



CITY COUNCIL MEETING AGENDA

April 18, 2024

Mark Ammel, Mayor
Karen Moore, Mayor Pro Tem
Ronald J. Beauchamp, Council Member
Tyler DuBord, Council Member
Todd Flath, Council Member

James R. McNeil, City Manager
Phil DeMay, City Clerk
Laura J. Genovich, 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, April 18, 2024, at 7:00 p.m.

CALL TO ORDER

ROLL CALL

INVOCATION/PLEDGE OF ALLEGIANCE

APPROVAL/CORRECTION(S) TO MINUTES – Regular Meeting – April 4, 2024

Special Meeting Budget – April 8, 2024

Special Meeting Budget – April 9, 2024

APPROVAL/ADJUSTMENTS TO THE AGENDA

CONFLICT OF INTEREST DECLARATION(S)

BRIEF PUBLIC COMMENT(S)

PUBLIC HEARINGS – None

UNFINISHED BUSINESS – None

NEW BUSINESS

1. Setting of Public Hearing – FY2024-25 Budget – May 2, 2024.

Explanation: Administration is requesting City Council set May 2, 2024, as the fourth Public Hearing on the proposed 2024-25 City Fiscal Year Budget.

2. Approval – Use of Public Space – Ludington Park and Ludington Street – Annual Krusin Klassic Car Fun Run – Manager.

Explanation: The Krusin Klassic Car Club is requesting City Council approval to use Ludington Park and Ludington Street on May 31, 2024, from 6:00 p.m. to 8:15 p.m., for their annual "Krusin Klassics Fun Run". Administration is recommending approval of the request contingent upon the following: 1) Proper insurance was provided naming the City of Escanaba as an additional insured, and 2) event sponsors provide all labor material and clean up at the conclusion of the event.

3. Approval – Resolution No. 24-03 – Escanaba Motor Speedway – Manager.

Explanation: Escanaba Motor Speedway is seeking City Council approval of Resolution No. 24-03, recognizing them as a nonprofit organization operating in the community for the purpose of obtaining a Charitable Gaming License from the State of Michigan.

4. Presentation – Boil Advisory Power Point – Water Department.

Explanation: Administration will give a brief presentation on the boil advisory procedure.

5. Approval – Bosk Painting (interior/exterior equipment, pipes, and valves) – Wastewater Department.

Explanation: Administration is requesting City Council approval to retain Bosk Paint & Sandblast from Escanaba, MI, for services with regard to the City of Escanaba Wastewater Plant painting of exterior/interior equipment, piping, and valves in an amount not to exceed \$89,935.00 to include \$1,000.00 in contingencies. Money is budgeted for this work within the current fiscal year.

Agenda – April 18, 2024

6. Approval – Bio-Solids Removal – 2024 – Wastewater Department.

Explanation: Administration is requesting City Council approval to retain professional services from FSO Management of Oconto Falls, Wisconsin, for the bio-solids removal at a cost of \$0.25/gallon plus a \$12,000.00 mobilization fee. Money is budgeted for this fiscal year.

7. Approval – EGLE Affordability and Planning (AP) Grant Engineering Services – Water Department.

Explanation: Administration is requesting City Council approval to retain C2AE from Escanaba, MI, for engineering services and implementing/conducting/executing the City of Escanaba's EGLE AP Grant in an amount not to exceed \$457,050.00.

APPOINTMENTS

BOARD, COMMISSION, AND COMMITTEE REPORTS

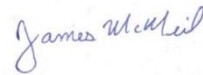
GENERAL PUBLIC COMMENT

PROCLAMATION – Arbor Day Proclamation, April 26, 2024

ANNOUNCEMENTS

ADJOURNMENT

Respectfully Submitted,



**James R. McNeil
City Manager**

**OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, April 4, 2024**

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

Present: Mayor Mark Ammel, Council Members, Ronald J. Beauchamp, Tyler DuBord, and Karen Moore

Absent: Council Member Todd Flath

Also Present: City Manager James R. McNeil, Deputy City Clerk Tammy Weissert, Department Heads, media, and members of the public.

Deputy City Clerk Weissert led Council in the Pledge of Allegiance.

DuBord moved, Moore seconded, **CARRIED UNANIMOUSLY**, to excuse Council Member Flath's absence.

DuBord moved, Moore seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting minutes from March 21, 2024, as submitted.

ADJUSTMENTS TO THE AGENDA

Beauchamp moved, to add New Business #6 – Discussion on Adjusting Monday's Budget Schedule due to Solar Eclipse.

Beauchamp moved, DuBord seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as amended.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT – None

PUBLIC HEARINGS – None

UNFINISHED BUSINESS – None

NEW BUSINESS

NB-1 Presentation – 2023 Planning Commission Annual Report – Planning & Zoning.

During a regular meeting of the Planning Commission on March 14, 2024, a motion was made to approve the Planning Commission Annual Report and Work Plan as presented before them and submit to City Council for review in accordance with the

Michigan Planning Enabling Act, PA 33 of 2008, Section 125.3819.

NB-1 DuBord moved, Moore seconded, to accept the Planning Commission Annual Report and Work Plan.

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

Ayes: DuBord, Moore, Beauchamp, Mayor Ammel
Nays: None
Absent: Flath

MOTION CARRIED.

NB-2 Approval – Annual Chemical Bids – Water/Wastewater.

Administration sought City Council consent to accept the following annual chemical bids:

- a. Hawkins, Inc., Roseville, MN to furnish approximately 35,000 pounds of Hydro-Fluosilicic acid for use in drinking water treatment of \$46.90 / hundred in totes.
- b. Aquachem of America, Inc., Appleton, WI to furnish approximately 100 net tons of Aluminum Sulfate liquid in the amount of \$450.00 per dry ton.
- c. Thatcher Co., Salt Lake City, Utah to furnish approximately 95 tons of Dense Soda Ash in 50-pound bags for use in drinking water treatment in the amount of \$26.49 / cwt 50-lb bags.
- d. Kemira Water Solutions, Lawrence, KS to furnish approximately 50 tons of dry weight Ferric Chloride in the amount of \$1,394.00 / dry ton.
- e. Hawkins, Inc., Roseville, MN to furnish approximately 10 tons of liquid Chlorine in amount of \$165.00 per cwt in 150-pound cylinders.

NB-2(a-e) DuBord moved, Moore seconded, that the Chemical Bid agenda items be approved as proposed in the unit prices as stated.

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

Ayes: DuBord, Moore, Beauchamp, Mayor Ammel
Nays: None
Absent: Flath

MOTION CARRIED.

NB-3 Approval – Live Dive WW Outfall Inspection – Wastewater.

Administration requested City Council approval to retain Underwater Construction Corporation of Racine, WI, for underwater inspection services of the wastewater outfall in an amount not to exceed \$7,000.00. Money was available and budgeted for this type of activity with the current FY.

NB-3 Moore moved, DuBord seconded, to approve to retain Underwater Construction Corporation of Racine, WI, for underwater inspection services of the wastewater outfall in an amount not to exceed \$7,000.00.

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

Ayes: Moore, DuBord, Beauchamp, Mayor Ammel
Nays: None
Absent: Flath

MOTION CARRIED.

NB-4 Approval – Additional Engineering Required for Clean Water State Revolving Funds (CWSRF) – Wastewater.

Administration requested City Council approval to compensate C2AE from Escanaba, MI, for additional engineering services with regard to the work within the expended scope of the Clean Water State Revolving Funds (CWSRF- APRA Grant) in an amount of \$251,505.00.

NB-4 DuBord moved, Beauchamp seconded, to approve to compensate C2AE from Escanaba, MI, for additional engineering services with regard to the work within the expended scope of the Clean Water State Revolving Funds (CWSRF- APRA Grant) in an amount of \$251,505.00.

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

Ayes: DuBord, Beauchamp, Moore, Mayor Ammel
Nays: None
Absent: Flath

MOTION CARRIED.

NB-5 Approval – Engineering for the MDOT US-2 Reconstruction Project – Water.

Administration requested City Council approval to retain C2AE from Escanaba, MI, for engineering services for the 30% base plans with regard to the MDOT US-2 Reconstruction Project in an amount not to exceed \$19,250.00. Money for this type of activity was budgeted and available within the current Water Department's fiscal year.

NB-5 Moore moved, Beauchamp seconded, to approve to retain C2AE from Escanaba, MI, for engineering services for the 30% base plans with regard to the MDOT US-2 Reconstruction Project in an amount not to exceed \$19,250.00.

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

Ayes: Moore, Beauchamp, DuBord, Mayor Ammel
Nays: None
Absent: Flath

MOTION CARRIED.

NB-6 Discussion – Adjusting Monday’s Budget Work Session Schedule due to the Solar Eclipse.

Council held a discussion on adopting an alternate Budget Work Session schedule for Monday, April 8, 2024, so people could witness the solar eclipse.

NB-6 Moore moved, DuBord seconded, to adopt the alternate Budget Work Session schedule for Monday, April 8, 2024.

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

Ayes: Moore, DuBord, Beauchamp, Mayor Ammel
Nays: None
Absent: Flath

MOTION CARRIED.

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

City Manager McNeil, with Council Consensus made the following reappointments:

Monte Morrison reappointed to the Brownfield Redevelopment Authority, expiring April 1, 2027.

Charles Vader reappointed to the Brownfield Redevelopment Authority, expiring April 1, 2027.

Richard Clark reappointed to the Brownfield Redevelopment Authority, expiring April 1, 2027.

City Manager McNeil, with Council Consensus made the following appointment:

Steven Sager appointed to the Harbor Advisory Committee, expiring June 1, 2024.

BOARD, COMMISSION, AND COMMITTEE REPORTS

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

GENERAL PUBLIC COMMENT

- Kelli van Ginhoven – Discussed training programs for Planning Commissioners.

ANNOUNCEMENTS

- Kudos to the City Workers that were out during the storm.
- Watch out for Construction Workers.

Hearing no further public comment, DuBord moved, the Council adjourned at 7:48 p.m.

Respectfully submitted,

Tammy Weissert, CMC/MiPMC
Deputy City Clerk

Approved: _____
Mark Ammel, Mayor

**City of Escanaba
Special Council Meeting
Monday, April 8, 2024**

Pursuant to a meeting notice posted April 1, 2024, the Council of the City of Escanaba convened in special session in Room 101 of City Hall at 9:00 a.m., to begin the review and discussion of the proposed 2024/25 City Budget.

Present: Mayor Mark Ammel, Council Members, Ronald J. Beauchamp, Tyler DuBord, Todd Flath, and Karen Moore

Absent: None

Also Present: City Manager James R. McNeil, City Controller Melissa Becotte, City Clerk Phil DeMay, Department Heads, media, and members of the public

GENERAL PUBLIC COMMENT

- Lynn Soderberg – discussed library budget.
- Amy Reddinger – discussed library budget.

City Manager James McNeil and City Controller Melissa Becotte presented Council the following Budget information:

CITY MANAGER’S FINAL BUDGET OVERVIEW – FY 2024-25

Pursuant to the Escanaba City Charter and relevant state laws, I hereby submit to the City Council and the community, the FY 2024-2025 recommended 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 of Escanaba website: www.escanaba.org. The presented budget is guided by the City of Escanaba mission statement, “Enhancing the enjoyment and livability of our community by providing quality municipal services to our citizens.”

The City of Escanaba operates in the fiscal year beginning July 1 and ending June 30. The city operates in several segments. The budget is comprised of a large number of major and non-major funds. For major funds, the General Fund serves as the primary operations fund for general governmental functions. Major Enterprise Funds represent the utilities of Electric, Water, and Wastewater.

A Brief Review: Budget Trends and June 30, 2023 Financials

Recent General Fund budgeted surplus (deficit) numbers are presented in the table below:

GENERAL FUND				
Budget Period	2021-2022	2022-2023	2023-2024	2024-2025
Recommended	(478,489)	(1,022,241)	144,405	(283,781)
Adopted	(550,641)	(366,800)	137,405	TBD
Actual	(247,235)	120,089	TBD	TBD

The 2021-2022 and 2022-2023 adopted budgets featured budget deficits. The 2022-2023 recommended budget included a General Fund deficit of approximately \$1 million, and the adopted budget reduced the deficit to \$366,800. This was accomplished by making \$267,000 in budget cuts to the requests of departments, increasing the millage rate by 0.442 to generate \$143,000 of added tax revenue, and a receipt of \$273,000 in one-time federal revenue. The 2023-2024 budget included a \$144,405 surplus with no increase to the millage rate. Looking ahead to 2024-2025, the recommended budget includes over \$800,000 of budget cuts to General Fund department requests, and a 50% reduction in the use of the pension surplus fund. It is noteworthy that the budget cuts in the 2024-2025 budget resulted in a balanced budget, but the strategy to preserve pension surplus funds has resulted in a deficit.

As of June 30, 2023, the General Fund carried an unassigned fund balance of \$5,599,626, equal to 60% of annual expenditures and transfers out. A fund balance greater than six months of annual expenditures provides the city financial strength. It is critical that financial strength be maintained for the mitigation of revenue shortfalls and unexpected expenditures, the provision of working capital, and to bolster the city bond rating.

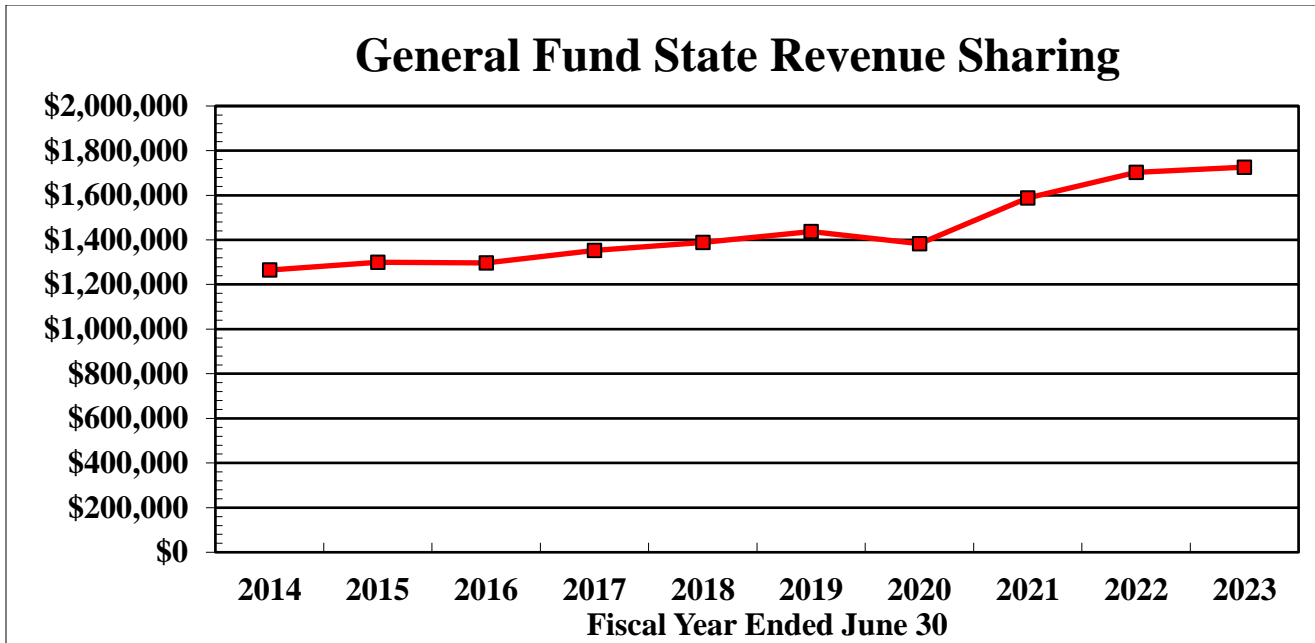
Property Taxes

Property tax revenue provides approximately 50% of revenue for all governmental activities. While a stable source of revenue, growth in property tax revenue is restricted. Proposal A limits the growth of existing taxable values to the lesser of inflation or 5%, plus new construction. Also, taxable values cannot be higher than the assessed value. As a result, episodes of real estate decline, such as the Great Recession, reduce both assessed and taxable values. While market values may recover at a pace higher than inflation, taxable values remain impaired by Michigan law.

The City of Escanaba has experienced reductions in taxable value because of the Dark Store Theory and various property tax exemptions. In addition to property tax loss, legal fees for the related commercial appeals have exceeded \$1 million since 2012. The handling of property tax appeals by the office of the City Assessor has reduced legal fees in recent years.

State Revenue Sharing

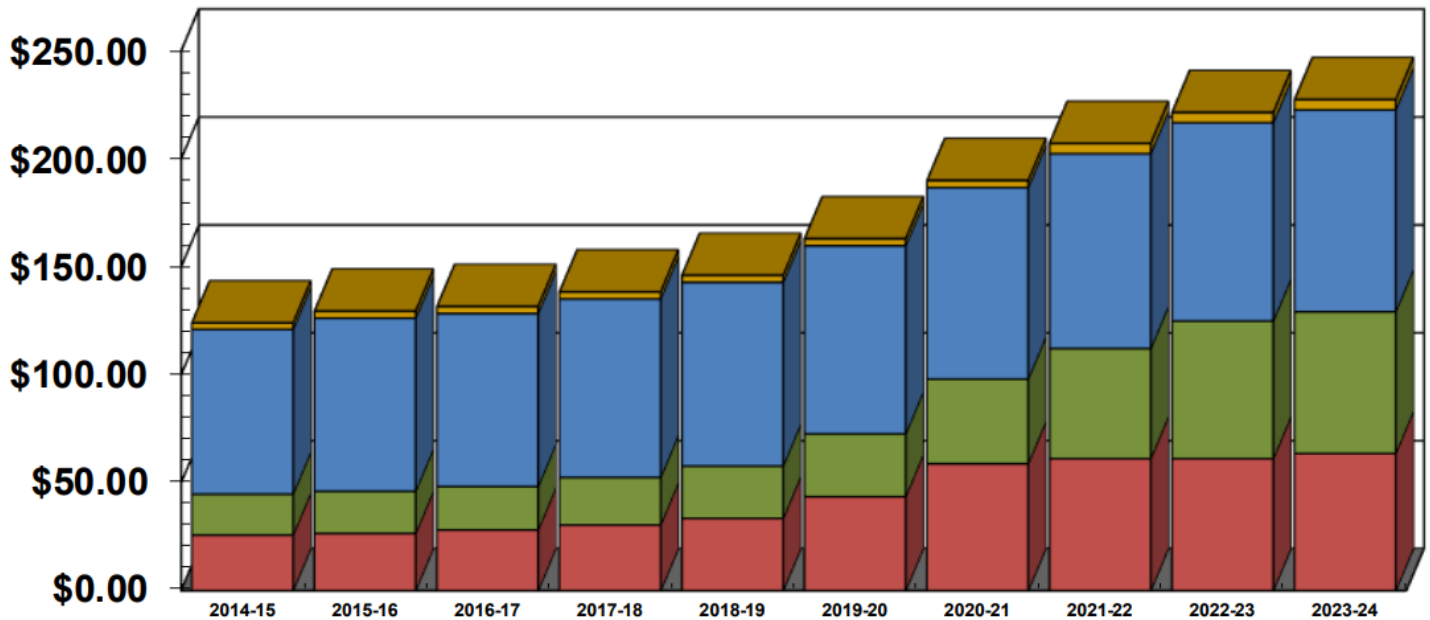
State revenue has accelerated as a result of recent economic growth and increases in government spending. The most recent Governor's Budget includes a 5% increase in ongoing revenue sharing in addition to a one-time increase to the new public safety revenue sharing. The decade beginning in 2001-2002 saw revenue sharing decline from \$1.8 million to \$1.2 million. Revenue sharing has been mostly flat since 2012 and indicated signs of weakness in 2020. There was an acceleration in 2021 and 2022 from two nonrecurring extra payments. Expect revenue sharing to correlate with economic activity, which may suffer from more restrictive monetary and fiscal policy.



Utility Rates

City of Escanaba utility customers have experienced utility rate increases as a result of mandatory investment in infrastructure. This situation is not unique to Escanaba, and Escanaba utility rates remain competitive. Utility rate comparisons can be viewed online in the City of Escanaba EVIP report.

Combined Utility Billing History



Residential Monthly Usage of 5,000 Gallons & 750 KWh

■ Water
 ■ Wastewater
 ■ Electric
 ■ Garbage

Financials

City of Escanaba audited financials are available online:

<https://www.escanaba.org/controller/page/annual-city-comprehensive-audits>

A summary of government-wide net position and change in net position is provided on the next page. Net position displays the residual of assets and liabilities, and long-term net position trends are indicative of the direction of the financial health of the city.

Annual 2024/25 Budget Work Session

NET POSITION

	GOVERNMENTAL ACTIVITIES		BUSINESS TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and other assets	19,069,814	18,401,279	21,889,693	22,683,388	40,959,507	41,084,667
Capital assets, net	23,948,659	24,343,122	56,640,219	46,880,123	80,588,878	71,223,245
	43,018,473	42,744,401	78,529,912	69,563,511	121,548,385	112,307,912
Deferred outflows of resources	4,260,111	3,133,211	1,494,812	437,094	5,754,923	3,570,305
LIABILITIES						
Long-term debt	1,363,307	1,273,394	4,078,498	3,207,405	5,441,805	4,480,799
Current and other liabilities	16,097,771	13,571,010	24,261,035	22,063,675	40,358,806	35,634,685
	17,461,078	14,844,404	28,339,533	25,271,080	45,800,611	40,115,484
Deferred inflows of resources	-	1,276,496	183,165	1,001,058	183,165	2,277,554
NET POSITION						
Net investment in capital assets	23,948,659	24,343,122	36,735,113	28,690,847	60,683,772	53,033,969
Restricted	7,710,674	7,623,176	317,555	377,291	8,028,229	8,000,467
Unrestricted (deficit)	(1,841,827)	(2,209,586)	14,449,358	14,660,329	12,607,531	12,450,743
TOTAL NET POSITION	29,817,506	29,756,712	51,502,026	43,728,467	81,319,532	73,485,179

CHANGE IN NET POSITION

	GOVERNMENTAL ACTIVITIES		BUSINESS TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
PROGRAM REVENUES						
Charges for services	906,670	1,127,329	23,165,145	22,926,098	24,071,815	24,053,427
Operating grants and contributions	2,490,073	2,049,858	-	-	2,490,073	2,049,858
Capital grants and contributions	4,820	939,988	6,454,437	670,867	6,459,257	1,610,855
GENERAL REVENUES						
Property taxes	6,332,498	5,704,331			6,332,498	5,704,331
State shared revenue	1,725,882	1,703,115			1,725,882	1,703,115
Unrestricted grants and contributions	207,370	192,492			207,370	192,492
Unrestricted investment earnings	(4,810)	(438,997)	1,867	(677,806)	(2,943)	(1,116,803)
Gain on sale of capital assets	-	6,200			-	6,200
TOTAL REVENUES	11,662,503	11,284,316	29,621,449	22,919,159	41,283,952	34,203,475
EXPENSES						
General government	655,100	850,643			655,100	850,643
Public safety	5,816,509	5,193,483			5,816,509	5,193,483
Highways, streets, and public works	2,585,727	2,672,821			2,585,727	2,672,821
Sanitation	831,079	821,101			831,079	821,101
community services	91,909	120,554			91,909	120,554
Recreation and culture	1,869,556	1,717,055			1,869,556	1,717,055
Community and economic development	504,643	456,699			504,643	456,699
Other functions	3,938	6,024			3,938	6,024
Interest on long-term debt	8,038	11,685			8,038	11,685
Electric utility			14,232,441	13,004,786	14,232,441	13,004,786
Waste water utility			3,082,644	1,961,099	3,082,644	1,961,099
Water utility			3,447,765	2,511,644	3,447,765	2,511,644
Marina			320,250	284,874	320,250	284,874
TOTAL EXPENSES	12,366,499	11,850,065	21,083,100	17,762,403	33,449,599	29,612,468
Change in net position before transfers	(703,996)	(565,749)	8,538,349	5,156,756	7,834,353	4,591,007
Transfers	764,790	764,790	(764,790)	(764,790)	-	-
CHANGE IN NET POSITION	60,794	199,041	7,773,559	4,391,966	7,834,353	4,591,007
NET POSITION BEGINNING OF YEAR	29,756,712	29,557,671	43,728,467	39,336,501	73,485,179	68,894,172
NET POSITION END OF YEAR	29,817,506	29,557,671	51,502,026	43,728,467	81,319,532	73,286,138

The Recommended Budget and Administration Discussion

Restricted, Opportunistic, and Prodigious

Municipalities across Michigan are facing similar budgetary challenges. As shown in the figures above, large forces continue to stress several funds. Unfunded liabilities, fully depreciated infrastructure, and revenue challenges are most troubling. The issue today is less of an issue of inadequate revenue, but rather the comeuppance for severe underinvestment in previous decades. Actions to address this situation are presented in this budget.

Budget actions can be financially analyzed in terms of their effect on the size, timing, and riskiness of cash flows. Additional considerations of budget actions are the impacts to services today and in the future. Our goal is to provide reliable services at the best value today and for generations to come.

General Fund

The recommended budget includes over \$800,000 in General Fund budget cuts to the departmental requested budget, action that balanced the budget. In light of long-term pension obligations, City Administration decided to reduce the use of pension surplus funds by 50% from the previous budget. This reintroduced a budget deficit. However, this additional expense is payment to the City Pension Fund, more resembling a balance sheet transaction.

2024-2025 General Fund Deficit: \$283,781.

The General Fund has many necessary expenditures. Personnel has been reduced over many years, and substantial further reductions would inhibit the ability to provide services, especially when the demand for services continues to increase in multiple segments. This budget includes the continuation of personnel consolidation with additional budget cuts.

Notable actions and considerations for the General Fund budget:

- No change in the tax levy.
- Continued consolidation of Manager and Assessor positions.
- Public Safety count at 31, with several higher compensated positions left open.
- In addition to last year's Library hours of operation reduction, this budget includes a \$25,000 reduction in the General Fund transfer to the Library Fund.
- Pension – 50% reduction of the application of the surplus division.
- Various reductions in Department of Public Works budget.
- Reduction of lifeguard hours at the beach by 50%.
- Elimination of ice rink budget.
- Maintenance of various City Recreational facilities to be completed with City labor.

The Escanaba Public Library is a heavily utilized city service. A more efficient library schedule was introduced in the previous budget. The recommended budget includes a higher pension cost as a result of the reduction in the use of surplus funds, and a \$25,000 reduction in the General Fund transfer to the Library Fund. Collectively, this requires over \$50,000 of expenditure reductions.

General Fund Capital Spending

The General Fund makes several capital investments. This includes a carryover from the previous budget for the replacement of generators at Public Safety. Approximately \$130,000 is requested to replace the air handler at Public Safety, utilizing \$80,000 from the Gas Retirement Fund. The City has historically contracted tennis and basketball court replacement at a high cost. The proposed budget includes City labor for replacement of various courts, including the Ludington Park

basketball court. The City has received a RAP 2.0 50% match grant for the Ludington Street streetscape and new restroom near the Municipal Dock. The recommended budget includes the grant match and is scheduled with City labor for the construction of the restroom.

Pension

The City Pension situation has changed for better and worse since the previous budget. Looking back, required pension contributions have doubled from 2011 to 2021, even with the City making a \$2.5 million lump-sum contribution in 2018.

The most recent (2022) MERS Actuarial Valuation reflects a worsening of funding status. On the surface, the improvement to 69% funded is an improvement to the 67% funded ratio from the 2021 report. Due to MERS actuarial methods, the 2022 actuarial value of assets is 116% of the market value of assets, resulting in a true funding ratio of only 60%. This has meaningfully shifted contributions higher and suggests that full funding will take longer.

The good news is that the City has now terminated MERS administration of the plan and maintains funding autonomy. Due to the timing of this endeavor, the proposed budget includes the high level of pension contributions from the MERS valuation. City Administration has been working with consulting actuaries to form a new funding plan that is not reflected in this budget.

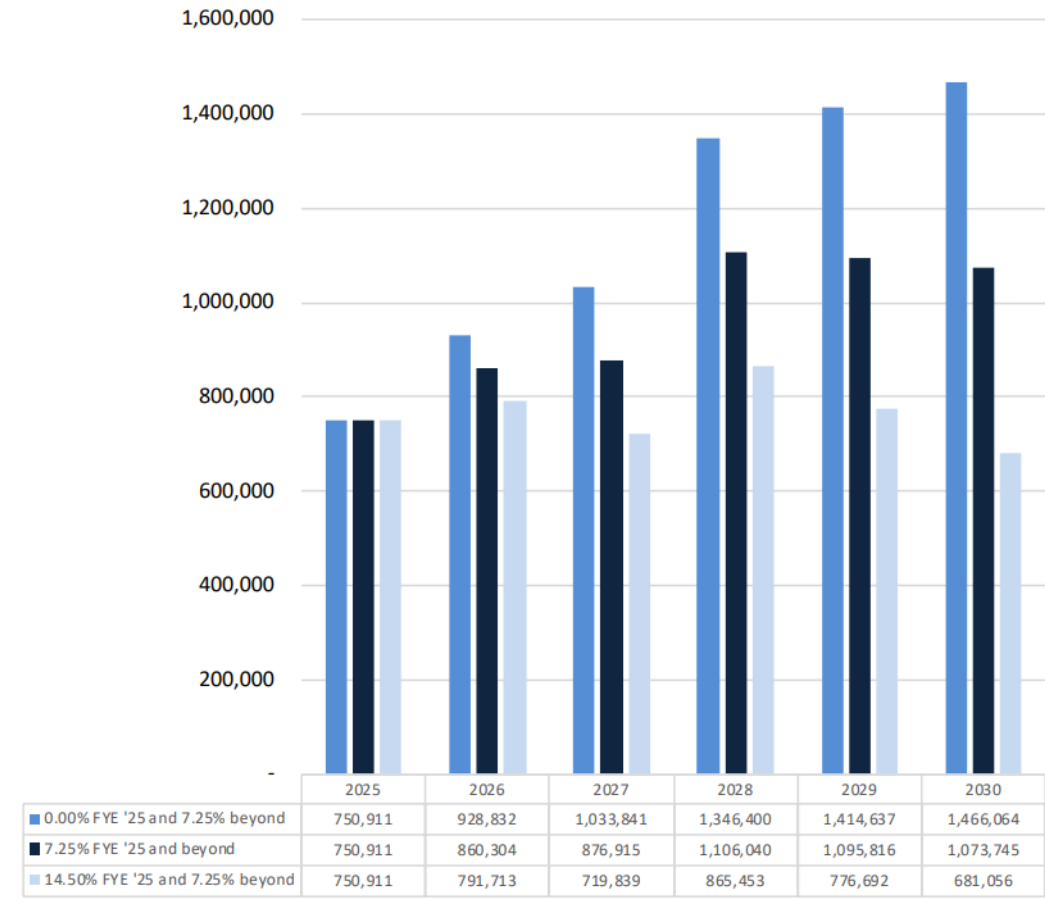
Since 2022, market performance has been strong and the City made an additional \$500,000 contribution in the 2023-2024 budget, which should deliver a more favorable projection in the next valuation. There is plenty of reason for optimism, but we need to be mindful that additional funding, in the form of lump-sum or regular contributions, may be required to reach full funding within a decade.

The Act 345 (Public Safety) pension fund is better funded than the other City of Escanaba Pension Fund. The table below, summarizes recent funding ratios:

	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23
Actuarial Value of Assets (\$M)	\$31.1	\$32.2	\$34.2	\$34.8	\$34.8
Actuarial Accrued Liability (\$M)	\$35.0	\$35.3	\$37.1	\$38.0	\$38.6
Funded Ratio (Actuarial Assets/AAL)	88.9%	91.0%	92.1%	91.4%	90.2%
Market Value of Assets (\$M)	\$31.3	\$30.6	\$38.3	\$32.3	\$32.6
Actuarial Accrued Liability (\$M)	\$35.0	\$35.3	\$37.1	\$38.0	\$38.6
Funded Ratio (MVA/AAL)	89.5%	86.6%	103.3%	84.9%	84.5%

Despite a stable funding status, the normal cost and amortization of unfunded liability will contribute to increasing contributions. The required contribution increased \$102,592 from the 2022 to the 2023 valuation. The chart below displays the scheduled contributions, including scenario analysis if returns exceed or underperform the benchmark in the first year.

Projected Employer Contributions for FYE June 30,



Economy

The economic environment and financial conditions must be considered when preparing our city budget. During this process, we assess the local and macroeconomy as it relates to city revenues, expenditures, and demand for services.

Our country is experiencing an inflationary episode as a result of the COVID-19 response. The M2 measure of the money supply increased 40.2% from February 2020 to February 2022. Inflation in goods increased due to supply chain disruptions by shutdowns while aggregate demand was fueled by stimulus. Inflation became embedded and continues to remain elevated, and it is becoming apparent that the last part of this effort to return to targeted 2% inflation will be the most difficult. History suggests the actions required to restore price stability also result in a recession, and recessions impair city revenues with immediate and lasting effects. Debate remains regarding the forecast for short-term interest rates. Meanwhile, the long end of the yield curve could remain elevated due in part to high levels of government debt.

As a result of inflation, city revenues and expenditures increase. Property tax revenues are increasing with the combination of large gains in the residential real estate market. We have seen the second consecutive 5% inflation rate multiplier, the only two occurrences since the onset of Proposal A. It is possible that revenue sharing could sustain higher levels if consumer spending remains strong. Lastly, there are increased grant opportunities as a result of stimulus. City Administration continues to monitor and apply for grant funding opportunities.

Expenditures continue to face extreme inflationary pressure, especially related to materials and labor. The impact of higher interest rates will be a consideration for future borrowing.

Water and Wastewater

The proposed budgets include 8% and 3% rate increases for water and wastewater respectively.

The \$11.6 million upgrade to the water plant will be closing this summer, and we recently closed-out the \$14 million upgrade to the wastewater treatment plant. The completion of these projects ensures the reliable production and treatment of water for the City of Escanaba for years to come. As discussed at the July 2022 work session, several years of 8% rate increases will be required to service loan payments for the water treatment plant.

As mandated by the State of Michigan, the city is pursuing the replacements of lead impacted services. Currently, there are approximately 4,000 lead impacted services that require replacement. EGLE mandates that these services be replaced within a 20-year period. Since 2020, the City has replaced 599 of the impacted services. The estimated cost for lead service line replacements could exceed \$50 million. Another \$50 million is needed for the replacement of old and undersized watermain.

The City has received substantial grant funds to complete water and wastewater work. The \$11.6 million water treatment plant renovation project received approximately \$5 million in grants. From 2021-2023, the City utilized \$3 million of grant funds to complete \$5.7 million of lead service line replacement related work. Nearly \$40 million in DWSRF ARP funds have been awarded primarily for the replacement of lead service lines and old and undersized water main. This phase of grant work will be completed by fall of 2026. Despite receiving large grant awards, the City still faces high costs and a need to replace additional service lines and water main.

The Michigan Department of Transportation (MDOT) will be reconstructing two miles of US2. In an effort to save costs by replacing underground utilities as part of the project, the City has been working to procure funding for this \$8 million project. \$1.75 million has been awarded as part of the FY2024 Federal Congressional Directed Spending. This will work alongside other sources to complete the proposed work.

The city wastewater collection system experiences high levels of inflow and infiltration. (I&I) We are obligated to make repairs that will bring the system into compliance, at a cost of tens of millions.

Several efforts have been made to take steps toward compliance. The wastewater treatment plant project has been completed, and the City has been awarded \$20 million in grant funds for the replacement of the Ludington Street lift station, replacement of Ludington Street sanitary sewer, and removal of roof drains. Additional phases of work will be required to reduce I&I, including additional sewer and manhole replacement, roof drain removal, and sump pump removal.

The City continues to aggressively apply for grant and loan opportunities, including the State of Michigan DWSRF/CWSRF. It is expected that grant opportunities will be reduced, but low-interest loans provide long-term savings by reduced interest expense and as an inflation hedge. We are hopeful that this opportunity remains available as it will reduce the size of future utility rate increases.

Electric

The proposed budget includes a 2.75% increase to electric rates. The City has managed stable electric rates for several years, and this trend is expected to continue. This budget includes regular upgrades such as the replacement of electric poles, streetlights, and the replacement of meters with advanced metering infrastructure. Major distribution system improvements are part of multiyear projects including the replacement of underground cable, additional substation cross

connections, improvements to the west side substation, and an improved SCADA system.

City Administration considered the 2023 energy legislation in preparation of this budget. It is expected the Renewable Energy Credits (RECs) will reach a high cost in future budgets. Since the City is a purchaser of power, it is possible that costs could escalate as a result of regulatory requirements. The dust has not settled on the impact of this legislation, but it is our hope that planning for requirements today will soften the budgetary implications in years ahead.

Streets

The City faces nearly \$60 million in grant awards for water and wastewater with an opportunity to complete large-scale street work. In order to achieve a meaningful amount of work, the City will be required to seek financing for street work.

In addition to the pragmatism of project coordination, there are components of the SRF projects that necessitate additional street funding. On the DWSRF side, open-trench water main replacement is best executed with full-width reconstruction. The city intends to pave streets impacted by LSL work to the greatest extent possible, focusing on specific conditions such as the compaction issues on 5th Avenue South.

Ludington Street has been discussed for years, and the CWSRF project has provided a means to a project by funding a large portion of restoration costs. MEDC RAP 2.0 funding will be another source of funding used to complete this project, with DDA participation. Multiple sources of funding, including use of fund balance, grants and loans will provide for the remainder of the street to be reconstructed, including curb and gutter. In addition to restoration, the city intends to construct two 48” storm sewers on Ludington Street and upsize one outfall. Additional storm sewer phases will be required to meet a recommended design standard.

City streets, funded by Act 51 revenue, provide approximately \$600,000 per year of construction type work after maintenance and plowing. Not only does the overall cost of the projects create a need for financing, but timing is another problem solved by financing. For example, we may see a need for \$2.5 million in just the first year, mostly attributable to the timing of water main replacement.

Below is a preliminary estimate of non-grant funding requirements for the proposed work:

NON-PARTICIPATING PROJECT COSTS (CITY STREET)

Project	Start	End	Description	Overall Cost	FY 24-25 Cost
DWSRF ARPA 1.0	2024	2026	Watermain & LSL replacement. Full-width street reconstruction in watermain areas.	1,676,627	1,676,627
DWSRF ARPA 2.0	2024	2026	Watermain & LSL replacement. Full-width street reconstruction in watermain areas.	1,188,742	308,880
CWSRF ARPA 1.0	2024	2026	Ludington Street Lift Sation, Sanitary, Storm, and Street Reconstruction	2,250,000	500,000
				<u>5,115,369</u>	<u>2,485,507</u>

The City can utilize Act 51 revenues and General Fund balance to repay debt. However, we are also seeking additional sources of funding to offset costs or to provide a separate revenue source for repayment. Some of these sources include Congressional Directed Spending (CDS), STORM Act, and Brownfield tax increment financing.

The condition of City streets is not desirable, and they will only worsen without an aggressive work schedule. The efforts described above, along with our new patching methods, will meaningfully move the needle in the right direction.

Motor Vehicle Fund

The Motor Vehicle Fund, an internal service fund, is recovering from decades of losses. As of June 30, 2021, the cash balance was -\$309,357. Since, the MVF has climbed to a positive cash balance by producing a positive operating cash flow. This is part of a multiyear effort of increases to vehicle and equipment rental rates, which has negatively affected other funds. Other efforts are being made to reduce the size of our liabilities through the sale of unused equipment, consolidation, and replacement of equipment that required high levels of maintenance.

The cash challenged fund has resulted in a long period of old and failing equipment. The 2023-2024 fiscal year saw investment made with purchases of two patrol vehicles, street sweeper, pickup truck, paint grinder, forestry truck, and total patcher. The 2024-2025 budget includes a carryover of a tandem deicing truck, and recommendations for an automated garbage truck, fuel station replacement, police pickup truck, loader, used pickup truck, lawn mower, and trailer. With the fund not having cash to fund large purchases, it is proposed that an internal loan be used for the fuel station, loader, and garbage truck.

Closing

Doubling Down on Optimism

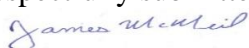
The means of comparing infrastructure investment in Escanaba relative to other communities are not available. However, it is our expectation that City of Escanaba infrastructure grant awards per capita may be one of the most sizable in the country. Looking back to 2017, the City has received or been allocated approximately \$70 million in grant funds and nearly \$20 million in low-interest loans. The coming work is a megaproject.

We are clear-eyed in viewing the needs of the City, resulting in dozens of additional grant and loan applications. It has been our experience that funding is awarded to those who embrace the opportunity, and more projects beget additional funding opportunities. In addition to City investment, we are excited about the private investment being made in our community. Sizable real estate investment requires years of investigation, planning, and due diligence before construction begins. Efforts on our north shore redevelopment will finally reach the construction phase this year, and other developments are finding their footing.

It is our belief that the City of Escanaba will be well positioned over the long term. Our strategy of conservative budget practices and the aggressive alignment of our needs with grant and loan sources will provide improved infrastructure and affordability. Conservative management and successful execution of current strategies will produce better access to capital markets and provide resources for future services and facilities.

I am grateful to serve our city and work with a dedicated team. The preparation of the budget is a large group effort. The office of the City Controller deserves special mention for the continuous support to the city budget process. We look forward to presenting this budget and another year of service to our residents and customers.

Respectfully submitted,



James R. McNeil
City Manager

Electric Superintendent, Jerry Pirkola 9:21 a.m.

Mr. Pirkola reviewed the 2024/25 proposed City Electric Budget with Council. The following was discussed:

- Gave a quick update on the Electrical department;
- Income, Capital Expenditures, and Operating Statements;
- Discussed Advanced Metering Infrastructure (AMI);
- Electric Rates;
- Capacity Purchases, Energy used;
- Pole replacements;
- Discussed bidding out projects;
- Rate Study;
- Discussed Meter Replacement and Charges;
- Transmission and Distribution Statements;
- Discussed education and training;
- Discussed underground conduit / conductors;
- Equipment purchases;
- Replacement of streetlights;
- Discussed.

Public Works, Assistant Superintendent Alex Wolak – 10:21 a.m.

Ms. Wolak reviewed the 2024/25 proposed City Department of Public Works and Engineering Budget with Council. The following was discussed:

- Discussed General Budget;
- Crosswalks, engineering budget, trees and shrubs, landfill and road, solid waste collection, mulching, ally paving, and park maintenance, recycling;
- Discussed resurfacing projects;
- Discussed upcoming projects;
- Discussed motor vehicle fund;
- Local Street Fund, Snow Plowing and Removal, Storm and Sewer, and Traffic Services;
- Increase in tree work and stump grinding;
- Roof repair to the building.

City Clerk, Phil DeMay – 11:20 a.m.

Mr. DeMay reviewed the 2024/25 proposed City Clerk and IT Budget with Council. The following was discussed:

- Request for increase in postage;
- Updated Council on Elections;
- Request for Annual Code of Ordinances Supplement Code of Ordinances on the Internet;
- Request for Travel Expenses, Education and Training;
- Updated Council on CMC certification;

- CityClerk IT Admin Computer purchase;
- Meraki license renewal;
- Copier replacement;
- Switches upgrades.

Mayor Ammel moved to recess, the time being 11:41 a.m.

Beauchamp moved to come back in session at 11:50 a.m.

Recreation/Marina Fund – Kim Peterson – 11:50 a.m.

Ms. Peterson reviewed the 2024/25 proposed Recreation/Marina Budget with Council and discussed the following items:

- Reviewed Marina Fund-Income Statement, dock fees, services;
- Dock repairs and maintenance;
- Discussed condition of docks;
- Discussed staffing;
- Discussed how to make the Harbor more attractive to boaters;
- Recreational General Fund discussion;
- Winter Sports purchases;
- Beach General Fund update;
- Boat Launches general fund;
- Splash Park Update;
- Civic Center Fund update;
- Harbor Fee schedule.

Library Director, Carolyn Stacey – 12:48 p.m.

Library Director Carolyn Stacey reviewed the 2024/25 proposed Library Budget with Council. The following was reviewed:

- Overview of the Department, Library Strategic Planning process, daily programs, services, and technologies, and strategies the library provides the community and Delta County;
- Discussed Library Fees;
- Discussed Penal Fines;
- Library Revenues and Fund Balance;
- State of Michigan Library Funding;
- Discussed Staff positions;
- Outreach Vehicle update;
- Discussed Public outreach and what the City Library can offer to others;
- Discussed General Fund reduction.

Planning/Zoning Administrator, Tyler Anthony – 1:05 p.m.

Planning/Zoning Administrator Tyler Anthony reviewed the 2024/25 proposed Planning/Zoning budgets with Council. The following was reviewed:

- Master Fee Schedule Changes;
- Discussed Capital Improvement Plan;
- General Fund;
- Training and Education;
- Discussed Planning Commission and Applications;
- New Laptop purchase.

GENERAL PUBLIC COMMENT – None

Hearing no further public comment and the time being 1:34 p.m., Flath moved, the Council recessed until 9:00 a.m., Tuesday, April 9, 2024.

Respectfully submitted

Phil DeMay
City Clerk

Approved: _____
Mark Ammel, Mayor

**City of Escanaba
Special Council Meeting
Tuesday, April 9, 2024**

Pursuant to a meeting notice posted April 1, 2024, the Council of the City of Escanaba reconvened in special session in Room 101 of City Hall at 9:00 a.m., to continue the review and discussion of the proposed 2024/25 City Budget.

Present: Mayor Mark Ammel, Council Members, Ronald J. Beauchamp, Tyler DuBord, Todd Flath, and Karen Moore

Absent: None

Also Present: City Manager James R. McNeil, City Controller Melissa Becotte, City Clerk Phil DeMay, Department Heads, media, and members of the public

GENERAL PUBLIC COMMENT – None

DuBord moved to come back into session, time being 9:00 a.m.

The following Department Heads presented their budgets:

Public Safety Police Chief, John Gudwer – 9:05 a.m.

Public Safety Director John Gudwer reviewed the 2024/25 proposed Public Safety budget with Council. The following was reviewed:

- School Safety Officer update;
- Discussed staffing;
- Fire Fighter and Police equipment update;
- Body Camera and Dash Cam update;
- Discussed Grants;
- Public Safety Training;
- Fire Fighting Training;
- Code Enforcement discussion;
- Crossing Guard update;
- K9 Update;
- Repair and maintenance to building;
- Building generator;
- Capital outlay discussions.
- General Funds discussion.
- HVAC System
- New Patrol vehicle and K9

Water/Wastewater Superintendent, Jeff Lampi – 9:55 a.m.

Mr. Lampi reviewed the following 2024/25 proposed Water/Wastewater budget items with Council:

WasteWater Department:

Annual 2024/25 Budget Work Session

- Proposed projects, capital purchases and proposed budget increase;
- Engineering Costs for Plant Improvements;
- Wastewater Rate Increase;
- Lift Station Update;
- Collection System Infiltration Study;
- Plant upgrades;
- Discussed Capital Outlay;
- Replacing technology.
- Staffing update.
- Grants and loans.

DuBord moved to go into recess, time being 10:42 a.m.

DuBord moved to come back into session, time being 10:52 a.m.

Water Department:

- Income, Operation, and Capital Expenditure Statements;
- Discussed Water Main Replacements;
- Discussed Advanced Metering Infrastructure (AMI);
- Increase in training;
- Discussed Grant Money;
- Proposed projects and capital purchases;
- Clean water ITA;
- Water rate increase;
- Office Equipment Upgrades.
- Discussed engineering projects.
- Staffing discussions.

Human Resources Director/City Treasurer, Heather Calouette – 11:55 a.m.

Human Resources Director/City Treasurer Heather Calouette reviewed the 2024/25 proposed HR and Treasurer Department budgets with Council. The following was reviewed:

- Human Resources and Treasurer's Department Budgets;
- Professional Services additional costs;
- Capital Expenditures;
- New computer purchases;
- Discussion on new Drop Box for Utility Bills.

Downtown Development Authority (DDA) – Craig Woerpel – 12:10 p.m.

Craig Woerpel reviewed the following 2024/25 proposed DDA Budget with Council and discussed the following budget line items:

- Revenue and Fund Balance;

Annual 2024/25 Budget Work Session

- Discussed Downtown Signage;
- Grant opportunities;
- Discussed Marketing, Promotions and Events;
- Farmers market;
- DDA building update.
- Ludington Street projects.
- Discussed events and opportunities at the marketplace.
-

DuBord moved to go into recess, time being 12:51 p.m.

DuBord moved to come back into session, time being 1:00 p.m.

City Manager, James McNeil – 1:30 p.m.

- Discussed Salaries;
- Discussed any changes to the General Fund.
- Marihuana Tax revenue.
- Downtown patrol discussion.
- Land Development funds.
- Interest earnings.

City Assessor, James McNeil – 1:30 p.m.

Mr. McNeil reviewed the following 2024/25 proposed Assessor budget items with Council:

- Tax Tribunal update;
- Education & Training;
- Assistant Assessor update;
- Board of Review Budget;
- Millage rate discussion;
- Professional Services Update.

City Controller, Melissa Becotte – 1:30 p.m.

Ms. Becotte reviewed the following 2024/25 proposed Controller budget items with Council:

- Discussed MERS;
- Discussed auditor fees;
- MERS pension plan;
- General Fund;

- Computer replacement.

City Manager and City Controller discussed EBA (Escanaba Building Authority) Fund, Brownfield, CDBG Grant, and Communications Fund.

GENERAL DISCUSSION

During discussion, it was Council consensus to make the following changes to the Proposed 2024/25 Fiscal Year Budget:

- Increase 202-474-920-000 Public Utilities by \$10,000 - this was missed in the budget request
- Increase 203-469-943-000 Equipment Rental by \$9,500 - this was reduced in error
- Increase 101-345-976-000 Capital Outlay by \$35,000 to add replacement of air conditioning units
- If \$3,000 in 101-720-885-050 is not needed for the City Band Celebration, it will be included in the General Fund transfer to the Library.
- Administration is to add necessary capital budget amounts to Water and WW budgets for estimated expenditures for ARPA I, ARPA II, and CWSRF projects.
- Council decided to leave the Lifeguard budget as recommended.

After further discussion, Moore moved, DuBord seconded, to approve all changes to the Proposed 2024/25 Fiscal Year Budget.

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

Ayes: Moore, DuBord, Beauchamp, Flath, Mayor Ammel

Nays: None

MOTION CARRIED.

GENERAL PUBLIC COMMENT – None

Hearing no further public comment, Flath moved, the Council adjourned at 2:19 p.m.

Respectfully submitted,

Phil DeMay
City Clerk

Approved:

Mark Ammel, Mayor

Agenda Item: NB-2
Date: 04-18-2024

City Council Agenda Item Request

Date: 04/09/2024

Name: James McNeil

Department: Manager

Item: Special Event Application - Annual Krusin Klassic Car Fun Run

Meeting date requested: 04/18/2024

Explanation for request:

The Krusin Klassic Car Club is requesting City Council approval to use Ludington Park and Ludington Street on May 31, 2024, from 6:00 p.m. to 8:15 p.m., for their annual "Krusin Klassics Fun Run". Administration is recommending approval of the request contingent upon the following: 1) Proper insurance was provided naming the City of Escanaba as an additional insured, and 2) event sponsors provide all labor material and clean up at the conclusion of the event.

KRUSIN KLASSICS

March 26, 2024

P.O. Box 1321
Escanaba, MI 49829

City Manager
Mr. James McNeil
410 Ludington Street
Escanaba, MI 49829

Re: Parade Permit/Fun Run Car Show 2024

Dear Mr. McNeil:

Please find attached the completed parade permit for activities on Friday night, May 31, 2024. As in the past, our parade of cars line up will begin assembling in Ludington Park at 6:00 p.m. with the parade to start at 7:00 p.m. We do ask that the side streets be closed and that there is no on-coming traffic on Ludington Street during the parade. Jay DeShambo will be in to set up the road blocks as he has in previous years. We will drive west along Ludington Street to Stephenson Avenue and Sheridan Avenue as we cruise over to Gladstone and back to the Fairgrounds. As always we request that our parade participants do not throw candy from their vehicles. We do have many walkers made up of Girl Scout Troops and other volunteers who will be walking along side the parade and throwing candy,

Safety is our number one goal for our parade participants and spectators. We do stress to our parade participants to drive in a safe and mannerly fashion and discourage tire noise and drag racing. Each parade participant will have a window sticker displayed on their windshield showing that they are, in fact, a parade participant. All registered participants will also have a copy of the parade rules. The Escanaba Public Safety, Michigan State Police and the Escanaba Sheriff's Department all assist us with our parade and car show throughout the weekend.

Following the parade we will return to the Upper Peninsula State Fairgrounds for a dance, games, and a fun night of catching up with old car friends. If you have a free evening, you should join in the festivities.

If you have any concerns or suggestions regarding the parade, please contact me at your convenience. I would be happy to sit down with you to discuss any matters you may have. Once approved, you can return the parade permit to me at Krusin Klassics Car Club, P. O. Box 1321, Escanaba, MI 49829. I have included a copy of our insurance for your records also listing the City of Escanaba as an additional insured.

Thank you for your consideration.

Sincerely,



Janet Snowden
Krusin Klassics Car Club Secretary



CITY OF ESCANABA - SPECIAL EVENT APPLICATION
Festivals, Parades, Races, Walkathons, Temporary Road Closures

DATE(S) OF EVENT: Friday, May 31, 2024
Day of Week, Month, Day, Year (Example: Saturday, October 29, 2016)

NAME OF EVENT: Krusin Klassics Fun Run Car Show Parade

CONTACT INFORMATION: (Please print clearly – Incomplete applications may be delayed)

Organization: Krusin Klassics Car Club
 Contact Person: Janet Snowden Daytime Phone: [REDACTED]
 Address: [REDACTED] Evening Phone: [REDACTED]
 City, State Zip: Escanaba, MI 49829 E-mail: [REDACTED]
 Website: krusin klassics.net Event Phone: [REDACTED]
 Charitable Org #: 730333 Fax: [REDACTED]
(If applicable)

Alternate Contact: Terrie Belongie [REDACTED]
(It is recommended that an alternative Name and Phone Number be provided)

Do you grant the City of Escanaba, City Manager’s Office permission to give your telephone number to the general public? Yes No

LOCATION:

City Park Name of Park: Ludington Park
 Building/Facility Name/Area: Ludington Park to Stephenson Avenue
 Road(s) Road Closure Required? Partial Full

DATE/TIME:

EVENT TIME <small>This is the time your event would be ready to accept participants or general public.</small>	Event Begins DATE: <u>May 31, 2024</u> TIME: <u>7:00 p.m.</u>	Event Ends DATE: <u>May 31, 2024</u> TIME: <u>8:00 p.m.</u>
	SET-UP TIME <small>When you want the area reserved for your organization to ensure you have adequate time for set-up and tear-down.</small>	Set-up Start DATE: <u>May 31, 2024</u> TIME: <u>6:00 p.m.</u>

The collection, use and disclosure of personally identifying information submitted on this form will be used to facilitate the request to host a special event within the City of Escanaba. Applicants may, from time to time, be contacted by the city or a City-contracted third-party for the express purposes of gathering information about the proposed event, assessing satisfaction and/or obtaining feedback on services related to special events, Questions about this collection should be directed to the City Manager.

EVENT DETAILS – TYPE OF EVENT:

- Parade
- Run
- Cycling
- Walkathon
- Festival/Event
- Other (specify): _____

ESTIMATED ATTENDANCE: (Please estimate all that apply)

Participants: #	350	Wheelchair Accessible:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Bands: #	N/A	For events on City Property are you seeking approval to charge:		
Vehicles/Floats: #	350	Admission:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Volunteers: #	50	Parking:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
General Public: #	2,000	This event is:	<input checked="" type="checkbox"/> Open to the Public	
			<input type="checkbox"/> For Invited Guests Only	

EVENT ELEMENTS: (Complete to ensure proper permits are processed)

Power Requirements:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Fireworks:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Sound Amplification:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Alcohol:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Access to power if possible:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
Live Music:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
Tents/Temp. Structures:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Size of Tent(s):	_____	
Amusement Rides:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Provider:	_____	
Inflatables:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Provider:	_____	

FOOD AND BEVERAGE:

Will there be Food and Non-Alcoholic Beverages sold? Yes No (Continue to next page)

Food Stand locations: Indoor Outdoor Indoor and Outdoor

What types of food will the Food Stands be selling? (Check all that apply)

- Chicken / Seafood
 - Rice / Pasta Dishes
 - Soda / Chips / Candy
 - Hotdogs / Hamburgers
 - Soups / Chili
 - Salad
 - Other Meats
 - Baked Goods
 - Other Foods (Please list)
- _____
- _____
- _____

RESERVATION FEES: (Check applicable box(es))

Ludington Park – Pavilion (1/2 Day)	<input type="checkbox"/> \$75 (Resident)	<input type="checkbox"/> \$100 (Non-Resident)
Ludington Park – Pavilion (Full Day)	<input type="checkbox"/> \$100 (Resident)	<input type="checkbox"/> \$125 (Non-Resident)
Ludington Park – Bandshell (1/2 Day)	<input type="checkbox"/> \$75 (Resident)	<input type="checkbox"/> \$100 (Non-Resident)
Ludington Park – Bandshell (Full Day)	<input type="checkbox"/> \$100 (Resident)	<input type="checkbox"/> \$125 (Non-Resident)
Ludington Park – Gazebo (2 Hour Block)	<input type="checkbox"/> \$50 (Resident)	<input type="checkbox"/> \$75 (Non-Resident)
Other Picnic or Gathering Area (Full Day)	<input type="checkbox"/> \$35	
John D. Besse Park – Pavilion (1/2 Day)	<input type="checkbox"/> \$75 (Resident)	<input type="checkbox"/> \$100 (Non-Resident)
John D. Besse Park – Pavilion (Full Day)	<input type="checkbox"/> \$100 (Resident)	<input type="checkbox"/> \$125 (Non-Resident)
Lemerand Field – Pavilion (1/2 Day)	<input type="checkbox"/> \$75 (Resident)	<input type="checkbox"/> \$100 (Non-Resident)
Lemerand Field – Pavilion (Full Day)	<input type="checkbox"/> \$100 (Resident)	<input type="checkbox"/> \$125 (Non-Resident)
Lemerand Field – Entire Complex (Full Day)	<input type="checkbox"/> \$250	

*** Half-Day Reservations Cut-off Time is 4:00PM. Half-day reservations can be made before or after 4:00PM.

EVENTS REQUESTING ROAD CLOSURE:

Road closures must be approved by City Council. Once City Council has approved your road closure, changes cannot be made to your route without notification to the City Manager as a secondary Council Approval will have to be sought.

A detailed map of road closures **MUST** be included. Applicants must notify abutting properties of the closure at least 14 Days in advance of the event. This notification letter must be approved by the City Manager's Office. If there are any SPECIAL REQUESTS that you would like the City to consider, please outline them on a separate piece of paper and attach.

DEFINE THE CLOSURE LIMITS – ATTACH A DETAILED MAP

I have read and understood the Special Events Application.

I will notify the City Manager's Office of any changed to my event application at least fourteen (14) days in advance of the event.

I have received a copy, read and understand the contents of the City of Escanaba Policy and Procedures No. 060101-10 – Alcohol in Public Places (if applicable).



Event Organizer Signature

Janet Snowden

Print Name

03/26/2024

Date

Agenda Item: NR-3
Date: 04-18-2024

City Council Agenda Item Request

Date: 4/10/2024

Name: James McNeil

Department: Manager

Item: Approval – Resolution No. 24-03 – Escanaba Motor Speedway

Meeting date requested: 4/18/2024

Explanation for request:

Escanaba Motor Speedway is seeking City Council approval of Resolution No. 24-03, recognizing them as a nonprofit organization operating in the community for the purpose of obtaining a Charitable Gaming License from the State of Michigan.



State of Michigan
 Michigan Gaming Control Board
 Millionaire Party Licensing
 3062 W. Grand Blvd, Suite L-700
 Detroit, MI 48202-6062
 Phone: (313) 456-4940
 Fax: (313) 456-3405
 Email: Millionaireparty@michigan.gov
 www.michigan.gov/mgcb

Resolution 24-03

LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES
 (Required by MCL 432.103(k)(ii))

At a regular meeting of the City of Escanaba
REGULAR OR SPECIAL TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD

called to order by Mayor Mark Ammel on 04/18/2024
DATE

at 7:00 p.m. a.m./p.m. the following resolution was offered:
TIME

Moved by _____ and supported by _____

that the request from Escanaba Motor Speedway of Escanaba,
NAME OF ORGANIZATION CITY

county of Delta, asking that they be recognized as a nonprofit
COUNTY

organization operating in the community, for the purpose of obtaining charitable gaming licenses, be
 considered for _____
APPROVAL/DISAPPROVAL

<u>APPROVAL:</u>	Yeas: _____	<u>DISAPPROVAL:</u>	Yeas: _____
	Nays: _____		Nays: _____
	Absent: _____		Absent: _____

I hereby certify that the foregoing is a true and complete copy of a resolution offered and adopted
 by the City of Escanaba at a regular
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL
 meeting held on 04/18/2024.
DATE

SIGNED: _____
TOWNSHIP, CITY, OR VILLAGE CLERK
Phil DeMay, City Clerk
PRINTED NAME AND TITLE
410 Ludington Street, Escanaba, MI 49829
ADDRESS

Organization Information: Escanaba Motor Speedway, PO BOX 1063, Escanaba, MI 49829
ORGANIZATION'S MAILING ADDRESS, STREET, CITY, ZIP
Amy Gagne, Chair
ORGANIZATION'S PRINCIPAL OFFICER NAME AND TITLE [REDACTED] PHONE NUMBER

Agenda Item: NB-4
Date: 04-18-2024

City Council Agenda Item Request

Date: 4/10/2024

Name: Jeff Lampi

Department: Water Department

Item: Boil Advisory Power Point Presentation

Meeting date requested: 4/18/2024

Explanation for request:

Administration will give a brief presentation on the boil advisory procedure.

Agenda Item: NB-5
Date: 04-18-2024

City Council Agenda Item Request

Date: 4/10/2024

Name: Jeff Lampi

Department: Wastewater Department

Item: Bosk Painting (interior/exterior equipment, pipes, and valves)

Meeting date requested: 4/18/2024

Explanation for request:

Administration is requesting City Council's approval to retain Bosk Paint & Sandblast from Escanaba, MI for services with regard to the City of Escanaba Wastewater Plant painting of exterior/interior equipment, piping, and valves in an amount not to exceed \$89,935.00 to include \$1,000.00 in contingencies.

Money is budgeted for this work within the current fiscal year.



P.O. Box 461
Escanaba, Michigan 49829
906-786-1883
FAX: 906-786-1885

Proposal

Proposal Submitted City of Escanaba, WWTP Atten: Jeff Lampi	Phone: 906-786-1301 Date: 3-20-2024 E-mail: jlampi@escanaba.org
Street 1900 Willow Creek Rd	Job Name: Escanaba WWTP Painting of Exterior & Interior Equipment, piping, and valves in Addendum #1 Dated 9-1-23.
City, State, Zip Code	Job Location Escanaba, MI WWTP
Escanaba, MI 49829	Addendums
We hereby submit pricing for: Labor, equipment, and material to prep and paint various equipment at Escanaba WWTP. Coating for exterior equipment would be one coat of Sherwin Williams Macropoxy and one coat of Sherwin Williams High Solids Polyurethane. Coating for interior would be Macropoxy 646	
We Propose hereby to furnish material, equipment, and labor for the amount of: Eighty-eight thousand nine hundred thirty-five Dollars..... \$ 88,935.00	
Authorized Signature <u> <i>Lou Terrian</i> </u> Lou Terrian	
Note: This proposal may be withdrawn by us, if not accepted within <u>90</u> days.	

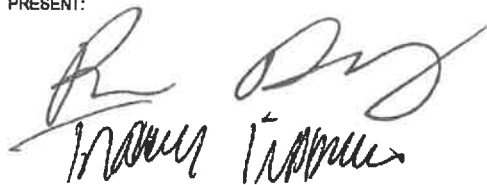
9/12/2023
2:00pm

**CITY OF ESCANABA
RECORD OF BIDS**

DATE BIDS OPENED: September 12, 2023
DESCRIPTION OF ITEM: WWTP Equipment Coating

NAME OF BIDDER	BID TOTAL Interior and Exterior Equipment Coating	Bid Bond/Check
No BID		

PRESENT:


Tracy Turner

Sign In Sheet
August 28, 2023
Escanaba WWTP Equipment Coating - 2023

Name: GRUB BOSK

Company: BOSK PAINT

Address: [REDACTED]

Phone: [REDACTED]

Email: [REDACTED]

Name: Shane Beardster

Company: NCS

Address: [REDACTED]

Phone: [REDACTED]

Email: [REDACTED]

Name: Bob Webster

Company: NCS

Address: [REDACTED]

Phone: [REDACTED]

Email: [REDACTED]

Name: Jeff Lampi, Rick Boston Tracy Lippens

Company: City of Escanaba

Address: _____

Phone: _____

Email: _____

Name: _____

Company: _____

Address: _____

Phone: _____

Email: _____

Name: _____

Company: _____

Address: _____

Phone: _____

Email: _____

Agenda Item: NB-6
Date: 04-18-2024

City Council Agenda Item Request

Date: 4/10/2024

Name: Jeff Lampi

Department: Wastewater Department

Item: Bio-Solids Removal - 2024

Meeting date requested: 4/18/2024

Explanation for request:

Administration is requesting City Council's approval to retain professional services from FSO Management of Oconto Falls, Wisconsin for the bio-solids removal at a cost of \$0.25/gallon plus a \$12,000.00 mobilization fee.

Money is not budgeted for this fiscal year.

**Total cost will vary depending on volume in tank. We expect to have between 300,000 to 500,000 gallons ready to truck when they arrive (\$87,000 to \$137,000).

Attachment A: WWTP Bio-Solids Removal - 2024

Date: 3/26/2024

City of Escanaba, PO Box 948, Escanaba, MI 49829

We the undersigned, agree to furnish the City of Escanaba, Michigan **BIO-SOLIDS REMOVAL**, in accordance with the attached minimum specifications, which are part of this proposal, at the following price:

Cost Per gallon of Bio-Solids for Removal: (\$0.00 per gallon) \$ 0.25/ in place gallon

One-time mobilization fee: \$ 12,000

I confirm that I have received ADDENDUM #1 sent 3-21-24: Recieved

Projected Total Project Cost: **Based on 300,000 gallons** \$ 87,000

DATE OF PLANNED SERVICE: Between June 10th and June 17th arrival. Estmited 5-7 days to complete

All Work Must be completed by June 30th 2024, contingent upon landfill acceptance.

FOB: City of Escanaba

CERTIFIED CHECK, ~~CASHIER'S CHECK~~

**OR BIDDER'S BOND ENCLOSED
IN THE AMOUNT OF:**

\$ 8,700.00

The bid bond must be the total sum of cost per gallon x 300,000 gallons plus the mobilization fee (Must be included to qualify)

The above lump sum price shall include labor, materials, overhead, profit, insurance, etc. to complete this project under this Contract.

The Bidder understands that the OWNER reserves the right to reject any or all bids and to waive any informalities in the bids.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of thirty (30) calendar days after the scheduled closing time for receiving bids.

Upon written notice of acceptance of this bid, the Bidder will execute the formal contract attached within ten (10) days after said notice and deliver a surety bond and/or bonds as required. The bid security attached in the sum of eight thousand seven hundred dollars and zero cents

(\$ 8,700.00) is to become the property of the OWNER in the event the contract and bond and/or bonds are not executed and delivered within the time above set forth, as liquidated damages for the delay and additional expense to the OWNER caused thereby.

SUBMITTED BY:

FIRM: Full Service Organics Management LLC
ADDRESS: 3631 County Road C Oconto Falls, WI 54154

BY: Rich Ellman
PRINTED NAME: Rich Ellman TITLE: President
(Business Address Seal- if bid is by a corporation)



Sign In Sheet
March 19, 2024
Escanaba WWTP Bio-Solids Removal - 2024

Name: Chris Teeters

Company: Symano Central LLC

Address: 

Phone: 

Email: 

Name: Dave Lundquist

Company: DSWMA

Address: 

Phone: 

Email: 

Name: Terri Rabitoy

Company: DSWMA

Address: 

Phone: 

Email: 

Name: AARON WRIGBT

Company: TAPLIN

Address: _____

Phone: _____

Email: [REDACTED]

Name: Sam Diehl

Company: Taplin

Address: [REDACTED]

Phone: [REDACTED]

Email: [REDACTED]

Name: Chris Barron & Tracy Lippas

Company: City of ESCANABA

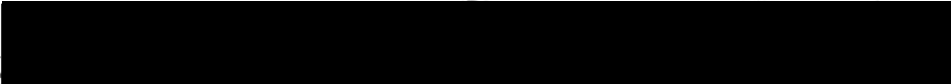
Address: _____

Phone: _____

Email: _____

Name: Rich Ellman

Company: Full Service Organics Management

Address: 

Phone: 

Email: 

Name: Matthew Stenberg

Company: UPE

Address: 

Phone: 

Email: 

Name: _____

Company: _____

Address: _____

Phone: _____

Email: _____

Agenda Item: NB-7
Date: 04-18-2024

City Council Agenda Item Request

Date: 4/10/2024

Name: Jeff Lampi

Department: Water Department

Item: EGLE Affordability and Planning (AP) Grant Engineering Services

Meeting date requested: 4/18/2024

Explanation for request:

Administration is requesting City Council's approval to retain C2AE from Escanaba, MI, for engineering services and implementing/conducting/executing the City of Escanaba's EGLE AP Grant in an amount not to exceed \$457,050.00.

All expenses will be reimbursable to the City through the AP Grant.

This agreement will only be executed after the City receives the award of the AP Grant.



February 19, 2024

Mr. James McNeil
City Manager
City of Escanaba
P.O. Box 948
Escanaba, MI 49829

Re: Professional Engineering Agreement: Affordability and Planning (AP) Grant Engineering Services

Dear Mr. McNeil:

We are pleased to offer our services for the implementation of your Michigan EGLE AP funded grant to prepare the necessary planning documents for the evaluation of the City's existing water system and extension of the water system further into Wells Township to capture future DWSRF funding for the project. The following scope of services itemizes the components necessary under the grant program and related costs.

Statement of Understanding

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) recently announced over \$5.7M in Affordability and Planning (AP) grant funding for municipalities to create planning documents and related activities for water system improvements that increase the sustainability and affordability of drinking water infrastructure and provide access to healthy drinking water for Michigan residents. Each community can request up to \$500,000 in grant funding, without a local match. Grant activities must be completed by June 1, 2025. The overall intent of the grant program is to improve consumer affordability and/or drinking water quality.

The proposed planning project to extend water service further into Wells Township to service residents and businesses that have poor water quality and high potential of contamination of their private wells aligns well with the grant application criteria. The history of serving the Township extends back decades and this planning effort is the next critical step to better define the needed infrastructure improvements to serve more of the Township. C2AE has extensive past experience and knowledge of this area and will assist Escanaba through the required planning effort.

The City of Escanaba is submitting an application to EGLE for the AP grant. Upon an offer and the return of a grant agreement between EGLE and the City, if it so chooses to proceed and signs this engineering agreement, is authorizing C2AE to perform the necessary engineering and project management functions to meet the grant requirements.

Scope of Services

Capital Improvement Planning/Project Plan Development

A Drinking Water State Revolving Fund (DWSRF) Project Plan will be developed to pursue funding for the defined project. This DWSRF Project Plan will utilize the information collected during this planning effort as well as from past studies.

A Capital Improvement Plan (CIP) will be completed for the following subprojects, which are shown in Figure 2. Regional Water System Study Area:

- Project A – North Town Improvements
- Project B – Existing City of Escanaba’s Water Main Transmission Capacity Evaluation
- Project C – Water Main Transmission Expansion to Service Wells Township
- Project D – Initial Water Service Area Expansion in Wells Township
- Project E – Secondary Water Service Area Expansion in Wells Township

Recognizing that DWSRF Project plans are viable for a 5-year period, future phase projects will be defined beyond the initial planning to best position the regional water system to pursue additional SRF funding.

The DWSRF Project Plan elements are as follows:

1. Submit ITA to EGLE
2. Determination of Overburdened Community Status for the project area
3. Prepare a New Project Plan for water and sewer system improvements. Include cost and affordability requirements.
4. Submit Draft Project Plan for EGLE review.
5. Attend and present Project Plan at Public Hearing.
6. Compile and submit final draft of Project Plan.

Analysis and Outcomes

Affordability

C2AE will coordinate with a specialized firm to complete an income survey for the selected project area and evaluate the outcomes of the survey. Results will be compared with the Federal Poverty Level. Additionally, the taxable value per capita will be determined for the project area.

Water Quality

C2AE will collect existing water well information from the residences and businesses within the areas of Wells Township to be served. Furthermore, we will coordinate water quality testing of private wells to gain a full understanding of the existing and potential pollutants within the aquifer serving this region. A water quality map will be generated using Arc-GIS software to show the results in multiple ways that are easy to understand.

C2AE will collect information, including the age, of private septic systems that are anticipated to be beyond their useful life, within the service area to develop initial planning on how best to service those residents with new sanitary sewer. This will include a preliminary layout to extend Escanaba’s sanitary sewer system to the areas.

Hydraulic Modeling

C2AE will evaluate the existing water reservoir ability to service the fully developed service area and determine if a new reservoir is required in Wells Township. Water system field data will be collected GIS/conventional methods to utilize in building the water model. Our team will update Escanaba’s water system model to include the new service area and evaluate the capacity of the transmission mains between the existing water treatment plant and the water reservoir and from the reservoir to the proposed loop connection point at the intersection of 3rd Street and N. 5th Street. Hydrant testing will be completed to calibrate the model.

Water Treatment Facility Evaluation

C2AE will evaluate the City's existing water treatment facility capacity and asset condition to meet water demands in the new Wells Township areas at their fully developed condition. Necessary upgrades and expansion will be defined and cost opinions developed to increase the capacity if required.

Rate Structure/Water Service Agreement

C2AE will coordinate with City staff and attorneys to update the City of Escanaba's agreement with Wells Township for water supply. This will culminate in a recommended rate structure/methodology being developed to ultimately fund the project.

Routing/Proposed Water System Improvements

C2AE will work with various consultants to complete the Federal cross-cutting requirements including:

- SHPO and THPO clearance processes
- Federal and State rare and endangered species clearances
- EGLE/ACoE Joint Permit clearance
- Storm water discharge clearance
- FAA permitting clearance
- Environmental and Contamination clearances
- Wild and scenic river clearances
- Protected Farmland clearances
- National Natural Landmarks clearances
- Facility discharge permits
- Health Department permits
- Lagoon berm permits
- Water withdrawal and dewatering permits

Additionally, our team will evaluate permanent and temporary easements needed for the project. Aerial mapping will be utilized to develop water main routing and sewer collection system routing. Since the river crossings are a critical component of the project, we will coordinate with an environmental company to complete soil borings to best plan for the directional drilling operations and assemble of the cost opinions.

Schedule

We have made the assumption that the City is offered a grant agreement and signs it around April 1, 2024. Under this scenario the work would progress as follows:

May 1, 2024	Project Kickoff Meeting with Stakeholders
April 2024	Complete Aerial Mapping for the project area
May 2024	Begin Project Planning
July 2024	Complete - Income Survey & Evaluation, Field data collection/survey, Existing Private Well Testing, Archeological/SHPO Review
August 2024	Complete - Hydrant testing to calibrate water model, Soil Borings for the River Crossings and watermain planned routes
January 2025	Complete – Hydraulic Water Modeling, Existing Water Treatment Facility Evaluation, Private Septic Tank Evaluation and new sewer collection system routing.
March 2025	Complete Rate Structure Development and Updated Water Agreement
April 2025	Complete Capital Improvement Planning and SRF Project Plan
May 1, 2025	Completion of all grant-related work

Compensation

The following is our engineering fees to perform the scope of work on a Lump Sum Fee basis, as outlined above.

C2AE Direct Fees

Capital Improvement Planning

Project Plan Development	\$ 112,000
Public Outreach, Collaboration, & Public Meetings	\$ 8,500
Subtotal	\$120,500

Analysis and Outcomes

Affordability – Income Survey Evaluation	\$ 2,800
Water Quality – Septic System Private Well Analysis	\$ 14,500
Hydraulic Modeling, Calibration & Mapping	\$52,500
Water Treatment Facility Evaluation	\$ 15,000
Agreement/Rate Structure Updates	\$ 3,500
Federal Cross-Cutting Requirements	\$22,700
Subtotal	\$111,000

Grant Application

Subtotal	\$15,000
C2AE Subtotal	\$246,500 (Lump Sum)

Sub-Consultant Allowances

Income Survey – CUPPAD	\$3,750
Water Well Testing – Whitewater Associates	\$16,900
Survey - Trimedia Environmental & Engineering	\$20,000
Water Model Updates – Traverse Engineering	\$42,000
Rate Structure Development – Baker Tilly	\$10,500
Archeological/SHPO – RESCOM	\$5,000
Michigan Natural Features Inventory – MSU Extension	\$2,000
Soil Borings –Spoils & Structures	\$32,500
Aerial Mapping – ROWE Engineering	\$57,900
Legal – TBD	<u>\$20,000</u>
	Subtotal
	\$210,550
	Total
	\$457,050

The engineering efforts associated with this AF Grant on which your grant request will be based is \$457,050.

If you concur with our proposal, please sign in the space provided and return a copy to our office.

A copy of our Standard Provisions is attached and made part of this agreement.

Sincerely,

C2AE



Kelly Heidbrier
Project Manager



Darren Pionk, PE
Client Relations Manager

Authorization to Proceed:

City of Escanaba, Michigan

Date