CITY COUNCIL
MEETING AGENDA
January 18, 2018

Marc D. Tall, Mayor
Ronald J. Beauchamp, Mayor Pro Tem
Ralph B. Blasier, Council Member
Michael R. Sattem, Council Member
Peggy O. Schumann, Council Member

Patrick S. Jordan, City Manager
Robert S. Richards, CMC City Clerk
Ralph B. K. Peterson, City Attorney

City Council Chambers located at: City Hall – 410 Ludington Street – Room C101 – Escanaba MI 49829
The Council has adopted a policy to use a Consent Agenda, when appropriate. All items with an asterisk (*) are considered routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event, the item will be removed from the General Order of Business and considered in its normal sequence on the Agenda.

Regular Meeting
Thursday, January 18, 2018, at 7:00 p.m.

CALL TO ORDER
ROLL CALL

INVOCATION/PLEDGE OF ALLEGIANCE - Pastor Erik Heskin of Bethany Lutheran Church

APPROVAL/CORRECTION(S) TO MINUTES - Regular Meeting – January 4, 2018, Work Session Meeting – January 10, 2018

APPROVAL/ADJUSTMENTS TO THE AGENDA

CONFLICT OF INTEREST DECLARATION(S)

BRIEF PUBLIC COMMENT(S)

PUBLIC HEARING(S)


Explanation: Each year, Council holds public hearings to facilitate input from citizens for the upcoming FY2018/19 fiscal year budget. This is the first of five (5) scheduled public hearings.

NEW BUSINESS

1. Approval – MDOT Roadway Resurfacing Contract #17-5502 – City Manager/City Clerk.

Explanation: Administration is seeking Council approval of MDOT Contract #17-5502 for roadway widening work along 3rd Avenue intersection including hot mix asphalt paving and curb and gutter work; together with necessary related work, located within the corporate limits of the City. Council approval would authorize the City Manager and City Clerk to sign the necessary contracts.


Explanation: Administration is seeking Council approval of a proposed RFP for a 1MW (CD) Municipal Utility Led Community Solar Project. The proposed site for the project is within a 10 acre site in the Delta County Industrial Air Park at the Delta County Airport.

3. Approval – Confidential Secretary Position – Human Resources/City Manager.

Explanation: Administration is seeking Council approval to upgrade the current Part-Time Confidential Secretary position to a Full-Time position.


Explanation: The Downtown Development Authority ended fiscal year with a deficit fund balance of $340,327. This is the result of an internal loan provided by the City to assist in payment for construction of the Marketplace. The DDA will remain in a deficit position for several years. Administration is seeking Council approval of a resolution for a deficit elimination plan as required by the Michigan Department of Treasury.

APPOINTMENTS
BOARD, COMMISSION, AND COMMITTEE REPORTS
GENERAL PUBLIC COMMENT
ANNOUNCEMENTS
ADJOURNMENT

Respectfully Submitted

Patrick S. Jordan
City Manager
OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, January 4, 2018

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, Ronald J. Beauchamp, Ralph B. Blasier, Michael R. Sattem, and Peggy O’Connell Schumann.

Absent: None

Also Present: City Manager Patrick S. Jordan, City Department Heads, media, and members of the public.

Clerk Robert S. Richards led Council in the Pledge of Allegiance.

Blasier moved, Schumann seconded, CARRIED UNANIMOUSLY, to approve Regular Meeting minutes from December 21, 2017, as submitted.

Beauchamp moved, Sattem seconded, to approve Special Meeting minutes from December 15, 2017, with amendments as submitted.

After discussion and a call of the roll, the vote was as follows:

Ayes: Beauchamp, Sattem, Tall
Nays: Blasier, Schumann

MOTION CARRIED.

ADJUSTMENTS TO THE AGENDA

Beauchamp moved, Sattem seconded, CARRIED UNANIMOUSLY, to approve the Agenda as submitted.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT – None

PUBLIC HEARINGS – None

NEW BUSINESS

Approval – Scheduling of Public Hearings - 2018/19 Fiscal Year Budget Preparation – Citizen Participation.
Each year, the City Council held public hearings to facilitate input from citizens for the upcoming fiscal year budget. Administration sought Council approval to schedule the first of three (3) public hearings for January 18, 2018. Additionally, Administration sought City Council approval to schedule additional public hearings for February 15, 2018, and March 15, 2018.

**NB-1** Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to schedule public hearings for January 18, 2018, February 15, 2018, and March 15, 2018, for citizen input on the 2018/19 Fiscal Year Budget.

**Discussion – Fiscal Year 2016-17 City Audit.**

Michael Sparling, CPA from the Accounting Firm of Rehmann Robson, provided an overview of the June 30, 2017 independent audit of the City of Escanaba's financial statements prepared in accordance with generally accepted accounting principles in the United States and the Single Audit Act.

After discussion, Blasier moved, Schumann seconded, to approve the 2016-17 City Audit as submitted from the Accounting Firm of Rehmann Robson.

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

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

**MOTION CARRIED.**

**Approval – Additional Soil and Ground Water Sampling - Electric**

Administration sought Council approval to allow for additional soil and ground water sampling to be conducted at the former Power Plant property. City Electric Superintendent Mike Furmansi reviewed why additional soil and ground sampling was needed. Mr. Furmansi also advised the Electrical Advisory Committee recommended Council approval.

**NB-3** After discussion, Schumann moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to allow additional soil and ground water sampling to be conducted at the former Power Plant property at a cost not to exceed $10,600.

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

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

**MOTION CARRIED.**
APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

Mayor Tall, with Council Consensus, reappointed Monte Morrison of the Historic District Commission to a third extended one year term expiring October 1, 2018.

BOARD, COMMISSION, AND COMMITTEE REPORTS

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

GENERAL PUBLIC COMMENT – None

ANNOUNCEMENTS

Council Members updated those in attendance that it was a successful year at the Delta Animal Shelter, Escanaba Downtown Businesses, and provided a brief update on the Proposed Solar Farm.

Hearing no further public comment, the Council adjourned at 7:28 p.m.

Respectfully submitted

Robert S. Richards, CMC
City Clerk

Approved: ______________________

Respectfully submitted

City Clerk

Marc D. Tall, Mayor
Pursuit to a special meeting notice posted December 8, 2017, the meeting was called to order by the Honorable Mayor Marc D. Tall at 9:00 a.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Ronald J. Beauchamp, Ralph B. Blasier, Michael R. Sattem, and Peggy O’Connell Schumann.

Absent: None

Also Present: City Manager Patrick S. Jordan, City Department Heads, media, and members of the public.

Beauchamp moved, Sattem seconded, CARRIED UNANIMOUSLY, approved the agenda as presented.

CONFLICT OF INTEREST DECLARATION – None

NEW BUSINESS

Discussion – 2018-19 Operating Budget Preparation.

Administration led a discussion concerning the upcoming 2018-19 operating budget and sought Council input on items the Council as a whole would like to see considered for inclusion in the budget. Additionally, the following departments updated the Council on budgetary opportunities and challenges for the upcoming year:

- Manager Jordan, City Controller Melissa Becotte, and City Treasurer/HR Administrator provided a general review of the overall budget and expectations regarding Revenue Sharing, Tax revenues, Act 52 revenues, and Interest Earnings. Administration did not anticipate increases in the State Revenue or revenue as a whole. The 2018-19 Budget would include an additional full time clerical position at City Hall for Community Development/Planning and Zoning, and an additional Public Safety Officer. The State Personal Property Tax refund was suggested to be used to pay down the unfunded portion of the City Pension Fund;
- Public Works Director/City Engineer Bill Farrell reviewed road repair grant projects with the Michigan Department of Transportation (MDOT), Major and Local Street repaving projects, and status of the City motor vehicles;
- Administration was still seeking applications to fill the vacant City Assessor position;
- Electric Superintendent Mike Furmanski reviewed proposed Electric Budget items which included a proposed Rate study, new vehicles, and would be submitting an RFP for the Solar Farm project;
- City Treasurer Robert Valentine reported no proposed projects in Human Resources or the City Treasure and Utility departments, but reviewed MERS
Pension costs, and new Pension law legislation;

- City Controller Melissa Becotte advised no proposed changes in the Controllers Department other than one retirement.
- City Recreation Director Kimberly Peterson reviewed Recreation budgets which included Non-motorized Pathway, resurfacing of the Ludington Park Tennis Courts which were in bad shape, Civic Center Basement flooding which needed an expert to assess drainage, Civic Center Generator Project, and Ice Rink public hearings to discuss moving the Royce and Webster ice rinks to the Civic Center;
- Water/Wastewater Superintendent Jeff Lampi reviewed proposed Rate Structure, Saw Grant State Water mandated Programs, disinfection byproducts program, Study to produce more Water, Proactive possible Water and WasteWater Plant improvements, and continuation of the SAW Grant;
- Blaine DeGrave City Community Development/Planning and Zoning Director reviewed a building issue at a Downtown Business which would need to be condemned.
- Public Safety Director Rob LaMarche reviewed the Public Safety proposed budget that included the Hero Program and Angel programs, Golf Charity fundraiser, and Citizen Academy, all which were huge successes. Mental Health issues continued to increase budget costs for transportation. The department anticipated 3-4 retirements next fiscal year, would be budgeting to replace a clerical staff support position with an additional Public Safety Officer, continue to obtain funds for increasing requests for mobile forensics, and increase communication costs to purchase 800 band radios which now can use VHF. In the long term the City would need to replace aging Fire Fighting Gear and Grass Fire Truck;
- City Library Director Carolyn Stacey advised the proposed 2018/19 Library Budget would request that the City maintain support at its current level and that the Library was making progress in building capacity through our Friends of the Library, reviewed revenues staying at current levels, include funds for Local History and Technology programs, and facility upgrades to include new carpeting;
- Harbor Master Larry Gravatt reviewed proposed Harbor and Marina Budgets. He advised no increase in the Marina rate changes. He submitted a grant application to the Department of Natural Resources Waterways Division for dock improvements. Budget would include increasing Dock attendants to 7, new lighting at the North Shore for LED lights, and Aronson island vault project.
- Downtown Development Authority Director Edward Legault advised budget would include a deficit elimination program, to reimburse City borrowed funds, and continuation of the Façade Program, and long term infrastructure maintenance;
- City Clerk Richards advised City Clerk’s Office budget would a request to codify the City Code of Ordinances. The last City Code supplement was in 2013. Election Office budget would include funds to conduct the August Primary and November General Elections and the purchase of an additional new Absent Voter Counting Board machine to process large election Absentee Ballots and serve as a precinct backup for small elections;
- Council Members raised budget concerns on continuation of Dark Store legal fees, utility infrastructure improvements, update City Web Site to make it more
user friendly and include a searching feature, City utility infrastructure and road improvements, and include a millage referendum for road improvements.

GENERAL PUBLIC COMMENT – None

Hearing no further public comment, the Council adjourned at 10:36 a.m.

Respectfully submitted,

Robert S. Richards, CMC
City Clerk

Approved: ______________________

Marc D. Tall, Mayor
MEMORANDUM

TO: Patrick Jordan, City Manager

FROM: William Farrell, City Engineer

DATE: 1/8/2018

RE: Third Avenue North Right Turn Lane Project – MDOT Contract 17-5502

On June 14, 2016 the City of Escanaba sent a letter to the MDOT in regards to widening the 3rd Avenue North intersection of US-2 on both sides of US-2. The project will add a dedicated right turn lane for approaches to the highway, including hot mix asphalt paving and curb and gutter work; together with necessary related work. This project was to start after July 1, 2018 and be a 50/50 cost share up to $120,000, with the maximum exposure to the City being no more than $60,000. The letter is attached.

Contract 17-5502 is the contract between the City of Escanaba and MDOT for this project. When the contract came to the City, there was not a cap to the project and they were requesting a deposit of $16,200. Both of these items are resolved via email conversations with Dave Bradley of MDOT. Those email are attached.

I am recommending approval of Contract 17-5502 with the Michigan Department of Transportation. The original agreement will be adhered to and the projected cost is now estimated to be less at $40,600. This project is included in the proposed FY1819 Budget. The contract is also attached.
June 14, 2016

Jason Degrand, P.E.
Regional Operations and Traffic & Safety Engineer
MDOT – Superior Region
1818 3rd Avenue North
Escanaba, MI 49829

RE: Cost Sharing - US-2 and 3rd Avenue North Intersection

Dear Jason,

This letter will serve as a commitment from the City of Escanaba for the proposed project for widening the 3rd Avenue North side of the US-2/3rd Ave North intersection, which will be cost shared between MDOT and the City of Escanaba. The project will start after July 1, 2018. The project is stand alone and not dependent on the proposed Cat F grant that the City has submitted for 3rd Avenue from Stephenson to North 30th.

The cost sharing will be 50/50, up to $120,000. The maximum cost to the City will not exceed $60,000 for the project, to include design, construction, testing, inspection, administration, etc.

Sincerely,

[Signature]

James V. O'Toole
City Manager
Hi Bill,

Per our conversation today, we discussed the city’s commitment to include up to a $60,000 contribution to the widening of Third Avenue North as part of the signal upgrades at US-2. The signal work is funded through MDOT project number 125834. The Third Avenue North approach widening is funded through MDOT project number 132155.

Local agency agreement number 17-5502 addresses the city’s contribution in the approach widening project 132155. The agreement does not specifically cap the city’s contribution at $60,000; however, during construction administration, MDOT can keep the charges to the city’s funding category within the agreed $60,000 limit.

Thank you for your cooperation and financial commitment to the proposed improvements at US-2 and Third Avenue North.

Dave
Hi Bill,

I discussed the Third Avenue north deposit requirement with our finance folks, and it sounds like we should be able to hold off until July to receive the city's deposit payment. Normally the deposit is required prior to award of contract, but in our situation they should be able to allow award of contract prior to receipt of the city's deposit. We do have a requirement in our bid documents that the Third Avenue North widening cannot start prior to July 1.

You should be receiving a confirming e-mail from our finance folks, but I wanted to let you know I had the discussion with them. I'm not anticipating any problems getting a waiver on the deposit due date.

Thanks again for your cooperation.

Dave
THIS CONTRACT is made and entered into this date of ________________, by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF ESCANABA, a Michigan municipal corporation, hereinafter referred to as the "CITY"; for the purpose of fixing the rights and obligations of the parties in agreeing to construction improvements in conjunction with the DEPARTMENT'S construction on Highway US-2, within the corporate limits of the CITY.

WITNESSETH:

WHEREAS, the DEPARTMENT is planning intersection improvement work at the intersection of Highway US-2 and 3rd Avenue; and

WHEREAS, the CITY has requested additional work in connection with the Highway US-2 construction, which additional work is hereinafter referred to as the "PROJECT" and is located and described as follows:

Roadway widening work along 3rd Avenue for the approaches to the Highway US-2 and 3rd Avenue intersection, including hot mix asphalt paving and curb and gutter work; together with necessary related work, located within the corporate limits of the CITY; and

WHEREAS, the DEPARTMENT presently estimates the PROJECT COST as hereinafter defined in Section 1 to be: $40,600; and

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties shall undertake and complete the construction of the PROJECT in accordance with this contract. The term "PROJECT COST", as herein used, is hereby defined as the cost of the construction of the PROJECT including the costs of physical construction necessary for the completion of the PROJECT as determined by the DEPARTMENT; and
construction engineering (CE), and any and all other expenses in connection with any of the above.

2. The cost of alteration, reconstruction and relocation, including plans thereof, of certain publicly owned facilities and utilities which may be required for the construction of the PROJECT, shall be included in the PROJECT COST; provided, however, that any part of such cost determined by the DEPARTMENT, prior to the commencement of the work, to constitute a betterment to such facility or utility, shall be borne wholly by the owner thereof.

3. The CITY will approve the design intent of the PROJECT and shall accept full responsibility for the constructed PROJECT functioning as a part of the CITY'S facilities. The CITY is solely responsible for any input which it provides as it relates to the design of the PROJECT functioning as part of the CITY'S facilities.

4. The DEPARTMENT will administer all phases of the PROJECT and will cause to be performed all the PROJECT work.

Any items of PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

5. The PROJECT COST shall be charged to the CITY 100 percent and paid in the manner and at the times hereinafter set forth. Such cost is estimated to be as follows:

PROJECT COST  - $40,600

The CE costs will be apportioned in the same ratio as the actual direct construction costs.

6. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT. The DEPARTMENT may submit progress billings to the CITY on a monthly basis for the CITY'S share of the cost of work performed to date, less all payments previously made by the CITY not including payments made for a working capital deposit. No monthly billings of a lesser amount than $1,000 shall be made unless it is a final or end of fiscal year billing. All billings will be labeled either "Progress Bill Number __________", or "Final Billing". Payment is due within 30 days of receipt of invoice. Upon completion of the PROJECT, payment of all items of PROJECT COST and receipt of all Federal Aid, the DEPARTMENT shall make a final billing and accounting to the CITY.

The CITY will deposit with the DEPARTMENT the following amount which will be used by the DEPARTMENT as working capital and applied toward the end of the project for the contracted work and cost incurred by the DEPARTMENT in connection with the PROJECT:

DEPOSIT  - $16,200
The total deposit will be billed to the REQUESTING PARTY by the DEPARTMENT and shall be paid by the REQUESTING PARTY within 30 days after receipt of invoice.

7. Pursuant to the authority granted by law, the CITY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified herein. If the CITY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the CITY of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, the DEPARTMENT is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the CITY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the CITY with payment thereof, and to notify the CITY in writing of such fact.

8. Upon completion of construction, the facilities being constructed as the PROJECT shall be operated and maintained by the CITY at no cost to the DEPARTMENT.

9. Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT pursuant to the terms of this contract are done to assist the CITY. Such approvals, reviews, inspections and recommendations by the DEPARTMENT shall not relieve the CITY of its ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT does not relieve the CITY of its exclusive jurisdiction of the highway and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.

The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended rests with the CITY.

10. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the
Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract. The parties will carry out the applicable requirements of the DEPARTMENT’S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.
11. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the CITY and for the DEPARTMENT; upon the adoption of a resolution approving said contract and authorizing the signatures thereto of the respective officials of the CITY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first above written.

CITY OF ESCANABA

By ________________________________
Title: ________________________________

MICHIGAN DEPARTMENT
OF TRANSPORTATION

By ________________________________
Department Director MDOT

By ________________________________
Title: ________________________________

RDB  
12/26/17

APPROVED BY:

[Signature]
Administrator
Real Estate

12/26/17

07/01/86 ADWK.FOR 12/26/17
APPENDIX A
PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

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

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual’s ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.

2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.

3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual’s ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual’s ability to perform the duties of a particular job or position.

5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers’ representative of the contractor’s commitments under this Appendix.

6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.
7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor’s books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.

8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.

9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011
APPENDIX B
TITLE VI ASSURANCE

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the “contractor”), agrees as follows:

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.

2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.

3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor’s obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of the contractor’s noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:

   a. Withholding payments to the contractor until the contractor complies; and/or

   b. Canceling, terminating, or suspending the contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011
APPENDIX C

TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES

Assurance that Recipients and Contractors Must Make
(Excerpts from US DOT Regulation 49 CFR 26.13)

A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.
MEMORANDUM

To: Patrick Jordan

From: Mike Furmanski

Date: 10JAN18

Re: Solar Project Request For Proposals

At the January 18th City Council meeting, I would like to seek Council approval to issue the attached Request For Proposal (RFP). This RFP will be sent to various solar companies that have reached out to us over the past 2 years. It will also be advertised in the local paper and posted on the City’s website. This RFP asks for proposals to build a solar generation project that the City would own from date of completion as well as options: including solar + battery storage, battery storage only, solar PPA from the project while owned by the solar contractor with the City having an option to purchase the facility in the future.
City Council – Request to issue Escanaba Solar Project RFP

January 11, 2018

1. Westwood Professional Services have completed all the Delta County Airport Site evaluation studies which include:
   a. Filed FAA Form 7460 with a Passed Solar Glare Analysis
   b. Airport site Solar Shade Analysis
   c. Geotechnical Assessment with pile foundation load testing for driven and helical piles

   All the Westwood site investigations revealed no site conditions that would preclude development of the proposed Escanaba Solar Project. The three Westwood study reports are included in the RFP documents and should provide a sound basis for well-designed proposals. These studies enable potential bidders to reduce their risk and uncertainty, and lower their installed cost proposals.

2. The draft RFP and Westwood study results were reviewed with the Electric Advisory Committee on January 3rd. The EAC recommended forwarding the RFP to the City Council for your approval.

3. The City will have all the documents on the City of Escanaba website, http://www.escanaba.org/citybidlist for prospective Bidders.
   a. RFP Cover Letter which will be sent to potential Bidders.
   b. RFP document
   c. Westwood reports (an additional ~150 pages)

4. The RFP is for a turn-key Engineer, Procure, Construct and Start-up proposals for a 1 MW (DC) ground mounted, fixed tilt angle solar project.

   The RFP defines the solar project specifications and minimum requirements for Bid Proposals. As part of their Proposal, the Bidder is requested to specify how battery storage would be added in the future and what solar project modifications would be required. The future battery storage would provide for solar energy generation time shifting to reduce Escanaba’s Transmission and Capacity costs. For example, on a weekday before noon, solar generated energy would be stored in the battery and discharged from the battery in the late afternoon and evening during peak demand hours, to reduce the City’s peak loads.

   Once a Bidder has provided a Proposal in response to the base RFP, the Escanaba Electric Department will also consider optional supplemental Proposals that include: the addition of Battery Storage and related equipment for solar energy generation time shifting, and/or a PPA arrangement.

   The Bid Proposals are due to be received by the City Electric Department by March 9, 2018. The Bid Proposals meeting the minimum Bid requirements will be evaluated and ranked primarily on:

   a. Total turnkey installed cost, and
   b. Estimated 25 year levelized cost of solar generation.
### RFP and Project Timetable

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project RFP Released</td>
<td>January 26, 2018</td>
</tr>
<tr>
<td>Proposals Due</td>
<td>March 9, 2018</td>
</tr>
<tr>
<td>Bid Evaluation</td>
<td>March 10 – 30(^{th}), 2018</td>
</tr>
<tr>
<td>Select Best Proposal to Seek Council Approval</td>
<td>April 5 – 12(^{th}), 2018</td>
</tr>
<tr>
<td>Sign Contract by</td>
<td>April 20(^{th}), 2018</td>
</tr>
<tr>
<td>Time to Purchase, Deliver &amp; Construct Project</td>
<td>6 3/2 months</td>
</tr>
<tr>
<td>Complete Start up on or before</td>
<td>November 9(^{th}), 2018</td>
</tr>
</tbody>
</table>

5. One action may be to **not accept** any bids if the RFP Proposals do not meet our 25 year levelized Cost of Generation objectives.

6. If a Proposal meets the Project cost objectives, and receives Council approval, construction would take place in the summer and fall of 2018.

7. Once the Project costs are finalized, and the project is underway, the Electric Department plans to offer a program for a business or resident within the City's electric distribution system territory can invest in the Escanaba Solar Project and receive a credit on their monthly electric bill.

8. Escanaba Solar Project Funding Sources

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Balance Date</th>
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<th>Comments</th>
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<td>Limited uses</td>
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<tr>
<td>Electric Fund – Business or Resident purchases of Solar Capacity will be used to refund the Electric Fund</td>
<td>6/30/2017</td>
<td>$12,400,000</td>
<td></td>
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</tbody>
</table>
To: Potential Escanaba Solar Project Bidders

From: Mike Furmanski, Superintendent, Electric Department, City of Escanaba

Subject: Request for Proposal for 1 MW (DC) Municipal Utility Led Community Solar Project

The City of Escanaba municipal Electric Department is seeking turnkey Engineer, Procure, Construct and Startup proposals for a 1 MW (DC) ground mounted, fixed tilt angle solar project. The proposed site for the Escanaba Solar Project is within a 10 acre site at the Delta County Industrial Air Park at the Delta County Airport. The site and Airport are within the City municipal electric distribution system territory. The RFP contains the following detailed information on the proposed project and site:

1. Specifications and minimum requirements for proposals
2. Site description with key setbacks and access routes
3. Filed FAA Form 7460 with Passed ForgeSolar Glare Analysis
4. Detailed Solimetric SunEye based Solar Shade Analysis
5. Geotechnical assessment testing and pile load testing for driven and helical piles
6. RFP Evaluation Process and Project Timetable

Westwood Professional Services from Eden Prairie, MN (Matt Wessale was the project manager), prepared and filed the FAA Form 7460 and ForgeSolar Glare Analysis, and performed the Solar Shade Analysis and Geotechnical Assessments and pile load testing. The detailed RFP and supporting documents are available on the City of Escanaba website: through the website: [http://www.escanaba.org/citybidlist](http://www.escanaba.org/citybidlist)

A RFP response Proposal should be specific on how battery storage would be added in the future, and what facility modifications would be required. The future battery storage would provide the solar energy generation time shifting to reduce Escanaba’s Transmission and Capacity costs.

The bid Proposals are due back by March 9, 2018. The bid Proposals will be evaluated and ranked primarily on:

1. Total turnkey installed cost
2. Estimated 25 year levelized cost of solar generation based on:
   a. Estimated annual energy production using NREL PVWatts Version 2 calculator
   b. Total turnkey installation cost, and
   c. PV Module power output warranty data

Once a Bidder has provided a Proposal in response to the RFP, the Escanaba Electric Department will consider an optional Supplemental Proposal that includes the addition of Battery Storage and related equipment for solar energy generation time shifting. Directions for submitting the Supplemental Proposal are outlined in the RFP document.

Finally, once a Bidder has provided a Proposal in response to the base RFP, the Escanaba Electric Department will also consider optional Supplemental Proposals for the project under an alternative PPA arrangement summarized in the RFP.

Questions related to the RFP bid Proposal preparation should be directed to:

Mike Furmanski, Superintendent, Electric Department, 906-786-0061, mfurmanski@escanaba.org

E-mailed (rather than phone) questions about the RFP are recommended.
Request for Proposal

City of Escanaba, Michigan

Municipal Electric Department

1 MW (DC) Municipal Utility Led Community Solar Project

January XX, 2018
Introduction & Background

The municipal Electric Department for the city of Escanaba, Michigan is seeking turnkey engineer, procure, construct (i.e., EPC) and start-up Proposals for a 1MW (DC) ground mounted fixed tilt angle solar project. The proposed site for the Escanaba Solar Project is within a 10 acre site in the Delta County Industrial Air Park at the Delta County Airport. The Google Earth image below shows the proposed ~305' x 1490' site.

Appendix A, attached, provides a more detailed site description along with key setbacks and site access information.

A FAA Form 7460 (Notice of Proposed Construction or Alteration – On the Airport) was submitted November 17, 2017 by Westwood Professional Services for the proposed Escanaba Solar Project. The Form 7460 Notice also includes a detailed solar glare analysis for the site. The following specifications were included in the Form 7460 and solar glare analysis:

- Solar PV panels are installed at a fixed tilt angle of 35 degrees and 180 degree azimuth
- The height of the PV structure may vary from 2' to 12' above grade
- Construction will take place between April 15th and November 14th, 2018
- Project electronic equipment will be compliant with FCC Part 15 rules.

The ForgeSolar solar glare analysis showed that the entire site shown on the Google Earth image of approximately 10 acres Passed the glare analysis providing the maximum flexibility in laying out the solar panel arrays. The Form 7460 and ForgeSolar glare analysis are attached in Appendix B.
Westwood Profession Services also conducted a site solar shade analysis using the SolMetric SunEye system. The solar access was measured at 22 locations on the site. The average annual solar access percentage ranged from 98 to 100% with 100% equaling full sun with zero shading. Appendix C contains additional information and the Westwood report on the site shade analysis.

Westwood Professional Services also conducted an extensive Geotechnical Assessment along with pile (driven and helical) load testing on the airport site. The investigation revealed no subsurface conditions that would preclude development of the proposed solar energy facility.

The pile load testing included the following types of measurements:

- Helical pile torque probe testing to 10’ depths along two cast to west lines across the site.
- Four driven piles W-section (wide flange I-beams) to depths of 8’ and 12’ and four helical piles to 8’ depths were installed for axial and lateral load testing.
- **No pile refusal or installation problems were experienced on the entire site.**

The Geotechnical testing included:

- Electrical resistivity testing using the Wenner four electrode method.
- Three soil test pits were excavated with soil samples collected for laboratory testing. Dynamic core penetrometer soil strength testing was performed and the groundwater depths were defined.
- Soil corrosivity was determined with pH, moisture content and soluble chloride measurements.
- **Because of the shallow groundwater depths, ranging from 4’3” to greater than 7’ within the proposed site, the potential for frost heaving of the solar panel pile foundations is a potential concern which must be specifically addressed in the proposals responding to this RFP.**
- **Appendix D contains the Westwood Geotechnical and pile load testing report.**

The interface between the solar project Contractor and the Escanaba Electric Department project will occur at the AC Panel/Switchboard, combining the inverter 480 V (AC) outputs into a common AC bus with individual feeder breakers. The Escanaba Electric Department responsibility will start at the AC wiring connecting the switchboard to a pad mounted transformer. The location of two existing ground mounted Electric Distribution Boxes adjacent to the airport solar site, are identified in the Google Earth image of the proposed site on page 1 of this document. Escanaba’s Electric Department will purchase and install the project related transformer, distribution voltage wiring, 480V (AC) wiring connecting the switchboard to the transformer, and the overall project metering equipment. The Electric Department project related AC wiring will be placed in underground conduit.
The solar project Contractor will be expected to include the transformer (up to 5' high) location in the proposed project design and co-ordinate with the Escanaba Electric Department for the required equipment installation. For multiple reasons, the linkage to the City distribution system, using the existing Electric Distribution Box I on the eastern end of the site as shown on the Google Earth image on page 2, is preferred.

Minimum Requirements for Proposals

Each Proposal must satisfy these minimum requirements and specifications in order to be included in the evaluation process. Failure to meet the specified minimum requirements may result in rejection of the proposal.

1. The proposal must provide a complete turnkey project for a 1 MW(DC) solar project that provides:
   a. Engineering and Design
   b. Procurement
   c. Construction
   d. Start-up with performance verification, and Operating and Maintenance training for the Escanaba Electric Department staff.

2. Key specifications and technical information required for the ground mounted fixed tilt angle of 35° and 180° azimuth solar project Proposal are outlined below:
   a. Specifications and requirements for the solar panel racking (i.e., support) and foundation systems in the Proposal are:
      i. 60 psf minimum design ground snow load (Michigan building code)
      ii. 105 mph minimum design wind speed (3 second peak gust) based on the American Society of Civil Engineer’s standards for Escanaba, MI.
      iii. The below ground support structures (driven or helical piles) must be hot dipped galvanized steel designed for a minimum 30 year functional life meeting ASTM A123 specifications. The zinc coating thickness should be defined in the project Proposal.
      iv. The above ground support structures may be galvanized steel (ASTM A123 or ASTM A653 specifications) or aluminum.
      v. The warranty time must be defined in the Proposal.
      vi. Compliant with UL 2703
vii. **PE stamped design drawings and calculations must be provided.** The design calculations must be provided to address:

- Snow loads
- Wind loads
- Frost Heave (It is anticipated that frost uplift may be the governing load in the foundation design. Note the 2013 research paper by T. Kibriya, *Construction Issues Faced by Renewable Energy Production Facilities – Solar PV Farms in Ontario, Canada*, downloadable at: http://oaji.net/articles/2014/437-1391267564.pdf. The Frost Heave design analysis should include the frost penetration depth and the factor of safety used in the Frost Heave design.

b. **Specifications and technical information required for the solar panels in the Proposal are:**

   i. Identify solar panel manufacturer, address and website
   ii. Solar panel module model
   iii. STC output performance data
   iv. Cell type or technology
   v. Percent power output tolerance between modules
   vi. Module product warranty on materials and workmanship
   vii. Power output warranty

   - During 1st year, % of labeled power output
   - For years 2 to 25 (warranted annual degradation rate)

c. **Specifications and technical information required for the DC Power Optimizers (if proposed) and Inverters in the Proposal:**

   i. DC Power Optimizers if proposed provide:

   - Identify Manufacturer, address and website
   - Model
   - Efficiency, %
   - Warranty years and cost, and warranty extension options and cost if available

   ii. Inverters

   - Identify Manufacturer, address and website
   - Model
   - DC to AC Energy Conversion Efficiency
   - Compliance with UL 1741, ANSI 62.41, and IEEE 1547-2003 safety design standards
   - AC Output voltage, 480
   - Standard warranty years
   - Cost and number of years for extended warranty options
• Capable of complying with NERC PRC-024-2 frequency and voltage ride through specifications
• If String Inverters are utilized, provide the calculations used to determine the number of PV modules per inverter.
• Enclosure rating must be NEMA 3R
• Provide the design DC to AC Ratio: (Solar PV DC (STC))/(Inverter AC(Max)) design used in the Proposal, also known as the Inverter Load Ratio

d. Specifications and technical information for the Web-based Central Data Acquisition and Monitoring Systems are:
   i. Identify supplier and model
   ii. A minimum of inverter level data acquisition is required
   iii. Service contracts must be identified if required
   iv. Warranty provided

e. This base RFP package does not include PV plus Battery Storage as a technology option. However, each proposal response is asked to identify on a site plan where future battery storage could be incorporated into the proposed solar project design. The proposal should be specific on how battery storage would be added in the future, and what facility modifications would be required. The future battery storage would provide solar energy generation time shifting to maximize Escanaba’s Avoided Transmission and Capacity Costs. To maximize the Avoided Costs, a portion of the solar generation would be shifted to the following time periods:

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Start Time</th>
<th>End Time</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>January thru March</td>
<td>7 to 9 PM</td>
<td>EST</td>
<td>Reduce Monthly Transmission Co-incident load</td>
</tr>
<tr>
<td>April thru September</td>
<td>3 to 6 PM</td>
<td>EST</td>
<td>Reduce both Monthly Transmission Co-incident and annual Capacity Peak Loads</td>
</tr>
<tr>
<td>October thru December</td>
<td>7 to 9 PM</td>
<td>EST</td>
<td>Reduce Monthly Transmission Co-incident load</td>
</tr>
</tbody>
</table>
f. Each proposal, at a minimum, must provide the following design documents, drawings and other information:

i. Site Plan
ii. Electrical single line diagram
iii. Solar array layout
iv. Solar power system feeder schedule
v. Solar power system grounding plan
vi. Structural plans, provided by PV support structure manufacturers
vii. PV module system structural installation plans, construction details and calculations
viii. Proposed project execution timeline
ix. Proposed field acceptance test certification procedures
x. Planned Operations and Maintenance training and documentation
xi. References – Bidders may be required to demonstrate they are capable of executing their proposal. References of past projects should be submitted.

xii. Proposals shall remain valid thru June 1, 2018.

g. The Proposal must provide the following complete turnkey cost and performance data which will be used to evaluate and select the best RFP response:

i. The total turnkey installed cost
   - Total cost, $
   - $/Watt (DC)

ii. The estimated annual energy production in MWH for the first year of operation using the NREL PVWatt Version 2. The use of the PVWatt calculator will put all the proposals on a common comparable basis for comparison and evaluation. In addition, PVWatt annual energy output will be used to estimate a 25 year levelized cost of solar generation for each proposal when combined with:
   - Total turnkey installation cost, and
   - PV module power output warranty data

The required input data for the PVWatt Version 2 calculator is summarized below:
   - Zip code = 49829 (Escanaba, MI)
   - Weather data source = TMY3 (Escanaba (AWOS), MI)
   - DC system Size (kW) – Proposal Based
   - Module Type – Proposal Based
   - Array Type – Fixed (Open Rack)
- System Losses:
  - Soiling – Assume 2%
  - Shading – Proposal Based depending on array layout and Westwood Shade Analysis data
  - Snow – Assume 3%
  - Mismatch – Proposal Based
  - Wiring – Proposal Based
  - Connections – Proposal Based
  - Light Induced Degradation – Proposal Based
  - Nameplate Rating – Proposal Based
  - Age – Proposal Based
  - Availability – Proposal Based (using estimated scheduled and unscheduled system shutdowns)
- Tilt (degrees) = 35°
- Azimuth (degrees) 180°
- Advanced Parameters:
  - DC to AC Size Ratio – Proposal Based
  - Inverter Efficiency (%) – Proposal Based
  - Ground coverage Ratio – use default value

For the **Proposal** to be considered, the PVWatt calculated annual generation and **Proposal based** input data must be included with the **Proposal**.
RFP and Project Timetable

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
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<td>Bid Evaluation</td>
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<td>Select Best Proposal to Seek Council Approval</td>
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<tr>
<td>Sign Contract by</td>
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<tr>
<td>Time to Purchase, Deliver &amp; Construct Project</td>
<td>6 1/2 months</td>
</tr>
<tr>
<td>Complete Start up on or before</td>
<td>November 9th, 2018</td>
</tr>
</tbody>
</table>

Proposals responding to the RFP must be received at the Escanaba Electric Department by 4PM EST on Friday March 9th, 2018. The mailing address is:

Escanaba Electric Department
1711 Sheridan Road
Escanaba, MI 49829

RFP Process

The City of Escanaba, Michigan, Electric Department, at any stage in the RFP process, reserves the right to:

1. Reject any and/or all Proposals received in response to this RFP for any reason and with no reason provided.
2. Waive errors and/or omissions by Bidders in any Proposal if corrected to the Escanaba Electric Department satisfaction.
3. Reject any Proposals not received on or before the Proposal Due Date and Time.
4. Accept a Proposal other than the lowest price due to non-price considerations.
5. Request clarification from Bidders at any time.
6. Amend this RFP at any time.
7. Request additional information deemed necessary for evaluation.

By submitting a Proposal to the Escanaba Electric Department in response to this RFP, the Bidder certifies that the Bidder has not divulged, discussed or compared their Proposal with other Bidders, and has not colluded with any other Bidders or parties to other Proposals whatsoever.

A Proposal may be disqualified at any point in the evaluation process if the Escanaba Electric Department determines, in its sole discretion, that the Bidder has attempted to gain an advantage through conduct deemed unethical, conflict of interest, interference, or any such means.

Each page of the RFP response should be clearly identified as to whether it contains confidential or proprietary information.
Supplemental RFP Proposal Options

1. Once a Bidder has provided a Proposal in response to the base RFP, the Escanaba Electric Department will consider a supplemental Proposal that includes the addition of Battery Storage and related equipment for solar energy generation time shifting to increase Escanaba’s avoided transmission and capacity costs. The time shifting periods were summarized on page 5 of this RFP. The time shifting is only required on weekdays, since Monthly Co-incident Loads and the Annual Peak Load do not occur on weekends.

The supplemental bid should include the following information:

a. Design and layout of Battery Storage system
b. Battery energy storage capacity, kWh
c. Power capacity, kW output rating
d. Discharge time which battery can discharge at its rated power
e. Cycle life – Number of charge and discharge cycles that the proposed battery system can sustain within its expected useful life
f. Self-discharge rate
g. Round trip efficiency
h. Battery supplier and technology, model number
i. Warranty information on battery and related components (e.g., battery converter or inverter)
j. Incremental turnkey EPC (Engineer Procure & Construct) project cost for the addition of a battery storage system, or the total PV + Battery Storage EPC project cost.

2. Once a Bidder has provided a Proposal in response to the base RFP, the Escanaba Electric Department will consider supplemental Proposals that include:

   PV only,
   PV + Battery Storage, or
   Battery Storage only,

A PPA for the first five years of the Project’s life with the option to purchase the Project in the sixth year for its Fair Market Value.

The PPA supplemental Proposal must clearly define:
- Any design or equipment differences with the turnkey EPC Proposal
- How Fair Market Value will be established to purchase the Project at the sixth year.
Successful Bid Proposal Contract Insurance and Performance Bond Requirements

Insurance Requirements
The Contractor shall furnish proof of insurance before the start of work, establishing minimum coverages as follows:

<table>
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<tr>
<th>Worker’s Compensation</th>
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<td>Coverage A</td>
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<td>Coverage B</td>
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<th>Comprehensive General Liability</th>
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<td>General Aggregate</td>
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<tr>
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<tbody>
<tr>
<td>Combined Single Limits</td>
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</tbody>
</table>

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

The Contractor will be required to furnish a performance bond upon notification of the acceptance of his Proposal. The performance bond will be for 100% of the Proposal amount.
Appendix A – Escanaba Solar Project Site Description and Key Set-backs

The proposed site for the Escanaba Solar Project is within an ~10 acre site on the Delta County Industrial Air Park at the Delta County Airport (KESC) in Escanaba, MI. The Google Earth image below shows the proposed site.
Security Fence: Once the boundary of the solar arrays are established in the project design, the Escanaba Electric Department will be responsible for installing a 7 foot high security fence and gates, surrounding the project on three sides. The north side of the project will use the existing 8’ 9” Airport security fence. The EPC developer should account for shading issues from the security fence when designing the project layout and include the fence location in the proposed project drawings.

Key Site Setback Assumptions:
1. The south security fence will be at least 10’ north of the Airport Road ditch.
2. The west security fence will be at least 10’ from the edge of the Access Road to Gate 9 near the runway.
3. The east security fence will be at least 30’ from the underground sewer line which is east of the solar project site boundaries identified on the Google Earth image.
4. The solar panel rows will be at least 10’ south of the existing airport runway 8’9” security fence.
5. The first row of solar panels on the south site of the site is expected to be at least 25’ north of the planned 7’ security fence to avoid shade from the fence.

Access routes to the site: Access to the site for construction can be obtained by two potential routes:
1. On the west side of the site, an emergency access road to Gate 9 provides access to the site from the Airport Road and crosses the ditch along the south side of the site. Because this access road to Gate 9 provides emergency access to the airport runways, construction equipment may not be parked on the access road.
2. On the east side of the site, an existing culvert, next to Portage Creek, provides a grass covered route for light vehicles to access the site from the south-east corner.
Appendix B - FAA Form 7460 and ForgeSolar Glare Analysis

Westwood Professional Services of Eden Prairie, MN prepared and filed the FAA Form 7460 including a ForgeSolar Glare Analysis. See attached.

Appendix C – Airport Site Solar Shade Analysis

The Westwood airport site solar shade analysis data collection, using a SolMetric SunEye system, occurred on November 1, 2017. The trees south of Airport Road retained full leaf-on coverage. The lowest solar access occurs on the southern perimeter of the site, just north of the Airport Road, from the trees on the south side of the Airport Road. The figure below illustrates the location of the individual 22 solar assessment locations.

The Westwood Solar Access and Shade Analysis report is attached.
Appendix D – Site Geotechnical Assessment and Pile Load Testing

The Westwood Professional Services Geotechnical Assessment report and pile load testing for the airport site are attached.
MEMORANDUM

To: Escanaba City Council

From: Patrick Jordan, City Manager

Date: January 18, 2018

RE: Planning and Zoning Staffing

During discussion about increasing the Charter franchise fee I mentioned the need to change the part-time position in Community Development back to full-time, which it was a few years ago. This is a confidential administrative position. Community Development is in need of a full-time position, and Administration in general is in need as well as far as daily coverage and work flow.

During the Budget Work session January 10 I made mention of this as well. Costs are estimated, closely, below:

The added cost for the remainder of 17/18 would be about $15,775. This is for 2/5/18 - 6/30/18. Additional annual cost is $40,000.

I'm asking for the part-time position in Community Development be changed back to full-time, effective February 5, 2018.

Respectfully,

Patrick S. Jordan
RESOLUTION
DEFICIT ELIMINATION PLAN
FOR THE DOWNTOWN DEVELOPMENT AUTHORITY FUND

Whereas, The City of Escanaba’s Downtown Development Authority Fund has a $340,327 deficit fund balance on June 30, 2017, and;

Whereas, 1971 PA 140 requires that a Deficit Elimination Plan be formulated by the local unit of government and file with the Michigan Department of Treasury;

Now therefore be it Resolved, That the City of Escanaba’s City Council adopts the following as the City of Escanaba’s Downtown Development Authority Fund Deficit Elimination Plan:

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<thead>
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<th>Unrestricted Net Position</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
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<td>(Deficit) July 1</td>
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<td>$(313,957)</td>
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<tbody>
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<td>297,138</td>
<td>303,081</td>
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<tr>
<td>Investment Earnings (Loss)</td>
<td>5,500</td>
<td>7,000</td>
<td>7,000</td>
<td>7,000</td>
<td>7,000</td>
</tr>
<tr>
<td>Other</td>
<td>13,400</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>306,900</td>
<td>304,600</td>
<td>310,312</td>
<td>316,138</td>
<td>322,081</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, Wages and Overhead</td>
<td>88,520</td>
<td>90,290</td>
<td>92,096</td>
<td>93,938</td>
<td>95,817</td>
</tr>
<tr>
<td>Supplies</td>
<td>5,700</td>
<td>4,000</td>
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<tr>
<td>Professional Services</td>
<td>36,600</td>
<td>36,000</td>
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<tr>
<td>Telephones</td>
<td>2,600</td>
<td>2,650</td>
<td>2,650</td>
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</tr>
<tr>
<td>Travel</td>
<td>1,000</td>
<td>250</td>
<td>250</td>
<td>250</td>
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<tr>
<td>Public Relations</td>
<td>20,100</td>
<td>20,100</td>
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<td>20,100</td>
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</tr>
<tr>
<td>Printing and Publishing</td>
<td>600</td>
<td>200</td>
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<tr>
<td>Insurance</td>
<td>3,000</td>
<td>2,100</td>
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</tr>
<tr>
<td>Utilities</td>
<td>4,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
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</tr>
<tr>
<td>Maintenance of Lots/Sidewalks</td>
<td>19,500</td>
<td>12,000</td>
<td>12,000</td>
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<tr>
<td>Repairs to Structures</td>
<td>30,000</td>
<td>15,000</td>
<td>15,000</td>
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</tr>
<tr>
<td>Repairs to Equipment</td>
<td>2,900</td>
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<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Rental of Equipment</td>
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<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Memberships and Dues</td>
<td>500</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td>Education and Training</td>
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<td>250</td>
</tr>
<tr>
<td>Capital Outlay</td>
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<td>17,500</td>
<td>17,500</td>
<td>17,500</td>
</tr>
<tr>
<td>Books, Magazines and Periodicals</td>
<td>500</td>
<td>250</td>
<td>250</td>
<td>250</td>
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<tr>
<td>Interest Expense</td>
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<td>14,465</td>
<td>12,900</td>
<td>11,215</td>
<td>9,505</td>
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<tr>
<td>Contributions to Other Funds</td>
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<td>2,500</td>
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<td>2,500</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>280,530</td>
<td>228,805</td>
<td>229,046</td>
<td>229,203</td>
<td>229,372</td>
</tr>
</tbody>
</table>

| Revenue Over Expenditures  | 26,370  | 75,795  | 81,266  | 86,935  | 92,709  |
| Ending Net Position        | $(313,957) | $(238,162) | $(156,896) | $(69,961) | $(22,748) |
Additional Information: The deficit is the result of an internal loan to finance a large capital project. The loan has a 10 year repayment.

Be it further Resolved, That the City of Escanaba’s City Controller submits the Deficit Elimination Plan to the Michigan Department of Treasury for certification.

Ayes:
Nays:

RESOLUTION DECLARED ADOPTED.

I, the undersigned, being duly qualified and acting City Clerk of the City of Escanaba, do hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Escanaba City Council and the City of Escanaba, County of Delta, Michigan, at a regular City Council Meeting held on Thursday, January 18, 2018, and that said meeting was conducted and public notice was given pursuant to and in full compliance with the Open Meeting Act, Act 267, Public Acts of Michigan, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Robert S. Richards, CMC, City Clerk