

**Regular City Council Meeting
May 23, 2011
Agenda**

**7:30 p.m. Call to Order
Pledge of Allegiance
Roll Call
Approval of Agenda
Minutes – May 9, 2011
Public Comment:**

I. Old Business: None

II. New Business

1. Witch's Hat Brewing Company, L.L.C.
2. Addendum to EECBG Grant
3. Tax Abatement Information
4. Community Access Preservation Act
5. Contract for Equalization Division Services
6. First Reading, Amendment to Fire Prevention and Protection Ordinance
7. Engineering Recommendation

III. Manager's Report

IV. Council Comments

V. Adjournment

**CITY OF SOUTH LYON
REGULAR CITY COUNCIL MEETING
May 9, 2011**

Mayor Wallace called the meeting to order at 7:30 p.m.

Mayor Wallace led those present in the Pledge of Allegiance to the Flag

PRESENT: Mayor Wallace
Council Members: Kivell, Kopkowski, Kramer, Morelli, Selden and Wedell
City Manager Murphy
City Clerk/Treasurer Zemke
Attorney Lee
Department Heads: Collins, Kennedy, Martin and Renwick

CM 5-1-11 – APPROVAL OF MINUTES –APRIL 25, 2011

Motion by Morelli, supported by Kivell

To approve the minutes of the Regular City Council meeting of April 25, 2011 as written

VOTE: **MOTION CARRIED UNANIMOUSLY**

APPROVAL OF MONTHLY BILLS:

Discussion was held on various bills.

CM 5-2-11 – APPROVAL OF MONTHLY BILLS

Motion by Morelli, supported by Wedell

To approve the monthly bills as presented

VOTE: **MOTION CARRIED UNANIMOUSLY**

APPROVAL OF AGENDA:

CM 5-3-11 – APPROVAL OF THE AGENDA

Motion by Wedell, supported by Kopkowski

To approve the agenda as presented

VOTE: **MOTION CARRIED UNANIMOUSLY**

PUBLIC COMMENT:

1. Townie Award

Mayor Wallace introduced the Wallace family who play a big part of the Townie Award named after Norma J. Wallace, former City Clerk who was involved in the community in many ways. This award is given to a person who is involved in the community, shows the love of community and works to solve problems and impact the

City. He stated that the 4th Annual Norma J. Wallace Townie Award is presented to Charles R. Selden for his continued service to local organizations, in recognition of love of the community and hard work.

Councilman Selden thanked Mayor Wallace and the Wallace family.

2. Proclamation to City from County Commissioner Weipert

County Commissioner Phil Weipert stated that he brought a Proclamation from the County in recognition of how great the City does and in recognition of the recent award given to the City and in particular the Water Department for the exemplary services. Superintendent Martin stated that this is a group effort and thanked Commissioner Weipert.

Deanna Coppoc of 603 E. Lake Street stated that she represents the television audience. She would like to watch these meetings, but it is almost impossible to hear some of the people. One of the major complaints is they cannot hear the City Manager. She is asking that all of the members of Council and others who speak to watch where their microphones are.

Attorney Lee stated that he would also like to encourage everyone to contact their representatives to urge them to support recent legislation designed to re-impose PEG fees on cable providers to give us another 2% to allow us to upgrade our equipment.

Mayor Wallace stated that he appreciates the comments. This is something that everyone needs to be conscious of.

OLD BUSINESS: None

NEW BUSINESS:

1. Public Hearing for the 2011-2012 Budget

Mayor Wallace opened the public hearing at 7:49 p.m.

Councilman Selden stated that the public should note that we have made some cuts, and we are approving a budget that maintains surplus.

Hearing no public comment, Mayor Wallace closed the public hearing at 7:50 p.m.

2. Adoption of the 2011-2012 Budget

CM 5-4-11 – APPROVAL OF MILLAGE RATES - 2011

The following resolution was offered by Morelli, and supported by Selden

Council Member Kopkowski stated that she is going to be voting no and would like the public to know why. She Stated that she is unhappy with the shifting of funds rather than spending time looking at individual budgets, specifically the Capital Improvement Fund. This is going to have a significant impact on the City roads and feels that it is going to be difficult for the City to recover from it in the future.

RESOLVED, that the City Clerk certify to the City Assessor for spreading on the Assessment Roll of the City of South Lyon for the year 2011-2012, the following amounts, based on taxable value \$311,296,730.

1. At the rate of 10.7375 mills per \$1,000 of valuation for General Fund Operation
2. At the rate of 2.5000 mills per \$1,000 of valuation for Wastewater General Obligation Bonds for wastewater treatment (2002)
3. At the rate of .1560 mills per \$1,000 of valuation for Capital Improvement Fund
4. At the rate of .3565 mills per \$1,000 of valuation for 1999 Building Authority (Land Acquisition)

RESOLVED FURTHER, that due to the May 2, 1984 election whereby the Library became a free standing and District Library for all purposes including the levy of 1.4564 and the overall levy for the City will be 15.2064 mills, of which 13.75 mills will be used for City operation and debt.

RESOLVED FURTHER, that after spreading on the Assessment Roll, the amounts as required to be raised by the general ad valorem tax, the Assessor certify and deliver the same to the City Treasurer, and the City Clerk be authorized to attach her warrant thereto, directing and requiring the City Treasurer to collect the same as provided by the City Charter.

RESOLVED FURTHER, that all installments reported to the City Treasurer as delinquent on Special Assessments and other charges, together with interest due thereon, as provided in Section 1.276 of the City Charter; unpaid charges for water consumption and water tap installation, as provided in Chapter 24 of the South Lyon City Code be assessed against the properties benefited and included in the 2011 Tax Roll.

RESOLVED FURTHER, that the millage for the entire fiscal year 2011-2012 budget not to exceed 13.75 mills.

VOTE:

MOTION CARRIED (1 opposed)

CM 5-5-11 – APPROVAL OF 2011-2012 BUDGET

The following resolution was offered by Wedell, and supported by Morelli

WHEREAS, in March 2011 the City Manager submitted to City Council a proposed budget for the fiscal year July 1, 2011 through June 30, 2012, and

WHEREAS, the City Council has received the proposed budget contained herein and has discussed and reviewed same

NOW, THEREFORE, BE IT RESOLVED, the City Council hereby adopts the 2011-12 fiscal budget as shown in the budget document on the Summary page, and detailed on the following pages, in the total amount of \$ 4,643,487.

BE IT FURTHER RESOLVED, that the City Council hereby adopts the following proposed budget or estimates for the following operations as set forth below.

	<u>Fund No.</u>
Major Street Operation	202
Local Street Operation	203
Community Development Block Grant	274
Combined Water/Sewer Operation	592
Equipment Replacement Fund	641
Capital Improvement Fund	401
Land Acquisition	509
Downtown Development Authority	280
<u>General Debt Service</u>	
2003 G.W. WW Treatment/Bond G.O.	307
1999 Building Authority—Land Acquisition	369
2005 Downtown Development Authority	369

BE IT FURTHER RESOLVED that the City Manager is authorized to advertise for bids, or authorize at the appropriate time for contractual services, commodity purchases and/or capital expenditures throughout the fiscal year in accordance with the enclosed budget document and all applicable City ordinance policies or procedures in effect.

BE IT FURTHER RESOLVED, that pursuant to the Uniform Budgeting and Account Act, Section 19 (2), the City Manager may make transfers within a fund and activity if the amount to be transferred does not exceed 10% or \$25,000, whichever is greater, of the appropriation item for which the transfer is to be made, with prior notification to the City Council.

VOTE:

MOTION CARRIED (1 opposed)

3. East Point Resolution

Mayor Wallace stated that this is a resolution that effects the tax structure for local units of government. The City of East Pointe is asking other local units of government to join them in adopting this resolution.

CM 5-6-11 - A RESOLUTION TO URGE THE MICHIGAN LEGISLATURE AND THE GOVERNOR TO REEVALUATE AND MODIFY THE CURRENT TAX STRUCTURE TO PROVIDE FOR LONG-TERM STABILITY OF LOCAL GOVERNMENTS

Motion by Kivell, supported by Wedell

WHEREAS, in 1978 the Headlee Amendment to the Constitution of the State of Michigan of 1963 was passed which required, among other provisions, a local government to reduce its millage when annual growth on existing property is greater than the rate of inflation;

WHEREAS, prior to 1994, local governments were allowed to "roll up" their millage rates when growth on existing property was less than inflation, however, with the passage of Proposal A in 1994, such "roll ups" are prohibited with local governments thus being precluded from being able to share the benefits of any substantial market growth in existing property values;

WHEREAS, over the past several years local governments throughout the State of Michigan have been faced with serious financial challenges and steadily declining property values which have had an increasingly negative impact on the ability to provide municipal services as the result of a recession which has affected the entire nation;

WHEREAS, in response to falling revenues, local governments have been forced to make tough decisions and respond to growing financial challenges by considering and/or implementing the closing of parks, senior centers and community centers, laying off police officers and firefighters, and cancelling parades and community events, among others measures;

WHEREAS, it is further believed that the continuing decline in revenues in our State will also negatively affect libraries, trash removal, snow plowing, and other vital municipal services while the rest of the nation eventually recovers from the recession;

WHEREAS, it is feared that as the rest of the nation does slowly recover from these harsh economic times, local governments in our State will not be allowed to recover due to the current language of the Headlee Amendment and Michigan's tax structure making it increasingly difficult to attract and retain an educated workforce and businesses in the State of Michigan;

WHEREAS, the stability of local governments is vital to attracting residents and businesses to the State of Michigan and retaining existing residents and businesses;

WHEREAS, the City of South Lyon believes it is in the public interest to reevaluate and modify the current tax structure to provide for long-term stability of local governments;

WHEREAS, the City of South Lyon further urges all local governments in our State to adopt this Resolution and join together in requesting that the Michigan Legislature and Governor Snyder respond to this request.

NOW, THEREFORE IT IS RESOLVED that the City of South Lyon, by a majority vote of the City Council, respectfully requests the Michigan Legislature and Governor Snyder to reevaluate and modify the current tax structure and, further, strongly urges all local governments to join together in adopting this Resolution for the betterment of the people of the State of Michigan.

VOTE:

MOTION CARRIED (1 opposed)

4. Agreement with the City of Novi for Building Inspection Services

City Manager Murphy stated that the one year trial period with Novi will end in June. He has asked the City of Novi for a two-year contract renewal. There is one change that he has requested, which is Item G on exhibit A to indicate 4 meetings in general rather than 4 Construction Board of Appeals meetings. It is working very well and we have been very pleased with the way Novi has been performing. He is asking that Council adopt the two year contract. The agreement is the same whereby they receive 75% of the permit cost with the City retaining the 25%. Mayor Wallace stated that it is still very important to have our support staff at City Hall for residents to talk to.

CM 5-7-11 – APPROVAL OF BUILDING INSPECTION AGREEMENT

Motion by Kopkowski, supported by Kivell

To approve proposed two year Building Inspection Service agreement with the City of Novi.

Councilman Selden asked the estimated savings to the City. City Manager Murphy stated that it would be approximately \$40-50,000.

Andy Gerecke of the City of Novi stated that it is working well. Councilman Kramer stated that he has talked with a few individuals that have used the services and they were very pleased.

Councilman Kivell asked if we were to have increased activity, do they feel that they have enough personnel to cover both Novi and South Lyon. Mr. Gerecke stated that they do. He stated that they have two inspectors full-time and one part-time. They are just providing building inspections. The plumbing, mechanical and electrical are still separate.

VOTE:

MOTION CARRIED UNANIMOUSLY

5. Salt Shed Roofing Bids

Superintendent Renwick stated that the salt shed is in need of shingle replacement. It has been 20-25 years. We did go out for bid, but only received one bid, partly due to the pitch of the roof. The bid was \$7,352 and he is asking for a 10% contingency.

Councilman Wedell asked the amount that was budgeted. Superintendent Renwick stated that he budgeted roughly \$10,000.

CM 5-8-11 – APPROVAL OF BID – SALT SHED ROOFING

Motion by Kivell, supported by Selden

To approve the bid in the amount of \$7,352.00 to Weathercraft Contracting for roofing of the salt shed with a 10% Contingency.

VOTE:

MOTION CARRIED UNANIMOUSLY

Discussion was held on the contingency. Superintendent Renwick stated that it will be determined by the need for roof decking.

6. Bids for Heater Replacement

Superintendent Renwick stated that he had hoped to have this done sooner in the year, but we have been working on the energy programs. We are looking at getting something more efficient and replacing 4 of the older heaters. We had 3 bidders with Hauser coming in at the low bid in the amount of \$11,900. We are asking for approval.

Councilman Wedell asked the amount budgeted. Superintendent Renwick stated \$15,000.

Councilman Wedell asked if we have experience with Hauser. Superintendent Renwick stated that we have used Hauser in the past.

Councilman Morelli asked if we would qualify for any energy credits. Superintendent Renwick stated that we may be able to qualify for something through DTE. We will certainly check. Councilman Kivell stated that he would like us to do this on our own rather than through the coalition. Superintendent Renwick stated that the coalition has nothing to do with this.

Councilman Kramer asked what we will do with the old units. Superintendent Renwick stated that we will be pulling another unit out that is approximately 40 years old in one of the old buildings. The others we will simply dispose of.

CM 5-9-11 – APPROVAL OF BID – HEATER REPLACEMENT

Motion by Kramer, supported by Wedell

To approve the low bid for replacing 4 heaters with new radiant heating units in the garage areas at the Public Works Garage to Hauser Heating for the amount of \$11,900.00

Councilman Morelli stated that he is happy to see both bids go to South Lyon businesses.

VOTE: **MOTION CARRIED UNANIMOUSLY**

7. Memorial Day Parade Request

Chief Collins stated that the request is the same as in past years. The VFW is asking to conduct the Memorial Day Parade on May 30, 2011 at 9:00 a.m. The road closures are the same as in years past, and he is recommending that we approve

CM 5-10-11 – APPROVAL OF ROAD CLOSURE – MEMORIAL DAY PARADE

Motion by Selden, supported by Morelli

Mayor Wallace stated that it is a wonderful parade ending with a great service at the cemetery.

Resolve that Julie Zemke, City Clerk/Treasurer is hereby authorized to make application to the Road Commission for Oakland County on behalf of the City of South Lyon in the County of Oakland, Michigan for the necessary permit to conduct Memorial Day Parade on May 30, 2011 at 9:00 a.m. and the related street closures:

- Lake Street between Warren Street and Reynold Sweet Parkway

And that the City of South Lyon in the County of Oakland, Michigan will faithfully fulfill all permit requirements, and shall save harmless, indemnify, defend, and represent the board against any and all claims for bodily injury or property damage, or any other claim arising out of or related to operations authorized by such permits as issued.

VOTE: **MOTION CARRIED UNANIMOUSLY**

MANAGER'S REPORT:

City Manager Murphy stated that the meeting with RCOC is May 16th at 3:00. That same day, the MSU group will be coming out to give a wrap up of the first two meetings that they held.

City Manager Murphy stated that the city-wide spring clean-up will take place Saturday, May 21st starting at 9:00 a.m. at City Hall. He further stated that he would like to point out that the girl scouts who will be handling three of our gazebos want to take out the bushes at the Wendy's location as well as Busch's. They feel that the bushes tend to conceal the vandalism that takes place. We will wrap everything up at 2:00 p.m. with hot dogs and hamburgers at McHattie Park.

City Manager Murphy stated that he was able to attend the National Day of Prayer ceremony at Veteran's Parking lot last Thursday.

City Manager Murphy stated that Dan Hunter from the Oakland County Economic Development will be at our next meeting to talk about tax abatements and what is involved.

City Manager Murphy stated that he has met with representatives from Premier Properties about our Housing Commission. He has asked that they schedule quarterly meetings of the Commission. The first will be in June.

Superintendent Martin stated that the well is complete, the paperwork and permits have been sent to the DEQ, and the moment they are approved, we can put an end to the work. He stated that we had a small amount of vandalism at the well, which was very disappointing. The wellhead was broken into and debris put down the well. The cap was welded on, and we showed up Monday morning to find the lid had been chiseled off. We removed the debris and Peerless came and re-welded the lid securely. The question was asked what the charge was for Peerless to come out. Superintendent Martin stated that we have not gotten an invoice yet, but we expect approximately \$800.

Superintendent Martin stated that he was going to bring forth the information tonight for an enclosure for the well, but the information was not complete. He received three quotes. One was for a pre-fab building, but would not look the greatest. In order to continue the brick, the cost would be approximately \$70,000. We met with the Mill today and came up with an idea to have them design a stainless steel enclosure. It would be a great opportunity and it has a lot of possibility. It would weather proof and sound proof it, and the price would be very attractive. He will have more information at a future meeting.

COUNCIL COMMENTS:

Councilman Selden stated that he has a car that uses flex fuel. There is no station in South Lyon that sells E85. He further discussed the use of flex fuel.

Council Member Kopkowski congratulated Councilman Selden for receiving the Townie Award and congratulated Mayor Wallace for the choice that they made.

Councilman Kivell asked the status of obtaining the easement along 8 Mile. City Manager Murphy stated that they are projecting the bids will go out in July. They will do what they can until the end of the construction season and start again in April. Councilman Kivell asked how that will impact the trail. City Manager Murphy stated that it will happen at the same time.

Councilman Morelli congratulated Councilman Selden for the Townie Award.

Councilman Morelli stated that he sits on the ZBA and a recent case dealt with a gentleman who installed an air conditioning unit without a permit and it was installed improperly. He would like the City Manager to give an extra hour per week to our Enforcement Officer to drive around to try to catch these individuals who are doing things without permits. The only way they are being caught now is if a neighbor turns them in. Discussion was held on the Police Department being on patrol and the fact that they can keep their eyes open as well. Further discussion was held on enforcement.

Councilman Kramer stated that he is very disappointed to know that after spending all of the money to drill the new well that someone would feel the need to chisel off the cap and put debris down there. He stated that he hopes that the individual(s) are caught and that we can go after them for the Peerless bill.

Councilman Kramer would encourage everyone to come out Monday to the South Lyon Theatre to see the MSU presentation.

Councilman Kramer asked if there has been any progress with meeting with Lannie Young for a joint meeting. City Manager Murphy stated that he met with Mr. Young and spoke generally and they will be meeting again to narrow down the scope before coming back to Council.

Councilman Wedell stated that it took a short time to adopt the budget. He would like to take the time to thank the staff who put 100s of hours of work into it.

Councilman Morelli stated that he was at a recent 5k walk at Providence Novi. He had a couple of Novi City Officials come up to him and congratulated the City of South Lyon for what we were able to do with our budget.

Mayor Wallace stated that the dog rescue walk fundraiser is this Saturday at 9:00 a.m. at McHattie Park.

Mayor Wallace stated that Friday's procession for our fallen soldier was a wonderful site. He had opportunity to talk with all of the television stations. They all commented on what a wonderful community we have. It was a somber moment, but it was very touching. There were groups from all over.

ADJOURNMENT:

CM 5-11-11 ADJOURNMENT

Motion by Kramer, supported by Morelli

To adjourn meeting at 8:25 p.m.

VOTE:

MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Tedd M. Wallace
Mayor

Julie C. Zemke
City Clerk/Treasurer

AGENDA NOTE

New Business: Item #1

MEETING DATE: May 23, 2011

PERSON PLACING ITEM ON AGENDA: Police Chief

AGENDA TOPIC: Liquor License Request – Witch’s Hat Brewing Company, L.L.C.

EXPLANATION OF TOPIC: Witch’s Hat Brewing Company, L.L.C. requests a new Micro Brewer License and Small Wine Maker License to be located at 22235 Pontiac Trail, South Lyon, MI 48178.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Memo from Chief Collins, Background Investigation Reports from Detective Sroufe, MLCC form LC-1800 Police Investigation Report, Council Resolution form.

POSSIBLE COURSES OF ACTION: Recommend/do not recommend the MLCC approval of the requested license and move the Resolution accordingly.

RECOMMENDATION: Recommend MLCC approval of the requested license.

SUGGESTED MOTION: Motion by _____, supported by _____ that the request made by Witch’s Hat Brewing Company, L.L.C. for a new Micro Brewer License and new Small Wine Maker License to be located at 22235 Pontiac Trail , South Lyon, MI 48178, Oakland County be considered for _____, as detailed on LC-1800 forms.
(approval or disapproval)

05/23/11

SOUTH LYON POLICE DEPARTMENT

Lloyd T. Collins
Chief



Memorandum

To: David Murphy, City Manager

From: Chief Lloyd T. Collins

Subject: New Liquor License Request
Witch's Hat Brewing Company, L.L.C.

Date: May 17, 2011

Pursuant to a request from the Michigan Liquor Control Commission, an investigation of Witch's Hat Brewing Company, LLC was conducted relative to a request for a new Manufacturer's and Wholesaler's License, (Micro Brewer and Small Wine Maker), to be located at 22235 Pontiac Trail, South Lyon, MI. The applicants listed on the request are Ryan and Erin Cottongim. The applicants added Robert Aiello to their request while their background investigation was in progress.

All applicants submitted required documentation and were fingerprinted at the South Lyon Police Department. Computerized Criminal History, Law Enforcement Information Network, and Court Law Enforcement Management Information System computer queries were conducted regarding all three.

Ryan Cottongim has no record of criminal convictions. He does, however, have a record of fifteen contacts with law enforcement agencies. Nine of the contacts were driving offenses, (civil infractions). Four contacts were listed as arrests: 1997-Possession of Marijuana, 1998-Retail Fraud/Possession of Marijuana, 2000-Minor in Possession of Alcohol/Disorderly Conduct, 2000-Minor in Possession of Alcohol. The remaining two contacts indicated that he was the complainant in criminal offenses.

Erin Cottongim has no record of criminal convictions. She does, however, have a record of twelve contacts with law enforcement agencies. Six of the twelve contacts were Missing/Runaway complaints when she was a juvenile. Four contacts were listed as juvenile arrests: 1998-Retail Fraud, 1998-Minor in Possession of Alcohol, 1998-Possession Narcotic Paraphernalia, 1998-Retail Fraud. The remaining two contacts indicated that she was the complainant in criminal offenses.

The results of the aforementioned checks revealed no criminal records and no negative information relative to Robert Aiello.

Credit history reports have been reviewed and interviews have been conducted with personal references and business associates relative to the applicants. All references gave favorable recommendations and all credit histories were good.

If the application is approved, it should be conditional. Final approval would be subject to compliance with all applicable City Building and Zoning Codes, as well as Sanitary and Fire regulations, issuance of a Certificate of Occupancy, and license approval by the Michigan Liquor Control Commission.



Michigan Department of Energy, Labor & Economic Growth
MICHIGAN LIQUOR CONTROL COMMISSION (MLCC)
7150 Harris Drive, P.O. Box 30005
Lansing, Michigan 48909-7505

POLICE INVESTIGATION REPORT

[Authorized by MCL 436.1217 and R 436.1105; MAC]

FOR MLCC USE ONLY

Request ID # 609612

Business ID # 225924

Please conduct your investigation as soon as possible, complete all four sections of this report and return the completed report and fingerprint cards to the MLCC.

LICENSEE/APPLICANT NAME, BUSINESS ADDRESS AND LICENSING REQUEST:

Witch's Hat Brewing Company, L.L.C. requests a new Micro Brewer License and Small Wine Maker License to be located at 22235 Pontiac Trail, South Lyon, MI 48178, Oakland County.

Section 1. APPLICANT INFORMATION

APPLICANT #1:

Erin Cottongim
9020 Walnut Dr, Whitmore Lake, MMI 48189
(248) 767-2423

APPLICANT #2:

Ryan Cottongim
Same address & phone number

DATE FINGERPRINTED:** 04/06/2011

DATE FINGERPRINTED:** 04/06/2011

DATE OF BIRTH: May 29, 1985

Is the applicant a U.S. Citizen: ☒ Yes ☐ No*

*Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No*

*Does the applicant have a Visa? Enter status:

DATE OF BIRTH: July 10, 1980

Is the applicant a U.S. Citizen: ☒ Yes ☐ No*

*Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No*

*Does the applicant have a Visa? Enter status:

****Attach the fingerprint card and \$30.00 for each card and mail to the Michigan Liquor Control Commission****

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

Section 2. INVESTIGATION OF BUSINESS AND ADDRESS TO BE LICENSED

Does applicant intend to have dancing, entertainment, topless activity, or extended hours permit?

☒ No ☐ Yes, complete LC-1636

Are motor vehicle fuel pumps at or directly adjacent to the establishment? ☒ No ☐ Yes, explain relationship:

Section 3. LOCAL AND STATE CODES AND ORDINANCES, AND GENERAL RECOMMENDATIONS

Will the applicant's proposed location meet all appropriate state and local building, plumbing, zoning, fire, sanitation and health laws and ordinances, if this license is granted? ☒ Yes ☐ No If No, indicate which state and local ordinances the location does not meet: ☐ Building ☐ Plumbing ☐ Zoning ☐ Fire ☐ Sanitation ☐ Health

Section 4. RECOMMENDATION

1. Is this applicant qualified to conduct this business if licensed? ☒ Yes ☐ No*

2. Should the MLCC grant this request? ☒ Yes ☐ No*

*If any of the above questions were answered No, you must state your reasons for MLCC consideration of this recommendation on the back of this form or on an attached signed and dated sheet.

3. Is this recommendation subject to final inspection to determine that the proposed location meets all building, plumbing, zoning, fire, sanitation and health laws and ordinances? ☒ Yes ☐ No

4. Is this recommendation subject to any other conditions? ☐ Yes ☒ No

If Yes, list the conditions below or on an attached signed and dated sheet if more space is needed

Chief Lloyd T. Collins
Signature (Sheriff or Chief of Police)

05/17/2011

Date

South Lyon Police Department



Michigan Department of Energy, Labor & Economic Growth
MICHIGAN LIQUOR CONTROL COMMISSION (MLCC)
7150 Harris Drive, P.O. Box 30005
Lansing, Michigan 48909-7505

POLICE INVESTIGATION REPORT

[Authorized by MCL 436.1217 and R 436.1105; MAC]

FOR MLCC USE ONLY

Request ID # 609612

Business ID # 225924

Please conduct your investigation as soon as possible, complete all four sections of this report and return the completed report and fingerprint cards to the MLCC.

LICENSEE/APPLICANT NAME, BUSINESS ADDRESS AND LICENSING REQUEST:

Witch's Hat Brewing Company, L.L.C. requests a new Micro Brewer License and Small Wine Maker License to be located at 22235 Pontiac Trail, South Lyon, MI 48178, Oakland County.

Section 1. APPLICANT INFORMATION

APPLICANT #1:

Robert W Aiello
3982 Williams, Dearborn Heights, MI 48125
(313) 695-8346

APPLICANT #2:

DATE FINGERPRINTED**: 04/29/2011

DATE FINGERPRINTED**:

DATE OF BIRTH: March 21, 1971

Is the applicant a U.S. Citizen: ☒ Yes ☐ No*

DATE OF BIRTH:

Is the applicant a U.S. Citizen: ☐ Yes ☐ No*

*Does the applicant have permanent Resident Alien status?

*Does the applicant have permanent Resident Alien status?

☐ Yes ☐ No*

☐ Yes ☐ No*

*Does the applicant have a Visa? Enter status:

*Does the applicant have a Visa? Enter status:

Attach the fingerprint card and \$30.00 for each card and mail to the Michigan Liquor Control Commission

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

ARREST RECORD: ☐ Felony ☐ Misdemeanor

Enter record of all arrests and convictions (Attach a signed and dated sheet if more space is needed)

Section 2. INVESTIGATION OF BUSINESS AND ADDRESS TO BE LICENSED

Does applicant intend to have dancing, entertainment, topless activity, or extended hours permit?

☒ No ☐ Yes, complete LC-1636

Are motor vehicle fuel pumps at or directly adjacent to the establishment? ☒ No ☐ Yes, explain relationship:

Section 3. LOCAL AND STATE CODES AND ORDINANCES, AND GENERAL RECOMMENDATIONS

Will the applicant's proposed location meet all appropriate state and local building, plumbing, zoning, fire, sanitation and health laws and ordinances, if this license is granted? ☒ Yes ☐ No If No, indicate which state and local ordinances the location does not meet: ☐ Building ☐ Plumbing ☐ Zoning ☐ Fire ☐ Sanitation ☐ Health

Section 4. RECOMMENDATION

1. Is this applicant qualified to conduct this business if licensed? ☒ Yes ☐ No*

2. Should the MLCC grant this request? ☒ Yes ☐ No*

*If any of the above questions were answered No, you must state your reasons for MLCC consideration of this recommendation on the back of this form or on an attached signed and dated sheet.

3. Is this recommendation subject to final inspection to determine that the proposed location meets all building, plumbing, zoning, fire, sanitation and health laws and ordinances? ☒ Yes ☐ No

4. Is this recommendation subject to any other conditions? ☐ Yes ☒ No

If Yes, list the conditions below or on an attached signed and dated sheet if more space is needed

Chief Lloyd T. Callera
Signature (Sheriff or Chief of Police)

05/17/2011
Date

South Lyon Police Department

AGENDA NOTE

New Business: Item #2

MEETING DATE: May 23, 2011

PERSON PLACING ITEM ON AGENDA: DPW

AGENDA TOPIC: Addendum to EECBG Grant

EXPLANATION OF TOPIC: This document is for the repayment of the EECBG grant for \$61,727.95. The amount due annually will be \$14,710 for 4.2 years.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Memo from Southeast Michigan Regional office, Addendum to Participation Agreement, Estimated cost savings.

POSSIBLE COURSES OF ACTION: Approve Participation Agreement/do not approve Participation Agreement

RECOMMENDATION: Approve Participation Agreement

SUGGESTED MOTION: Motion by _____, supported by _____ to approve the Southeast Michigan Regional Energy Office Participation Agreement in the amount of \$61,727.95 to be paid back annually at the cost of \$14,710.00 for 4.2 years.



southeast michigan regional
energy office

From: Sam Offen
Energy Programs Director, Michigan Suburbs Alliance
p. 866-960-8803 ext. 709 | sam@suburbsalliance.org

To: Steve Renwick
Superintendent Depart of Public Works, City of South Lyon
p. 248-437-6914 | sldpw@southlyonmi.org

Date: 18 May, 2011

Subject: Addendum to the Participation Agreement

The City was awarded \$ 61,727.95 for the Energy Efficiency and Conservation Block Grant (EECBG) to conduct lighting upgrades to City buildings. The City will be required to repay the full amount it received for the lighting project over the next 4.2 years based on a scheduled annual payment of \$14,710, which is 80% of the calculated annual savings. The City will realize 20% of the savings immediately. The payments go toward maintaining the endowment fund of the Southeast Michigan Regional Energy Office (SEMREO), of which the City is a founding member. This project provided funding for lighting upgrades to the City of South Lyon Police Station, Fire Station, Fire and Police Admin Building, Wastewater Treatment Plant and Department of Public Works.

Please see the attached Addendum to the Participation Agreement (the "Addendum") between the City of South Lyon and the Michigan Suburbs Alliance. Estimated energy and cost savings to the City from the EECBG projects are described in sections 2.1 and 2.2 of the Addendum.

Energy and cost savings estimates are based on the lighting audit conducted by the Southeast Michigan Regional Energy Office (SEMREO). Actual energy and cost savings realized by the City may differ from the estimates. The Wastewater Treatment Plant study was funded in part as an in-kind contribution of the SEMREO. No energy or cost savings directly resulted from the study.

Please see the attached table for details on our calculations.

We are available to answer any questions you have about the terms of the Addendum.

ADDENDUM TO PARTICIPATION AGREEMENT

ARTICLE 1. RECITALS

1.1 The Michigan Suburbs Alliance (the "Alliance") and the City of South Lyon, MI (the "Participant") (together, the "Parties") executed a Participation Agreement as of 2009 (the "Agreement").

1.2 The Agreement provided that the Alliance would assist Participant in seeking funding for energy efficiency and renewable energy projects, and when Participant received those funds, Participant would pay an amount equal to the value of that funding on a "simple payback" basis.

1.3 The Participant received such funding in an amount of \$61,727.95 on 2/1/2010 and the Parties have selected a specific energy efficiency project (the "Project") as described in Exhibit A to this Addendum.

1.4 Since the Parties now have secured funding in a known amount and selected the Project, they now wish to execute this Addendum in order to more specifically describe the method by which they will carry out their prior Agreement.

ARTICLE 2. CALCULATION OF PAYMENT AMOUNT

2.1 The Parties agree that the Project is expected to result in energy efficiency improvements of 56.9% and therefore, 153,228 kWh are expected to be saved annually by the Project.

2.2 The Parties agree that under current energy prices, the annual cost savings resulting from the Project are estimated to be \$18,387, and that 80% of that amount is \$14,710.

2.3 The Parties acknowledge that all figures listed in this Article 2 are reasonable estimates, and agree to be bound by the payment schedule based on the estimates set forth in this Addendum.

ARTICLE 3. PAYMENT SCHEDULE

3.1 Participant agrees to pay the Alliance a total of amount of \$61,727.95.

3.2 The payments shall be made in annual installments of \$14,710, due by July 31 of each year until the total amount referred to in paragraph 3.1 is paid. The Parties may adjust the payment on an annual basis subject to agreement by both parties. The first installment is due on or before July 31, 2011. The last installment may be less than this amount if a lesser amount will result in Participant paying a total of the amount listed in paragraph 3.1.

3.3 Participant may, in its sole discretion, make payments at any time in excess of those required by paragraph 3.2 in order to accelerate the payment of the sum due under paragraph 3.1.

3.4 If Participant does not make any required installment payment under paragraph 3.2 by its due date, then the total remaining obligation of Participant (the amount in paragraph 3.1 minus the total amount of all payments made to date) shall be immediately due and payable to the Alliance.

ARTICLE 4. MISCELLANEOUS PROVISIONS

4.1 This Addendum is hereby incorporated and made a part of the Agreement. This Addendum further clarifies the existing understanding between the Parties; nothing in this Addendum modifies any of the terms of the Agreement. The Parties agree that all terms of this Addendum are in accord with the terms of the prior Agreement.

4.2 Together, the Agreement and this Addendum constitute the entire agreement between the Parties with respect to the subject matter hereof, and none of the terms or conditions shall be modified or waived, except by an instrument in writing duly executed by the Parties.

4.3 The Agreement and Addendum shall continue in full force and effect and the duties and liabilities of the Parties and all the terms, conditions, and provisions shall continue to be fully operative until the amount specified in paragraph 3.1 of this Addendum has been paid in full.

4.4 This Addendum may be executed in any number of counterparts, all of which shall constitute a single executed copy of the Addendum.

Signature Page to Follow

Addendum to Participation Agreement
Michigan Suburbs Alliance

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed
as of the date set forth below:

ALLIANCE

MICHIGAN SUBURBS ALLIANCE

By: Conan Smith
Its: Executive Director

Dated: _____, 2011

PARTICIPANT

By:
Its:

Dated: _____, 2011

Approved as to substance:

By:
Its:

Dated: _____, 2011

Approved as to form and content:

By:
Its:

Dated: _____, 2011

EXHIBIT A
ADDENDUM TO PARTICIPATION AGREEMENT

Project Description

Activity Area 1: Lighting Upgrades

A complete lighting upgrade and retrofit of the following buildings: Fire and Police Admin and Training, Fire Station, Police Station, DPW and the office areas and blower building of Wastewater Treatment. Upgrades include retrofitting light fixtures to T8 fluorescents, in some cases reducing the number of lamps needed in a fixture, replacing incandescent light bulbs with CFLs and replacing exit signs with LED Exit signs.

Activity Area 2: Wastewater Treatment Plant Analysis

A retro-commissioning study of the Waste Water Treatment Plant. Since the wastewater staff have reported numerous problems and highly inefficient challenges with upgrades to their equipment, and because this facility uses a large amount of energy, having the system examined and analyzed by a qualified commissioning agent is nearly certain to yield effective solutions for the problems that have plagued this facility.

Energy and Costs Before and After Project

	Before		After		Savings	
	kWh	Cost	kWh	Cost	kWh	Cost
Building						
DPW 1	268	\$ 32	20	\$ 2	248	\$ 30
DPW 2	26,129	\$ 3,135	12,819	\$ 1,538	13,311	\$ 1,597
Wastewater Treatment Plant	161,136	\$ 19,336	65,336	\$ 7,840	95,800	\$ 11,496
Fire Station	17,256	\$ 2,071	6,613	\$ 794	10,643	\$ 1,277
Police Station	49,806	\$ 5,977	25,430	\$ 3,052	24,377	\$ 2,925
Fire and Police Admin Building	14,488	\$ 1,739	5,639	\$ 677	8,850	\$ 1,062
TOTAL	269,084	32,290	115,856	\$ 13,903	153,228	18,387
% Change					56.9%	56.9%

Payback Based on Cost Savings

Total EECBG Lighting Upgrades	\$ 61,727.95
Estimated Annual Cost Savings	\$ 18,387.40
80% of Estimated Annual Cost Savings	\$ 14,709.92
Simple Payback Period (Years)	4.2

Estimated Cost Savings to the City

Project	Grant Amount	Annualized Savings	Years to Payback at 80%	Estimated Project Life Cycle	Total Net Savings to City
Lighting Upgrades	\$ 61,727.95	\$ 18,387.40	4.2	15	\$ 214,083.03

EECBG Lighting Upgrades		Estimated Savings per Year		
Building	% kBTU	kBTU	\$	
Fire and Police Admin and Training	61.1%	30,195	1,062	
Fire Station	61.7%	36,314	1,277	
Police Station	48.9%	83,173	2,925	
Department of Public Works	51.4%	46,263	1,627	
Office Areas and Blower Building of Wastewater Treatment Plant	59.5%	326,870	11,496	
Total		522,815	18,387	

Estimated Cost Savings to the City

Project	Grant Amount	Annualized Savings	Years to Payback at 80%	Estimated Project Life Cycle	Total Net Savings to City
Lighting Upgrades	\$ 61,295	\$ 18,387	4.2	15	\$ 214,516

Calculations

per kWh \$ 0.12 1000000 BTU's/MCF
per MCF \$ 3.90 3412 BTU's/kWh

	Before			After			Savings		
	kWh	MCF	kBTU	Cost	kWh	MCF	kBTU	Cost	
Lighting Upgrades	269,084		918,116	\$ 32,290	115,856		395,301	\$ 13,903	153,228
% Change									56.9%

Payback based on Savings

\$ 61,727.95	Total EECBG Contractual Services to be Bid Out
	3.4 Payback period @ 100% (in years)
	4.2 Payback period @ 80% (in years)
	40.3 Payback period @ 100% (in months)
	50.4 Payback period @ 80% (in months)
\$ 18,387	Annual payback @ 100%
\$ 14,710	Annual payback @ 80%
\$ 1,532	Monthly payback @ 100%
\$ 1,226	Monthly payback @ 80%

By Building

per kWh \$ 0.12 1000000 BTU's/MCF
 per MCF \$ 3.90 3412 BTU's/kWh
 Energy and Cost Savings of EECBG Lighting Project

	Before				After				Savings			
	kWh	MCF	kBTU	Cost	kWh	MCF	kBTU	Cost	kWh	MCF	kBTU	Cost
Building												
DPW 1	268	N/A	914	\$ 32	20		67	\$ 2	248	N/A	847	\$ 30
DPW 2	26,129	N/A	89,153	\$ 3,135	12,819		43,737	\$ 1,538	13,311	N/A	45,416	\$ 1,597
Wastewater Treatment Plant	161,136	N/A	549,796	\$ 19,336	65,336		222,926	\$ 7,840	95,800	N/A	326,870	\$ 11,496
Fire Station	17,256	N/A	58,879	\$ 2,071	6,613		22,565	\$ 794	10,643	N/A	36,314	\$ 1,277
Police Station	49,806	N/A	169,940	\$ 5,977	25,430		86,766	\$ 3,052	24,377	N/A	83,173	\$ 2,925
Fire and Police Admin Building	14,488	N/A	49,434	\$ 1,739	5,639		19,239	\$ 677	8,850	N/A	30,195	\$ 1,062
TOTAL	269,084	-	918,116	\$ 32,290	115,856	-	395,301	\$ 13,903	153,228	-	522,815	\$ 18,387
% Change									56.9%		56.9%	56.9%

Payback based on Savings

\$	63,765.30	Total EECBG Contractual Services		
\$	18,387.40	Estimated Annual Cost Savings		
\$	14,709.92	80% of Estimated Annual Cost Savings		
	4.3	Simple Payback Period		
	2139.9	Payback period @ 100% (in years)		
	2674.9	Payback period @ 80% (in years)		
	25678.7	Payback period @ 100% (in months)		
	32098.4	Payback period @ 80% (in months)		
\$	30	Annual payback @ 100%		
\$	24	Annual payback @ 80%		
\$	2	Monthly payback @ 100%		
\$	2	Monthly payback @ 80%		

AGENDA NOTE

New Business: Item #3

MEETING DATE: May 23, 2011

PERSON PLACING ITEM ON AGENDA: Manager

AGENDA TOPIC: Tax Abatements.

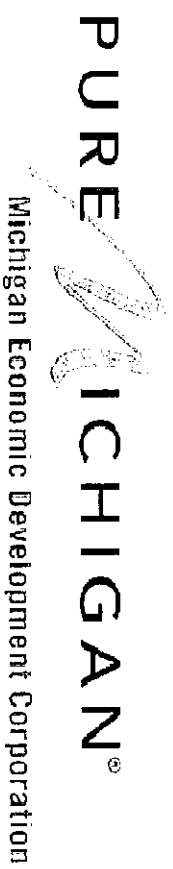
EXPLANATION OF TOPIC: Dan Hunter, Division Manager from Oakland County and David Kurtycz, Business Development Manager, Michigan Economic Development Corporation are coming to speak to the City Council about tax abatements and how they work.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Information on 6 and 12 year abatements of \$1,000,000 and sample tax abatement ordinances from the Village of Lake Isabella, the Village of Kalkaska and the City of Owosso.

POSSIBLE COURSES OF ACTION: Direct the City Manager to work with the City Attorney on a proposed tax abatement ordinance to present to the Council for their review.

RECOMMENDATION: N/A

SUGGESTED MOTION: Moved by, _____ seconded by, _____ to direct the City Manager to work with the City Attorney on a proposed tax abatement ordinance to present to the Council for their review.



Customized Tax Estimate for South Lyon Project (6-year PA198)

May 13, 2011

REPORT CONTENTS

- 1. Data Inputs**
- 2. Property Tax Estimate**

Capital Investment

South Lyon

	2011	2012	2013	2014	2015	Total
Land Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Machinery & Equipment	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$1,000,000
Total Capital Investment	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$1,000,000

Incentive Package

Property Taxes

198 Personal Property Incentive
6 Personal Property Incentive Term (Years)

Other Information

59.4059 Non-Homestead Millage Rate
Industrial Property Classification

\$ 60,000 Sales Tax Exemption



Note:

* The figures contained in this report do not have the force of law nor should they be construed as an incentive offer from the MEDC or any other entity.

* These estimates are based on a rule-of-thumb. Actual tax liability and incentives will vary according to a company's specific tax filing, property assessments and other factors.

* The cost of land and real property leases are generally not eligible for incentives. Rules differ in Renaissance Zones. Leased personal property is treated differently under certain incentive programs.

PAGE 2: Personal Property Tax Estimate

South Lyon Project South Lyon

Year	Calculations			Estimated Taxes		Estimated Incentive				Total
	Estimated Market Value of All Property	After Depreciation	Taxable Value (50%)	Total Tax without Incentive	Total Tax with Incentive	State Education Tax Exemption	Local School Millage Exemption	Non-School Abatement	Value of Abatement	
1 2012	\$ 1,000,000	\$ 890,000	\$ 445,000	\$ 26,436	\$ 7,878	\$ 2,670	\$ 8,010	\$ 7,878	\$ 18,558	
2 2013	\$ 1,000,000	\$ 760,000	\$ 380,000	\$ 22,574	\$ 6,727	\$ 2,280	\$ 6,840	\$ 6,727	\$ 15,847	
3 2014	\$ 1,000,000	\$ 670,000	\$ 335,000	\$ 19,901	\$ 5,930	\$ 2,010	\$ 6,030	\$ 5,930	\$ 13,970	
4 2015	\$ 1,000,000	\$ 600,000	\$ 300,000	\$ 17,822	\$ 5,311	\$ 1,800	\$ 5,400	\$ 5,311	\$ 12,511	
5 2016	\$ 1,000,000	\$ 540,000	\$ 270,000	\$ 16,040	\$ 4,780	\$ 1,620	\$ 4,860	\$ 4,780	\$ 11,260	
6 2017	\$ 1,000,000	\$ 490,000	\$ 245,000	\$ 14,554	\$ 4,337	\$ 1,470	\$ 4,410	\$ 4,337	\$ 10,217	
7 2018	\$ 1,000,000	\$ 450,000	\$ 225,000	\$ 13,366	\$ 7,966	\$ 1,350	\$ 4,050	\$ -	\$ 5,400	
8 2019	\$ 1,000,000	\$ 420,000	\$ 210,000	\$ 12,475	\$ 7,485	\$ 1,260	\$ 3,780	\$ -	\$ 5,040	
9 2020	\$ 1,000,000	\$ 380,000	\$ 190,000	\$ 11,287	\$ 6,727	\$ 1,140	\$ 3,420	\$ -	\$ 4,560	
10 2021	\$ 1,000,000	\$ 360,000	\$ 180,000	\$ 10,693	\$ 6,373	\$ 1,080	\$ 3,240	\$ -	\$ 4,320	
11 2022	\$ 1,000,000	\$ 330,000	\$ 165,000	\$ 9,802	\$ 5,842	\$ 990	\$ 2,970	\$ -	\$ 3,960	
12 2023	\$ 1,000,000	\$ 310,000	\$ 155,000	\$ 9,208	\$ 5,468	\$ 930	\$ 2,790	\$ -	\$ 3,720	
				\$ 184,158	\$ 74,795	\$ 18,600	\$ 55,800	\$ 34,963	\$ 109,363	

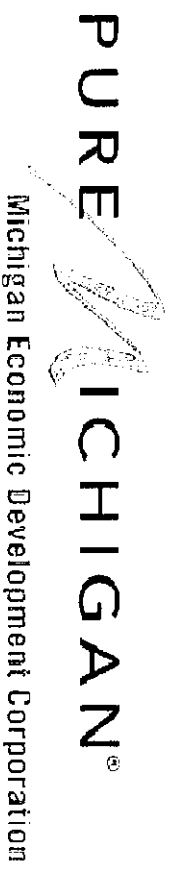
Incentive Term (Years):	13-May-2011
Incentive Program:	198
Property Classification:	Industrial
New M&E:	\$ 1,000,000
New F&E:	-
New Computers:	-
New OM/ElecTest:	-
Millage Rate:	59.4059
SET Mills Abated:	6.0000
School Mills Abated:	18.0000
Abated Millage Rate:	17.7030

Note:

These tax estimates represent general approximations, and are not meant as precise projections of tax liability. These estimates do not have the force of law, nor should they be construed as an incentive offer from MEDC. Further consultation with a private tax attorney and/or a certified public accountant is highly recommended to firms considering location or expansion in Michigan.

Personal Property Tax Relief

198



Customized Tax Estimate for South Lyon Project (12-year PA198)

May 13, 2011

REPORT CONTENTS

- 1. Data Inputs**
- 2. Property Tax Estimate**

Capital Investment

	2011	2012	2013	2014	2015	Total
Land Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Machinery & Equipment	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$1,000,000
Total Capital Investment	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$1,000,000

Incentive Package

Property Taxes
198 Personal Property Incentive
12 Personal Property Incentive Term (Years)

Other Information
59.4059 Non-Homestead Millage Rate
Industrial Property Classification

\$ 60,000 Sales Tax Exemption ←

Note:

- * The figures contained in this report do not have the force of law nor should they be construed as an incentive offer from the MEDC or any other entity.
- * These estimates are based on a rule-of-thumb. Actual tax liability and incentives will vary according to a company's specific tax filing, property assessments and other factors.
- * The cost of land and real property leases are generally not eligible for incentives. Rules differ in Renaissance Zones. Leased personal property is treated differently under certain incentive programs.

PURE MICHIGAN[®]

Michigan Economic Development Corporation

PAGE 2: Personal Property Tax Estimate

South Lyon Project South Lyon

Year	Calculations			Estimated Taxes		Estimated Incentive			Total
	Estimated Market Value of All Property	After Depreciation	Taxable Value (50%)	Total Tax without Incentive	Total Tax with Incentive	State Education Tax Exemption	Local School Millage Exemption	Local Non-School Abatement	
1 2012	\$ 1,000,000	\$ 890,000	\$ 445,000	\$ 26,436	\$ 7,878	\$ 2,670	\$ 8,010	\$ 7,878	\$ 18,558
2 2013	\$ 1,000,000	\$ 760,000	\$ 380,000	\$ 22,574	\$ 6,727	\$ 2,260	\$ 6,840	\$ 6,727	\$ 15,847
3 2014	\$ 1,000,000	\$ 670,000	\$ 335,000	\$ 19,901	\$ 5,930	\$ 2,010	\$ 6,030	\$ 5,930	\$ 13,970
4 2015	\$ 1,000,000	\$ 600,000	\$ 300,000	\$ 17,822	\$ 5,311	\$ 1,800	\$ 5,400	\$ 5,311	\$ 12,511
5 2016	\$ 1,000,000	\$ 540,000	\$ 270,000	\$ 16,040	\$ 4,780	\$ 1,620	\$ 4,860	\$ 4,780	\$ 11,260
6 2017	\$ 1,000,000	\$ 490,000	\$ 245,000	\$ 14,554	\$ 4,337	\$ 1,470	\$ 4,410	\$ 4,337	\$ 10,217
7 2018	\$ 1,000,000	\$ 450,000	\$ 225,000	\$ 13,366	\$ 3,983	\$ 1,350	\$ 4,050	\$ 3,983	\$ 9,383
8 2019	\$ 1,000,000	\$ 420,000	\$ 210,000	\$ 12,475	\$ 3,718	\$ 1,260	\$ 3,780	\$ 3,718	\$ 8,758
9 2020	\$ 1,000,000	\$ 380,000	\$ 190,000	\$ 11,287	\$ 3,364	\$ 1,140	\$ 3,420	\$ 3,364	\$ 7,924
10 2021	\$ 1,000,000	\$ 360,000	\$ 180,000	\$ 10,693	\$ 3,187	\$ 1,080	\$ 3,240	\$ 3,187	\$ 7,507
11 2022	\$ 1,000,000	\$ 330,000	\$ 165,000	\$ 9,802	\$ 2,921	\$ 990	\$ 2,970	\$ 2,921	\$ 6,881
12 2023	\$ 1,000,000	\$ 310,000	\$ 155,000	\$ 9,208	\$ 2,744	\$ 930	\$ 2,790	\$ 2,744	\$ 6,464
Total				\$ 184,158	\$ 54,879	\$ 18,600	\$ 55,800	\$ 54,879	\$ 129,279

Note:

These tax estimates represent general approximations, and are not meant as precise projections of tax liability. These estimates do not have the force of law, nor should they be construed as an incentive offer from MEDC. Further consultation with a private tax attorney and/or a certified public accountant is highly recommended to firms considering location or expansion in Michigan.

Incentive Term (Years):	13-May-2011
Incentive Program:	12 198
Property Classification:	Industrial
New M&E:	\$ 1,000,000
New F&E:	-
New Computers:	-
New OM/Elec/Test:	-
Millage Rate:	59.4059
SET Mills Abated:	6.0000
School Mills Abated:	18.0000
Abated Millage Rate:	17.7030

Personal Property Tax Relief

198

Tax Abatement Policy

Policy Statement: The city of Owosso is committed to enhancing the quality of life and stimulating the local economy through the attraction of high-quality development and the retention and creation of high-quality jobs. Tax abatement is one technique to encourage private development projects. Accordingly, consideration for tax abatement is viewed as a privilege, not as a property right. This policy establishes minimum requirements and a uniform set of standards and procedures to be used when considering a request for a tax abatement/exemption.

I. MINIMUM REQUIREMENTS FOR TAX ABATEMENTS

- A. Abatements shall be subject to duration and amount limits.
- B. Such duration and amount limits shall be for the minimum amount necessary to meet the goals of the project.
- C. Benefits to the city of the proposed abatement shall be:
 - 1. at least equal to or greater than the cost of the abatement; and
 - 2. in the public interest because it will accomplish at least one of the following purposes:
 - a. increase or preserve the tax base;
 - b. provide employment opportunities;
 - c. provide or help acquire or construct public facilities;
 - d. help redevelop or renew blighted areas;
 - e. help provide access to services for residents; or
 - f. finance or provide public infrastructure.
- D. The city of Owosso will not support tax abatement for proposals that are not economically feasible.
- E. All projects seeking tax abatement shall have job creation and retention.
- F. The taxable value of the proposed abatement, considered together with the aggregate taxable value of property exempt under certificates previously granted and in force shall not exceed five-percent of taxable value of the city of Owosso.

Example: 2010 city of Owosso taxable value - \$277,968,733
Five-percent of city of Owosso - \$13,898,437

- G. The city will not issue or be a signatory on bonds in connection with abatements.
- H. Commencement of any new construction or improvements shall be within the limits set forth within the applicable act abatement being applied for.
- I. The city council will not take action on any abatement unless the applicant is present at the public hearing to make a presentation and/or answer questions.
- J. The city of Owosso reserves the right to waive, modify, or amend any of these policies when it is in the best interest of the city of Owosso residents.

II. EVALUATION CRITERIA

- A. *Private Development Objectives.* The city of Owosso will consider using tax abatement to help private development projects that strive to achieve one or more of the following objectives:
 - 1. To retain local jobs and/or increase the number and diversity of high-quality jobs that offer attractive wages and benefits.

2. To encourage additional unsubsidized private development in the city of Owosso, either directly or indirectly through spin-off development (without the use of tax abatement).
 3. To facilitate the development process and to achieve development of sites that would not be developed without tax abatement assistance.
 4. To remove blight and/or encourage redevelopment of commercial and industrial areas that result in high quality redevelopment, private investment, and an increase in the city tax base.
 5. To offset increased costs of redevelopment (i.e., a contaminated site clean-up) beyond the costs normally incurred in development.
 6. To provide infrastructure necessary to accommodate economic development.
 7. To meet other public policy goals, as adopted by the city of Owosso.
- B. *Additional Objectives.* The city of Owosso will also consider the following factors when evaluating tax abatement requests to help private development projects:
1. To support local businesses, extra consideration will be given to existing businesses seeking to expand and grow within the city.
 2. The extent to which the proposed project creates high-quality jobs in the city, paying wages equal to or greater than the average local wage of the same class.
 3. The extent to which the proposed project adds to the net commercial, industrial or general tax base of the city and optimizes the private development of the proposed site.
 4. Whether or not the proposed project provides services not already provided in the city or services which are needed.
 5. Whether or not the proposed business would be in direct competition with existing businesses in the city. Abatements should not be given to businesses which would receive a competitive advantage over existing businesses in the city.
 6. Whether or not the project will significantly impact environmental/natural resources.
 7. The extent to which other political subdivisions are in support of the project.
 8. The extent to which the project represents new dollars into the city.
 9. The extent to which the project requires improvements in city infrastructure, road construction, or other traffic problems. Also to be considered is the impact of the proposal on other city services such as law enforcement, human services, or prosecutions.
 10. Consistency of the proposed project with city land use regulations, zoning and planning policies.
 11. How the proposed project furthers the goals and objectives of the city and/or community.
 12. The level of private financial investment into the project.

III. APPLICATION

- A. The applicant shall submit an application (available from the city) for all projects for which a tax abatement is sought from the city of Owosso.
- B. Applications shall include:
1. A letter formally requesting tax abatement from city of Owosso;
 2. Completed application for tax abatement with all support materials attached;
 3. The applicant will pay for any contracted legal, financial, consultant or other third party costs not to exceed statutory limits of the applicable act.
 4. Official forms developed by the state of Michigan, if applicable, shall also be submitted in a timely manner per procedures set forth within the applicable abatement/exemption act under which the application is made.
- C. The applicant shall submit completed applications to the city clerk.

IV. APPROVAL PROCESS

- A. The city clerk shall notify, by certified mail, each taxing jurisdiction of a request to establish an abatement district or an application for the abatement. Said taxing jurisdiction shall have 15 days from the date of receipt of said notification to respond in writing of their thoughts and considerations. These taxing jurisdictions shall have no voting or veto authority.
- B. The city clerk shall notify applicant by certified mail if the application is found consistent with this policy. Procedures set forth within the abatement/exemption act shall be followed.
- C. The length of the exemption shall be determined by the attached abatement schedule.
- D. The approval for the abatement district and approval of an application for abatement shall not be addressed at the same meeting.

V. DEVELOPMENT AGREEMENT AND ANNUAL REPORTING REQUIREMENTS

- A. *Development Agreement.* All projects granted tax abatement will be required to enter a development agreement. The development agreement will be recorded against the property, will clearly define the responsibilities of the property owner(s) receiving the abatement, and will require annual reporting.
- B. *Annual Reporting Requirements.* All projects granted tax abatement shall submit an annual status report on the form developed and provided by the city of Owosso. The requirement makes all abatements granted consistent with State Tax Commission Administrative Rule 55 (3), as it pertains to Public Act 198 of 1974, as amended. The report will include, but not limited to status of employment, wage level, real property project progress and costs, personal property project progress and costs (if applicable), aesthetic enhancement progress and costs as part of the project, other improvements and costs not listed within the scope of the project.

VI. RESCISSION OF ABATEMENT/EXEMPTION

- A. Imposition of any rescission is at the sole discretion of the city of Owosso and shall be considered on a case-by-case basis in compliance within the applicable act under review.
- B. Rescission shall not violate the statutory requirements of the applicable act in any way. Consideration may include but are not limited to the:
 - 1. sale or closure of the facility and departure of the company from the jurisdiction unless abatement/exemption is transferable.
 - 2. significant change in the use of the facility and /or the business activities of the company not consistent with the requirement of the applicable act for which approved.
 - 3. significant employment reductions not reflective of the company's (normal) business cycle and/or local and national economic condition.
 - 4. failure to achieve the minimum number of net new jobs and wage level as specified in the abatement/exemption application.
 - 5. failure to complete the project in a timely manner as specified in the approval resolution.
 - 6. failure to comply with annual reporting requirements.
 - 7. failure to pay annual property taxes on real and personal property not exempt under the approved abatement/exemption.
 - 8. failure to cooperate with the city of Owosso ordinances and policies.

Abatement Schedule

This schedule applies to Industrial or Commercial Property as defined in 211.34c of the General Property Tax Act

1. Capital investment \$Up to \$100,000 \$100,001 to \$250,000 \$250,001 to \$500,000 \$500,001 to \$1,000,000 \$1,000,001 to \$2,500,000 \$2,500,001 to \$5,000,000 \$5,000,001 and up	Years of tax abatement 1 2 3 4 5 6 7	Rehabilitated/restored additional two years in any capital investment
2. Job creation <u>as Full Time Equivalent</u> <u>(40hrs. per week)</u> 1-10 11-25 26-50 51 and up	Years of tax abatement 2 3 4 5	
3. Job wages Average wage > 1.5x minimum wage Average wage > 2x minimum wage Average wage > 3x minimum wage	Years of tax abatement 2 4 6	
4. Number of years located in city of Owosso 2-10 11-15 16 and up	Years of tax abatement 1 2 3	
5. Employees with city of Owosso residency 1-10 11-25 26+	Years of tax abatement 1 2 3	

Note: Total number of tax abatement years shall not exceed statutory limits.

Current abatements being used or available

PA 198 – 1974 – Industrial Facilities Tax

Eligible industries: manufacturing, research and development, high-tech, and communications centers.

Maximum eligible award – 50% abatement for up to 12 years on new real and personal property investments.

PA 255 – 1978 Reinstated 2009 – Commercial Redevelopment Tax

Eligible industries: obsolete and declining property, zoned for commercial/industrial prior to June 21, 1975

Maximum eligible award – 50% abatement for up to 12 years on replacement or new real property. Zero taxes levied on value of restored real property investment for up to 12 years.

PA 210 – 2005 – Commercial Rehabilitation Tax

Eligible industries: multifamily housing or group of contiguous commercial property 15 years old or older covering at least three acres or located in a downtown district.
Maximum eligible award – Zero taxes levied on value of restored real property investment for up to 10 years.

PA 328 – 1998 – Personal Property Exemption

Eligible industries: manufacturing, mining, research and development, wholesale trade and office operations.
Maximum eligible award – 100% abatement for an indeterminate number of years on new personal property investment.

PA 146 – 2000 – Obsolete Property Rehabilitation

Eligible industries: any project that takes place on an obsolete property and results in a commercial or mixed-use building project.
Maximum eligible award – freezes existing taxable value on a designated facility for up to 12 years.

Owosso Brownfield Redevelopment Authority – Established in 2000

Eligible industries: obsolete or deficient contaminated properties.
Maximum eligible award – recapture reimbursement on investment.

I hereby certify that the foregoing document is a true and complete copy of action taken by the Owosso City Council at the regular meeting of June 7, 2010.



Amy K. Kirkland, City Clerk

Village of Kalkaska Property Tax Abatement Guidelines

With the acknowledgement that both an Applicant Company's investment in a proposed project and the Village of Kalkaska's, investment through the granting of an Industrial Facilities Tax (IFT) is to encourage economic growth in the community, the following guidelines for the granting of an Industrial Facilities District and/or the issuance of an IFT have been established.

- 1) Applications for the establishment of a district, tax abatement certificate or transfer of an existing certificate shall be submitted to the Village Manager for study and recommendation to the Village Council.
- 2) Final approval of a district or certificate shall be made by the Village Council. The Village Council may exercise at its discretion the determination of the maximum term and conditions of any and all IFT Certificates.
- 3) Such tax benefits accruing under this program will induce the location of a new facility or the expansion or rehabilitation of an existing facility in the Village and that the applicant has made a firm commitment to the project if the tax benefits are granted by the Village.
- 4) Increased employment and tax base will be created in relationship to the benefits granted.
- 5) The applicant has paid all outstanding real and personal property tax bills
- 6) Such industrial construction, expansion or rehabilitation will not unduly burden the Village streets, utilities or other Village services.
- 7) The facility will conform to the Village's Master Plan for development and proposed land use or any other applicable land use plan.
- 8) The primary function of the business requesting the abatement is not in direct competition with another business in the Village. If there is an existing competing business in the Village, a letter is required from that business stating that they are not against the approval of the tax abatement request.
- 9) Pursuant to Public Act 334 of 1993, as amended, prior to approval of the issuance of an IFT Certificate, the applicant and the Village shall enter into a written agreement which state the following terms and conditions:
 - a. In the event the applicant has not substantially complied with the Application, with respect to the items described in the application, including but limited to the number of jobs created and/or retained and total capital investment within the time frame identified in the Application, the abatement previously approved may be reduced or revoked by the Village.

- b. In the event that the Applicant's ad valorem and/or Industrial Facilities Tax is not paid by the stated due date, the abatement previously approved may be reduced or revoked by the Village.
- c. In the event the Applicant ceases operation of its industrial facility in the Village, so that it is no longer employing people nor producing goods, the Village shall be repaid a portion or the total amount of taxes previously abated, in accordance with the provisions of the agreement.
- d. Any conditions deemed necessary by the Village to ensure compliance with the terms and conditions of the IFT Application and Certificate.

INDUSTRIAL FACILITIES TAX CERTIFICATE DURATION

POINTS	PERSONAL PROPERTY	REAL PROPERTY
1-50	3 Years	6 years
51-80	4 years	8 years
81-100	6 years	12 years

Village of Kalkaska
Tax Abatement Score Sheet Adopted 04/13/2009

	Points available	Points Awarded	Notes
Retained			
0-10	5		
11-25	10		
26-50	15		
51-100	20		
101+	25		
Created			
0-10	5		
11-25	10		
26-50	15		
51-100	20		
101+	25		
TOTAL POINTS	50 Max.		
Personal Property			
\$1,000 - \$500,000	5		
\$500,001 - \$2M	10		
\$2M - \$5M	15		
\$5M +	20		
Real Property			
\$0 - \$500,000	5		
\$500,001 - \$2M	10		
\$2M - \$5M	15		
\$5M +	20		
TOTAL POINTS	40 Max.		
Industry and Location			
Compatible with Master Plan	0-2		
Public Services Required	0-4		Rated 0-4 based on how much increase in public expenditures will be required to service the proposed development and the support of those services, with 4 being no additional public expenditures for, but not limited to, water, sewer, police, fire and/or code enforcement and applicant utilizing public water, sewer, and power and 0 being public expenditures in 4 or more areas and applicant not utilizing public water, sewer, and power.
Exterior Appearance	0-4		Rated 0-4 based on the aesthetic design of building and grounds enhancing the community with 4 being an innovative design which improves the neighborhood in all senses and 0 being basic design which meets minimum legal standards.
TOTAL POINTS	10 Max.		
Total Score			
100 Max.			

Village of Lake Isabella

1010 Clubhouse Drive
Lake Isabella, MI, 48893

Resolution 2010-08
Public Act 198 Abatement Policy

WHEREAS; the Village of Lake Isabella as a home rule unit of government is authorized to establish Industrial Development Districts and grant tax abatements for projects within such Industrial Development Districts; and,

WHEREAS; the Village of Lake Isabella desires to have an established procedure by which applications are received, reviewed, and approved regarding the establishment of districts and the granting of abatements; and

WHEREAS; the Village of Lake Isabella feels that granting abatements as allowed under PA 198 is in the best interest of the community in that it spurs economic development, enhances the overall tax base of the community, and is in general beneficial while not placing an unmet burden on the resources of the Village of Lake Isabella; and,

WHEREAS; establishing Industrial Development Districts and granting Industrial Facilities Exemption Certificates advance the following goals of the Village of Lake Isabella:

- Allows the Village to administer a program which is efficient, effective, business-supportive, and accountable;
- Encourages business growth, retention, and attraction;
- Long-term expansion of the Village's tax base; and
- Provides employment opportunities for residents of the community.

NOW THEREFORE BE IT RESOLVED;

The attached PA 198 Policy attached as ***Exhibit A*** is hereby adopted.

I, Jeffrey P. Grey, the duly qualified and acting Clerk of the Village of Lake Isabella, Isabella County, Michigan (the "Village") do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Village Council at a meeting held on April 20, 2010, the original of which is on file in the Village Office. Public notice of said meeting was given pursuant to and in compliance with Act No. 267 of the Public Acts of Michigan of 1976, as amended.

Date

Jeffrey P. Grey
Lake Isabella Village Clerk

Timothy R. Wolff
Lake Isabella Village Manager

Resolution 2010-08 Exhibit A

Village of Lake Isabella

1010 Clubhouse Drive
Lake Isabella, MI, 48893

Public Act 198 Tax Abatement Policy

The following policies shall apply to the Village's consideration of requests to establish industrial development and plant rehabilitation districts and approve applications for industrial facilities exemption certificates pursuant to Act 198 of the Public Acts in 1974, as amended ("Act 198"):

- 1. Commencement of Process; Filing of Application; Definitions:** The applicant for an industrial facilities exemption certificate (an "IFT Certificate") shall file a complete Application for Industrial Facilities Exemption Certificate (Michigan Department of Treasury Form 1012, as amended) (an "Application") in conjunction with a written request to establish an industrial development district or plant rehabilitation district (a "District"). This Application must be accompanied by all applicable attachments (including a legal description and survey of the boundaries of the requested District) and supporting information and payment of the Fee Deposit required by Paragraph 10. The Village will not process or consider an Applicant's request to establish a District until the Village has received a properly completed Application (including all applicable attachments and exhibits) and fee.
- 2. Establishment and Boundary of a District:** Under the provisions of Public Act 198, a District must be established prior to the Application for an IFT Certificate. The District must be a legal description of the parcel of land on which the abatement is to take place. If a District currently exists on the property, the applicant may proceed directly to the Application of an IFT Certificate.
- 3. Limit on Term of District:** There will be no limit on the term of a District with an IFT Certificate. However, the Village shall consider any district void if an IFT Certificate has not been approved within 1 year of the establishment of the district.
- 4. Criteria for IFT Certificate Approval:** Criteria used in evaluating applications shall include the following:
 - The Village shall not consider a request to grant an IFT Certificate before the Village Planning Commission grants any required site plan approval for the project.
 - The facility must use a Lake Isabella local address.
 - There must be no delinquent taxes owed by the Applicant anywhere in Isabella County.
 - Permanent jobs will be created or retained as a result of the project.
 - There is no current, or pending, litigation against the Village by the applicant.

Resolution 2010-08 Exhibit A

- 5. Maximum Term of Tax Abatement:** The maximum term of abatement granted by the Village in approving an IFT Certificate shall correspond to the Abatement Formula in *Attachment 1*.
- 6. Application Fee:** In order to cover costs incurred with staff review, publications, and compliance to this policy and Act 198, there shall be a fee of \$250 which shall accompany the application to create an Industrial Development District, and an additional fee of \$500 to accompany the application for an IFT Certificate. All fees shall be non-refundable.
- 7. Fee Affidavit:** There shall be attached to each IFT Certificate application, approved by the Village and filed with the State Tax Commission, an affidavit, signed by the Village President and by the applicant, which states that no payment of any kind in excess of the fee allowed by Section 5(3) of Act 198 has been made or promised in exchange for favorable consideration of the Applicant.
- 8. Agreement:** An IFT Certificate shall not be approved or issued unless a written agreement is entered into between the Village of Lake Isabella and the owner of the industrial facility and filed with the Michigan State Department of Treasury. A sample agreement is attached hereto as *Attachment 2*.
- 9. Revocation of Certificate:** The Village reserves the right to revoke an IFT Certificate in accordance with Section 15 of Act 198, the terms and conditions of the Tax Abatement Agreement or upon the failure of the Applicant/Owner/ Occupant of the facility to pay ad valorem and/pr industrial facilities taxes prior to the same becoming delinquent in accordance with applicable law.
- 10. Clawback:** An IFT Certificate shall not be approved or issued unless the applicant agrees that if during the term of the IFT Certificate, the applicant moves the jobs employed at the industrial facility to a location outside of the Village of Lake Isabella, the Village shall have the right to require a repayment equal to the total taxes abated by the Village under the IFT Certificate.
- 11. Variances:** The Village Council reserves the right to vary from these policies. Such variances shall only be considered by the Village Council on a very limited basis where the nature of the project in the sole judgment of the Village Council (as determined by the Village council in the exercise of its reasonable discretion) is so significant that it presents a unique opportunity for the Village and its residents.
- 12. Checklist of Procedures:** The Village shall develop a checklist of procedures to allocate the responsibilities for filing and processing an Application between the Village and the Applicant. It is intended that a copy of these policies and the checklist will be provided

Resolution 2010-08 Exhibit A

to each potential Applicant at the time the Applicant first contacts the Village to discuss a potential Application.

- 13. Inconsistencies:** In the event of an inconsistency between the terms of these policies and Act 198, the provisions of Act 198 shall prevail.
- 14. Schedule of Hearings:** The Village Manager is hereby authorized to schedule the required public hearings for the creation of the industrial development district and consideration of the application for tax abatement, and to arrange for giving notice of these hearings as required by law. In his discretion, the Village Manager may instead request that the Village Council approve the time and date of these public hearings.

ABATEMENT FORMULA

The term of the abatement approved in an IFT Certificate shall correspond to the whole number of the cumulative score of the criteria below added together, up to a period of 12 years.

Scoring Factor	Points Awarded
Development: The amount of proposed new development of buildings and personal property	Less than \$500,000..... No Points \$500,001 to \$750,000..... 1 Point \$750,001 to \$1,000,000..... 2 Points \$1,000,001 to \$1,250,000..... 3 Points \$1,250,001 to \$1,500,000..... 4 Points \$1,500,001 to \$1,750,000..... 5 Points \$1,750,001 to \$2,000,000..... 6 Points Over \$2,000,001..... 7 Points
Quantity of Jobs: Total number of jobs created or retained by the project	Total number of jobs created or retained is multiplied by a factor of 0.15 to factor the number of points awarded.
Quality Jobs: The total number of jobs created or retained by the project which will have an hourly wage rate equivalent to or exceeding 125% of the federal poverty income guidelines for a family of 3 if health insurance is provided for; or at least 150% of the federal poverty guidelines for a family of 3 without providing health insurance.	Total numbers of jobs created or retained is multiplied by a factor of 0.4 to factor the number of points awarded.
New Economy Bonus: In order to attract and retain a diverse representation of business and industry, and to promote building a sustainable local economy, the Village will award bonus points to projects in certain industries, and the research and office facilities of firms specializing in such fields.	High-Technology..... 6 Points Battery / Fuel Cells..... 6 Points Renewable Energy..... 4 Points Semiconductors..... 4 Points Medical Equipment Assembly..... 3 Points Aerospace / Defense..... 3 Points Pharmaceuticals..... 3 Points

Abatement Example: The following chart is to serve as an example of how the formula works.

Criteria	Proposed Project	Points
Development	\$1,100,000	3.00 Points
Quantity Jobs	25 x 0.15	3.75 Points
Quality Jobs	10 x 0.4	4.00 Points
New Economy Bonus	Paper Mill	0.00 Points
Total Project Points		10.75 Points

This company would be granted a 10 year IFT Certificate, as its project has 10 full points.

TAX ABATEMENT AGREEMENT

As required by Section 22 of Act 198 of the Public Act of Michigan 1974, as amended ("Act 198"), **ABC COMPANY ("ABC")**, hereby enters into the following agreement with the Village of Lake Isabella ("the Village"), for the purpose of inducing the Village to grant an industrial facilities exemption certificate ("IFEC") for new buildings and equipment described in an application that has been filed with the Village (the "Village"), pursuant to Act 198:

1. **ABC** hereby represents that it will, with respect to the Facility, subject to allowance for depreciation and decrease in market value during the entire period of the tax abatement approved by the Village:
 - a. Invest (or lease) and maintain not less than **\$[Insert Amount of Real Property itemized in Application]** in land improvements and buildings in the Village; provided, however, that such amount shall be increased to an amount equal to the actual value of land improvements and building, if greater than **\$[Insert Amount of Real Property itemized in Application]**; and
 - b. Invest (or lease) and maintain not less than **\$[Insert Amount of Personal Property itemized in Application]** in new equipment and furniture at the Facility; provided, however, that such amount shall be increased to an amount equal to the actual value of new equipment and furniture, if greater than **\$[Insert Amount of Personal Property itemized in Application]**. (the land improvements and building in 1(a) and the equipment and furniture in 1(b) shall be referred to as the "Property")
2. **ABC** shall provide the Village with a written appraisal of the Property not later than 180 days following completion of the installation of the Property. **ABC** agrees that said appraisal shall be admissible as evidence, and **ABC** shall not contest such admissibility in any proceeding before the Board of Review, the Michigan Tax Tribunal, the State Tax Commission, or in any other proceeding intended to review and/or the valuation of the Property for tax purposes.
3. **ABC** further represents that it will, commencing not later than ____ years after the Facility is completed, provide and maintain employment for the equivalent of **[Insert total of existing and proposed employees from Application]** employees which will have an hourly wage rate equivalent to or exceeding 125% of the federal poverty income guidelines for a family of 3 if health insurance is provided for; or at least 150% of the federal poverty guidelines for a family of 3 without providing health insurance.
4. When hiring, **ABC** shall make a good faith effort to hire employees from the Village and immediately surrounding area, including advertising in a newspaper of general circulation within the Village and surrounding area. However, this section shall not require **ABC** to take any action in violation of applicable employment-related laws and

Resolution 2010-08 Exhibit A

ABC retains the right to hire the most qualified employees as permitted under applicable law without regard to geographical residence.

5. **ABC** commits to operate the Facility for which abatement has been requested for the entire period of the tax abatement. If, in the sole judgment of the Village, **ABC** has taken action which constitutes relocation of more than an insubstantial part of its Facility to another jurisdiction, or closes more than an insubstantial part of the Facility, prior to expiration of the tax abatement, then **ABC** shall reimburse all affected taxing units a portion of the difference between the taxes which were paid, and those which would have been paid but for the abatement.
6. If **ABC** does not repay the Village upon demand, the Village may collect the required abatement in the manner provided by Act 198 for the collection of delinquent industrial facilities taxes or in any other manner permitted by law.
7. If the Facility fails to meet the expectations, or to comply with the agreements set forth in paragraph 1 through 5 above, then the Village may, in its sole discretion, terminate or reduce the term of the industrial facilities exemption certificate granted to **ABC**.
8. The Village shall provide at least 15 days written notice to **ABC** if the Village intends to take action to enforce this Agreement, and shall permit **ABC** an opportunity to be heard concerning the matter at a special or regular meeting of the Village Council. The Village shall not require repayment, or revoke or reduce the term of the certificate, unless investment or employment are less than the commitments made in paragraphs 1,2 or 3 for a continuous period of more than 180 days.
9. Not later than 90 days following completion of the installation of the Property, **ABC** shall provide to the Village certification of all amounts spent on the Property in the Facility. **ABC** shall also, at that time, certify to the Village the number of full-time (over 35 hours per week) employees presently working at the Facility.
10. On October 15, [**Insert first calendar year IFEC is expected to be in effect**] and annually on each October 15 thereafter as long as the IFEC remains in effect, **ABC** shall certify to the Village the number of employees then employed in the Facility as described in paragraph 3 of this agreement. In addition, **ABC** shall provide such other information as is reasonably requested by the Village to verify continued compliance with this Agreement.
11. The remedies in this Agreement are in addition to the remedies proved by Act 198. This Agreement contains the entire agreement between the parties with regard to its subject matter and may be amended only in writing signed on behalf of **ABC** and approved by resolution of the Village Council.

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12. ABC acknowledges receipt of and agrees to be bound by the terms of the **Village P.A. 198 Property Tax Abatement Policies**.

13. In addition to the preceding statements, **ABC** and the Village do swear and affirm by the signatures below that “no payment of any kind in excess of the fee allowed by PA Act 198 of 1974, as amended by Public Act 323 of 1996, has been made or promised in exchange for favorable consideration of an exemption certificate application”.

ABC COMPANY

Dated: _____, 2 _____

by (print name): _____

Its: _____

Signature: _____

VILLAGE OF LAKE ISABELLA

Dated: Dated: _____, 2 _____ by (print name): _____

Its: _____

Signature: _____

AGENDA NOTE

New Business: Item #4

MEETING DATE: May 23, 2011

PERSON PLACING ITEM ON AGENDA: City Attorney

AGENDA TOPIC: Community Access Preservation Act

EXPLANATION OF TOPIC: City Attorney Lee has brought to our attention possible legislation, HR 1746 dealing with Public, Educational and Governmental Access television (PEG). HR 1746 will preserve PEG channels and funding for PEG channels.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: N/A

POSSIBLE COURSES OF ACTION: Approve/do not approve the Resolution Supporting Immediate Passage of Hr 1746

RECOMMENDATION: Approve the Resolution Supporting Immediate Passage of Hr 1746

SUGGESTED MOTION: Motion by _____, supported by _____
Recitals:

- Public, Educational and Government (PEG) access television channels play a significant role in City of South Lyon.
- PEG channels are a unique and valuable resource for local information and discourse for the residents of City of South Lyon.
- PEG channels televise local government meetings, including city council, planning commission, county board, and school board meetings, and are a critical source of information for the residents about the actions taken by local elected officials.
- PEG channels contribute to the democratic process by providing opportunities for candidates and others, to discuss local issues during election campaigns.
- PEG channels provide a window through which residents can view the diversity of cultures, recreational activities, nonprofit activities, educational programming and artistic endeavors in their local community.
- PEG channels reflect the unique identity of the communities they serve.
- It is important to preserve PEG channels and funding for PEG channels, and to ensure that the channels, such as Channel 19, continue to be available to serve the residents of City of South Lyon.
- HR 1746, the Community Access Preservation Act, a bi-partisan Act, addresses critical and immediate threats to PEG.

City of South Lyon RESOLVES AS FOLLOWS:

SECTION 1.

City of South Lyon supports the immediate passage of HR 1746.

SECTION 2.

City of South Lyon calls on our Congressional delegation to take all possible actions in support of the passage of HR 1746, including but not limited to endorsing, co-sponsoring and voting for HR 1746, and to work for its rapid passage.

AGENDA NOTE

New Business: Item #5

MEETING DATE: May 23, 2011

PERSON PLACING ITEM ON AGENDA: City Clerk/Treasurer

AGENDA TOPIC: Contract for Equalization Division Services

EXPLANATION OF TOPIC: Our current contract with Oakland County Equalization will expire June 30, 2011. We have received a proposed contract for the period July 1, 2011 through June 30, 2013. The County has chosen to freeze their rates for the two year contract, and it should be noted that they are the same rates as in our current contract. Those rates are as follows:

\$13.90 per real parcel (3,786 currently)

\$11.40 per personal property parcel (394 currently)

\$6.00 per unit of the Colonial Acres Development (837 currently)

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Proposed Contract for Equalization Division Services

POSSIBLE COURSES OF ACTION: Approve/do not approve the contract

RECOMMENDATION: Approve the proposed contract

SUGGESTED MOTION(s):

Motion by _____, supported by _____
To approve the contract with Oakland County for Equalization Division Assistance Services for real and personal property for the period July 1, 2011 through June 30, 2013 and authorize the Mayor and City Clerk to Execute the contract

**CONTRACT FOR OAKLAND COUNTY
EQUALIZATION DIVISION ASSISTANCE SERVICES
WITH THE CITY OF SOUTH LYON
(real and personal property services)**

This CONTRACT FOR OAKLAND COUNTY EQUALIZATION DIVISION ASSISTANCE SERVICES WITH THE CITY OF SOUTH LYON, (hereafter, this "Contract") is made and entered into between the COUNTY OF OAKLAND, a Michigan Constitutional and Municipal Corporation, whose address is 1200 North Telegraph Road, Pontiac, Michigan 48341 (hereafter, the "County"), and the City of South Lyon, a Michigan Constitutional and Municipal Corporation whose address is 335 S. Warren, South Lyon, Michigan 48178 (hereafter, the "Municipality"). In this Contract, either the County and/or the Municipality may also be referred to individually as a "Party" or jointly as "Parties."

INTRODUCTORY STATEMENTS

- A. The Municipality, pursuant to the laws of the State of Michigan (hereafter, the "State"), including, but not limited to, the Michigan General Property Tax Act (MCL 211.1, et seq.) is required to perform real and personal property tax appraisals and assessments for all nonexempt real and personal property located within the geographic boundaries of the Municipality for the purpose of levying State and local property taxes.
- B. The Parties recognize and agree that absent an agreement such as this, or pursuant to an order of the State Tax Commission mandating the County to perform all or some of the property tax appraisal and tax assessment responsibilities for real and/or personal property located within the Municipality's geographic boundaries (MCL 211.10(f)), the County, has no obligation to provide these Services to or for the Municipality.
- C. The Michigan General Property Tax Act (MCL 211.34(3)) provides that the County Board of Commissioners, through the Equalization Division may furnish assistance to local assessing officers in the performance of certain of these legally mandated, Municipality, property appraisal and assessment responsibilities.
- D. The Municipality has requested the County's Equalization Division assistance in performing the "Equalization Division Assistance Services" (as described and defined in this Contract) and has agreed in return to reimburse the County as provided for in this Contract.
- E. The County has determined that it has sufficient "Equalization Division Personnel," as defined herein, possessing the requisite knowledge and expertise and is agreeable to assisting the Municipality by providing the requested "Equalization Division Assistance Services" under the terms and conditions of this Contract.

NOW, THEREFORE, in consideration of these premises and the mutual promises, representations, and agreements set forth in this Contract, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the County and the Municipality mutually agree as follows:

§1. **DEFINED TERMS** In addition to the above defined terms (i.e., "Contract", "County", "Municipality", "Party" and "Parties", and "State"), the Parties agree that the following words and expressions when printed with the first letter capitalized as shown herein, whether used in the singular or plural, possessive or nonpossessive, and/or either within or without quotation marks, shall, be defined and interpreted as follows:

- 1.1. "County Agent" or "County Agents" shall be defined as any and all Oakland County elected officials, appointed officials, directors, board members, council members, commissioners, authorities, other boards, committees, commissions, employees, managers, departments, divisions, volunteers, agents, representatives, and/or any such persons' successors or predecessors, agents, employees, attorneys, or auditors (whether such persons act or acted in their personal representative or official capacities), and/or any persons acting by, through, under, or in concert with any of them, excluding the Municipality and/or any Municipality Agents, as defined herein. "County Agent" and/or "County Agents" shall also include any person who was a County Agent anytime during the term of this Contract but, for any reason, is no longer employed, appointed, or elected and serving as a County Agent.
- 1.2. "Equalization Division Personnel" as used in this Contract shall be defined as a specific subset of, and included as part of the larger group of County Agents as defined above, and shall be further defined as any and all County Agents specifically employed and assigned by the County to work in the Equalization Division of the County's Department of Management and Budget as shown in the current County budget and/or personnel records of the County. For any and all purposes in this Contract, any reference to County Agents shall also include within that term any and all Equalization Division Personnel, but any reference in this Contract to Equalization Division Personnel shall not include any County Agent employed by the County in any other function, capacity or organizational unit of the County other than the Equalization Division of the Department of Management and Budget.
- 1.3. "Municipality Agent" or "Municipality Agents" shall be defined to include any and all Municipality officers, elected officials, appointed officials, directors, board members, council members, authorities, boards, committees, commissions, employees, managers, departments, divisions, volunteers, agents, representatives, and/or any such persons' successors or predecessors, agents, employees, attorneys, or auditors (whether such persons act or acted in their personal, representative, or official capacities), and/or any and all persons acting by, through, under, or in concert with any of them, except that no County Agent shall be deemed a Municipality Agent and conversely, no Municipality Agent shall be deemed a County Agent. "Municipality Agent" shall also include any person who was a Municipality Agent at any time during this Contract but for any reason is no longer employed, appointed, or elected in that capacity.
- 1.4. "Claim(s)" shall be defined to include any and all alleged losses, claims, complaints, demands for relief or damages, suits, causes of action, proceedings, judgments, deficiencies, liability, penalties, litigation costs and expenses, including, but not limited to, any reimbursement for reasonable attorney fees, witness fees, court costs, investigation and/or litigation expenses, any amounts paid in settlement, and/or any other amounts, liabilities or Claim(s) of any kind

whatsoever which are imposed on, incurred by, or asserted against either the County and/or any County Agent, as defined herein, or any Claim(s) for which the County and/or any County Agent may become legally and/or contractually obligated to pay or defend against, or any other liabilities of any kind whatsoever, whether direct, indirect or consequential, whether based upon any alleged violation of the constitution (Federal or State), any statute, rule, regulation or the common law, whether in law or equity, tort, contract, or otherwise, and/or whether commenced or threatened and arising out of any alleged breach of any duty by the County and/or any County Agent to any third-person, the Municipality, including any Municipality Agent or any Municipality Taxpayer under or in connection with this Contract or are based on or result in any way from the County's and/or any County Agent's participation in this Contract.

- 1.5. "Municipality Taxpayer" shall be defined as any and all residents, property owners, persons, or taxable entities within the Municipality, or their representatives or agents, who may be liable or responsible for any property taxes assessed by the Municipality pursuant to any applicable State Property Tax Laws.
- 1.6. "State" shall be defined as the "State of Michigan," a sovereign governmental entity of the United States, and shall also include within its definition any and all departments or agencies of State government including specifically, but not limited to, the State Tax Commission, the State Tax Tribunal, and/or the State Department of Treasury.

§2. COUNTY EQUALIZATION DIVISION ASSISTANCE SERVICES The Parties agree that the full and complete scope of any and all County Equalization Division Assistance Services shall be as described and limited in the following subsections (hereinafter defined and referred to as either "Equalization Division Assistance Services" or "Services").

- 2.1. "EQUALIZATION DIVISION ASSISTANCE SERVICES" OR "SERVICES" TO BE PROVIDED "Equalization Division Assistance Services" or "Services", to be performed by the County for the Municipality as those terms are defined in this Contract, shall only include and shall be limited to the following activities:
 - 2.1.1. This Contract is to provide for annual assessment of real and personal property through the 2011, 2012 and 2013 tax years as required by laws of the State of Michigan. The County agrees to make assessments of real and personal property within the Municipality pursuant to MCL 211.10d.
 - 2.1.2. The Equalization Division personnel will appraise all property, process all real and personal property description changes, prepare the assessment roll for real and personal property in the Municipality; attend March, July and December Boards of Review and other such duties as required by the State General Property Tax Laws. The Equalization Division personnel will also be available for consultation on all Michigan Tax Tribunal real and personal property and special assessment appeals and will assist the Municipality in the preparation of both the oral and written defense of appeals, as long as there is a current Contract in effect.

- 2.2. PURPOSE OF COUNTY "SERVICES" The Parties agree that the purpose of any and all "Equalization Division Assistance Services" or "Services" to be performed under this Contract shall be to assist (e.g., to help, aid, lend support, and/or participate in as an auxiliary, to contribute effort toward completion of a goal, etc.) the Municipality in the performance of that Municipality's official functions, obligations, and Municipality's legal responsibilities for property tax appraisal and assessment pursuant to the applicable State Property Tax Laws.
- 2.3. MANNER COUNTY TO PROVIDE SERVICES The Parties agree that any and all "Equalization Division Assistance Services" or "Services" to be provided by the County for the Municipality under this Contract shall be performed solely and exclusively by the County's "Equalization Division Personnel" as defined herein.
- 2.3.1. Equalization Division Personnel shall be employed and assigned by the County in such numbers and based on such appropriate qualifications and other factors as decided solely by the County.
- 2.3.2. The Parties agree that the County shall be solely and exclusively responsible for furnishing all Equalization Division Personnel with all job instructions, job descriptions and job specifications and shall in all circumstances control, supervise, train or direct all Equalization Division Personnel in the performance of any and all Services under this Contract.
- 2.3.3. Except as otherwise expressly provided for herein, the Parties agree and warrant that, at all times and for all purposes relevant to this Contract, the County shall remain the sole and exclusive employer of all County Agents and Equalization Division Personnel and that the County shall remain solely and completely liable for any and all County Agents' past, present or future wages, compensation, overtime wages, expenses, fringe benefits, pension or retirement benefits, travel expenses, mileage allowances, training expenses, transportation costs, and/or other allowances or reimbursements of any kind, including, but not limited to, workers' disability compensation benefits, unemployment compensation, Social Security Act protection(s) and benefits, any employment taxes, and/or any other statutory or contractual right or benefit based on or in any way related to any County Agent's employment status.
- 2.3.4. This Contract is neither intended, nor shall it be interpreted, to create, change, grant, modify, supplement, supersede, alter, or otherwise affect or control, in any manner, form, or at any time, any right, privilege, benefit, or any other term or condition of employment, of any kind or nature whatsoever, in, upon, or for any County Agent or Equalization Division Personnel with the County, any applicable County employment and/or union contract, and/or any County rule(s), regulation(s), hours of work, shift assignment, order(s), policy(ies), procedure(s), directive(s), ethical guideline(s), etc., which shall, solely and exclusively, govern and control the employment relationship between the County and any County Agent or Equalization Division Personnel and/or the conduct and actions of any County Agent or any Equalization Division Personnel. To illustrate, but not otherwise limit, this Contract does not and shall not be interpreted to limit, modify, control, or otherwise affect, in any manner:

- 2.3.4.1. The County's sole and exclusive right, obligation, responsibility, and discretion to employ, compensate, assign, reassign, transfer, promote, reclassify, discipline, demote, layoff, furlough, discharge any Equalization Division Personnel and/or pay any and all Equalization Division Personnel's wages, salaries, allowances, reimbursements, compensation, fringe benefits, or otherwise decide any and all such terms and conditions of employment and make any and all employment decisions that affect, in any way, the employment of any Equalization Division Personnel with the County, subject only to its applicable collective bargaining Contracts.
- 2.3.4.2. The County's sole and exclusive right, obligation, and responsibility to determine, establish, modify, or implement any and all operational policies, procedures, orders, rules, regulations, ethical guidelines, and/or any other judgment, policy or directive which, in any way, governs or controls any activity of any County Agent or Equalization Division Personnel, any necessary County Agent or Equalization Division Personnel's training standards or proficiency(ies), any level or amount of required supervision, any and all standards of performance, any sequence or manner of performance, and any level(s) of experience, training, or education required for any Equalization Division Personnel performing any County duty or obligation under the terms of this Contract.
- 2.3.5. The Municipality agrees that except as expressly provided for under the terms of this Contract and/or laws of this State, no County Agent or Equalization Division Personnel, while such person is currently and/or actively employed or otherwise remains on the payroll of the County as a County Agent shall be employed, utilized, or perform any other services, of any kind, directly or indirectly, in any manner or capacity, or otherwise be available to perform any other work or assignments by or for the Municipality during the term of this Contract. This section shall not prohibit the Municipality from employing any person who was a former County Agent but is no longer employed in that capacity by the County.
- 2.3.6. Except as otherwise expressly provided by the Contract and/or applicable State law, the Parties agree and warrant that neither the County, nor any County Agent, nor any Equalization Division Personnel, by virtue of this Contract or otherwise, shall be deemed, considered or claimed to be an employee of the Municipality and/or a Municipality Agent.
- 2.3.7. The Municipality shall not otherwise provide, furnish or assign any Equalization Division Personnel with any job instructions, job descriptions, job specifications, or job duties, or in any manner attempt to control, supervise, train, or direct any Personnel in the performance of any County's "Equalization Division Assistance Services" duty or obligation under the terms of this Contract.

- 2.4. LIMITS AND EXCLUSIONS ON COUNTY "SERVICES" Except as otherwise expressly provided for within this Contract, neither the County nor any County Agents shall be responsible for assisting or providing any other "Services " or assistance to the Municipality or assume any additional responsibility for assisting the Municipality in any other way or manner with any Municipality obligations under any and all State Property Tax Laws, including, but not limited to, providing any attorney or legal representation to the Municipality or any Municipality Agent at any proceeding before the Michigan Tax Tribunal or any other adjudicative body or court, except as expressly provided for in this Contract.
- 2.4.1. The Municipality shall, at all times and under all circumstances, remain solely liable for any and all costs, legal obligations, and/or civil liabilities associated with or in any way related to any Municipality tax appraisal or assessment functions or any other Municipality legal obligation under any applicable State Property Tax Laws. The Municipality shall employ and retain its own Municipality legal representation, as necessary, to defend any such claim or challenge before the State Tax Tribunal or any other court or review body.
- 2.4.2. Except for those express statutory and/or regulatory obligations incumbent only upon licensed Equalization Division Personnel (i.e., State Licensed and Certified Real and/or Personal Property Tax Assessors) to defend property tax appraisals and assessments that they either performed, or were otherwise performed under their supervision, before the Michigan Tax Tribunal, the Parties agree that no other County Agents, including any County attorneys shall be authorized, required and/or otherwise obligated under this Contract or pursuant to any other agreement between the Parties to provide any legal representation to or for the Municipality and/or otherwise defend, challenge, contest, appeal, or argue on behalf of the Municipality before the Michigan Tax Tribunal or any other review body or court.
- §3. TERM OF CONTRACT The Parties agree that the term of this Contract shall begin on the effective date of this Contract, as otherwise provided herein, and shall end on June 30, 2013, without any further act or notice from either Party being required. Any and all County Services otherwise provided to the Municipality prior to the effective date of this Contract, shall be subject to the terms and conditions provided for herein.
- §4. NO TRANSFER OF MUNICIPALITY LEGAL OBLIGATIONS TO COUNTY Except as expressly provided for in this Contract, the Municipality agrees that this Contract does not, and is not intended to, transfer, delegate, or assign to the County, and/or any County Agent or Equalization Division Personnel any civil or legal responsibility, duty, obligation, duty of care, cost, legal obligation, or liability associated with any governmental function delegated and/or entrusted to the Municipality under any applicable State Property Tax Laws.
- 4.1. The Municipality shall, at all times and under all circumstances, remain solely liable for any and all costs, legal obligations, and/or civil liabilities associated with or in any way related to any Municipality tax appraisal or assessment functions or any other Municipality legal obligation. The Municipality agrees that under no circumstances shall the County be responsible for any costs, obligations, and/or

civil liabilities associated with its Municipality function or any responsibility under any State Property Tax Law.

- 4.2. The Municipality shall not incur or create any debts, liens, liabilities or obligations for the County and shall take all necessary steps to ensure that any debts, liens, liabilities or obligations that the Municipality may incur shall not become a debt, liability, obligation or Claim against the County.
- 4.3. The Parties agree that the Municipality shall at all times remain responsible for the ultimate completion of any and all Municipality duties or obligations under any and all applicable State Property Tax Laws. Nothing in this Contract shall relieve the Municipality of any Municipality duty or obligation under any applicable State Property Tax Law.
- 4.4. The Municipality and Municipality Agents shall be and remain responsible for compliance with all Federal, State, and local laws, ordinances, regulations, and agency requirements in any manner affecting any work or performance of this Contract or with any Municipality duty or obligation under any applicable State Property Tax Law.

§5. NO DELEGATION OR DIMINUTION OF ANY GOVERNMENTAL AUTHORITY The Parties reserve to themselves any rights and obligations related to the provision of any and all of each Party's respective governmental services, authority, responsibilities, and obligations. Except as expressly provided otherwise herein, this Contract does not, and is not intended to, create, diminish, delegate, transfer, assign, divest, impair, or contravene any constitutional, statutory, and/or other legal right, privilege, power, civil or legal responsibility, obligation, duty of care, liability, capacity, immunity, authority or character of office of either Party to any other person or Party.

- 5.1. The Parties further agree, notwithstanding any other term or condition in this Contract, that no provision in this Contract is intended, nor shall it be construed, as a waiver of any governmental immunity, as provided by statute or applicable court decisions, by either Party, either for that Party and/or any of that Party's County or Municipal Agents.
- 5.2. Notwithstanding any other provision in this Contract, nothing in this Contract shall be deemed to, in any way, limit or prohibit the Oakland County Board of Commissioners statutory rights and obligations to review and/or further equalize Municipality property values or tax assessments and/or further act upon any Municipality assessment(s) of property taxes under any applicable State Property Tax Laws, including, but not limited to challenging any Municipality assessment before the Michigan Tax Tribunal.

§6. PAYMENT SCHEDULE In consideration of the promises set forth in this Contract, the Municipality agrees to pay to the County: For the contract years 2011-2012 and 2012-2013 the sum of \$13.90 each year for each real property description and \$11.40 each year for each personal property description rendered during the life of this Contract. Payment for the contract year 2011-2012 is payable on or before July 1, 2012 and payment for the contract year 2012-2013 is payable on or before July 1, 2013.

If during the term of this Contract, there are additional services requested of the County, the Parties shall negotiate additional fees to be paid by the Municipality.

- 6.1. The Municipality agrees to be responsible for postage on all statements and notices mailed relating to work performed under this Contract. The Municipality agrees to be responsible for all photographic supplies.
- 6.2. If the Municipality fails, for any reason, to pay the County any monies when and as due under this Contract, the Municipality agrees that unless expressly prohibited by law, the County or the County Treasurer, at their sole option, shall be entitled to a setoff from any other Municipality funds that are in the County's possession for any reason. Funds include but are not limited to the Delinquent Tax Revolving Fund ("DTRF"). Any setoff or retention of funds by the County shall be deemed a voluntary assignment of the amount by the Municipality to the County. The Municipality waives any claims against the County or its Officials for any acts related specifically to the County's offsetting or retaining such amounts. This paragraph shall not limit the Municipality's legal right to dispute whether the underlying amount retained by the County was actually due and owing under this Contract.
- 6.3. If the County chooses not to exercise its right to setoff or if any setoff is insufficient to fully pay the County any amounts due and owing the County under this Contract, the County shall have the right to charge up to the then-maximum legal interest on any unpaid amount. Interest charges shall be in addition to any other amounts due to the County under this Contract. Interest charges shall be calculated using the daily unpaid balance method and accumulate until all outstanding amounts and accumulated interest are fully paid.
- 6.4. Nothing in this Section shall operate to limit the County's right to pursue or exercise any other legal rights or remedies under this Contract against the Municipality to secure reimbursement of amounts due the County under this Contract. The remedies in this Section shall be available to the County on an ongoing and successive basis if the Municipality at any time becomes delinquent in its payment. Notwithstanding any other term and condition in this Contract, if the County pursues any legal action in any court to secure its payment under this Contract, the Municipality agrees to pay all costs and expenses, including attorney's fees and court costs, incurred by the County in the collection of any amount owed by the Municipality.
- 6.5. Notwithstanding any other term or condition in this Contract, should the Municipality fail for any reason to timely pay the County the amounts required under this Contract, the Municipality agrees that the County may discontinue, upon thirty (30) days written notice to the Municipality, without any penalty or liability whatsoever, any County services or performance obligations under this Contract.

§7. LIABILITY The Municipality further agrees that the County shall not be liable to the Municipality for any and all Claim(s), except as otherwise expressly provided for in this Contract.

- 7.1. The Parties agree that this Contract does not and is not intended to create or include any County warranty, promise, covenant or guaranty, either express or implied, of any kind or nature whatsoever in favor of the other Municipality, and/or any Municipality Agents, or any Municipality Taxpayer or any other person

or entity, or that the County's efforts in the performance of any obligation under this Contract will result in any specific monetary benefit or efficiency, or increase in any tax revenue for the Municipality, or will result in any specific reduction or increase in any property assessment, or guarantee that any County services provided under this Contract will withstand any challenge before the State Tax Tribunal or any court or review body, or any other such performance-based outcome.

- 7.2. In the event of any alleged breach, wrongful termination, and/or any default of any term or condition of this Contract by either the County or any County Agent, the County and/or any County Agent shall not be liable to the Municipality for any indirect, incidental, special or consequential damages, including, but not limited to any replacement costs for County Services, any loss of income or revenue, and/or any failure by the Municipality to meet any Municipality obligation under any applicable State Property Tax Laws, or any other economic benefit or harm that the Municipality may have realized, but for any alleged breach, wrongful termination, default and/or cancellation of this Contract, or damages beyond or in excess of the amount(s) of any amount paid to, received or retained by the County at the time of the alleged breach or default in connection with or under the terms of this Contract, whether such alleged breach or default is alleged in an action in contract or tort and/or whether or not the Municipality has been advised of the possibility of such damages. This provision and this Contract is intended by the Parties to allocate the risks between the Parties, and the Parties agree that the allocation of each Party's efforts, costs, and obligations under this Contract reflect this allocation of each Party's risk and the limitations of liability as specified herein.
- 7.3. Notwithstanding any other provision in this Contract, with regard to any and all alleged losses, claims, complaints, demands for relief or damages, suits, causes of action, proceedings, judgments, deficiencies, liability, penalties, litigation costs and expenses, including, but not limited to, any reimbursement for reasonable attorney fees, witness fees, court costs, investigation and/or litigation expenses, any amounts paid in settlement, and/or any other amounts, liabilities of any kind whatsoever which are imposed on, incurred by, or asserted against the Municipality or any Municipality Agent by any third person, including but not limited to any Municipality Agent or Municipality Taxpayer, arising out of any activities or Services to be carried out by any County Agent in the performance of this Contract, the Municipality hereby agrees that it shall have no rights pursuant to or under this Contract against the County and/or any County Agents to or for any indemnification (i.e., contractually, legally, equitably, or by implication) contribution, subrogation, or other right to be reimbursed by the County and/or any County Agents based upon any and all legal theories or alleged rights of any kind, whether known or unknown, for any and all alleged losses, claims, complaints, demands for relief or damages, judgments, deficiencies, liability, penalties, litigation costs and expenses of any kind whatsoever which are imposed on, incurred by, or asserted against the Municipality and which are alleged to have arisen under or are in any way based or predicated upon this Contract.

- 7.4. If the Municipality requests and the County agrees, the County may prepare the actual tax statement for mailing by the Municipality to Municipality residents. In preparing any such tax statement the County shall rely upon certain data provided by the Municipality beyond the data gathered by the County under this Contract, including, but not limited to, the applicable millage rate. The parties agree that under no circumstances shall the County be held liable to the Municipality or any third party based upon any error in any tax statement due to information supplied by the Municipality to the County for such purposes.

§8. MUNICIPALITY AGENTS AND COOPERATION WITH THE COUNTY The Municipality agrees that it shall be solely and exclusively responsible, during the term of this Contract, for guaranteeing that all Municipality Agents fully cooperate with Equalization Division Personnel in the performance of all County Services under this Contract. Likewise, the County agrees that it shall be solely and exclusively responsible, during the term of this Contract, for guaranteeing that all Equalization Division personnel fully cooperate with Municipality Agents in the performance of all County Services under this Contract.

- 8.1. Municipality Agents shall be employed and assigned based on appropriate qualifications and other factors as decided by the Municipality. The Municipality agrees that it shall be solely responsible for furnishing all Municipality Agents with all job instructions, job descriptions and job specifications and shall solely control, direct, and supervise all Municipality Agents and shall be solely responsible for the means and manner in which Municipality's duties or obligations under any applicable State Property Tax Laws are satisfied.
- 8.2. The Municipality agrees that it shall be solely and completely liable for any and all Municipality Agents' past, present or future wages, compensation, overtime wages, expenses, fringe benefits, pension or retirement benefits, travel expenses, mileage allowances, training expenses, transportation costs, and/or other allowances or reimbursements of any kind, including, but not limited to, workers' disability compensation benefits, unemployment compensation, Social Security Act protection(s) and benefits, any employment taxes, and/or any other statutory or contractual right or benefit based on or in any way related to any Municipality Agent's employment status or any alleged violation of any Municipality Agent's statutory, contractual (e.g., union, employment, or labor contract), constitutional, common law employment right, and/or civil rights by the Municipality. The Municipality agrees to indemnify and hold harmless the County from and against any and all Claim(s) which are imposed upon, incurred by, or asserted against the County or any County Agent by any Municipality Agent and/or which are based upon, result from, or arise from, or are in any way related to any Municipality Agent's wages, compensation, benefits, or other employment-related or based rights, including, but not limited to, those described in this section.
- 8.3. The Municipality agrees that no Municipality Agent shall, by virtue of this Contract or otherwise, be considered or claimed to be an employee of the County and/or a County Agent. This Contract does not grant or confer, and shall not be interpreted to grant or confer, upon any Municipality Agents or any other individual any status, privilege, right, or benefit of County employment or that of a County Agent.

- 8.4. The Municipality agrees to provide the County Agents with information regarding any activity affecting the tax status of a parcel. This shall include both Ad Valorem and Special Act Property Abatements and/or Exemptions (e.g. Including though not limited to Alternative Energy or New Personal Property, Renaissance Zones, Senior/Disabled Housing Facilities, Obsolete Property and Plant Rehabilitation & Industrial Development Districts), inclusive of the establishment of the related district. Additionally, the Municipality agrees to provide the County Agents with information regarding the establishment/amendment of an Authority and/or the approval/amendment of any related Development and/or Tax Increment Finance Plan(s). The County shall be informed of these proposed changes prior to approval by the governing body of the municipality.
- 8.5. The Municipality agrees to inform the County Agents regarding any increase in taxation which is governed by the Truth in Taxation Act. Further, the Municipality agrees to inform the County Agents regarding any millage increase (new) or renewal.
- 8.6. The Municipality will be responsible for Special Assessment billings, maintaining a paper trail of roll changes, maintaining the rolls in balance, and providing the Oakland County Equalization Division with the information necessary to prepare the warrant.
- 8.7. The Municipality agrees that its Agents will perform the following functions:
 - 8.7.1. Mechanically make name changes to Sidwell numbers on a monthly basis using the County's Computer terminals.
 - 8.7.2. Provide a copy of all building permits with Sidwell numbers to the County's Equalization Division on a monthly basis.
 - 8.7.3. Be responsible for the establishment, accuracy and compilation of all Special Assessment rolls in the Municipality.
 - 8.7.4. Forward all exemption applications, transfer affidavits, personal property statements and any and all other documents affecting the status or value of property located within the Municipality to the County's Equalization Division in a timely manner.
 - 8.7.5. Forward all information on splits and combinations after approval by the Municipality to the County's Equalization Division.
- 8.8. In the event that Municipality Agents, for whatever reason, fail or neglect to undertake the tasks in Section 8.7 above, the County's Equalization Division may perform these tasks and they shall be paid on a time and material basis. Such rate shall be based upon the wages plus benefits of the person or persons performing said tasks.
- §9. INDEPENDENT CONTRACTOR The Parties agree that at all times and for all purposes under the terms of this Contract, the County's and/or any and all County Agents' legal status and relationship to the Municipality shall be that of an Independent Contractor. Except as expressly provided herein, each Party will be solely responsible for the acts of its own employees, Agents, and servants during the term of this Contract. No liability, right or benefits arising out of an employer/employee relationship, either express or implied, shall arise or accrue to either Party as a result of this Contract.

- §10. COUNTY PRIORITIZATION OF COUNTY RESOURCES The Municipality acknowledges and agrees that this Contract does not, and is not intended to, create either any absolute right in favor of the Municipality, or any correspondent absolute duty or obligation upon the County, to guarantee that any specific number(s) or classification of County Agents will be present on any given day to provide County services to the Municipality.
- §11. INDEMNIFICATION Each Party shall be responsible for any Claims made against that Party and for the acts of its Employees or Agents. In any Claims that may arise from the performance of this Contract, each Party shall seek its own legal representation and bear the costs associated with such representation including any attorney fees. Except as otherwise provided in this Contract, neither Party shall have any right under any legal principle to be indemnified by the other Party or any of its Employees or Agents in connection with any Claim. This Contract does not, and is not intended to, impair, divest, delegate or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty, or immunity of the Parties. Nothing in this Contract shall be construed as a waiver of governmental immunity for either Party.
- §12. CANCELLATION OR TERMINATION OF THIS CONTRACT Except as follows, and notwithstanding any other term or provision in any other section of this Contract, either Party, upon a minimum of ninety (90) calendar days written notice to the other Party, may cancel and/or completely terminate this Contract for any reason, including convenience, without incurring any penalty, expense, or liability to the other Party. The effective date for any such termination is to be clearly stated in the notice.
- 12.1. At 5:00 p.m. on the effective date of the cancellation of this Contract all Municipality and/or County obligations under this Contract, except those rights and obligations expressly surviving cancellation as provided for in this Contract, shall end.
- 12.2. The Municipality agrees that any and all Municipality obligations, including, but not limited to, any and all indemnification and hold harmless promises, waivers of liability, record-keeping requirements, any Municipality payment obligations to the County, and/or any other related obligations provided for in this Contract with regard to any acts, occurrences, events, transactions, or Claim(s) either occurring or having their basis in any events or transactions that occurred before the cancellation or completion of this Contract, shall survive the cancellation or completion of this Contract.
- §13. EFFECTIVE DATE, CONTRACT APPROVAL, AND AMENDMENT The Parties agree that this Contract, and/or any subsequent amendments thereto, shall not become effective prior to the approval by concurrent resolutions of both the Oakland County Board of Commissioners and the Governing Body of the City of South Lyon. The approval and terms of this Contract, and/or any possible subsequent amendments thereto, shall be entered in the official minutes and proceedings of both the Oakland County Board of Commissioners and the Governing Body of the City of South Lyon and shall also be filed with the office of the Clerk of the County and the Clerk for the City of South Lyon.
- §14. The Parties agree that this Contract, and/or any possible subsequent amendments, shall be filed with the Michigan Secretary of State and this Contract, and/or any possible

subsequent amendments, shall not become effective prior to this required filing with the Secretary of State.

- 14.1. The Parties agree that except as expressly provided herein, this Contract shall not be changed, supplemented, or amended, in any manner, except as provided for herein, and no other act, verbal representation, document, usage or custom shall be deemed to amend or modify this Contract in any manner.
- §15. NO THIRD-PARTY BENEFICIARIES Except as expressly provided herein for the benefit of the Parties (i.e., County or Municipality), this Contract does not, and is not intended to, create, by implication or otherwise, any direct or indirect obligation, duty, promise, benefit, right to be indemnified (i.e., contractually, legally, equitably, or by implication) and/or any right to be subrogated to any Party's rights in this Contract, and/or any other right of any kind, in favor of any person, including, but not limited to, any County Agent or Municipality Agent or any Municipality Taxpayer, any Taxpayer's legal representative, any organization, any alleged unnamed beneficiary or assignee, and/or any other person.
- §16. CONSTRUED AS A WHOLE The language of all parts of this Contract is intended to and, in all cases, shall be construed as a whole according to its fair meaning, and not construed strictly for or against any Party. As used in this Contract, the singular or plural number, possessive or nonpossessive shall be deemed to include the other whenever the context so suggests or requires.
- §17. CAPTIONS The section headings or titles and/or all section numbers contained in this Contract are intended for the convenience of the reader and not intended to have any substantive meaning and are not to be interpreted as part of this Contract.
- §18. NOTICES Except as otherwise expressly provided for herein, any and all correspondence, invoices, and/or any other written notices required, permitted or provided for under this Contract to be delivered to either Party shall be sent to that Party by first class mail. All such written notices, including any notice canceling or terminating this Contract as provided for herein, shall be sent to the other Party's signatory to this Contract, or that signatory's successor in office, at the addresses shown in this Contract. All correspondence or written notices shall be considered delivered to a Party as of the date that such notice is deposited with sufficient postage with the U.S. Postal Service.
- §19. WAIVER OF BREACH The waiver of a breach of any provision of this Contract shall not operate or be construed as a waiver of any subsequent breach. Each and every right, remedy and power granted to either Party or allowed it by law shall be cumulative and not exclusive of any other.
- §20. EXISTING CONTRACTUAL RELATIONSHIP BETWEEN THE PARTIES The Parties acknowledge that there exists a contractual relationship between them covering some of the same Equalization services described herein. The Parties acknowledge that upon execution of this Contract, that the "Current Contract" shall be terminated. The Parties agree that as to any post termination rights or duties of either Party under the "Current Contract" it shall control. As to any rights or duties undertaken or engaged in after the effective date of this Contract, this Contract shall control any and all legal obligations of the Parties.
- §21. ENTIRE CONTRACT This Contract, consisting of a total of fourteen (14) pages, sets forth the entire agreement between the County and the Municipality. It is further understood and agreed that the terms and conditions herein are contractual and are not a

mere recital and that there are no other agreements, understandings, contracts, or representations between the County and the Municipality in any way related to the subject matter hereof, except as expressly stated herein. This Contract shall not be changed or supplemented orally and may be amended only as otherwise provided herein.

For and in consideration of the mutual assurances, promises, acknowledgments, warrants, representations, and agreements set forth in this Contract, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the undersigned hereby execute this Contract on behalf of the Parties, and by doing so legally obligate and bind the Parties to the terms and conditions of this Contract.

IN WITNESS WHEREOF Tedd M. Wallace, Mayor, of the City of South Lyon, hereby acknowledges that he has been authorized by a resolution of the Governing Body of the City of South Lyon, a certified copy of which is attached, to execute this Contract on behalf of the Municipality and hereby accepts and binds the Municipality to the terms and conditions of this Contract.

EXECUTED: _____ DATE: _____
Tedd M. Wallace, Mayor
City of South Lyon

WITNESSED: _____ DATE: _____
Julie C. Zemke, Clerk
City of South Lyon

IN WITNESS WHEREOF Michael J. Gingell, Chairperson, Oakland County Board of Commissioners, hereby acknowledges that he has been authorized by a resolution of the Oakland County Board of Commissioners, a certified copy of which is attached, to execute this Contract on behalf of Oakland County, and hereby accepts and binds Oakland County to the terms and conditions of this Contract.

EXECUTED: _____ DATE: _____
Michael J. Gingell, Chairperson
Oakland County Board of Commissioners

WITNESSED: _____ DATE: _____
Bill Bullard, Jr., Clerk/Register of Deeds
County of Oakland

AGENDA NOTE

New Business: Item #6

MEETING DATE: May 23, 2011

PERSON PLACING ITEM ON AGENDA: Fire Chief Mike Kennedy

AGENDA TOPIC: First Reading – Amendment of Fire Prevention and Protection Ordinance, Chapter 46, Section 46-1, Outdoor Burning.

EXPLANATION OF TOPIC: This amendment would provide a singular document to clarify and regulate outdoor burning in the City of South Lyon. Currently, open burning is regulated under three separate documents: Code of Ordinance - City of South Lyon, International Fire Code 2006, and Natural Resources and Environmental Protection Act 451 of 1994.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: New language for the Fire Prevention and Protection Ordinance, Chapter 46, Section 46-1, Outdoor Burning.

POSSIBLE COURSES OF ACTION: Approve/do not approve 1st Reading.

RECOMMENDATION: Approve 1st reading for the proposed Amendment of the Fire Prevention and Protection Ordinance, Chapter 46, Section 46-1, Outdoor Burning.

SUGGESTED MOTION: Motion by _____, supported by _____ that this be the first reading of the Amendment of the Fire Prevention and Protection Ordinance, Chapter 46, Section 46-1, Outdoor Burning.

Amendment of Fire Prevention and Protection Ordinance, Chapter 46, Section 1. Outdoor Burning

SECTION 1: PURPOSE

1.00 Purpose.

This ordinance is intended to promote the public health, safety and welfare and to safeguard the health, comfort, living conditions, safety and welfare of the citizens of the City of South Lyon by regulating the air pollution and fire hazards of outdoor burning.

SECTION 2: APPLICABILITY

2.00 Applicability.

This ordinance applies to all outdoor burning within the City of South Lyon.

- 2.1.** This ordinance does not apply to grilling or cooking food using charcoal, wood, propane or natural gas in cooking or grilling appliances.
- 2.2.** This ordinance does not apply to burning for the purpose of generating heat in a stove, furnace, fireplace or other heating device within a building used for human or animal habitation.
- 2.3.** This ordinance does not apply to the use of propane, acetylene, natural gas, gasoline or kerosene in a device intended for heating, construction or maintenance activities.

SECTION 3: SEVERABILITY

3.00 Severability.

Should any portion of this ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall remain enforceable.

SECTION 4: DEFINITIONS

4.00 Definitions.

- 4.1.** "Clean wood" means natural wood which has not been painted, varnished or coated with a similar material; has not been pressure treated with preservatives; and does not contain resins or glues as in plywood or other composite wood products.
- 4.2.** "Construction and demolition waste" means building waste materials, including but not limited to waste shingles, insulation, lumber, treated wood, painted wood, wiring, plastics, packaging, and rubble that results from construction, remodeling, repair, and demolition operations on a house, commercial or industrial building, or other structure.
- 4.3.** "Fire Chief" means the Chief of the South Lyon Fire Department.
- 4.4.** "Municipality" means The City of South Lyon.
- 4.5.** "Open burning" means kindling or maintaining a fire where the products of combustion are emitted directly into the ambient air without passing through a stack or a chimney. This includes burning in a burn barrel.
- 4.6.** "Outdoor burning" means open burning or burning in an outdoor wood furnace or patio wood-burning unit.
- 4.7.** "Outdoor wood furnace" also known as an outdoor wood-fired boiler, outdoor wood-burning appliance, or hydronic heater, means a fuel-burning device that is designed to burn clean wood or other approved solid fuels and is not located within a building intended for habitation by humans or domestic animals; and heats building space and/or water through the distribution, typically through pipes, of a fluid heated in the device, typically water or a mixture of water and antifreeze.
- 4.8.** "Patio wood-burning unit" means a chimenea, patio warmer, or other portable wood-burning device used for outdoor recreation and/or heating.
- 4.9.** "Refuse" means any waste material except trees, logs, brush, stumps, leaves, grass clippings, and other vegetative matter.

SECTION 5: GENERAL PROHIBITION ON OPEN BURNING

5.00 General prohibition on open burning.

Open burning is prohibited in the City of South Lyon unless the burning is specifically permitted by this ordinance.

SECTION 6: OPEN BURNING OF REFUSE

6.00 Open burning of refuse.

Open burning of refuse is prohibited.

SECTION 7: OPEN BURNING OF TREES, LOGS, BRUSH, STUMPS, LEAVES, AND GRASS CLIPPINGS

7.00 Burning trees, logs, brush, stumps, leaves, and grass clippings.

Open burning of trees, logs, brush, stumps, leaves, and grass clippings is prohibited.

SECTION 8: AGRICULTURAL BURNING

8.00 Agricultural burning.

Open burning of weeds, brush, and crop stubble on agricultural lands is allowed if conducted in accordance with other applicable provisions of this ordinance.

SECTION 9: PRESCRIBED BURNS

9.00 Prescribed burning.

- 9.1.** "Prescribed Burn" means the burning, in compliance with a prescription and to meet planned fire or land management objectives, of a continuous cover of fuels. A "prescription" means a written plan establishing the criteria necessary for starting, controlling, and extinguishing a burn.
- 9.2.** Fires set for forest, prairie, and wildlife habitat management are allowed only if conducted in accordance with Part 515 of the Natural Resources and Environmental Protection Act, MCL 324.51501 et seq.

SECTION 10: OUTDOOR WOOD FURNACES

- 10.1.** No person shall install an outdoor wood furnace in the City of South Lyon on or after July 1, 2011.
- 10.2.** The following provisions apply to outdoor wood furnaces installed before July 1, 2011:
 - 10.2.1.** The outdoor wood furnace shall have a permanently attached stack with a minimum stack height of 15 feet above the ground that also extends at least two feet above the highest peak of any residence not served by the outdoor wood furnace located less than 200 feet from the outdoor wood furnace.
 - 10.2.2.** Fuel burned in the outdoor wood furnace shall be only clean wood, wood pellets made from clean wood, or other listed fuels specifically permitted by the manufacturer's instructions such as fuel oil, natural gas or propane backup.
 - 10.2.3.** The following items are strictly prohibited in outdoor wood furnaces:
 - Any material not listed in 10.2.2.
 - Wood that has been painted, varnished, or coated with similar material and/or has been pressure treated with preservatives and contains resins or glues as in plywood or other composite wood products.
 - Rubbish or garbage, including but not limited to food wastes, food packaging, food wraps.
 - Any plastic materials including but not limited to nylon, PVC, ABS, polystyrene or urethane foam, and synthetic fabrics, plastic films and plastic containers.
 - Rubber, including tires or other synthetic rubber-like products.
 - Newspaper, cardboard, or any paper with ink or dye products.
 - Any other items not specifically allowed by the manufacturer or this provision.

SECTION 11: PATIO WOOD-BURNING UNITS

11.00 Patio wood-burning units.

A patio wood-burning unit may be installed and used in connection with a one-family detached dwelling, in accordance with all of the following provisions:

- 11.1.** The patio wood-burning unit shall not be used to burn refuse.
- 11.2.** The patio wood-burning unit shall burn only clean wood.
- 11.3.** The patio wood-burning unit shall be freestanding, supported off the ground/patio, and located at least fifteen (15) feet from the nearest building or overhang.
- 11.4.** The patio wood-burning unit shall not cause a nuisance to neighbors.
- 11.5.** The patio wood-burning unit shall be constantly attended by a person of at least eighteen (18) years of age until the fire is extinguished and cold. The person shall have readily available for use such fire extinguishing equipment as may be necessary for total control of the fire.

SECTION 12: FIRE SUPPRESSION TRAINING

12.00 Fire suppression training.

Notwithstanding sections 5 and 6 of this ordinance, structures and other materials may be burned for fire prevention training only in accordance with all of the following provisions.

- 12.1.** The burn must be exclusively for fire prevention training. The burning shall not be used as a means to dispose of waste material including tires and other hazardous materials.
- 12.2.** All asbestos must be removed prior to conducting the fire suppression training. If the structure is a residential dwelling, the owner may remove the asbestos or have it removed by a licensed abatement contractor. If it is a commercial building, all asbestos must be removed by a licensed abatement contractor. *A listing of accredited individuals and companies licensed by the Department of Energy Labor, and Economic Growth Asbestos Program can be accessed at www.dleg.state.mi.us/asbestos_program.*
- 12.3.** A notification of the demolition must be submitted to the Michigan Department of Natural Resources and Environment, Air Quality Division at least 10 business days prior to burning a standing structure. The notification must be submitted using Form EQP 5661 "Notification of Intent to Renovate/Demolish."
- 12.4.** All ash and demolished materials must be disposed of in an approved landfill or at an alternate location approved by the Michigan Department of Natural Resources and Environment.
- 12.5.** Asphalt shingles and asphalt or plastic siding shall be removed prior to the practice burn unless the Fire Chief determines that they are necessary for the fire practice.
- 12.6.** At least 48 hours before a planned practice burn, residents within 500 feet of the site of the proposed burn shall be notified.
- 12.7.** All fire suppression training should conform to the guidelines established by the National Fire Protection Association (NFPA) Standard on Live Fire Training Evolutions (NFPA 1403).

SECTION 14: LIABILITY

14.00 Liability.

A person utilizing or maintaining an outdoor fire shall be responsible for all fire suppression costs and any other liability resulting from damage caused by the fire.

SECTION 15: RIGHT OF ENTRY AND INSPECTION

15.00 Right of entry and inspection.

The Fire Chief or any authorized officer, agent, employee or representative of the City of South Lyon who presents credentials may inspect any property for the purpose of ascertaining compliance with the provisions of this ordinance.

SECTION 16: ENFORCEMENT AND PENALTIES

16.00 Enforcement and penalties.

- 16.1.** The Fire Chief, Police Chief, and/or their designees are authorized to enforce the provisions of this ordinance.

16.2. Any person, firm, association, partnership, corporation, or governmental entity who violates any of the provisions of this ordinance or fails to comply with a duly authorized order issued pursuant to this ordinance shall be deemed to be responsible for a municipal civil infraction.

*Determined on the basis of the date of commission of the offense(s)

16.3. The violator shall pay costs which may include all expenses, direct and indirect, which the City of South Lyon has incurred in connection with the municipal infraction. In no case, however, shall costs of less than \$100.00 nor more than \$500.00 be ordered. Each day that a violation of this ordinance exists shall constitute a separate violation of this ordinance.

AGENDA NOTE

New Business: Item #7

MEETING DATE: May 23, 2011

PERSON PLACING ITEM ON AGENDA: City Manager

AGENDA TOPIC: Request for Proposals for Engineering Services Qualifications

EXPLANATION OF TOPIC: In December 2010, we sent requests for Engineering Services Qualifications to various engineering firms. Since that time, a committee was formed to review those proposals and a unanimous recommendation has been made.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS: Memo from Engineering RFQ Committee

POSSIBLE COURSES OF ACTION: Accept/do not accept the recommendation from Committee

RECOMMENDATION: Accept and approve recommendation from Engineering RFQ Committee

SUGGESTED MOTION: Motion by _____, supported by _____ to authorize the City Manager and City Attorney to negotiate a three year contract with Hubbell, Roth & Clark for engineering services

MEMORANDUM

To: Mayor Wallace & Council Members
From: Engineering RFQ Committee
Subject: Engineering RFQ
Date: May 12, 2011

RFQ Process:

Request for Proposals for Engineering Services Qualifications sent to 16 Engineering Firms	December 15, 2010
Request for questions relating to the City/Services/Proposal, etc. sent	January 20, 2011
Meeting held with various firms to answer questions	January 31, 2011
Answers to all questions asked mailed to all firms that were sent RFQ	February 1, 2011
Proposals received from 7 firms	February 15, 2011
Engineering Committee of David Murphy, Julie Zemke, Steve Renwick, Bob Martin, Kristen Delaney and Mike Kramer met to distribute the bid documents	February 18, 2011
Committee met to review scoring of firms and determine the 3 firms to interview	March 9, 2011
Interviews of Anderson, Eckstein & Westrick, OHM and HRC conducted	April 8 & 11, 2011
Committee met to discuss recommendation	April 13, 2011
Committee met to discuss recommendation further	April 21 & 28, 2011
City Manager Murphy & Councilman Kramer met with HRC	May 3, 2011

Important notes to the process:

- A specific set of criteria and scoring used for reviewing the proposals
- A specific set of questions was asked to each firm during the interview process
- A specific set of criteria and scoring used for the interview process

Recommendation of the Committee

The Committee unanimously recommends to remain with Hubbell, Roth and Clark as the City's Engineers with a three-year contract to be negotiated by the City Manager based on performance, billing, programs, keeping us informed of grants etc.

Basis for Recommendation:

- HRC has 17 years of institutional knowledge of the City.
- There has been no egregious act by HRC that would warrant changing firms.
- HRC was #1 in scoring in evaluating the proposals and there was less than .75 difference in scoring during the interview process between all 3 firms.
- In reviewing the financials, there was negligible difference between the 3 firms interviewed.
- When given the question about which firm to choose, the other two firms indicated that unless there was a major problem, there would be no reason to change firms.
- All 3 firms were so close in scoring, HRC's experience with the City was the deciding factor.