 12-13-2015
01-14-2016
02-18-2016
DRAWN BY: C.J.B.
CHECKED BY: J.M.P.
JOB NUMBER: 15-200
SHEET NUMBER:



EQUIPMENT PLAN

SCALE: 3/16" = 1'-0"

23 BAR SEATS
21 1/2 RESTAURANT SEATS
238 TOTAL SEATS

SDM/SDD Liquor License Permit | PSDM16-0001

Property Information

10-05-200-025-000 44899 Mound Road Subdivision:
Sterling Heights MI, 48314 Lot: Block:

Name Information

Owner: V & R BUILDING COMPANY, LLC Phone:
Occupant: Phone:
Applicant: TRPCEVSKI, VICTOR Phone: (586) 924 1184
Contractor: Phone:
Licensee: Phone:
License Issued:
License Expires:

Permit Information

Date Issued: Date Expires: Status: READY TO ISSUE

Work Description:
TRANSFER OF OWNERSHIP OF EXISTING CLASS C LIQUOR LICENSED BUSINESS

Stipulations:
Planning approval sent to CC ~ 04/04/16.

Comment:

Planning Inspection | Chris McLeod

Status: Completed Result: Approved
Scheduled: 03/23/2016 12:00 AM Completed: 03/31/2016 09:23 AM

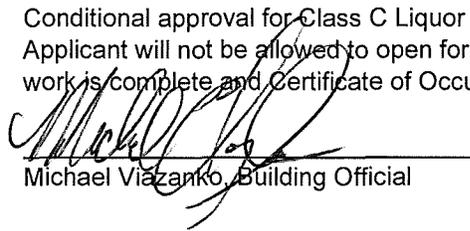
Comments:

Comment Restaurant with liquor license is permissible at proposed location. Issues relative to patio/enclosure to be resolved through planning process but will not impact liquor license.

SDM/SDD Liquor Inspection | Robert Earley

Status: Scheduled Result:
Scheduled: Completed:

Conditional approval for Class C Liquor License Transfer
Applicant will not be allowed to open for business until
work is complete and Certificate of Occupancy is issued.



Michael Viazanko, Building Official

4-25-16
Date

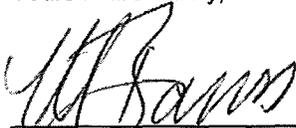
STERLING HEIGHTS FIRE DEPARTMENT
CLASS C LIQUOR LICENSE
INSPECTION STATUS REPORT FORM

DATE: April 25, 2016
TO: City Clerk Mark Carufel - City Clerk's Office
FROM: Fire Marshal Mike Bauss - Fire Prevention Division
BUSINESS: Club Vic Entertainment Inc. / Art & Jake's Sports Bar & Grill
44899 Mound Road
Sterling Heights, MI 48314

Date of your request.....March 22, 2016
Inspection Report Number.....41832
Inspection Report Date.....April 18, 2016
Number of Amusement Devices Found.....None
Capacity for this facility.....283

- At this time, all fire and life safety requirements are in compliance. We have no objection to the approval of a **Class C Liquor License** for this business.
- This business is in process of building renovations and improvements that are not yet complete. In order to assist City Clerk with Liquor License approval process, Fire Department will provide approval for transfer of the Liquor License only. Use of Building or License will not be allowed until work is completed, approved and a "Certificate of Occupancy" has been issued.
- Violation items were cited on the inspection report and Fire Department approval cannot be granted at this time. A re-inspection will be conducted upon completion.
- A re-inspection was conducted on _____
Violation items were found corrected. We have no objection to the approval of a **Class C Liquor License** for this business at this time.

Yours in fire safety,



Mike Bauss
Fire Marshal

/rk

SDM/SDD Liquor License Permit | PSDM16-0001

Property Information

10-05-200-025-000 44899 Mound Road Subdivision:
Sterling Heights MI, 48314 Lot: Block:

Name Information

Owner: V & R BUILDING COMPANY, LLC Phone:
Occupant: Phone:
Applicant: TRPCEVSKI, VICTOR Phone: (586) 924 1184
Contractor: Phone:
Licensee: Phone:
License Issued:
License Expires:

Permit Information

Date Issued: Date Expires: Status: READY TO ISSUE

Work Description:
TRANSFER OF OWNERSHIP OF EXISTING CLASS C LIQUOR LICENSED BUSINESS

Stipulations:

Comment:

Planning Inspection | Chris McLeod

Status: Completed Result: Approved
Scheduled: 03/23/2016 12:00 AM Completed: 03/31/2016 09:23 AM

Comments:

Comment Restaurant with liquor license is permissible at proposed location. Issues relative to patio/enclosure to be resolved through planning process but will not impact liquor license.

SDM/SDD Liquor Inspection | Robert Earley

Status: Scheduled Result:
Scheduled: Completed:

2016 APR - 5 P 3: 39
RECEIVED
CITY CLERK

Proactive - Liquor License Enforcement | E16-02040

Property Information

10-05-200-025-000 44899 Mound Road Subdivision:
Sterling Heights MI, 48314 Lot: Block:

Name Information

Owner: V & R BUILDING COMPANY, LLC Phone:
Occupant: Phone:
Filer: Phone:

Enforcement Information

Date Filed: 03/24/2016 Date Closed: 03/31/2016 Status: **CLOSED**

Complaint:

Last Action Date: Last Inspection: 03/31/2016

Last Action:

Inspection Inspection | AI Gross

Status: Completed Result: **No Violation**
Scheduled: 03/31/2016 Completed: **03/31/2016**



CITY OF Sterling Heights

Interoffice Memorandum

Date: Updated: April 15, 2016

To: Mark Carufel

From: *Jennifer Varney*
Jennifer Varney, Treasurer

Maureen Proudfoot
Maureen Proudfoot, Account Clerk

Subject: Tax Search – Application for the Transfer of Ownership of an Existing Class C Liquor License

Treasury review of the attached application has been completed. This review included status checks on outstanding property taxes as well as special assessments and invoices. The results of our review reflect the following -

Real Taxes	10-05-200-025-000	Property Address	44899 Mound Rd.
Taxable Value	425,704	Requested By	Mark Carufel
School District	Utica Community Schools	Date Requested	4/15/16
	ERMAX PROPERTY, LLC		

2015 Winter Taxes

- Paid in full
- Due in the amount of \$
- Delinquent in the amount of \$
- No taxes due

Invoices (Munis)

- Paid in full
- Due in the amount of \$
- None

2015 Summer Taxes

- Paid in full
- Due in the amount of \$
- Delinquent in the amount of \$
- No taxes due

Invoices - DPW (not yet to Treasury) (real parcel ID #'s only)

- Due in the amount of \$
- None

2014 Taxes and Prior

- Paid in full *per Audrey @ Macomb County*
- Delinquent in the amount of \$
- No taxes due

Invoices -ENG(sidewalk-not yet to Treasury) (real parcel ID #'s only)

- Due in the amount of \$
- None

Special Assessments

- Paid in full
- Due in the amount of \$
- Delinquent in the amount of \$
- None

A/R Liens (nuisance abatements due)

- Paid in full
- Due in the amount of \$
- None

*No prior taxes levied on the business name of "Club Vic Entertainment Inc/Art & Jake's Sports Bar & Grill"



Interoffice Memorandum

Date: March 30, 2016

Re: Requested Information Search – 44899 Mound Rd

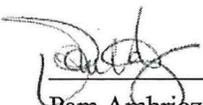
From: Pam Ambriez & Jennifer Varney

Finance review of the attached application has been completed. This review included a status check on outstanding utility bills. The results of our review reflect the following.

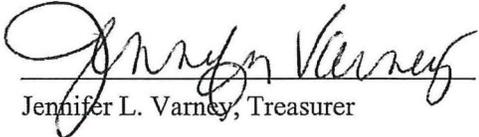
Utility bills are:

- Current balances of \$ 111.83
- Paid in full – balance is \$0
- Delinquent/outstanding in the amount of \$_____
- Utility Billing is not aware of any service at that exact address

This total does not include any interim billings



Pam Ambriez, Senior Account Clerk



Jennifer L. Varney, Treasurer

If you require any additional information, please contact this office on extension 2781.

Attachment



Business of the City Council
Sterling Heights, Michigan

DELIVERED APR 28 2016

City Clerk's Use
Item No: 6
Meeting: 05/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider a nomination to the City of Sterling Heights Planning Commission.

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager, 586/446-2421

Administration (initial as applicable)

Attachments

MC

City Clerk

AS

Finance & Budget Director

Resolution Minutes

JB

City Attorney (as to legal form)

Ordinance Plan/Map

MW

City Manager

Contract Other

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

City Council Governing Body Rule of Procedure 23 provides in relevant part as follows:

Prior to an appointment to the Planning Commission, Zoning Board of Appeals, Board of Ordinance Appeals, Board of Review, Police and Fire Pension Board, and General Employees Retirement System Board, an appointee shall be nominated, as applicable, by the Mayor or City Council at a prior regular meeting.

There currently is a vacancy on the Planning Commission. The two-step (nomination / appointment) process is required to fill this vacancy. The Mayor has the power of appointment, subject to City Council confirmation.

Applications of the residents interested in serving on the Planning Commission are attached. Spreadsheets indicating the applicants' preferences for appointment as reflected by their ranking of the respective boards and commissions and meeting attendance records are also attached.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to nominate _____ for consideration as an appointee to the Planning Commission at the May 17, 2016 regular City Council meeting.

Planning Commission

(9 Members)

(One Vacancy)

Name	Request Re-Appt. (Yes/No)	Expiration Date of New Term	Action
1.		06/30/18	
Unexpired Term			

Applications on File:

Mohammed Alomari (Ethnic Community Committee-exp. 06/30/17)
Jack H. Beard
Mark Beninati
Eric Castiglia (Citizens Advisory Committee-Community Development BI Grant-exp. 06/30/16)
Derek B. D'Angelo (Board of Ordinance Appeals II-exp. 06/30/18)
(Zoning Board of Appeals-exp. 06/30/18)
Jazmine M. Early (Arts Commission-exp. 06/30/18)
Kozeta Elzhenni (Citizens Advisory Committee-Community Development BI Grant-exp. 06/30/16)
(Ethnic Community Committee-exp. 06/30/18)
Robert Ervin (Board of Ordinance Appeals-exp. 06/30/18)
Lisa J. Hamameh
Laurel Johnson (Board of Code Appeals-exp. 06/30/17)
(Local Development Finance Authority-exp. 06/30/19)
Robert Lulgjuraj (Ethnic Community Committee-exp. 06/30/16)
Kathleen Martin
David May
Stephanie A. McCarthy
Nils Omholt
Louis Ottolini
Joanne L. Paraventi (Citizens Advisory Committee-Community Development BI Grant-exp. 06/30/16)
Juli Sala (Board of Ordinance Appeals-exp. 06/30/18)
Howard Sizemore II
Thomas Szatkowski (Board of Code Appeals-exp. 06/30/20)
(Housing Commission-exp. 12/31/19)
Shawn Taylor (Arts Commission-exp. 06/30/16)
(Ethnic Community Committee-exp. 06/30/16)
Joyce Tye (Beautification Commission-exp. 06/30/17)
Pashko Ujkic (Zoning Board of Appeals-exp. 06/30/18)
Mona A. Yassine (Arts Commission-exp. 06/30/16)
Matthew Zarna

The Planning Commission shall consist of nine members. The members shall be appointed by the Mayor. Appointment shall be subject to the approval by a majority vote of the members elect of the City Council. The term of office of each member of the Planning Commission shall be three years. All members shall hold office until their successors are appointed.

REPORT ON THE CITY COUNCIL MEETING
OF WEDNESDAY, MAY 4, 2016

Mayor Michael C. Taylor called the meeting to order at 7:30 p.m.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G. Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Moved: Koski

Seconded: Romano

RESOLVED, to approve the Agenda, as presented.

The motion carried. 7/0.

Presentation #1

Moved: Romano

Seconded: Schmidt

RESOLVED, to adopt the resolution recognizing and honoring Wayne Oehmke, on the occasion of his retirement, for many years of distinguished and dedicated service as Chief Executive Officer and President of the Sterling Heights Regional Chamber of Commerce & Industry and his significant contributions to the betterment of the City of Sterling Heights community.

The motion carried. 7/0.

Presentation #2

Moved: Schmidt

Seconded: Romano

RESOLVED, to adopt the resolution recognizing Saturday, May 14, 2016 as Letter Carriers Food Drive Day in the City of Sterling Heights and encouraging residents to donate food to this worthy cause.

The motion carried. 7/0.

Agenda Item #1

Moved: Ziarko

Seconded: Taylor

RESOLVED, to adopt the Annual Appropriations Ordinance, as amended, for the 2016/17 fiscal year with the following property tax millage rates:

9.4856 mills for Operations, 1.1062 mills for Refuse Collection, 1.9788 mills for Police & Fire Pension, 2.5000 mills for Safe Streets, and 0.1152 mills for Public Improvements (Proposal F) for a total property tax levy of 15.1858 mills.

The motion carried. 7/0.

Agenda Item #2

Moved: Koski

Seconded: Romano

RESOLVED, to approve the Consent Agenda, as presented.

Report on Regular City Council Meeting

May 4, 2016

Page 2

- A. Approval of Minutes
Special Meeting of April 12, 2016
Regular Meeting of April 19, 2016
- B. To approve payment of the bills as presented: General Fund - \$412,871.12, Water & Sewer Fund - \$49,961.26, Other Funds - \$760,663.56, Total Checks - \$1,223,495.94.
- C. To award the bid for automobile and light truck body repairs to Troy Motors, Inc., d/b/a Elder Ford, 777 John R Road, Troy, MI 48083, for a two-year period based on unit prices bid.
- D. To waive the competitive bidding requirements in accordance with City Code §2-217(A)(9)(b) and purchase one hundred (100) Blaze Fitness Watches from FitBit, One Marina Park Drive, Suite 701, Boston, MA 02210, at a total cost of \$17,050.25.
- E. To waive the competitive bidding requirements in accordance with City Code §2-217(A)(9)(b) and approve an Agreement for Banking Services between the City of Sterling Heights and Comerica Bank, MC 3354, P.O. Box 75000, Detroit, MI 48275, for the period July 1, 2016 through June 30, 2019, with an option to extend the agreement two (2) additional one (1) year terms upon mutual consent and under the same terms and conditions, and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.
- F. To purchase the *Employee Self-Service Module* and *GoDocs Forms Upgrade* from Tyler Technologies, Inc., PO Box 203556, Dallas TX 75320-3556, in the amount of \$19,100.
- G. To award the bid for Clinton River Corridor Habitat Restoration, City Project #15-278, to Anglin Civil, LLC, 13000 Newburgh Road, Livonia, MI 48150, based on the unit prices bid and authorize the Mayor and City Clerk to sign all documents required on behalf of the City.
- H. To award the bid for Senior Center Parking Lot Reconstruction, City Project #15-270, to Spartan Paving, Inc., 9690 Andersonville Rd., Clarkston, MI 48346 in the amount of \$366,441.41, and authorize the Mayor and City Clerk to sign all required documents on behalf of the City.
- I. To: (A) Award the bid for the 2016 Concrete Sectional Replacement Program, City Project #16-281, Ryan Road Concrete Repairs, 15 Mile Road to Metropolitan Parkway, City Project #16-286, and Comstock Drive Reconstruction, City Project

#16-282, at a cumulative cost of \$2,564,169.50, and direct the Mayor and City Clerk to sign all documents required in conjunction with this bid award; (B) Authorize a budget amendment to use \$63,500 of Road Bond Construction Fund Reserves to complete Section IV of the contract; (C) Authorize a budget amendment to use \$66,100 of Local Road Reserves to complete Section V of the contract.

The motion carried. 7/0.

Agenda Item #3

Moved: Romano

Seconded: Skrzyniarz

RESOLVED, to adopt the resolution approving the Third Amended and Restated Development Plan and Tax Increment Finance Plan in accordance with Public Act 281 of 1986, as amended.

The motion carried. 7/0.

Agenda Item #4

Moved: Schmidt

Seconded: Ziarko

RESOLVED, that the request from Graebner Parent Teacher Organization, of Sterling Heights, County of Macomb, asking that they be recognized as a nonprofit organization operating in the community for the purpose of obtaining a charitable gaming license be considered for approval; provided, however, that this action is not an endorsement of the organization and the City of Sterling Heights should not be listed on any promotional materials associated with their charitable gaming activities.

The motion carried. 7/0.

Agenda Item #5

Moved: Romano

Seconded: Skrzyniarz

RESOLVED, that the request to transfer ownership of an escrowed 2016 Class C liquor license, with Sunday sales (AM and PM) and dance permit, located at 21611 - 21613 Van Dyke, Warren, MI 48089, from The Bear, LLC to Club Vic Entertainment, Inc. and transfer location to 44899 Mound Rd., Sterling Heights, MI 48314, with new outdoor service permit and entertainment permit, be considered for approval

The motion carried. 7/0.

Agenda Item #6

Moved: Romano

Seconded: Ziarko

RESOLVED, to **postpone** the nomination to the Planning Commission to the May 17,

Report on Regular City Council Meeting

May 4, 2016

Page 4

2016 regular City Council meeting.

The motion carried. 7/0.

Adjourn

Moved: Ziarko

Seconded: Romano

RESOLVED, to adjourn the meeting. The meeting was adjourned at 8:34 p.m.

The motion carried. 7/0.

THIS IS A SUMMARY OF ACTIONS TAKEN AT THE CITY COUNCIL MEETING. THE OFFICIAL MINUTES WILL BE POSTED TO THE WEBSITE, AT WWW.STERLING-HEIGHTS.NET, WHEN THEY ARE APPROVED.

Clerk of the Council