CALL TO ORDER
ROLL CALL
INVOCATION/PLEDGE OF ALLEGIANCE - Pastor Fred Driscoll of New Life Assembly of God Church
APPROVAL/CORRECTION(S) TO MINUTES - Regular Meeting – April 6, 2017 & Budget Hearings - April 10 & 11, 2017
APPROVAL/ADJUSTMENTS TO THE AGENDA
CONFLICT OF INTEREST DECLARATION(S)
“GOOD NEWS AWARD” PRESENTATION(S) - Hurley Marine, MBank, Superior State Insurance & Escanaba Public Library - Friends of the Library
BRIEF PUBLIC COMMENT(S)
PUBLIC HEARING(S) – None
NEW BUSINESS

   Explanation: Administration is requesting Council set May 4, 2017, as the fourth Public Hearing on the proposed 2017-18 City Fiscal Year Budget.

   Explanation: Administration is recommending the Council amend Section 10-17 Location, of the City Code of Ordinances, regarding the location of Precinct 4, which is currently located at the Webster Grade School, 1209 North 19th Street by moving it to the Christ the King Lutheran Church located at 1230 North 18th Street, Escanaba, and set May 4, 2017 as a public hearing and adoption of Ordinance No. 1179.

3. Approval – Supervisory Control and Data Acquisition (SCADA) Purchase - Water Department.
   Explanation: Administration is seeking Council approval to retain Energences of Cedarburg, WI. to update the SCADA Program and install a new analog card, wiring, program and SCADA graphics within the control program on the No. 5 High Service Pump located at the Escanaba Water Treatment plant in an amount not to exceed $8,200. This purchase is budgeted in the current fiscal year operations and maintenance budget.

   Explanation: Administration is seeking Council approval to purchase a 2017 Hitachi ZX35u-5 Compact Excavator with a smooth edged bucket from Nortrax, Inc. of Escanaba, MI in an amount not to exceed $42,540. This purchase is included in the current fiscal year budget.

5. Approval – Electrical Distribution Pole Inspection/Treatment Award – Electric Department.
   Explanation: Administration is seeking Council approval to retain Karcz Utility Services, LLC of Pulaski, WI to conduct electrical distribution pole inspections and electrical distribution pole treatment in an amount not to exceed 720 distribution poles or $28,000. This purchase is included in the upcoming 2017/18 fiscal year budget.
6. Approval – Former Generation Plant Environmental Services - Electric Department.

Explanation: Administration is seeking Council approval to retain Geosyntec Consultants, LLC of Ann Arbor, MI in the approximate amount of $13,700. Under the terms of the proposal, the environmental contractor will prepare a ditch characterization sampling plan, conduct a call with the MDEQ to discuss the sampling plan, collect and analyze ditch samples, and revise the drafted mixing zone determination request. This purchase is included in the current fiscal year budget.

APPOINTMENTS
BOARD, COMMISSION, AND COMMITTEE REPORTS
GENERAL PUBLIC COMMENT
PROCLAMATION – “Head Start Month” – May 2017
ANNOUNCEMENTS
ADJOURNMENT

Respectfully Submitted

James V. O'Toole
City Manager
OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, April 6, 2017

The meeting was called to order by the Honorable Mayor Marc D. Tall at 7:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: None

Also Present: City Manager James V. O'Toole, City Department Heads, media, and members of the public.

Pastor Jason Janich, of New Life Assembly of God Church led Council in prayer and the Pledge of Allegiance.


ADJUSTMENTS TO THE AGENDA

Mayor Tall asked to add item No. 6 for Representative Beau Lafave to provide an Legislative Update.

Blasier moved, Sattem seconded, CARRIED UNANIMOUSLY, to approve the agenda as amended.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT – None

UNFINISHED BUSINESS – None

PUBLIC HEARINGS – None

NEW BUSINESS

Approval - Portable Generator Purchase - Wastewater Department.

Administration sought Council approval to purchase a portable generator from Xylem Dewatering Solutions, Inc. of Painesville, OH in an amount not to exceed $46,600. The purchase of this item was included in the current fiscal year budget.

Water/Wastewater Superintendent provided a brief synopsis of the bids and
City Council Minutes
April 6, 2017 – cont.

rational for recommending the generator from Xylem Dewatering Solutions.

**NB-1** Blasier moved, Baribeau seconded, to approve to purchase a portable generator from Xylem Dewatering Solutions, Inc. of Painesville, OH in an amount not to exceed $46,600.

Upon a call of the roll, the vote was as follows:

Ayes: Blasier, Baribeau, Beauchamp, Sattem, Tall
Nays: None

**MOTION CARRIED.**

**Water Tower(s) Mixer Installation – Water Department.**

Administration sought Council approval to purchase two (2) Grid Bee GS-12-120v Submersible Mixing Systems with control boxes from Environmental Sale, Inc.; of Southfield, MI in an amount not to exceed $20,851.60 to be installed in each of the City water towers. Additionally, Administration sought Council approval to retain the professional services of Dixon Engineering & Inspection Service of Lake Odessa, MI to inspect and clean both water towers and install the Grid Bee Mixing Systems in both towers at a cost not to exceed $15,600. These items were included in the current fiscal year budget.

Water/Wastewater Superintendent provided the history of the City winter weather which causes the water to freeze in the winter, and in the Summer heat causing the water not to mix well. The proposed mixer will help mix the water in both City water towers throughout the year.

**NB-2** moved, seconded, to approve to purchase two (2) Grid Bee GS-12-120v Submersible Mixing Systems with control boxes from Environmental Sale, Inc.; of Southfield, MI in an amount not to exceed $20,851.60 to be installed in each of the City water towers, and in addition to approve to retain the professional services of Dixon Engineering & Inspection Service of Lake Odessa, MI to inspect and clean both water towers and install the Grid Bee Mixing Systems in both towers at a cost not to exceed $15,600.

Upon a call of the roll, the vote was as follows:

Ayes: Sattem, Blasier, Baribeau, Beauchamp, Tall
Nays: None

**MOTION CARRIED.**

**Approval - Use of Public Space - Downtown Airstream Rally/Vintage Club Parade - Delta County Chamber of Commerce.**
City Council Minutes
April 6, 2017 – cont.

The Delta County Chamber of Commerce sought Council approval to conduct a parade from the Karas Bandshell in Ludington Park traveling west on Ludington Street to Stephenson Avenue to 12th Avenue North, crossing at North Lincoln Road to the U.P. Fairgrounds on July 20, 2017 from 12:00 p.m. to 2:00 p.m. Administration recommended approval of the request provided proper insurance was filed with the City, any overtime costs that may be incurred by the City are paid by the Delta County Chamber of Commerce and the Delta County Chamber of Commerce clean up after the event.

NB-3 Beauchamp moved, baribeau seconded, CARRIED UNANIMOUSLY, to approve a request from the Delta County Chamber of Commerce to conduct a parade from the Karas Bandshell in Ludington Park traveling west on Ludington Street to Stephenson Avenue to 12th Avenue North, crossing at North Lincoln Road to the U.P. Fairgrounds on July 20, 2017 from 12:00 p.m. to 2:00 p.m., provided proper insurance was filed with the City, any overtime costs that may be incurred by the City are paid by the Delta County Chamber of Commerce and the Delta County Chamber of Commerce clean up after the event.

Approval - Use of Public Space - Ludington Park and Marina – Bay de Noc Professional Fishing Tournaments - Delta County Chamber of Commerce.

The Delta County Chamber of Commerce sought Council approval to use Ludington Park and the Marina area from July 29, 2017 to July 30, 2017 for a Bay de Noc professional fishing tournament. Administration recommended approval of the request provided proper insurance was filed with the City, any overtime costs that may be incurred by the City are paid by the Delta County Chamber of Commerce and the Delta County Chamber of Commerce clean up after the event.

NB-4 Sattem moved, Blasier seconded, CARRIED UNANIMOUSLY, to approve a request from Delta County Chamber of Commerce to use Ludington Park and the Marina area from July 29, 2017 to July 30, 2017 for a Bay de Noc professional fishing tournament, provided proper insurance was filed with the City, any overtime costs that may be incurred by the City are paid by the Delta County Chamber of Commerce and the Delta County Chamber of Commerce clean up after the event.

Approval – Professional Services Agreement – Delta County Level IV MAAO Assessing Duties and Oversight.

Administration sought approval of a professional services contract with Delta County to provide Level IV MAAO Assessing duties and oversight for the Escanaba Accessor's Office in an amount not to exceed $2,000 per month beginning May 1, 2017.

NB-5 Baribeau moved, Beauchamp seconded, to approve of a professional services contract with Delta County to provide Level IV MAAO Assessing duties and oversight for the Escanaba Accessor's Office in an amount not to exceed $2,000 per month beginning May 1, 2017.
City Council Minutes  
April 6, 2017 – cont.

Upon a call of the roll, the vote was as follows:

Ayes: Baribeau, Beauchamp, Sattem, Blasier, Tall  
Nays: None

MOTION CARRIED.

Legislative Update

House Representative Beau LaFave, on Legislative spring break, was holding office hours, and visiting City Council meetings in his district. Representative LaFave advised he was working on the following legislation:

- Lansing Promoted themselves as a sanctuary City. Co-Sponsored a bill so the Upper Peninsula constitutes do not have to pay for any expenses;
- Dark Store Legislation;
- Bridge Card use fix regarding the purchase of soda products;

APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

Mayor Tall, with Council consensus, reappointed Randy Godlewski, and Matt Swiland to the Brownfield Redevelopment Committee.

BOARD, COMMISSION, AND COMMITTEE REPORTS

Council Members reviewed City Board and Commission meetings each attended since the last City Council Meeting.

GENERAL PUBLIC COMMENT

Representative Beau LaFave, spoke on legislation to help raise funds for libraries by the purchase of special license plates.

ANNOUNCEMENTS

Mayor Tall read the following Proclamations:

- April 28, 2017, as Arbor Day in the City of Escanaba;
- Mayor and County Recognition Day for National Service.
City Council Minutes
April 6, 2017 – cont.

Hearing no further public comment, the Council adjourned at 7:34 p.m.

Respectfully submitted

Robert S. Richards
City Clerk

Approved: __________________________

Marc D. Tall, Mayor
City of Escanaba  
Special Council Meeting  
Monday, April 10, 2017

Pursuant to a meeting notice posted April 7, 2017, the Council of the City of Escanaba convened in special session in Room 101 of City Hall at 8:00 a.m., to begin the review and discussion of the proposed 2017/18 City Budget.

Present: Mayor Marc D. Tall, Council Members Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: None

Also Present: City Manager James V. O’Toole, City Controller Becotte, and various City Department Heads, media and public.

GENERAL PUBLIC COMMENT – None

Introduction by City Manager O’Toole and City Controller Becotte

CITY MANAGER’S PRELIMINARY BUDGET OVERVIEW – FY 2017-18

Pursuant to the Escanaba City Charter and relevant state laws, I hereby submit for City Council and community review the preliminary FY 2017-18 Budget. A copy of this document has been placed on file with the City Clerk and at the Escanaba Public Library, where the public may review it during normal hours of operation. An electronic version is also available on the City’s website, www.escanaba.org, and on the City of Escanaba’s Facebook page. This document serves as a daily guide for City Administration in receiving and allocating resources in the most effective way for the good of the community.

This budget, with over $31 million in expenditures, reflects our commitment in providing core services to our community and was developed using the best available information and most current revenue projections.
City Millage Rate/Tax Rate and Tax Roll. The preliminary budget is based on a property tax rate of 17 mills, which will not require any tax increase in the upcoming fiscal year.

For homeowners in the City, 40.7% of the total property tax bill is kept by the City of Escanaba to pay for all General Fund services provided. The remaining 59.3% of a homeowner's tax bill is remitted to Delta County, the State of Michigan, the Escanaba School District, the Delta Schoolcraft Intermediate School District, the Delta County Sheriff Department, 911 Operations, the Delta Area Transit Authority, Community Action Agency and Bay College.

WHERE YOUR TAX DOLLAR GOES...

HOMEOWNER WITH HOMESTEAD EXEMPTION

Escanaba Area Public Schools 37.8%

NON-HOMESTEADED PROPERTY

Escanaba Area Public Schools 37.8%
General Fund. The General Fund budget, which supports many of the day-to-day activities of the City, is $8,129,295 (including transfers in from other funds), representing an increase of 2.12% from the previous year’s budget. At the end of FY 2015-16, the General Fund balance was $4,167,428, with a long-term debt obligation of $1,000,000. At the end of FY 2016-17, projections show an estimated fund balance of $4,332,094, with a long-term debt obligation of $875,000. In the FY 2017-18 Budget, a projected fund balance of $3,998,743, with a long-term debt obligation of $750,000, is being proposed. The budget includes an electric utility transfer of $765,796. Similar to most public utilities, this transfer, likened to property-like taxes or payments of lieu of taxes and the like have been made on an annual basis in Escanaba since 1956 so as to provide a direct benefit to the community including those properties that are exempt from paying property taxes. Using the latest available American Public Power Association data (2014) public power utilities contributed 5.6% of electric operating revenue back to the communities they serve. In early 2017, the City set aside $290,000 from the state personal property tax distribution rebate to be used towards rising pension costs. A transfer of $131,712 from those pooled pension smoothing funds is being recommended in the proposed budget.

As discussed with the City Council over the last several years, I, as do others, believe that local units of government are struggling because the State’s system for funding municipalities is broken and does not track with the economy. In Michigan, cities have very few sources of revenue—and those sources are shrinking. In recent years these sources have failed to keep up with the current level of services, much less rising costs. Also, Michigan law contains structural provisions that limit cities’ ability to collect taxes on existing properties.

Only once since FY 1998 have lawmakers acted to fully fund statutory revenue sharing payments (in FY 2001).
Annual 2017/18 Budget Work Session

What’s more, the cumulative amount of cuts to statutory revenue sharing for municipalities from FY 1998 to FY 2016 is estimated to be a staggering $5.538 billion. When counties are included, the cumulative cut to local government revenue sharing since 1998 exceeds $7.5 billion. Since 2002, Michigan has led the nation in cuts to municipalities. The Census of Governments, published every five years by the U.S. Census Bureau, reported that from 2002 to 2012, municipal revenue from state sources increased in 45 states and the average increase was 48.1 percent. In Michigan, municipal revenue from state sources declined 56.9 percent from 2002 to 2012. During this same period, total state revenue for Michigan increased by 29.3 percent\(^1\).

\(^1\) Great Lakes Economic Consulting – April 2016 – “Michigan’s Great Disinvestment”.

Unless this trend is reversed by the State lawmakers, the severity of the continued cuts in state shared revenues will continue to have a direct negative impact on the basic community services we are able to provide and communities like Escanaba will continue to be left behind because of the burdens of a broken system. Since 2002, the City of Escanaba has lost approximately $5,490,107\(^2\) in revenue shares.

Amount of Revenue Sharing Lost Since 2002: ($5,490,107.70)

<table>
<thead>
<tr>
<th>Year</th>
<th>Const Payments</th>
<th>Statutory Payments</th>
<th>Total Payments</th>
<th>Full Statutory Payments</th>
<th>Statutory Reduction</th>
<th>Full Funding</th>
<th>Cumulative Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$872,820.00</td>
<td>$857,054.00</td>
<td>$1,729,874.00</td>
<td>$918,892.00</td>
<td>$61,839.00</td>
<td>$1,791,712.00</td>
<td>($81,838.00)</td>
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<tr>
<td>2004</td>
<td>$863,338.00</td>
<td>$891,391.00</td>
<td>$1,554,729.00</td>
<td>$908,909.49</td>
<td>$217,518.49</td>
<td>$1,772,247.49</td>
<td>($279,356.49)</td>
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<tr>
<td>2005</td>
<td>$863,491.00</td>
<td>$953,841.00</td>
<td>$1,857,382.00</td>
<td>$930,600.02</td>
<td>$276,759.02</td>
<td>$1,814,519.02</td>
<td>($556,115.52)</td>
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<tr>
<td>2006</td>
<td>$898,990.00</td>
<td>$621,682.00</td>
<td>$1,520,672.00</td>
<td>$946,443.39</td>
<td>$324,761.39</td>
<td>$1,845,433.39</td>
<td>($880,876.90)</td>
</tr>
<tr>
<td>2007</td>
<td>$880,310.00</td>
<td>$595,076.00</td>
<td>$1,475,386.00</td>
<td>$926,777.36</td>
<td>$331,701.36</td>
<td>$1,807,087.36</td>
<td>($1,212,578.27)</td>
</tr>
<tr>
<td>2008</td>
<td>$909,702.00</td>
<td>$565,684.00</td>
<td>$1,475,386.00</td>
<td>$957,720.82</td>
<td>$392,038.82</td>
<td>$1,867,422.82</td>
<td>($1,604,615.09)</td>
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<tr>
<td>2009</td>
<td>$857,958.00</td>
<td>$565,684.00</td>
<td>$1,423,642.00</td>
<td>$903,245.51</td>
<td>$337,561.51</td>
<td>$1,761,203.51</td>
<td>($1,912,176.60)</td>
</tr>
<tr>
<td>2010</td>
<td>$831,675.00</td>
<td>$434,512.00</td>
<td>$1,266,187.00</td>
<td>$875,575.15</td>
<td>$441,083.15</td>
<td>$1,707,260.15</td>
<td>($2,383,239.75)</td>
</tr>
<tr>
<td>2011</td>
<td>$847,091.00</td>
<td>$419,096.00</td>
<td>$1,266,187.00</td>
<td>$891,084.89</td>
<td>$472,708.89</td>
<td>$1,738,893.89</td>
<td>($2,855,948.84)</td>
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<td>2012</td>
<td>$901,840.00</td>
<td>$294,759.00</td>
<td>$1,196,399.00</td>
<td>$949,233.27</td>
<td>$654,474.27</td>
<td>$1,850,737.27</td>
<td>($3,510,422.91)</td>
</tr>
<tr>
<td>2013</td>
<td>$920,205.00</td>
<td>$315,816.00</td>
<td>$1,236,121.00</td>
<td>$968,883.51</td>
<td>$653,067.51</td>
<td>$1,889,188.51</td>
<td>($4,163,490.41)</td>
</tr>
<tr>
<td>2014</td>
<td>$941,887.00</td>
<td>$331,029.00</td>
<td>$1,272,916.00</td>
<td>$991,604.72</td>
<td>$660,575.72</td>
<td>$1,933,479.72</td>
<td>($4,824,066.13)</td>
</tr>
<tr>
<td>2015</td>
<td>$956,580.00</td>
<td>$341,137.00</td>
<td>$1,297,817.00</td>
<td>$1,007,178.57</td>
<td>$666,041.57</td>
<td>$1,963,858.57</td>
<td>($5,490,107.70)</td>
</tr>
</tbody>
</table>

\(^2\) SaveMIcity.org – Revenue Sharing Searchable Data.

In addition to the losses incurred due to the broken revenue sharing system, the City continues to incur expenses related to Tax Tribunal “Dark Store” cases for such things as attorney and appraisal fees ($165,000 +/- to date) and refunds to property owners. There are currently 15 commercial cases pending before the tax tribunal with an aggregate contested taxable value of $7.1 million, which equates to $120,000 of annual tax revenue at risk.
Additionally, we are experiencing increasing revenue cuts on an annual basis due to the escalating number of Disabled Veteran Property Tax exemptions (projected to be $36,179 +/- in the upcoming fiscal year). Here again, without replacement funding for this type of cut, cities like Escanaba are finding it difficult to fund expected services.

Over the last decade, the City has made deep cuts which included the elimination of as many as 36 full-time City employee positions, the consolidation of departments and their management team, major changes to the City pension system and major changes to City/employee cost sharing in how medical insurance is paid for with the employee now paying 20% of the policy costs. Additionally, a change was negotiated in the five (5) collective bargaining agreements that changed the way vacation, personal days, sick leave and funeral leave are earned for newly hired employees in an attempt to control costs. This program also applies to newly hired non-union employees.

**Major/Local Street Funds.** Street improvement funding continues to be a major concern. Administration remains proactive in identifying funds to address shortfalls such as applying for competitive grants, however, this year paving from the Major Street Fund will be minimal due to a priority involving the need to reline the Butcher’s Creek storm pipe at an estimated cost of $697,000. Major Street Fund expenditures, which support the day-to-day activities such as maintenance and snow plowing, are proposed to be $650,577. At the end of FY 2016-17, projections show an estimated fund balance of $2,494,355.

Additionally, the City of Escanaba maintains 55.05 miles of local streets. Local Street Fund expenditures, which support the day-to-day activities such as maintenance and snow plowing, are proposed to be $399,004. At the end of FY 2016-17, projections show an estimated fund balance of $1,085,034.

Each spring, the City Engineering Department conducts “Pavement Surface Evaluation and Rating (PASER)” inspections of all paved City streets. Using the PASER system, each street is scored a rating of 1 through 10 to evaluate the pavement surface condition. Each street is then entered into a condition category (poor, fair and good) and is assigned a treatment option. From that list, street projects are prioritized and selected based on surface condition, curbing condition, traffic volume, opinion of cost to repair and funds availability. Currently, approximately 65% of our street surfaces are considered to be substandard and in need of repair and upgrade.

As you know, late in 2015, the Governor signed into law nine (9) bills as part of his new transportation revenue package. We are seeing some revenue increases as a result but not to the extent the State was expecting. Administration will
Annual 2017/18 Budget Work Session

continue to monitor the actions of the Michigan Legislature and Governor Rick Snyder on road funding initiatives to determine how street funding projections will be impacted either positively or negatively.

Major and Local Street Projects in the budget include:

**Planned Activity**  |  **Amount**
--- | ---
Butcher’s Creek Storm System Pipe Repair | $697,000
General Street Paving – Local Streets | $150,000
Storm System Pipe Repair - 5th Avenue South and South Lincoln Road | $25,000

**Electric Fund.** The Electric Fund budget, which supports the day-to-day activities of the electrical operation, is $13,297,040 representing an decrease of .56% from the previous year’s budget. As of June 30, 2016, the overall City Electric Fund net assets exceed $20.6 million. The current cash balance is approximately $13 million.

Of notable interest, the Electric Fund budget includes funding for:

**Planned Activity**  |  **Amount**
--- | ---
Substation Improvement – North Shore Substation | $1,500,000
Distribution System – Power Pole Replacement | $200,000
West Side Substation Improvements (carry over) | $150,000
Street Lighting Fixture Replacement | $80,000
Ford River Underground Line Replacement (carry over) | $80,000
Distribution System Maintenance – System Wide Tree Trimming | $25,000

A 1.75% electrical rate increase is included in the upcoming FY 2017-18 Budget.
Water Fund. The Water Fund budget, which supports the day-to-day activities of the Water Treatment Plant, is $2,449,812, representing an increase of 12.4% from the previous year’s budget. As of June 30, 2016, the overall City Water Fund net assets exceed $6.8 million. The current cash balance is approximately $844,000.

Of notable interest, the Water Fund budget includes funding for:

<table>
<thead>
<tr>
<th>Planned Activity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution System – Replacement Meters</td>
<td>$ 220,000</td>
</tr>
<tr>
<td>Plant Improvement – Disinfection Byproduct System</td>
<td>$ 200,000</td>
</tr>
<tr>
<td>Technical Professional Services and Assistance</td>
<td>$ 195,000</td>
</tr>
<tr>
<td>Installation of two (2) Water Tower Mixer Systems (carry over)</td>
<td>$ 80,000</td>
</tr>
<tr>
<td>Fire Hydrant Restoration and Painting</td>
<td>$ 42,500</td>
</tr>
<tr>
<td>Cross Connection Control Program</td>
<td>$ 26,000</td>
</tr>
<tr>
<td>Leak Detection Testing</td>
<td>$ 20,000</td>
</tr>
<tr>
<td>Hydrant Replacement</td>
<td>$ 20,000</td>
</tr>
<tr>
<td>Leak Detection Testing Equipment</td>
<td>$  4,000</td>
</tr>
</tbody>
</table>

Due to the ever changing landscape at the statewide level concerning water safety, Administration is anticipating that the State will introduce new requirements on drinking water safety as a result of the Flint, Michigan water crisis. Without knowing what exactly those requirements will be, this budget attempts to address some of the scenario’s that seem to be surfacing to the top. However, we do know regardless of what the State does or does not do we must continue to upgrade such things as our water meters as part of a water loss reduction initiative as well as finding and eliminating our continued loss of potable water within our distribution system.

In the proposed FY 2016-17 budget, a water rate increase of 8.4% is being proposed to meet departmental obligations and needs. With this increase, a typical residential customer using 60,000 gallons of water annually would experience a $28.32 annual increase beginning July 1, 2017.

![Cost of Water Per 60,000 Gallons Per Year](image)

Wastewater Fund. The Wastewater Fund budget, which supports the day-to-day activities of the Wastewater Treatment Plant, is $1,583,088, representing an increase of 6.5% from the previous year’s budget. As of June 30, 2016, the overall City Wastewater Fund net assets exceed $7.4 million. The current cash balance is approximately $2.9 million.
Annual 2017/18 Budget Work Session

Of notable interest, the Wastewater Fund budget includes funding for:

<table>
<thead>
<tr>
<th>Planned Activity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7th Avenue South – Lakeshore Dr. to South 15th St. – Sanitary Pipe Relining</td>
<td>$270,000</td>
</tr>
<tr>
<td>Grit Machine Replacement</td>
<td>$250,000</td>
</tr>
<tr>
<td>Digester 1 &amp; 2 Refurbishment</td>
<td>$125,000</td>
</tr>
</tbody>
</table>

Due to increases in operating costs, a wastewater rate increase of 8.9% is included in the budget to meet departmental obligations and needs. With this increase, a typical residential customer using 60,000 gallons of water annually would experience a $19.51 annual increase beginning July 1, 2016.

![Cost of Wastewater Per 60,000 Gallons Per Year]

**Solid Waste Collection.** No (0%) garbage/recycling collection rate increases are proposed in the upcoming FY 2017-18 Budget.

![Garbage Rate History]

**Motor Vehicle/Motorized Equipment.** Within the budget is a Motor Vehicle/Motorized Equipment Fund. The purpose of the fund is to pay for salaries, wages and operations required for the repair and replacement, purchase and operation of motor vehicle equipment and motorized equipment, and for the purchase of equipment, materials and supplies to be used
in the administration and operation of the fund. This fund is primarily funded by each department under a rental and rate schedule for each unit in the fund.

The Motor Vehicle/Motorized Equipment budget is $988,987 representing a decrease of 1.3% over the current fiscal year. At the end of FY 2015-16, the Motor Vehicle/Motorized Equipment net asset balance was $313,132. At the end of FY 2016-17, projections show an estimated net asset balance of $350,117. In the FY 2017-18 Budget a projected net asset balance of $142,939 is being proposed. Because there are shortages in rental and replacement revenues from other funds such as the General Fund, we are simply not able to provide the revenue this fund needs under its current framework. Therefore, this fund will require a complete review, overhaul and reworking in the upcoming year so that it can be reconfigured to adequately fund sustainable dollars for future needs.

The budget includes the purchase or upgrade of the following piece of equipment:

<table>
<thead>
<tr>
<th>Planned Activity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Public Works – Automated Garbage/Recycle Truck</td>
<td>$250,000</td>
</tr>
</tbody>
</table>

**Library Fund.**

The Library Fund budget, which supports the day-to-day activities of the Library, is $573,129. As of June 30, 2017, the Library Fund balance is projected to equal $70,092. The Escanaba Public Library is a community hub, offering essential early literacy programs for children and families, cultural enrichment and lifelong learning opportunities for all ages, and serving as a conduit to the technological resources and expertise citizens need to function in a digital world.

For FY 2017-18, the library will continue progress on implementing the partnerships and initiatives outlined in its strategic plan, with continued emphasis on strengthening sustainability. Library administration is currently working with the Library Board of Trustees to set goals, establish priorities, and create a work plan to move the library forward. The Library continues to build meaningful community connections that enable early literacy and after-school enrichment programs and is currently working with the regional library cooperative to expand digital learning through innovative outreach services. Funding to support these enhanced programs and services is provided by the Friends of the Escanaba Public Library and further developed through grants and partnerships with local and regional partners.

The City’s General Fund appropriation for FY 2017-18 is proposed to remain the same at $400,000. General Fund support continues to be the primary funding source for the Escanaba Public Library and could be impacted in the future should the State not fix the current revenue system for funding municipalities. Also, the State needs to amend current laws related to how penal fines are distributed amongst public libraries so as to better level the playing field.
**Department of Public Safety.** The Escanaba Department of Public Safety was created in the mid-1970’s, at which time the police and fire departments were merged. In the budget, the Department of Public Safety represents 54.8% of the City’s General Fund appropriation. In dollars, this translates to $4,455,599 in the upcoming fiscal year. This figure does not include the costs associated with Dispatching Operations. In the 2016-17 fiscal year budget, the department had 30 sworn officers including Officers, Command Staff, Detectives, a Captain and the Director. In this proposed budget, the sworn officer head count is slated to increase to 31 including Officers, Command Staff, Detectives, a Captain and the Director. The funding for the increased sworn officer position will come from overtime savings within the department. With this addition, our sworn officer (all ranks) to citizen ratio will be approximately 1 to 406.

The current Director of the Department of Public Safety was promoted to the position on June 6, 2016 and is working on a fresh departmental assessment to determine if there is a potential and/or opportunity to restructure the department in effort to reduce overall departmental costs. In addition to completing a restructuring evaluation, the new Director has also been charged with the task of creating formal internal purchasing and expenditure controls and establishing specific and affordable minimum performance training standards for departmental personnel that meet appropriate national, state, and local standards and certifications in the most cost effective way. Lastly, the new Director was charged with the task of developing an overtime reduction plan in an effort to reduce those costs.

<table>
<thead>
<tr>
<th>PERFORMANCE MATTERS</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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<tr>
<td><strong>PUBLIC SAFETY - CRIME, TRAFFIC, AND FIRE</strong></td>
<td></td>
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<tr>
<td>Violent Crimes Per 1,000</td>
<td>2.06</td>
<td>2.90</td>
<td>2.47</td>
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<td>Property Crimes Per 1,000</td>
<td>50.4</td>
<td>41.7</td>
<td>35.3</td>
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<tr>
<td>Traffic Injuries / Fatalities</td>
<td>65</td>
<td>73</td>
<td>64</td>
<td>46</td>
</tr>
<tr>
<td>Traffic Tickets - City Infraction</td>
<td>593</td>
<td>773</td>
<td>783</td>
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<tr>
<td>Traffic Tickets - Misdemeanor</td>
<td>324</td>
<td>185</td>
<td>160</td>
<td>129</td>
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<tr>
<td>Call Volume - Incident</td>
<td>7,600</td>
<td>7,512</td>
<td>8,455</td>
<td>8,408</td>
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<tr>
<td>Call Volume - Quick Call</td>
<td>13,803</td>
<td>14,557</td>
<td>15,527</td>
<td>15,680</td>
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<td>Fire Calls</td>
<td>145</td>
<td>99</td>
<td>140</td>
<td>141</td>
</tr>
<tr>
<td>Escanaba Public Safety Case Clearance Rate</td>
<td>48%</td>
<td>52%</td>
<td>56%</td>
<td>56%</td>
</tr>
<tr>
<td>Statewide Case Clearance Rate (Averages)</td>
<td>34.1%</td>
<td>36%</td>
<td>36%</td>
<td>TBD</td>
</tr>
</tbody>
</table>

**Municipal Marina Operations.** The Marina Fund accounts for the activities of the Escanaba Municipal Marina. The publicly-owned Marina has 165 slips, including areas used to broadside tie against the basin seawall. The Municipal Marina offers a full array of services, including seasonal slip rental, transient slip rental, fuel, pump out services, bath facilities, water and electric hook up and laundry equipment.

The Marina Fund budget is $244,102, representing a increase of 1.7% over the current fiscal year. At the end of FY 2015-16, the Marina Fund balance was $135,124, with a long-term debt obligation of $260,314. At the end of FY 2016-17, projections show an estimated fund balance of $97,000, with a long-term debt obligation of $246,318. In the FY 2017-18 budget, a projected fund balance of $70,000, with a long term debt obligation of $231,902 is being proposed.

No rate increases are included in the budget. However, the docks located within the Marina are reaching or have exceeded their recommended normal service life. To address these types of concerns, the Harbormaster was tasked with completing a debt restructuring plan which was done in late 2016. This was done so that the Harbormaster could put together a Capital Replacement, Repair and Improvement Plan for future upgrades. Once completed and accepted by the City Council, the implementation of the plan will likely result in the necessity to increase future rates.
**Downtown Development Authority Fund.** The Downtown Development Authority Fund budget, which supports the day-to-day activities of the Downtown Development Authority, is $332,120, representing a decrease of 30% from the previous year’s budget. The current cash balance is approximately $(329,700).

Of notable interest, the Downtown Development Authority budget includes funding for:

<table>
<thead>
<tr>
<th>Planned Activity</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Downtown Parking Lot Improvements</td>
<td>$ 25,000</td>
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<tr>
<td>Downtown Sidewalk and Curb Repair</td>
<td>$ 15,000</td>
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<tr>
<td>DDA Center Court Drainage and Repairs</td>
<td>$ 14,000</td>
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</table>
Annual 2017/18 Budget Work Session

**Escanaba Building Authority Fund.** The Escanaba Building Authority Fund budget, which supports the day-to-day activities and maintenance cost associated with the City Hall/Library Complex, is $324,358, representing a decrease of 2.9% from the previous year's budget. The current cash balance is approximately $306,600. In the proposed budget $12,000 is being recommended to reseal and repaint the City Hall/Library Complex parking lot.

**Personnel and Staffing.** Full-time staffing levels in the budget include 116 employees. Part-time staffing levels are at 19 employees. Seasonal employee levels will fluctuate throughout the year, depending on the operational needs of the various departments. Routinely, City Administration examines all job vacancies closely to ensure that our human resources are aligned with our operational needs and our financial means. As previously discussed, the proposed budget includes the addition of one sworn public safety officer. The proposed budget also proposes the City of Escanaba entered into a professional services agreement with Delta County for Level 3 assessing duties. By doing this the General Fund is able to realize a substantial savings. Lastly, although the City Council approved the hiring of a part-time planning and zoning employee, this position is going to be re-absorbed back into the Community Preservation Department which in turn should realize a substantial savings to the General Fund. Retirements of key personnel in the current fiscal year and into the next fiscal year are of concern. Any further loss of employees without replacement will most likely disrupt City operations and adversely affect current service levels.

All five (5) Collective Bargaining Units have agreements in place until June 30, 2017. The negotiation process to renew will begin in April 2017.

![City of Escanaba Employee Counts](image)

**Health Insurance.** The budget takes into account a health premium increase of 5.1% as compared to 4.4% ~ 9.6% in the current fiscal year budget, depending on coverage, as a result of a contractual price increase from the Michigan Conference of Teamsters. In the budget, employee health insurance premium contributions will continue to be 20% of premium costs.

**Pension Obligations.** Over the last decade, the City has taken the necessary steps needed to address the unfunded pension obligations throughout the various pension plans. The City offers its non-public safety officer full-time employees hired prior to July 1, 2005 a defined benefit retirement pension through the Municipal Employees' Retirement System of Michigan (MERS). Based on the latest annual actuarial valuation report from MERS dated December 31, 2015, the City's plan is 59% funded, down from the 63% reported for the previous year. Employees full-time and part-time hired

12
July 1, 2005 or later are provided with a MERS defined contribution plan. Under this plan, the City contributes a mandatory 4% of wages and will match the employee up to an additional 3%. Public Safety officers hired prior to July 1, 2014 participate in the Act 345 pension. Based on the latest annual actuarial valuation report date June 30, 2015, the plan is 83.55% funded, up from the 84.03% reported the previous year. Public Safety officers hired July 1, 2015 or later are provided with a defined contribution plan through ICMA. Under this plan, the City contributes a mandatory 10% of wages and the employee contributes a mandatory 6% of wages with the option to contribute as much as they like. As a result of the pension plan changes and marketplace conditions, funding the closed out plans continues to be an increasingly larger percent of payroll and a general stress to the overall budget city-wide. The aforementioned defined benefits and defined contribution plans are the only post-retirement benefits offered to employees. Retiree health insurance is not offered and never has been therefore, no OPEB liability exists for that purpose.

**Master Fee Schedule.** Included with the budget is a “Master Fee Schedule” for services that are provided to City of Escanaba residents and non-residents alike. The intent is to have the fees reviewed annually by the City Council and adopted by resolution (unless otherwise mandated by State or Federal law) as part of the budget approval process. While the primary mission of government is to satisfy community needs, many City services solely benefit specific individuals or businesses and are subject to separate fees. As a matter of practice, the City will continue the policy of not subsidizing activities of private interest through general tax and utility rate revenues. Fees that do not recover the cost of providing the service result in a subsidy, which shifts away from other critical and high priority programs that may not have similar cost recovery options.

**Budget Schedule.** The budget has been developed with input from the City employees, City Council, City Boards, Commissions, and Committees and the public. This input is invaluable in terms of identifying the needs and desires of the community. The following schedule of reviews/actions has or will take place:

- **March 24, 2017**  Council receives tentative copy of the City budgets.
- **April 10, 2017**  Budget work session open to the public.
- **April 11, 2017**  Budget work session open to the public.
- **April 12, 2017**  Budget work session, if required, open to the public.
- **April 20, 2017**  (Regular Council Meeting) Council passes resolution to set May 5th as the fourth Public Hearing on the 2017-18 City budgets.
- **April 21, 2017**  Budgets are revised, based on the work sessions, and are made available to the public.
- **April 24, 2017**  Publish notice of Public Hearings on budgets.
- **May 4, 2017**  (Regular Council Meeting) Public Hearing on 2017-18 City budgets.
- **May 8, 2017**  Publish notice of final hearing and adoption of 2017-18 City budgets. This notice must be at least 6 days prior to the budget adoption and must contain language to the effect that the tax rate will be a subject at this meeting, assuming that the City does not intend to roll back the millage by the base tax reduction fraction.
- **May 18, 2017**  Public Hearing and adoption of City budgets. First reading of the Appropriations Ordinance, including the millage rate, and first reading of the Tax Levy Ordinance, with second reading and adoption set for the May 25th special meeting. First reading of Utility Ordinances, with second reading and adoption set for the Monday, June 5th special meeting.
- **May 25, 2017**  (Special Council Meeting) Second reading and adoption of the Tax Levy Ordinance and the Appropriations Ordinance.
Annual 2017/18 Budget Work Session

June 5, 2017    (Special Council Meeting) Second reading and adoption of the Utility Ordinances.

While it is my privilege to author this budget message, thanks must be given to the City Council, Department Heads, City employees, City Boards, Commission and Committee Members, and community members who committed themselves to assisting in this budget process. Collectively, as a team, I remain confident that we will continue to utilize our combined knowledge and experience in meeting the challenges that lay ahead in providing more efficient City services and growing the community economically. As City Manager, I appreciate and am fortunate to have a Council, community and dedicated employee support in providing the residents with the necessary resources, flexibility and funding which allows us all to live in a community that we can be proud of.

- No projected tax revenues projected;
- Discussed Dark Store issue and how it affected the proposed budget, and other commercial properties before the Tax Tribunal.

Electric Superintendent, Mike Furmanski – 8:14 a.m.

Mr. Furmanski reviewed the 2017/18 proposed City Electric Budget with Council. The following was discussed:

- Businesses closings and new businesses opening;
- Various Projects and their costs;
- Proposed rate increase of 1.75%;
- Fully staffed operations;
- Electric purchases projected to 2024, and reviewed 7 year plan;
- Provided an update on the Solar Farm project;
- Income, Expenditure, Capital Expenditure, and Operation Statements;
- Energy Optimization Program;
- Capacity purchases;
- Transmission and Distribution Statements
- Proposed changes in the fee schedule.

The time being 9:55 a.m., the Council recessed.

The Council came back into regular session at 9:03 a.m. and reviewed the following budgets.

Water/Wastewater Superintendent, Jeff Lampi – 9:03 a.m.

Mr. Lampi reviewed the following 2017/18 proposed Water/Wastewater budget items with Council:
Annual 2017/18 Budget Work Session

Water Department:
- Proposed projects and capital purchases and proposed budget increase;
- Proposed/Mandated State-wide water safety enhancements maintenance;
- Disinfection byproduct system and waste program;
- Cross connection back flow program;
- Water Quality Report;
- Plant Improvement projects;
- Production expenses;
- Proposed changes in the fee schedule.

WasteWater Department:
- Proposed projects, capital purchases and proposed budget increase;
- Sludge site program and proposed Ecomat program;
- SAW Grant Update;
- Reviewed Mains;
- Proposed Department Fee increases.

The time being 10:12 a.m., the Council recessed.

The Council came back into regular session at 10:20 a.m. and reviewed the following budgets.

Downtown Development Authority (DDA) – Edward Legault 10:20 a.m.

DDA Director Ed Legault reviewed the DDA Budget with Council and discussed the following budget line items:

- Proposed special projects, Façade Program, and Status of the Market Place Project;
- Revenue and Fund Balance;
- Proposed Capital Improvements
- 910 Ludington Street Building.

Public Safety Department, Robert LaMarche – 10:40 p.m.

Manager O’Toole and Public Safety Director LaMarche reviewed the following 2017/18 proposed budget items with Council:

- Provided a recap of the current budget year which included Staffing levels, overtime reduction plan, training needs obtained by Officers, Social Media programs, Angel Program and equipment purchases;
- Generator upgrade;
Annual 2017/18 Budget Work Session

- Possible grants;
- Act 302-Public Safety Training;
- UPSET and Forfeiture Programs;
- Dispatch Coordinator, and Dispatch Training
- Proposed Department Fee increases;
- Other Funds – Central Dispatch;
- Fireworks Law discussion.

Council consensus to break for lunch at 11:27 a.m.

Council came back into regular session at 12:00 p.m.

Public Works/Engineer, Bill Farrell – 12:00 p.m.

Public Works Director/City Engineer Bill Farrell reviewed budgets he was responsible for and the following 2017/18 proposed budget items with Council:

- Request for Celebration – Flags;
- Request for Cross Walks;
- Request for Care of Trees and Shrubs;
- Request for Sidewalks;
- General Fund Public Works and Engineering budgets;
- Sanitary Landfill, and Landfill Road Clean-up;
- Solid Waste Collection;
- Composting Activities;
- Request for Recycling;
- Snowplowing of Alleys;
- Request for Parks;
- Request for Historical Museum;
- Alley Paving/Maintenance;
- Other Funds – Motor Equipment and Equipment Fund;
- Reviewed proposed Major/Local Streets;
- Crack/Chip Seal road improvements;
- Request for Storm Sewer and Roadside Drains;
- Request for Sweeping and Flushing;
- Request for Traffic Service;
- Request for Snow Plowing and Snow Removal;
- Request for Ice Control;
- Request for Administrative and Engineering;
- Local Street Projects;
- Motor Vehicle and Equipment Fund and proposed purchases;
- Proposed fee schedule.
Annual 2017/18 Budget Work Session

Council consensus to break at 1:07 p.m.

Council came back into session at 1:16 p.m.

Human Resources Director/City Treasurer, Robert Valentine – 1:16 p.m.

Mr. Valentine, in accordance with Michigan Public Act 20, provided and reviewed with Council the annual Treasurer’s Investment Summary, which included a review of annual investments, City portfolio, summary of gains and losses, and current listings of eligible depositories.

Blasier moved, Beauchamp seconded, to approve the acceptance of the City Treasurer’s Annual Investment Report, Investment Policy Statement as of 12/31/2016, and list of depositories as required by Michigan Public Act 20.

Upon a call of the roll, the vote was as follows:

Ayes: Blasier, Beauchamp, Baribeau, Sattem, Tall
Nays: None

MOTION CARRIED.

Mr. Valentine reviewed the following 2017/18 proposed budget items with Council:

- MERS Pension status and obligations;
- Public Safety Pension status and obligations;
- All five Union contracts would expire June 30, 2017;
- Human Resources and Treasurer’s Department Budgets.

Reviewed Other Funds

- Brownfield Fund Budget;
- Various Revolving Loan Funds;
- Farmers Home Grant will be depleted at the end of the next current year;
- Grants Fund;
- Housing Rehab Fund Budget;
- Land Development Fund Budget;
- Office Equipment Fund;
- Parking Maintenance Fund;
- Workers Compensation Fund.
General Funds

- City Council;
- City Manager Request;
- City Clerk;
- Request for Auditors;
- City Assessor – Contracted with the County;
- City Attorney;
- City Clerk;
- Board of Review;
- Request for City Hall and Grounds;
- Community Promotional;
- Request for Crossing Guards;
- Request for Planning/Zoning Commission;
- Request for Community Services;
- Request for City Band;
- Request for Tourism Promotion;
- Request for Bad Debts;

Hearing no further public comment and the time being 2:17 p.m., the Council recessed until 8:00 a.m., Tuesday, April 11, 2017.

Respectfully submitted,

Robert S. Richards, CMC
City Clerk

Approved: ________________________________

Marc D. Tall, Mayor
City of Escanaba  
Special Council Meeting  
Tuesday, April 11, 2017

Pursuant to a meeting notice posted April 7, 2017, the Council of the City of Escanaba reconvened in special session in Room 101 of City Hall at 8:00 a.m., to continue the review and discussion of the proposed 2017/18 City Budget.

Present: Mayor Marc D. Tall, Council Members Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: None

Also Present: City Manager James V. O'Toole, City Controller Becotte, and various City Department Heads.

GENERAL PUBLIC COMMENT - None

The following Department Heads presented their budgets:

Library Director, Carolyn Stacey – 8:05 a.m.

Manager O'Toole and Library Director Stacey reviewed the 2017/18 proposed Library Budget with Council. The following was reviewed:

- Overview of the Department, Library Strategic Planning process, daily programs, services, and technology’s, and strategies the Library provides the community and Delta County;
- Outreach programs with the Communities and County.

Community Preservation, Blaine DeGrave – 8:15 a.m.

Zoning/Community Preservation Director Blaine DeGrave provided an overview of his department with Council.

Manager O'Toole reviewed the City Assessor Department, and Tax Tribunal cases.

Council recessed at 8:25 a.m.

Council came back into regular Session at 8:30 a.m.

Recreation, Kim Peterson – 8:30 a.m.

Recreation Director Peterson reviewed the following Recreational Department budgets she was responsible for with Council:
Annual 2017/18 Budget Work Session - continued

- Provided an overview of Departmental activities and Civic Center Improvements;
- Discussed possible grant projects;
- Request for Civic Center, and Staffing;
- Request for Fourth of July/New Year's Eve;
- Request for Administration;
- Request for Summer Sports;
- Request for Wading Pool;
- Request for Winter Sports;
- Request for Beach, and Boat Launches;
- Request for Civic Center Activities, and Discussed Building hours of operation;
- Reviewed proposed fee schedule.

Marina Fund - Larry Gravatt – 9:00 a.m.

Mr. Gravatt reviewed the Marina Budget with Council and discussed the following items:

- Reviewed Marina Fund-Income Statement, Dock fees, services;
- Reviewed Five-year capital plan for Dock repairs and maintenance. Possible funds available through the State Water Ways Fund;
- Reviewed City Internal Loan;
- Discussed condition of docks;
- Discussed Fuel/Oil Sales.

Council recessed at 9:25 a.m.

Council came back into regular Session at 9:30 a.m.

General Discussions:

Council Members further discussed the following in the proposed 2017-18 Fiscal year budget:

- Building Authority Fund Budget;
- Capital Improvement Plan;
- GF-3 Rentals.

After discussion, Blasier moved, Beauchamp seconded, to change the Wastewater rate increase to 8.99 percent, and further transfer $54,000 from the Wastewater Fund balance to add the Wastewater Sanitary Lining project for Lake Shore Drive.

During discussion, it was Council consensus to make the following changes to the Proposed 2017/18 Fiscal Year Budget:
Annual 2017/18 Budget Work Session - continued

- Reduce Election Voting Machines line item from $10,000 to $1,000;
- Increase allocation for the July 4th Fireworks from $8,000 to $10,000;
- Transfer $150,000 from Land Dev Fund, to the Marina Fund for dock replacement;
- Transfer $150,000 from Local Street Fund to Local Streets for additional Local Streets repairs.

After further discussion, Beauchamp moved, Blasier seconded, to approve all changes to the Proposed 2017/18 Fiscal Year Budget.

Upon a call of the roll, the vote was as follows:

Ayes: Beauchamp, Blasier, Baribeau, Sattem, Tall
Nays: None

MOTION CARRIED.

Hearing no further business, no further public comment, and the time being 10:00 a.m., the Council adjourned.

Respectfully submitted,

Robert S. Richards, CMC
City Clerk

Approved: ____________________________
Marc D. Tall, Mayor
GOOD NEWS AWARD

THE CITY OF ESCANABA
MICHIGAN

This Certificate of Congratulations is presented to

Hurley Marine

for being named one of Michigan’s 50 Companies to Watch for 2017.

Conferred this day, April 20, 2017, on behalf of the City Council, Escanaba, Michigan.

BY: ___________________________  BY: ___________________________

James V. O’Toole                         Marc D. Tall
City Manager, City of Escanaba            Mayor, City of Escanaba
GOOD NEWS AWARD

This Certificate of Appreciation is presented to

MBank

In grateful appreciation for your gracious monetary donation to be used for Audio and Visual Equipment in the New Training/Squad Room located in the City of Escanaba Department of Public Safety Building.

Conferred this day, April 20, 2017, on behalf of the City Council, Escanaba, Michigan.

BY: James V. O’Toole
   City Manager, City of Escanaba

BY: Marc D. Tall
   Mayor, City of Escanaba
GOOD NEWS AWARD

This Certificate of Appreciation is presented to

Superior State Insurance

In grateful appreciation for your gracious monetary donation to be used for Audio and Visual Equipment in the New Training/Squad Room located in the City of Escanaba Department of Public Safety Building.

Conferred this day, April 20, 2017, on behalf of the City Council, Escanaba, Michigan.

BY: 
James V. O'Toole  
City Manager, City of Escanaba

BY: 
Marc D. Tall  
Mayor, City of Escanaba
GOOD NEWS AWARD

This Certificate of Appreciation is presented to

Friends of the Escanaba Public Library

In recognition and grateful appreciation of the many years that the Friends have dedicated to enhancing our library for everyone in the community through their generous gifts and donations.

Conferred this day, April 20, 2017, on behalf of the City Council, Escanaba, Michigan.

BY:

James V. O’Toole
City Manager, City of Escanaba

BY:

Marc D. Tall
Mayor, City of Escanaba
April 12, 2017

MEMORANDUM

TO: City Council,
    James V. O'Toole, City Manager

FROM: Robert S. Richards, CMC
      City Clerk

SUBJECT: April 20, 2017, Agenda Item – Elections Precinct Location

Administration is seeking Council authorization to amend Section 10-17 Location, of the City Code of Ordinances, regarding Precinct 4 in the City of Escanaba. The current location, Webster Grade School, 1209 North 15th Street, has converted to a lock down school facility. In order to respect their desire to continue a lock down facility on election day, Administration recommends moving the Precinct 4 to Christ the King Lutheran Church, located one block East of Webster School, 1230 North 18th Street. The location sits in Precinct 4, and is a completely handicapped accessible facility. If approved, State Election Law requires the City notify each registered voter, which is approximately 1,300 voters.
To the Escanaba City Council:

Called to be the best stewards of our gifts – something the City Council tries to accomplish the best of your ability – it would be our privilege and honor to be a possible host site for future elections on the north side of Escanaba. Having talked with Mr. Robert Richards, City Clerk, already about this opportunity as well as showing him our fellowship hall space, we look forward to hearing the City Council’s decision on this in the future and how we can, hopefully, work together on this important matter. Also, know that our own church council has overwhelmingly agreed to help out our town and its citizens have a safe place to vote. The only concern expressed was what accommodations would need to be made other than just opening up our building to the public (which it already is!).

If you have any questions, feel free to contact me via phone (786-7400) or via email (pastorchristis.ctk@gmail.com).

Blessings to you all and the good work you have been called to,

Pastor Christopher Johnson

February 22nd, 2017
Memo

To: Jim O'Toole, City Manager
From: Jeff Lampi, W & WWTP Supt
Date: 3/11/17
Re: Supervisory Control and Data Acquisition (SCADA) integration work

Jim:

During the work we conducted while replacing the 16” water main leaving the water plant in 2011, we installed a Variable Frequency Drive “VFD” on High Service Pump #5 in order to better control the flow of water and minimize any water-hammer. As a means of fast tracking the install of the VFD, we elected to skip the automation features of the SCADA system. Despite several failed attempts over the last four years to conduct this work, I would like to complete this task this summer.

It goes without question that we are very selective as to who we allow to work on our SCADA control system. I have listed the three qualified and trusted professional contractors we feel comfortable with: Tetra Tech of Ann Arbor MI, Technical Services of Colma WI, and Energeneics of Cedarburg WI. Any of these three contractors are very capable and trusted with our equipment.

I have been in contact with all three of these qualified contractors to complete this work. But, only one of these three have agreed to even provide quotes. That contractor is Energeneics of Cedarburg WI. They have done numerous projects at both the Water and Wastewater Plants over the years. In fact they are our “go-to” people when we are in need.

With your approval I would like to hire Energeneics of Cedarburg WI, at a cost not to exceed $8,200.00; to complete the following work on High Service Pump #5. (Install a new analog card, install additional wiring, conduct PLC programming, create and install SCADA graphics within the control program, and update the SCADA program)

Please note this work will not be conducted until July of 2017, which will be in the next budget year. Such advanced scheduling is required to ensure we are put on their calendar. Money is also available and allotted to conduct this type of work within the Operations and Maintenance Budget.

Pc: Melissa Becotte, City Controller
**QUOTE**

Sold To: Escanaba, City of Attn: Accounts Payable P.O. Box 948 Escanaba, MI 49829

Ship To: Escanaba, City of Attn: Accounts Payable P.O. Box 948 Escanaba, MI 49829

Confirm To: Jeff Lampi

Customer Number: ESC003

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<td>Miscellaneous Items - Service</td>
<td>EACH</td>
<td>1.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Install new Analog card, electrical wiring, PLC programming, SCADA computer graphic update to integrate to HSP5 into system.

Completion by June 30th 2017

Convenience Fee of 3% will be added to all invoices paid by credit card.

Net Order: 7,045.00
Less Discount: 0.00
Freight: 0.00
Sales Tax: 0.00
Order Total: 7,045.00
MEMORANDUM

To: Jim O'Toole
From: Mike Furmanski
Date: 11APR17
Re: Bid Recommendation

Bid Recommendation for one (1) new 2017 compact excavator

Number of bids sent: 4
Number of bids received: 4

The bid from Nortrax Inc. of Escanaba, MI meets our specifications. Their base bid was in the amount of $41,640 for one new Hitachi ZX35U-5 compact excavator.

The bid from Vermeer Wisconsin Inc. of Little Chute, WI meets our specifications. Their bid was in the amount of $41,534 for one new Yanmar Vi035-6B compact excavator.

The bid from Midway Rentals and Sales of Negaunee, MI meets our specifications. Their bid was in the amount of $51,805.64 for one new Bobcat C35 compact excavator.

The bid from Fabick Cat of Marquette, MI meets our specifications. Their bid was in the amount of $47,000 for one new Caterpillar 303-5E2 compact excavator.

An option that was asked for in the bids was to have a removable smooth edge to go over the bucket teeth, which would be better for digging in sand. This option is not available from any vendor. Therefore, I asked the 2 lowest vendors for a price on a smooth edged bucket. Nortrax quoted me $900, while Vermeer Wisconsin quoted me $1125. When the price of this 2nd bucket is added to the bid price of the base units, Nortrax has a total of $42,540, while Vermeer Wisconsin has a total of $42,659. Therefore, I am recommending we purchase a Hitachi ZX35u-5 with a smooth edged bucket from Nortrax Inc for $42,540.
There is $60,000 for this item in the current budget. This compact excavator will replace a 1989 Vermeer trencher.
## CITY OF ESCANABA
### 2016-2017 Electric Fund Budget Request Workpaper
#### Fund Number: 111

**REQUEST FOR CAPITAL EXPENDITURES**

<table>
<thead>
<tr>
<th>Description of Request</th>
<th>Activity Number</th>
<th>000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual 2013-14</td>
<td>Actual 2014-15</td>
</tr>
<tr>
<td>SCADA-Materials</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Sub-Station Batteries</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Power Plant Substation Improvements</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Add Capacitors to System</td>
<td>40,000</td>
<td>20,000</td>
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<tr>
<td>Add Gang Switches for Sectionalizing</td>
<td>15,000</td>
<td>15,000</td>
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<tr>
<td><strong>Station Equipment</strong></td>
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</tr>
<tr>
<td>Digger/Derrick Truck</td>
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<td>0</td>
</tr>
<tr>
<td>One Ton Pickup Truck</td>
<td>35,000</td>
<td>0</td>
</tr>
<tr>
<td>Transportation Equipment</td>
<td>105,029</td>
<td>30,000</td>
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<td><strong>Laboratory Equipment</strong></td>
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<tr>
<td><strong>Miscellaneous Equipment</strong></td>
<td>5,000</td>
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<tr>
<td>Line Construction Tools</td>
<td>8,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Pipe Boring Machine</td>
<td>30,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>Mini Excavator</strong></td>
<td>0</td>
<td>0</td>
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<tr>
<td>Tool Batteries</td>
<td>500</td>
<td>0</td>
</tr>
<tr>
<td>Hole Hog</td>
<td>10,000</td>
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<tr>
<td><strong>Miscellaneous Equipment-Tools</strong></td>
<td>3,311</td>
<td>26,709</td>
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<tr>
<td><strong>Computer</strong></td>
<td>2,000</td>
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<tr>
<td><strong>Office Furniture and Equipment</strong></td>
<td>0</td>
<td>0</td>
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<tr>
<td><strong>TOTAL CAPITAL OUTLAY</strong></td>
<td>397,141</td>
<td>722,630</td>
</tr>
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</table>

**EF 6**
## CITY OF ESCANABA
### RECORD OF BIDS

**DATE BIDS OPENED:** 3/14/2017  
**DESCRIPTION OF ITEM:** Compact Excavator Bid - 2017

<table>
<thead>
<tr>
<th>NAME OF BIDDER</th>
<th>TOTAL PRICE</th>
<th>MAKE</th>
<th>MODEL</th>
<th>Deliver Date</th>
<th>Certified Check / Bid Bond</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midway Rentals</td>
<td>$51,905.64</td>
<td>Bobcat</td>
<td>C25</td>
<td>6/14/17</td>
<td>$5,190.56</td>
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<tr>
<td>Vermeer</td>
<td>$41,334.00</td>
<td>Yanmar</td>
<td>V1035-6B</td>
<td>45-60 days</td>
<td>$4,200.00</td>
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<tr>
<td>Fabick CAT</td>
<td>$49,000.00</td>
<td>Caterpillar</td>
<td>303-SE2</td>
<td>3/21/17</td>
<td>10% of bid</td>
</tr>
<tr>
<td>Northray #1</td>
<td>$41,640.00</td>
<td>Hitachi</td>
<td>ZX35U-5</td>
<td>100 days from date of order</td>
<td>Bid Bond 10%</td>
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<tr>
<td>Northray #2</td>
<td>$39,440.00</td>
<td>Hitachi</td>
<td>(Cab) ZX35U-5</td>
<td>in stock requests</td>
<td>Bid Bond 10%</td>
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<tr>
<td>Roland</td>
<td>No Bid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PRESENT:**
- Robert R. Burnes
- Klotsman
- V. E. Armbruster
NOTICE TO BIDDERS

Sealed bids will be received by the City of Escanaba at the office of the City Clerk, on or before 2 p.m. e.s.t, on: March 14, 2017

The bids will be publicly opened and read in Room 101 in the City Hall located at 410 Ludington Street, Escanaba, Michigan at said date and time.

Bidder’s proposals, and/or specifications may be obtained from the office of the City Clerk, located at 410 Ludington Street, Escanaba, Michigan, 49829. No bids will be considered unless the proposal form and /or specifications (furnished by the City of Escanaba, Michigan), are properly completed and enclosed in a sealed envelope, marked:

COMPACT EXCAVATOR BID OF 2017

In addition, the City of Escanaba, Michigan will not consider any proposal which has not been received prior to the published time, date and year of bid opening. (FAX transmittals will not be accepted.)

A Certified Check, Cashier’s Check, or Bidder’s Bond, drawn payable, without condition, to the City of Escanaba, Michigan, in an amount not less than 10% of the bid, will be submitted with each proposal as a guarantee that if the bid is accepted, the bidder will furnish materials or services as stated in his or her proposal. On failure of the successful bidder to fulfill the conditions of his or her proposal, he or she shall forfeit said deposit to the City of Escanaba, Michigan as liquidated damages. The acceptance of the proposal will be contingent upon the bidder’s acceptance of this provision.

The City of Escanaba, Michigan reserves the right to reject any or all bids, or any part thereof at its discretion, and to waive any irregularities in the bidding. The City of Escanaba, Michigan may also split bids at its discretion. The City further reserves the right to negotiate directly with any and all bidders concerning any matter related to any bid.

All City of Escanaba, Michigan bids are prepared to afford all vendors the equal opportunity for fair and equitable competition. The City of Escanaba, Michigan assumes no liability or responsibility for any errors or oversights in the preparation and/or publication of bids.

Michael Furmanski
Electric Superintendent
City of Escanaba
BID: SPECIFICATIONS FOR ONE (1) NEW COMPACT EXCAVATOR-ELECTRIC DEPT

BID OPENING: 3-14-17

TO BIDDERS: 2-21-17

ADVERTISED: 2-23-17

INVITATIONS TO
BID SENT TO:

Nortrax
Attn: Scott Lippens
1818 North Lincoln Rd
Escanaba, MI 49829

Roland Machinery
2600 South Lincoln Rd
Escanaba, MI 49829

Midway Rentals and Sales
43 Industrial Park Drive
Negaunee, MI 49866

Vermeer Wisconsin, Inc
Attn: JR Raab
2304 Kelbe Drive
Little Chute, WI 54140
# SPECIFICATIONS FOR ONE (1) NEW COMPACT EXCAVATOR

## MINIMUM SPECIFICATIONS

<table>
<thead>
<tr>
<th>ENGINE</th>
<th>SPECIFICATIONS</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>A. MINIMUM 23.0 HP DIESEL – TIER 4 FINAL</td>
<td></td>
</tr>
<tr>
<td></td>
<td>B. AUTO IDLE</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SIZE</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>II.</td>
<td>A. OVERALL UNDER CARRIAGE LENGTH-85 INCHES</td>
</tr>
<tr>
<td></td>
<td>B. TOTAL WIDTH – LESS THAN OR EQUAL TO 70 INCHES</td>
</tr>
<tr>
<td></td>
<td>C. HEIGHT WITH OPERATOR CAB – LESS THAN OR EQUAL TO 100 INCHES</td>
</tr>
<tr>
<td></td>
<td>D. OPERATING WEIGHT (WITH OPERATOR, STD BUCKET AND FULL FLUIDS)-APPROX.</td>
</tr>
<tr>
<td></td>
<td>E. BUCKET RATING – (SAE HEAPED) – DIRT TYPE-MINIMUM</td>
</tr>
<tr>
<td></td>
<td>F. BUCKET WIDTH-24 INCHES</td>
</tr>
<tr>
<td></td>
<td>G. GROUND CLEARANCE – BETWEEN TRACKS-MINIMUM 12 INCHES</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PERFORMANCE</th>
<th>PROPOSED</th>
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</thead>
<tbody>
<tr>
<td>III.</td>
<td>A. DIGGING REACH (GROUND LEVEL)-200 INCHES</td>
</tr>
<tr>
<td></td>
<td>B. CUTTING HEIGHT-190 INCHES</td>
</tr>
<tr>
<td></td>
<td>C. DIGGING DEPTH-120 INCHES</td>
</tr>
<tr>
<td></td>
<td>D. DUMP HEIGHT-120 INCHES</td>
</tr>
<tr>
<td></td>
<td>E. TRAVEL SPEED-LOW SPEED-1.6 MPH</td>
</tr>
<tr>
<td></td>
<td>F. TRAVEL SPEED-HIGH SPEED-2.7 MPH</td>
</tr>
<tr>
<td></td>
<td>G. SWING SPEED-9 RPM</td>
</tr>
<tr>
<td></td>
<td>H. BOOM SWING ANGLE (LEFT/RIGHT)-43/65 DEGREES</td>
</tr>
<tr>
<td></td>
<td>I. MAXIMUM DIGGING FORCE-BUCKET/ARM-5643 LBS</td>
</tr>
<tr>
<td></td>
<td>J. GROUND PRESSURE-RUBBER TRACKS-5.0 PSI MAXIMUM</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HYDRAULICS</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>IV.</td>
<td>A. MUST HAVE MINIMUM 19 GPM TOTAL OIL FLOW FROM VARIABLE DISPLACEMENT PUMPS AND 6 GPM FROM GEAR PUMP</td>
</tr>
<tr>
<td></td>
<td>B. MAIN RELIEF PRESSURE SETTING-3000 PSI</td>
</tr>
<tr>
<td></td>
<td>C. HYDRAULIC PTO OUTPUT (COMBINE FLOW, DOUBLE ACTION) OF 16 GPM FROM GEAR PUMP</td>
</tr>
<tr>
<td></td>
<td>D. HYDRAULIC ANGLE BLADE</td>
</tr>
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<table>
<thead>
<tr>
<th>UNDERCARRIAGE</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>V. RUBBER TRACKS WITH 11.5 INCH WIDTH</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>SAFETY EQUIPMENT</th>
<th>PROPOSED</th>
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</thead>
<tbody>
<tr>
<td>VI. OPERATOR CANOPY</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ATTACHMENTS</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>VII.</td>
<td>ATTACHMENTS MUST INCLUDE A HYDRAULIC THUMB</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPTIONS</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>VIII.</td>
<td>A. ANGLED BLADE</td>
</tr>
<tr>
<td></td>
<td>B. WORK LIGHTS ON BOOM</td>
</tr>
<tr>
<td></td>
<td>C. REMOVEABLE SMOOTH COVER FOR BUCKET TEETH</td>
</tr>
</tbody>
</table>

PLEASE COMPLETE AND RETURN THE MINIMUM SPECIFICATIONS FORMS SUPPLIED ANY QUESTIONS REGARDING THESE SPECIFICATIONS SHOULD BE DIRECTED TO:
BIDDER’S PROPOSAL

DATE: ____________________________

CITY OF ESCANABA
ESCANABA, MI 49829

NOTE: BIDDERS ARE ENCOURAGED TO SUBMIT MULTIPLE BIDS FOR VARIOUS MANUFACTURERS AND/OR MODELS

WE, THE UNDERSIGNED, AGREE TO FURNISH THE CITY OF ESCANABA, MICHIGAN ONE (1) NEW COMPACT EXCAVATOR, IN ACCORDANCE WITH THE ATTACHED MINIMUM SPECIFICATIONS, WHICH ARE A PART OF THIS PROPOSAL, AT THE FOLLOWING PRICE:

ONE (1) NEW COMPACT EXCAVATOR          $________________________

MAKE:_________________________________

MODEL:_________________________________

DELIVERY DATE:__________________________

CERTIFIED CHECK, CASHIER’S CHECK, OR BIDDER’S BOND ENCLOSED IN THE AMOUNT OF: $________________________

SUBMITTED BY:

FIRM:_________________________________

ADDRESS:_______________________________

PHONE:_________________________________

BY:___________________________________

TITLE:_________________________________

PRINTED NAME:_________________________
NOTICE TO BIDDERS

Sealed bids will be received by the City of Escanaba at the office of the City Clerk, on or before 2 p.m. e.s.t., on: March 14, 2017

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COMPACT EXCAVATOR BID OF 2017

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Michael Furmanski
Electric Superintendent
City of Escanaba
SPECIFICATIONS FOR ONE (1) NEW COMPACT EXCAVATOR

MINIMUM SPECIFICATIONS

I. ENGINE
   A. MINIMUM 23.0 HP DIESEL — TIER 4 FINAL
   B. AUTO IDLE

II. SIZE
   A. OVERALL UNDER CARRIAGE LENGTH—85 INCHES
   B. TOTAL WIDTH—LESS THAN OR EQUAL TO 70 INCHES
   C. HEIGHT WITH OPERATOR CAB—LESS THAN OR EQUAL TO 100 INCHES
   D. OPERATING WEIGHT (WITH OPERATOR, STD BUCKET AND FULL FLUIDS) APPROX.
   E. BUCKET RATING — (S.A.E. HEAPED) — DIRT TYPE—MINIMUM
   F. BUCKET WIDTH—24 INCHES
   G. GROUND CLEARANCE—BETWEEN TRACKS—MINIMUM 12 INCHES

III. PERFORMANCE
   A. DIGGING REACH (GROUND LEVEL)—200 INCHES
   B. CUTTING HEIGHT—190 INCHES
   C. DIGGING DEPTH—120 INCHES
   D. DUMP HEIGHT—120 INCHES
   E. TRAVEL SPEED—LOW SPEED—1.6 MPH
   F. TRAVEL SPEED—HIGH SPEED—2.7 MPH
   G. SWING SPEED—9 RPM
   H. BOOM SWING ANGLE (LEFT/RIGHT)—43/65 DEGREES
   I. MAXIMUM DIGGING FORCE—BUCKET/ARM—5645 LBS
   J. GROUND PRESSURE—RUBBER TRACKS—5.0 PSI MAXIMUM

IV. HYDRAULICS
   A. MUST HAVE MINIMUM 19 GPM TOTAL OIL FLOW FROM VARIABLE DISPLACEMENT PUMPS AND 6 GPM FROM GEAR PUMP
   B. MAIN RELIEF PRESSURE SETTING—3000 PSI
   C. HYDRAULIC PTO OUTPUT (COMBINE FLOW, DOUBLE ACTION) OF 16 GPM FROM GEAR PUMP
   D. HYDRAULIC ANGLE BLADE

V. UNDERCARRIAGE
   RUBBER TRACKS WITH 11.5 INCH WIDTH

VI. SAFETY EQUIPMENT
   OPERATOR CANOPY

VII. ATTACHMENTS
   ATTACHMENTS MUST INCLUDE A HYDRAULIC THUMB

VIII. OPTIONS
   A. ANGLED BLADE
   B. WORK LIGHTS ON BOOM
   C. REMOVABLE SMOOTH COVER FOR BUCKET TEETH

PLEASE COMPLETE AND RETURN THE MINIMUM SPECIFICATIONS FORMS SUPPLIED

ANY QUESTIONS REGARDING THESE SPECIFICATIONS SHOULD BE DIRECTED TO:
MIKE FURMANSKI
ELECTRIC SUPERINTENDENT
1711 SHERIDAN ROAD
ESCANABA, MI 49829
TELEPHONE: (906) 786-0081

BIDDER'S PROPOSAL

DATE: March 14, 2017

CITY OF ESCANABA
ESCANABA, MI 49829

NOTE: BIDDERS ARE ENCOURAGED TO SUBMIT MULTIPLE BIDS FOR VARIOUS MANUFACTURERS AND/OR MODELS

WS, THE UNDERSIGNED, AGREE TO FURNISH THE CITY OF ESCANABA, MICHIGAN ONE (1) NEW COMPACT EXCAVATOR, IN ACCORDANCE WITH THE ATTACHED MINIMUM SPECIFICATIONS, WHICH ARE A PART OF THIS PROPOSAL, AT THE FOLLOWING PRICE:

ONE (1) NEW COMPACT EXCAVATOR

MAKE: Hitachi
MODEL: ZX35U-5

DELIVERY DATE: 60 days from date of order

CERTIFIED CHECK, CASHIER'S CHECK, OR BIDDER'S BOND ENCLOSED IN THE AMOUNT OF:

$ 41,640.00

$ 4,164.00

SUBMITTED BY:

FIRM: NORTRAX, INC.

ADDRESS: 1818 North Lincoln Road, Escanaba, MI 49829

PHONE: (906) 789-9054

BY: 

TITLE: Territory Manager

PRINTED NAME: Scott Lippens
3/9/2017

Bill To:
City of Escanaba
Mike Furmansi
1711 Sheridan Rd.
Escanaba, MI 49829

Quote #: 00242-JR
PO #:

Ship To:
City of Escanaba
Mike Furmansi
1711 Sheridan Rd.
Escanaba, MI 49829

1 - Yanmar ViO35-6A, New 2017 with:

- Yanmar Tier 4 3TNV88F-ESBV Diesel Engine 24.4 HP
- ECO & Auto-Deceleration Functions
- Digital Smart Assist Control System
- (ViPSS) 3 Pumps Combine Flow for Simultaneous Combined Movements
- 2 Speed Travel (Up to 2.7 MPH)
- ROPS Open Canopy
- Work Lights on Boom & Canopy
- Hydraulic Angle Backfill Blade
- 7,905 LBS Operating Weight
- 5' 9" Overall Width
- 11' 3" Digging Depth
- 17' 8" Maximum Reach
- 12" Width Rubber Tracks
- Standard Hydraulic Quick Attach
- Standard Remote Hydraulics
- Standard Back Fill Blade
- Standard Bucket 24"
- True Zero Tail Swing

- 3 Year/3,000 Hour Standard Yanmar Limited Warranty.
- 3 Year/3,000 Hour Standard Yanmar Engine Warranty
- Unit Must be Inspected Annually /1,000 Hours During Warranty at Customers Expense

$41,534.00
Accepted by ___________________________ Date ________________

Sincerely,

JR Raab
Sales Representative
(715) 216-4188
jraab@vermeerwisconsin.com
SPECIFICATIONS FOR ONE (1) NEW COMPACT EXCAVATOR

MINIMUM SPECIFICATIONS

I. ENGINE
   A. MINIMUM 23.0 HP DIESEL – TIER 4 FINAL
   B. AUTO IDLE

II. SIZE
   A. OVERALL UNDER CARRIAGE LENGTH-85 INCHES
   B. TOTAL WIDTH – LESS THAN OR EQUAL TO 70 INCHES
   C. HEIGHT WITH OPERATOR CAB – LESS THAN OR EQUAL TO 100 INCHES
   D. OPERATING WEIGHT (WITH OPERATOR, STD BUCKET
      AND FULL FLUIDS)-APPROX.
   E. BUCKET RATING – (SAE HEAPED) – DIRT TYPE-MINIMUM
   F. BUCKET WIDTH-24 INCHES
   G. GROUND CLEARANCE – BETWEEN TRACKS-MINIMUM 12 INCHES

III. PERFORMANCE
   A. DIGGING REACH (GROUND LEVEL)-200 INCHES
   B. CUTTING HEIGHT-190 INCHES
   C. DIGGING DEPTH-120 INCHES
   D. DUMP HEIGHT-120 INCHES
   E. TRAVEL SPEED-LOW SPEED-1.6 MPH
   F. TRAVEL SPEED-HIGH SPEED-2.7 MPH
   G. SWING SPEED-9 RPM
   H. BOOM SWING ANGLE (LEFT/RIGHT)-43/65 DEGREES
   I. MAXIMUM DIGGING FORCE-BUCKET/ARM-5643 LBS
   J. GROUND PRESSURE-RUBBER TRACKS-5.0 PSI MAXIMUM

IV. HYDRAULICS
   A. MUST HAVE MINIMUM 19 GPM TOTAL OIL FLOW FROM
      VARIABLE DISPLACEMENT PUMPS AND 6 GPM FROM
      GEAR PUMP
   B. MAIN RELIEF PRESSURE SETTING-3000 PSI
   C. HYDRAULIC PTO OUTPUT (COMBINE FLOW, DOUBLE ACTION)
      OF 16 GPM FROM GEAR PUMP
   D. HYDRAULIC ANGLE BLADE

V. UNDERCARRIAGE
   RUBBER TRACKS WITH 11.5 INCH WIDTH

VI. SAFETY EQUIPMENT
   OPERATOR CANOPY

VII. ATTACHMENTS
    ATTACHMENTS MUST INCLUDE A HYDRAULIC THUMB

VIII. OPTIONS
   A. ANGLED BLADE
   B. WORK LIGHTS ON BOOM
   C. REMOVEABLE SMOOTH COVER FOR BUCKET TEETH

PLEASE COMPLETE AND RETURN THE MINIMUM SPECIFICATIONS FORMS SUPPLIED
ANY QUESTIONS REGARDING THESE SPECIFICATIONS SHOULD BE DIRECTED TO:
BIDDER’S PROPOSAL

DATE: 3-9-2017

CITY OF ESCANABA
ESCANABA, MI 49829

NOTE: BIDDERS ARE ENCOURAGED TO SUBMIT MULTIPLE BIDS FOR VARIOUS MANUFACTURERS AND/OR MODELS

WE, THE UNDERSIGNED, AGREE TO FURNISH THE CITY OF ESCANABA, MICHIGAN ONE (1) NEW COMPACT EXCAVATOR, IN ACCORDANCE WITH THE ATTACHED MINIMUM SPECIFICATIONS, WHICH ARE A PART OF THIS PROPOSAL, AT THE FOLLOWING PRICE:

ONE (1) NEW COMPACT EXCAVATOR

MAKE: Yanmar
MODEL: ViO 35-6B
DELIVERY DATE: 45-60 DAYS

CERTIFIED CHECK, CASHIER’S CHECK, OR BIDDER’S BOND ENCLOSED IN THE AMOUNT OF: $41,534.00

SUBMITTED BY:

FIRM: Vermeer - Wisconsin
ADDRESS: 2304 Kelbe Dr. Little Chute
PHONE: 715-216-4188
BY: JR Roah
TITLE: Sales
PRINTED NAME: JR Roah
BIDDER'S PROPOSAL

DATE: 3/9/17

CITY OF ESCANABA
ESCANABA, MI 49829

NOTE: BIDDERS ARE ENCOURAGED TO SUBMIT MULTIPLE BIDS FOR VARIOUS MANUFACTURERS AND/OR MODELS

WE, THE UNDERSIGNED, AGREE TO FURNISH THE CITY OF ESCANABA, MICHIGAN ONE (1) NEW COMPACT EXCAVATOR, IN ACCORDANCE WITH THE ATTACHED MINIMUM SPECIFICATIONS, WHICH ARE A PART OF THIS PROPOSAL, AT THE FOLLOWING PRICE:

ONE (1) NEW COMPACT EXCAVATOR

MAKE: Bobcat
MODEL: E35
DELIVERY DATE: 6/14/17

CERTIFIED CHECK, CASHIER'S CHECK, OR BIDDER'S BOND ENCLOSED IN THE AMOUNT OF: $51,805.44

SUBMITTED BY:

FIRM: Midway Rentals and Sales
ADDRESS: 13 Midway Industrial Park
PHONE: (906) 728-4200
BY: Scott Lotterman
TITLE: Sales Representative
PRINTED NAME: Scott Lotterman
## Product Quotation

Quotation Number: 26484D026528  
Date: 2017-03-06 16:23:55

<table>
<thead>
<tr>
<th>Ship to</th>
<th>Bobcat Dealer</th>
<th>Bill To</th>
</tr>
</thead>
</table>
| City of Escanaba  
Attn: Mike Furmanski  
1711 Sherman Road  
Escanaba, MI 49829  
Phone: (906) 786-0081 | Midway Rentals, Inc., Negaunee, MI  
43 INDUSTRIAL PARK RD  
NEGAUNEE MI 49866  
Phone: 906-228-4200  
Fax: 906-228-9379 | City of Escanaba  
Attn: Mike Furmanski  
1711 Sherman Road  
Escanaba, MI 49829  
Phone: (906) 786-0081 |

Contact: Scott Lottermann  
Phone: 906-228-4200  
Fax: 906-228-9379  
Cellular: 906-250-1300  
E Mail: scottl@mrmgt.com

### Description

**E35 T4 ZTS Bobcat Compact Excavator**

- 33.5 HP Tier 4  
- Auto Idle  
- Auto-Shift  
- Auxiliary Hydraulics, Selectable Flow with Boom Mounted  
- Flush Face Quick Couplers  
- Canopy  
- Includes: Cup Holder, Retractable Seat Belt, Suspension Seat with High Back  
- Tip Over Protective Structure (TOPS) - Meets Requirements of ISO 12117: 2000  
- Control Console Locks  
- Control Pattern Selector Valve (ISO/STD)  
- Dozer Blade with Float  

**A96 Option package**  
- Enclosed Cab with Heat and Air Conditioning  
- Deluxe Cloth Suspension Seat  
- Hydraulic X-Change  
- Pro Clamp System (Class III)  
- Secondary Auxiliary Hydraulics  

**24" Base Class 3**  
- 24" X-Change Std. Duty Trenching Bucket, Class 3 (Smooth Lip)

<table>
<thead>
<tr>
<th>Part No</th>
<th>Qty</th>
<th>Price Ea.</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>M3207</td>
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<td>$52,436.00</td>
<td>$52,436.00</td>
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<tr>
<td>M3207-P01-A96</td>
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<td>$13,668.00</td>
<td>$13,668.00</td>
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<td>M7021</td>
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<tr>
<td>M7021-R01-C03</td>
<td>1</td>
<td>$835.00</td>
<td>$835.00</td>
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**Total of Items Quoted**  
- $66,939.00  
- $200.00  
- $732.00  
- $0.00  
- $67,871.00

**Quote Total - US dollars**  
- $67,871.00

**Notes:**  
All prices subject to change without prior notice or obligation. This price quote supersedes all preceding price quotes. Customer must exercise his purchase option within 30 days from quote date.
<table>
<thead>
<tr>
<th>Customer Acceptance:</th>
<th>Purchase Order:</th>
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</thead>
<tbody>
<tr>
<td>Authorized Signature:</td>
<td></td>
</tr>
<tr>
<td>Print:</td>
<td>Sign:</td>
</tr>
</tbody>
</table>
BIDDER’S PROPOSAL

DATE: March 14, 2017

CITY OF ESCANABA
ESCANABA, MI 49629

NOTE: BIDDERS ARE ENCOURAGED TO SUBMIT MULTIPLE BIDS FOR VARIOUS MANUFACTURERS AND/OR MODELS

WE, THE UNDERSIGNED, AGREE TO FURNISH THE CITY OF ESCANABA, MICHIGAN ONE (1) NEW COMPACT EXCAVATOR, IN ACCORDANCE WITH THE ATTACHED MINIMUM SPECIFICATIONS, WHICH ARE A PART OF THIS PROPOSAL, AT THE FOLLOWING PRICE:

ONE (1) NEW COMPACT EXCAVATOR

MAKE: CATERPILLAR
MODEL: 303.5e2
DELIVERY DATE: March 21, 2017

CERTIFIED CHECK, CASHIER’S CHECK, OR BIDDER’S BOND ENCLOSED IN THE AMOUNT OF:

$ 47,000.00
NOTE: Price includes a CAT full machine warranty for a total of 60 Mo. / 1500 Hrs.

$ 10% Bid Bond

SUBMITTED BY:

FIRM: FABICK CAT
ADDRESS: 235 Hwy 41, Marquette, MI 49855
PHONE: (906) 445-5089
BY: JED KOSKI
TITLE: TERRITORY MANAGER
PRINTED NAME: JED KOSKI
# SPECIFICATIONS FOR ONE (1) NEW COMPACT EXCAVATOR

## MINIMUM SPECIFICATIONS

<table>
<thead>
<tr>
<th>ENGINE</th>
<th>SPECS PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. MINIMUM 23.0 HP DIESEL – TIER 4 FINAL</td>
<td>23.5 HP</td>
</tr>
<tr>
<td>B. AUTO IDLE</td>
<td>YES</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>SIZE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. OVERALL UNDER CARRIAGE LENGTH-85 INCHES</td>
<td>87”</td>
</tr>
<tr>
<td>B. TOTAL WIDTH – LESS THAN OR EQUAL TO 70 INCHES</td>
<td>70”</td>
</tr>
<tr>
<td>C. HEIGHT WITH OPERATOR CAB – LESS THAN OR EQUAL TO 100 INCHES</td>
<td>68”</td>
</tr>
<tr>
<td>D. OPERATING WEIGHT (WITH OPERATOR, STD BUCKET AND FULL FLUIDS)-APPROX.</td>
<td>8209#</td>
</tr>
<tr>
<td>E. BUCKET RATING – (SAE HEAPED) – DIRT TYPE-MINIMUM</td>
<td>.16 cu.yd. (Struck)</td>
</tr>
<tr>
<td>F. BUCKET WIDTH-24 INCHES</td>
<td>YES</td>
</tr>
<tr>
<td>G. GROUND CLEARANCE – BETWEEN TRACKS-MINIMUM 12 INCHES</td>
<td>16”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PERFORMANCE</th>
<th></th>
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<tbody>
<tr>
<td>A. DIGGING REACH (GROUND LEVEL)-200 INCHES</td>
<td>209”</td>
</tr>
<tr>
<td>B. CUTTING HEIGHT-190 INCHES</td>
<td>196”</td>
</tr>
<tr>
<td>C. DIGGING DEPTH-120 INCHES</td>
<td>123”</td>
</tr>
<tr>
<td>D. DUMP HEIGHT-120 INCHES</td>
<td>143”</td>
</tr>
<tr>
<td>E. TRAVEL SPEED-LOW SPEED-1.6 MPH</td>
<td>2.0 mph</td>
</tr>
<tr>
<td>F. TRAVEL SPEED-HIGH SPEED-2.7 MPH</td>
<td>2.9 mph</td>
</tr>
<tr>
<td>G. SWING SPEED-9 RPM</td>
<td>10 rpm</td>
</tr>
<tr>
<td>H. BOOM SWING ANGLE (LEFT/RIGHT)-43/65 DEGREES</td>
<td>80/50</td>
</tr>
<tr>
<td>I. MAXIMUM DIGGING FORCE-BUCKET/ARM-5645 LBS</td>
<td>7418 Lbf</td>
</tr>
<tr>
<td>J. GROUND PRESSURE-RUBBER TRACKS-5.0 PSI MAXIMUM</td>
<td>4.5 psi</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HYDRAULICS</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>A. MUST HAVE MINIMUM 19 GPM TOTAL OIL FLOW FROM VARIABLE DISPLACEMENT PUMPS AND 6 GPM FROM GEAR PUMP</td>
<td>28.4 gpm</td>
</tr>
<tr>
<td>B. MAIN RELIEF PRESSURE SETTING-3000 PSI</td>
<td>2550 psi</td>
</tr>
<tr>
<td>C. HYDRAULIC PTO OUTPUT (COMBINE FLOW, DOUBLE ACTION) OF 16 GPM FROM GEAR PUMP</td>
<td>18.5 gpm</td>
</tr>
<tr>
<td>D. HYDRAULIC ANGLE BLADE</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>UNDERCARRIAGE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RUBBER TRACKS WITH 11.5 INCH WIDTH</td>
<td>12”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SAFETY EQUIPMENT</th>
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</tr>
</thead>
<tbody>
<tr>
<td>OPERATOR CANOPY</td>
<td>Yes, Enclosed Cab</td>
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</tbody>
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<table>
<thead>
<tr>
<th>ATTACHMENTS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ATTACHMENTS MUST INCLUDE A HYDRAULIC THUMB</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPTIONS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. ANGLED BLADE</td>
<td>N/A</td>
</tr>
<tr>
<td>B. WORK LIGHTS ON BOOM</td>
<td>Yes</td>
</tr>
<tr>
<td>C. REMOVEABLE SMOOTH COVER FOR BUCKET TEETH</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Please complete and return the minimum specifications forms supplied

Any questions regarding these specifications should be directed to:
March 14, 2017

Mike Furmanski
City Of Escanaba
Po Box 948
Escanaba, MI 49829

We are pleased to quote the following 2017 Caterpillar 303.5E2 CR Compact Excavator with the following factory and dealer options included for your consideration:

* Track, Rubber Belt
* Radio
* Lines, Quick Coupler (Long)
* Mirror, Cab, Rear
* Hydraulic Thumb and Quick Coupler
* Battery, Disconnect
* 70" Blade
* Pattern Control Changer
* Travel Alarm
* Cab with Heat & A/C
* Long Stick Auxiliary Lines
* Heavy Duty Long Stick
* 24" Bucket

* Warranty: Base Warranty is 12 Months/Unlimited Hours with 6 Months Mileage, PLUS Premier (Bumper to Bumper) Coverage out to a total of 60 Months or 1500 Hours, whichever comes first, (no deductible).

Cash Investment: $47,000.00

On behalf of Fabick Cat and myself, thank you for the opportunity.

Respectfully,

Jed Koski
Fabick CAT Territory Manager
Cell: (906)458-5689
Email: jed.koski@fabickcat.com

This proposal is good for 30 days
MEMORANDUM

To: Jim O'Toole

From: Mike Furmanski

Date: 12APR17

Re: Pole Inspection/Treatment Bid Recommendation

The Electric Department recently requested bids for pole testing/treatment. Bids were sent to 3 contractors and 1 bid was received. The contractor that submitted a bid is qualified to do this type of work. The bid from Karcz Utility Services of Pulaski, WI met all the bid specs. The amounts bid by Karcz were higher than the 2015 bid amounts as shown below:

<table>
<thead>
<tr>
<th></th>
<th>Karcz 2015</th>
<th>Karcz 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visual Inspection</td>
<td>$6.50</td>
<td>$9.50</td>
</tr>
<tr>
<td>Partial Excavation/Sound &amp; Bore</td>
<td>$12.00</td>
<td>$14.75</td>
</tr>
<tr>
<td>Partial Excavation Reject</td>
<td>$14.00</td>
<td>$16.75</td>
</tr>
<tr>
<td>Excavated Reject</td>
<td>$50.00</td>
<td>$60.00</td>
</tr>
<tr>
<td>External Treatment</td>
<td>$55.00</td>
<td>$67.50</td>
</tr>
<tr>
<td>Hollow Heart Treatment</td>
<td>$22.50</td>
<td>$35.00</td>
</tr>
<tr>
<td>Boron Rods</td>
<td>$2.25</td>
<td>$3.30</td>
</tr>
<tr>
<td>Mobilization</td>
<td>$500.00</td>
<td>$500.00</td>
</tr>
</tbody>
</table>

I am recommending that we accept the bid from Karcz Utility Services, LLC of Pulaski, Wisconsin for an amount not to exceed $28,000. If approved, they will be informed that this work will be limited to approximately 720 poles or $28,000. They performed pole testing/treatment for the City of Escanaba previously and have done a very nice job.
BID: 2017 POLE INSPECTION/TREATMENT

TO BIDDERS: TUESDAY, FEBRUARY 21, 2017

ADVERTISED: FRIDAY, FEBRUARY 24, 2017

BID OPENING: TUESDAY, MARCH 14, 2017

INVITATIONS TO BID
SENT TO: THREE (3)

OSMOSE UTILITY SERVICES, INC
215 GREENCASTLE ROAD
TYRONE, GA 30290-2944

UTILITY POLE TECHNOLOGIES
708 BLAIR MILL ROAD
WILLOW GROVE, PA 19090

KARCZ POLE INSPECTION
N1655 LANEY ROAD
SEYMOUR, WI 54165
NOTICE TO BIDDERS

Proposals will be received by the City of Escanaba at the office of the Electric Superintendent, on or before 2 p.m. e.s.t., on: TUESDAY, MARCH 14, 2017.

The City of Escanaba, Michigan reserves the right to reject any or all bids, or any part thereof at its discretion, and to waive any irregularities in the bidding. The City of Escanaba, Michigan may also split bids at its discretion. The City further reserves the right to negotiate directly with any and all bidders concerning any matter related to any bid.

All City of Escanaba, Michigan bids are prepared to afford all vendors the equal opportunity for fair and equitable competition. The City of Escanaba, Michigan assumes no liability or responsibility for any errors or oversights in the preparation and/or publication of bids.

Mike Furmanski
Electric Superintendent
City of Escanaba

The City of Escanaba Electric Department is requesting proposals for pole inspection work for 2017.

Enclosed is our specification titled “Pole Inspection/Treatment”.

Our scheduled work for 2017 will be limited to approximately 360 poles.

All work covered under this proposal is to be completed by June 1, 2017.

The City of Escanaba Electric Department will provide maps for the areas where we wish to have poles tested. Each pole will have a city pole number on it, which must be recorded on the inspection sheets.
CITY OF ESCANABA ELECTRIC DEPARTMENT
POLE INSPECTION/TREATMENT SPECIFICATIONS

INTRODUCTION

The purpose of these specifications is to provide requirements for the inspection and treatment of wooden poles owned by the City of Escanaba Electric Department, located on both public right-of-way and private property. All work performed by the Contractor is subject to inspection and approval by the City of Escanaba Electric Department. The contractor will be responsible for any damages to private property.

SAFETY

The Contractor shall comply with all pertinent federal, state, and local laws, rules, and regulations in regards to work performed for the City of Escanaba Electric Department.

The Contractor must notify the City of Escanaba Electric Department immediately of any accidents, incidents, property damages, etc.

REQUIREMENTS

Visual Inspection Process
1. Pole is visually inspected for mechanical damage, wood pecker holes, lean, etc.
2. Equipment is visually inspected for:
   Broken ground wire
   Ground rod above ground line
   Broken or missing guy markers
   Broken guy wires
   Frayed or damaged conductors
   Leaking or rusty transformers
   Blown lightning arresters
   Broken insulators
   Broken, rotten, or mossy crossarms
   Trees touching or near wires
   Low conductors
Pole Inspection Process (Partial Excavation)

1. Each pole is sounded with a hammer from ground level to as high as the pole inspector can reach.
2. A 6 to 10 inch deep shovel full of earth is removed from the pole to look for exterior decay. This partial excavation is to take place on the lowest side of the pole, or near the drying check.
3. Each pole is to be drilled at a 45 degree angle starting 3 inches below ground line with a 3/8 inch drill bit past the center of the pole. If no internal decay is detected, the hole shall be plugged with a 7/16 X 3 inch treated wooden dowel. If internal decay is detected, the pole shall be bored on all 4 quarters to determine shell thickness. A shell thickness of less than 3 inches is to be considered a reject pole. A shell thickness of less than 2 inches is to be considered a danger pole.
4. If no external or internal decay was detected, an inspection tag with contractor name and year is nailed to the pole in an appropriate location.

External Treatment Process (Full Excavation)

1. Pole is excavated to a minimum depth of 18 inches below ground line, using a tarp to contain excavated dirt.
2. All dirt in the treatment area shall be removed with a wire brush.
3. All decay shall be removed from the pole.
4. New pole circumference is taken to determine if pole class has changed or if pole is now a reject. The City of Escanaba Electric Department will allow one class change.
5. Preservative is applied to a 1/16 to 1/8 inch thickness in the treatment area.
6. Preservative shall be wrapped with a plastic backed paper to keep treatment on pole and to keep preservative from leaching into the ground.
7. Soil shall be carefully returned around pole to prevent paper from ripping, with a slight rise in soil level surrounding the pole.
8. Pole shall be tagged with a tag that has treatment, year, and contractors name.

Internal Treatment Process (Internal void)

1. Internal decay has been detected and pole is bored on all four quarters to determine shell thickness.
2. If pole is not a reject, pole shall be bored to determine the highest point of the internal void.
3. Copper solution shall be pumped into the void.
4. Once void is full, the drill holes shall be filled with treated wooden plugs.
5. Pole shall be tagged with an internal treat tag with year and contractors name.

INSURANCE

The selected contractor shall provide the City of Escanaba with the following evidence of insurance before the commencement of the work:
Workers Compensation

Coverage A  Statutory – Michigan
Coverage B  $100,000

Comprehensive General Liability

Bodily Injury  $1,000,000 Combined Single Limits (minimum)
Property Damage  $1,000,000 Combined Single Limits (minimum)

Comprehensive Auto Liability

Auto Liability  $1,000,000 Combined Single Limits (minimum)

The City of Escanaba shall be named as “additional insured” on all certificates. All policies affording coverage under the insurance requirements shall further be endorsed to provide a ten (10) day notice to be delivered to the City of Escanaba before any coverages are either reduced or cancelled.

MISCELLANEOUS

The person who knows the location and work schedule of the Contractor’s crews needs to report work location daily to the City of Escanaba Electric Department and be readily accessible by phone, radio, or pager.

The Contractor must supply a list of references with contact names and phone numbers.

The City of Escanaba Electric Department reserves the right to reject any and all equipment owned by the contractor. The City of Escanaba Electric Department reserves the right to terminate the contract at any time for unsafe work practices.

ANY QUESTIONS REGARDING THESE SPECIFICATIONS SHOULD BE DIRECTED TO:

Mike Furanski
Electric Superintendent
mfuranski@escanaba.org
City of Escanaba Electric Department
1711 Sheridan Road
Escanaba, MI 49829
(906) 786-0061 office
(906) 786-0791 fax
(906) 280-8757 cell
City of Escanaba Electric 2017 Pole Inspection/Treatment Bid Detail

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost</th>
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</thead>
<tbody>
<tr>
<td>Visual Inspection</td>
<td>$_____/pole</td>
</tr>
<tr>
<td>Partial Excavation/Sound and Bore</td>
<td>$_____/pole</td>
</tr>
<tr>
<td>Partial Excavation Reject</td>
<td>$_____/pole</td>
</tr>
<tr>
<td>Excavated Reject</td>
<td>$_____/pole</td>
</tr>
<tr>
<td>External Treatment</td>
<td>$_____/pole</td>
</tr>
<tr>
<td>Hollow Heart Treatment or Cobra Rod</td>
<td>$_____/pole</td>
</tr>
<tr>
<td>Mobilization (if applicable)</td>
<td>$_____</td>
</tr>
<tr>
<td>Approximate start date</td>
<td>_______</td>
</tr>
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</table>

SUBMITTED BY:
FIRM:______________________________________________
ADDRESS:___________________________________________
SIGNATURE:_________________________________________
PRINTED:___________________________________________
TITLE:_____________________________________________
PHONE:____________________ FAX:____________________
City of Escanaba Electric 2017 Pole Inspection/Treatment Bid Detail

<table>
<thead>
<tr>
<th>Service</th>
<th>Rate</th>
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<tbody>
<tr>
<td>Visual Inspection</td>
<td>$9.50/pole</td>
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<tr>
<td>Partial Excavation/Sound and Bore</td>
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<td>$100.00/pole</td>
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<tr>
<td>External Treatment</td>
<td>$67.50/pole</td>
</tr>
<tr>
<td><strong>Hollow Heart Treatment or Cobra Rod</strong></td>
<td>$3.30/pole</td>
</tr>
<tr>
<td><strong>Hollow Heart Treatment</strong></td>
<td>$35.00/pole</td>
</tr>
<tr>
<td>Mobilization (if applicable)</td>
<td>$500.00</td>
</tr>
<tr>
<td>Approximate start date</td>
<td>10/16/17</td>
</tr>
</tbody>
</table>

SUBMITTED BY:

FIRM: **Kartz Utility Services, LLC**

ADDRESS: 977 Yurek Rd Pulaski, WI 54162

SIGNATURE: 

PRINTED: **Dave Kartz Jr**

TITLE: **Member**

PHONE: 920-822-2063 FAX: —
## Certificate of Liability Insurance

**Producer:** The Insurance Center  
P.O. Box 29517  
Green Bay, WI 54324-0107

**Insured:** Karoz Utility Services, LLC  
977 Yurek Rd  
Pulaski, WI 54162

**Insurer:** Hastings Mutual

**Certificate Number:** CPP9992488

**Revision Number:**

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<th>Type of Insurance</th>
<th>Policy Number</th>
<th>Policy Exp. Mm/dd/yyyy</th>
<th>Policy Exp. Mm/dd/yyyy</th>
<th>Limits</th>
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<td>03/01/2018</td>
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<tr>
<td>A</td>
<td>Automobile Liability</td>
<td>LOC</td>
<td>03/01/2017</td>
<td>03/01/2018</td>
<td>1,000,000</td>
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<tr>
<td>A</td>
<td>Umbrella Liability</td>
<td>X OCCUR</td>
<td>03/01/2017</td>
<td>03/01/2018</td>
<td>4,000,000</td>
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<tr>
<td>A</td>
<td>Workers' Compensation</td>
<td>N/A</td>
<td>03/01/2017</td>
<td>03/01/2018</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Description of Operations/ Locations/ Vehicles:** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Escanaba, Michigan is included as an additional insured under the general liability policy as their interest may appear.

**Certificate Holder:** City of Escanaba  
PO Box 943  
Escanaba, MI 49829-0948

**Cancellation:**

Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

**Authorized Representative:**

[Signature]

ACORD 25 (2016/03)  
© 1988-2015 ACORD CORPORATION. All rights reserved.
MEMORANDUM

To: Jim O'Toole
From: Mike Furmanski
Date: 13 APR 17
Re: Geosyntec recommendation

Over the past few years, we have been working with Geosyntec of Ann Arbor, MI regarding the groundwater contamination on the former power plant property. In 2016 we submitted a draft mixing zone determination request to the Department of Environmental Quality (DEQ). In their review of this draft, they asked for additional information. Geosyntec has provided us the attached proposal to continue doing this work to gather the information that the DEQ has requested. I am seeking Council approval to continue on with Geosyntec on this work.
Mr. Mike Furmanski  
Electrical Superintendent  
City of Escanaba  
1711 Sheridan Road  
Escanaba, MI 49829

Subject: Proposal for MDEQ Conference Call, Ditch Water Characterization, and Mixing Zone Submittal  
Former Escanaba Generating Station  
2000 Power Plant Road  
Escanaba, Michigan

Dear Mr. Furmanski:

Geosyntec Consultants (Geosyntec) is pleased to provide the City of Escanaba (City) this proposal for environmental services at the Former Escanaba Generation Station Property located at 2000 Power Plant Road, Escanaba, Michigan (Site). This cost proposal is to prepare a ditch characterization sampling plan, conduct a call with the MDEQ to discuss the sampling plan, collect and analyze ditch samples, and revise the drafted mixing zone determination request.

SCOPE OF WORK

Task 1: Ditch Characterization Sampling

Objective  
Characterize water in the site ditches and document the findings

Deliverables  
Sampling Plan and Ditch Water Sample Results Memorandum

Approach  
A sampling plan will be drafted by Geosyntec and provided by email to the MDEQ to initiate a discussion of the ditch classification (e.g. waters of the state) and resubmittal of the request for a Mixing Zone Determination Request. The sampling plan will include aerial photographs of the Site and a discussion of historic ditch usage. It will also include a description of the current condition of the ditch (noting dry segments and areas where groundwater venting is likely occurring).

Geosyntec will provide a draft copy of the sampling plan to the City of Escanaba for review and comment prior to submittal to the MDEQ.

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This task includes the cost to collect samples from five ditch locations during a storm event. Following receipt of laboratory results, Geosyntec will prepare a brief memorandum summarizing the ditch water samples. The memo will include a description of the scope, method and results, and will include a table comparing analytical results to MDEQ generic GSI criteria and water quality values. The memo will also include a figure presenting the sample locations and a copy of the laboratory analytical package.

Assumptions
In addition to our descriptions above:
- The City of Escanaba will confirm with Dun Yet Enterprises that access to the property to conduct sampling is granted.
- Sample collection activities will require no more than four hours on-site and will be completed by Golder Associates, Inc. and field work can be performed in Level D personal protective equipment.
- Pace Analytical out of Green Bay, Wisconsin will perform the laboratory analysis at a standard two-week turnaround time unless otherwise noted below. The estimated analyses including QA/QC samples: eight metals samples (USEPA Methods 6020/7471 analysis for eight metals), eight chloride samples (USEPA Method 300.0). Eight VOC samples (method 8260) and eight SVOCs samples (USEPA Method 8270) will be collected. One of the eight VOC/SVOC samples (location K - outfall) will be run at a one-week turnaround. The other seven VOC/SVOC samples will be placed on hold pending results of the rush sample and analyzed if needed after the results of the rush analysis is received.

Task 2: Mixing Zone Determination Request

Objective
Modify drafted mixing zone determination request to include new ditch data and address MDEQ comments

Deliverables
Revised Mixing Zone Determination Request

Approach
Geosyntec will modify the draft mixing zone determination document to include sample results collected in Task 1 of this proposal. A conference call with the MDEQ will be conducted prior to submittal of the Mixing Zone Determination Request and the following items will be discussed:
- Classification of the ditch and ditch water sample results from Task 1. If the ditch is determined to be waters of the United States, will a NPDES discharge permit be required? If a NPDES permit is needed,
a discussion of potential compliance point sample locations (sentential well[s] or alternate sample location[s]) will be discussed.

- Discharge rate and area of discharge to Little Bay de Noc for the Mixing Zone Determination.
- Maximum concentration of detected analytes used in the Mixing Zone Determination and inclusion of data anomalies/outliers.

The outcomes from this discussion will be incorporated into the Mixing Zone Determination Request.

**Assumptions**

In addition to our descriptions above:

- The Mixing Zone Determination Request will be submitted electronically to the City of Escanaba in draft and final form.
- The final Mixing Zone Determination Request and Signed Review Request Cover Page will be submitted to the MDEQ.
- The final Mixing Zone Determination issued by the MDEQ will be discussed the NFA report for the Site (as approved in a separate previously submitted cost estimate).

**PROJECT TEAM**

**Robert Ferree, CPG**, will serve as Project Director and Project Manager and provide quality review. **Allison Valerio** will be the Engineer for the project and will conduct the bulk of the reporting tasks. Allison will also be responsible for Geosyntec meeting the project scope, schedule and budget.

**SCHEDULE**

Geosyntec will complete the scope of work according to the schedule below:

<table>
<thead>
<tr>
<th>Task</th>
<th>Completion Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submit Draft Sampling Plan to MDEQ</td>
<td>3 weeks following approval of proposal</td>
</tr>
<tr>
<td>Collect Ditch Water samples</td>
<td>1 to 2 months after discussion with MDEQ, samples must be collected during a rain event</td>
</tr>
<tr>
<td>Submit Draft Mixing Zone Determination Request to City of Escanaba for review and signature</td>
<td>2 weeks following receipt of ditch water analysis</td>
</tr>
</tbody>
</table>

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Mr. Mike Furmanski  
April 10, 2017  
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| Submit Mixing Zone Determination Request to the MDEQ | Within 1 week following receipt of original signature pages from the City of Escanaba |

**COST ESTIMATE**

Geosyntec will conduct the scope of work described herein for the total estimated lump sum budget of **$13,700**, as summarized below. We will not exceed this estimate without your written authorization. Geosyntec will invoice monthly based on the percent completion of each task. The work will be conducted in accordance with our Professional Services Agreement, dated 2 December 2011.

<table>
<thead>
<tr>
<th>Task</th>
<th>Task Description</th>
<th>Labor Hours</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ditch Characterization Sampling Field Activities and MDEQ Conference Call</td>
<td>25</td>
<td>$8,500</td>
</tr>
<tr>
<td>2</td>
<td>Mixing Zone Submittal</td>
<td>32</td>
<td>$5,200</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>39</strong></td>
<td><strong>$13,700</strong></td>
</tr>
</tbody>
</table>

**CLOSING**

Geosyntec appreciates the opportunity to work on this assignment with the City. We look forward to initiating work upon receipt of your written authorization of our Service Order.

Very truly yours,

Robert A. Ferree, CPG  
Senior Principal

Attachment: Figure 1
PROCLAMATION
HEAD START MONTH
May 2017

WHEREAS, Head Start has been a high quality, comprehensive early childhood education, health and social services program operating locally since the mid 1960's; and

WHEREAS, Head Start emphasizes individualized services and the involvement and leadership of parents in setting goals designed to maximize the successful development of school readiness attributes in each child;

WHEREAS, Head Start has earned an outstanding reputation as a most successful program that responds to educational and social challenges and has proven effective in reducing future grade retention, delinquency, school dropout, unemployment, and criminal activity; and

WHEREAS, Head Start provides GED and literacy tutoring and other services to support the self-sufficiency efforts of low income families; and

WHEREAS, Head Start provides parents with a wealth of information on child development, child guidance strategies and the importance of establishing and maintaining positive parent-child relationships; and

WHEREAS, Head Start is comprised of hundreds of young children and loving families, dedicated staff, outstanding community partners and volunteers; and

WHEREAS, The Head Start program, a positive environment where goals are identified and progress is recognized, has had a positive effect on the community through the positive impact on young children and their families;

NOW, THEREFORE, BE IT PROCLAIMED, that I, Marc D. Tall, Mayor of the City of Escanaba, do hereby proclaim May 2017, as

"HEAD START MONTH"

and with the Escanaba City Council, urge all citizens to support and reflect on the outstanding results of Head Start.

______________________________________________
Marc D. Tall
Mayor