



## CITY COMMISSION MEETING AGENDA

City Hall, 125 South Maple Street, Fennville, MI 49408  
Monday, June 1, 2020  
7:00 p.m.

In light of the recent orders to limit social interactions due to COVID-19, the City Commission will allow for participation through a virtual meeting site or by telephone. To access the meeting visit:

Join Zoom Meeting

<https://us02web.zoom.us/j/81684765423>

Meeting ID: 816 8476 5423

One tap mobile

+13126266799,,81684765423# US (Chicago)

Dial by your location

+1 312 626 6799 US (Chicago)

As always, citizens can also submit their comments in writing by 6:30 p.m. by:

Email to [amorgan@fennville.com](mailto:amorgan@fennville.com)

Drop Box located on the parking lot side of City Hall

By mail to PO Box 666, Fennville, MI 49408

### **AGENDA**

**1. Call to Order/Roll Call**

**2. Pledge of Allegiance**

**3. Approval of Agenda**

**4. Public Comments**

*During this time, members of the public will be given an opportunity to speak on items not on the agenda. Please remember that comments are limited to 5 minutes and should be directed toward the Mayor. If you wish to speak to an item on the agenda, you will be given the chance to do so before the Commission discusses the item.*

**5. Approval of the following City Commission Minutes:**

- Regular Meeting: [May 18, 2020](#) – Click link to access draft minutes online

**6. Reports & Minutes**

- Michigan Township Services Report – April 2020

### **NEW BUSINESS**

**7. The City Commission will be asked to move the City of Fennville polling location from 222 S Maple Street to 125 S Maple Street.**

**8. The City Commission will be asked approve Notices of Award for the USDA Water Projects as follows:**

- For Contract 1 to B&L Excavating in the amount of \$1,050,811.00.
- For Contract 2 to Ferguson Waterworks in the amount of \$297125.18.

9. The City Commission will be asked to approve Resolution 2020-06: A Resolution for the Supplemental Notice of Intent to Issues Bonds related to the SRF Projects.

10. The City Commission will received a copy of the Draft FY2021 Budget and will be asked to set a budget public hearing date of Monday, June 15, 2020.

11. The City Commission will be asked to introduce the following ordinance regarding utility rates for FY2021:

- Ordinance 2020-05: A Ordinance to set rates for City of Fennville water utilities.
- Ordinance 2020-06: A Ordinance to set rates for City of Fennville sewer utilities.

12. Reports of Standing Committees:

- a. Finance/Personnel: *Mayor, Machan, Suerth*
- b. City Services (Police, Ambulance & Fire): *Machan, Suerth, Jamros*
- c. City Properties: *Jamros, Bolles*
- d. Ordinances/Community Relations: *Hayden, Almquist*
- e. Planning: *Bolles, Suerth*
- f. Administrative/DDA: *Mayor, Almquist, Bolles*

13. Miscellaneous

14. City Administrator Report

15. Approval of Bills - Totaling \$18,322.35

*A copy of the invoice report will be sent to the City Commission by email for review on meeting day and the agenda packet online will be updated to include the information.*

16. Adjournment

# Michigan Township Services - Allegan, Inc.

111 Grand Street  
(269) 673-3239 fax: (269)673-9583

## Permits Issued For FENNVILLE CITY

### Building

Date	Permit #	Site Address	Construction Cost	Permit Cost	Owner	Type Of Construction
4/3/2020	FNB20003	333 Wilson St	\$200,050.00	\$720.00	Miller	fire rebuild/repair
<b>Building Totals</b>			\$200,050.00	\$720.00		
<b>Building Totals</b>			\$200,050.00	\$720.00	\$72.00	



# Memo

DATE: May 29, 2020  
TO: City Commission  
FROM: Amanda Morgan  
City Administrator  
SUBJECT: Agenda Item 7: Polling Location

---

The City Commission will be asked to move the City of Fennville polling location from 222 S Maple Street to 125 S Maple Street.

## Background Information

The State of Michigan Election Law requires that the municipal body adopt a resolution making any changes to polling locations. As a result, the City Commission is being asked to make a motion formally changing the location to the new City Hall building at 125 S Maple Street.

Also, per Election Law, the Clerk has sent a new voter registration card to all registered voters as notice of the change.

## Attachment(s)

.

## Recommended Action

Motion to move the City of Fennville polling location from 222 S Maple Street to 125 S Maple Street.

# Memo

DATE: May 29, 2020

TO: City Commission

FROM: Amanda Morgan  
City Administrator

SUBJECT: Agenda Item 8: USDA Project Notice of Award

---

The City Commission will be asked to approve Notices of Award for the USDA Water Projects as follows:

- For Contract 1 to B&L Excavating in the amount of \$1,050,811.00.
- For Contract 2 to Ferguson Waterworks in the amount of \$297,125.18.

## Background Information

The City is getting extremely close to closing on the loan with the USDA for the water projects. As a result, over the next several meetings the City Commission will be acting on a number of items which are requirements of the loan process.

Earlier this month, the City held a bid opening for two contracts related to water projects. Contract 1 was the construction portion of the projects, while Contract 2 was for the water meter replacement portion of the projects. Attached is a letter from the engineering outlining the bids received a few ideas for reducing the overall costs of the projects.

Tonight, the City Commission is being asked to approve the Notice of Award for each of the projects.

## Attachment(s)

- Letter of Recommendation from Engineer
- Notice of Award for Contract 1
- Notice of Award for Contract 2

## Recommended Action

- Motion to approve the Notice of Award for Contract 1 to B&L Excavating in the amount of \$1,050,811.00.
- Motion to approve the Notice of Award for Contract 2 to Ferguson Waterworks in the amount of \$297,125.18.

May 26, 2020  
2180424

Ms. Amanda Morgan, City Administrator  
City of Fennville  
125 S. Maple Street  
Fennville, MI 49408

RE: Water System Improvements Project (USDA) – Recommendation for Award  
City of Fennville

Dear Amanda:

Prein&Newhof has further evaluated the bids received on May 7<sup>th</sup> for this project. A project cost summary and recommendations for value engineering and award are presented. This information is contingent upon USDA concurrence with total project costs and loan amounts.

Please find enclosed for your use the bid tabulations for Contract No.1 - Water Main and Contract No.2 - Water Meter Replacements for the subject project.

For Contract No. 1 the City received 6 complete bids. The 3 low bids are:

Low Bid	B&L Excavating, LLC base bid	\$ 974,169.00
2 <sup>nd</sup> Low	Al's Excavating, Inc. base bid	\$1,184,543.00
3 <sup>rd</sup> Low	Milbocker & Sons, Inc. base bid	\$1,256,370.20

The project included four bid alternates. If the City were to accept all four alternates the low bidder is still B&L Excavating, LLC in the amount of \$1,060,811.00.

For Contract No. 2 the City received 2 valid bids. Contract 2 did not contain any alternates.

Low Bid	Ferguson Waterworks base bid	\$297,125.18
2 <sup>nd</sup> Low	Compton Inc base bid	\$323,237.00

The *previously estimated* project budget (as stated in the letter of conditions from USDA dated December 17, 2018) included a USDA loan amount of \$1,115,000 and City of Fennville funded amount of \$240,000. The previous project budget was detailed in Table 3 of the Preliminary Engineering Report (PER). The PER was amended once as described in my letter to USDA dated February 24, 2020. An amendment was also made to the E500 engineering agreement.

The *currently estimated* project budget (updated with bids received and additional approved engineering) includes a USDA loan amount of approximately \$1,242,000 and City of Fennville funded amount of \$423,000. The City of Fennville is receiving additional funds from Michigan Department of Transportation and a TEDF Category B Grant to reduce the city funded portion of the project to closer to \$209,000.

If the project were to proceed as-bid, a supplemental loan request in the amount of approximately \$127,000 would be necessary. As a result, we have had value engineering discussions with you and the low bidders. The following value engineering items are recommended:

1. Contract 1, Do not accept “Bid Alternate No. 3 - Add (Abandonment of Well No. 5)”.
  - a. Reduction in cost \$10,000.
  - b. The City has decided to not accept this bid alternate.
2. Contract 1, Pay Items 51b, 54b, 57b – Eliminate these items entirely.
  - a. Anticipated reduction in cost  $\$580.00 + \$450.00 + \$500.00 = \$1,530.00$
  - b. The City has determined a water service tap to the Main Lift Station on South Maple Street is not necessary at this time.
3. Contract 2, Pay Items 13 and 14 - Change meter Quantity from 2 to 1.
  - a. Anticipated reduction in cost  $\$3253.32 + \$1,100 = \$4,353.32$ .
  - b. The City has determined the existing 4” meter at Conagra does not need to be replaced with this project.

The following additional value engineering items were also discussed with the City, but are not recommended for the following reasons:

1. Reduce project contingency from 5% of construction to 3% of construction.
  - a. Anticipated reduction in cost \$20,000.
  - b. Not advised because low bid is \$210,000 (roughly 18%) less than the second low bidder in in Contract 1, and the level of uncertainty in final meter replacement quantities in Contract 2. We do not recommend reducing the construction contingency to 3%.
2. Consider not accepting Bid Alternates No. 1 and No. 2.
  - a. Anticipated reduction in cost \$70,112 (excluding recommendation 2 above).
  - b. The City would like to include this work to replace the water main in Reynolds Ave (east of Elizabeth) and close the loop on South Maple Street if supplemental loan funds are available from USDA.
3. Reduce other road paving and driveway related quantity assumptions.
  - a. Original assumptions for surface replacement quantities were reviewed and it was determined there was not room in the original quantities for reduction.
4. Negotiating with the low bidder, redesign, and rebidding were briefly discussed. Due to the difference in bids in Contract 1, negotiations and rebidding were determined not likely to result in lower prices. Redesign within existing rights of way and easements was ruled out due to utility conflicts and lack of cost reduction.

The *revised recommended* project budget (including value engineering recommendations) includes a USDA loan amount of approximately \$1,226,000 and City of Fennville funded amount of \$423,000. If the project were to proceed as recommended, Changer Order 1 would reduce the project cost by approximately \$6,000, and a supplemental loan request in the amount of approximately \$111,000 would be necessary. This is roughly a 10% increase over the originally estimated loan amount.

Contingent upon USDA concurrence with total project costs and loan amounts we recommend the City of Fennville award Contract No. 1 to B&L Excavating in the amount of \$1,050,811.00 as follows:

• Total Base Bid of	\$974,169.00
• Bid Alt. No. 1 of	\$32,320.00
• Bid Alt. No. 2 of	\$39,322.00
• Bid Alt. No. 3	not awarded
• <u>Bid Alt. No. 4 of</u>	<u>\$5,000.00</u>
Total	\$1,050,811.00

B&L Excavating has indicated they are comfortable with their bid. I spoke to several references regarding B&L who consider them to be a qualified and responsive contractor capable of constructing this project. Contract No. 1 would later include a change order to eliminate Pay Items 51b, 54b, 57b in the amount of \$1,530.00 as discussed above.

For Contract No. 2, we recommend the City of Fennville award to Ferguson Waterworks in the amount of \$297,125.18. Ferguson has indicated they are comfortable with their bid. Ferguson has successfully completed several turn-key meter replacement projects for similar sized communities. Contract No. 2 would later include a change order to reduce the quantity of Pay Items 13 and 14 as in the amount of \$4,353.32 as discussed above.

Please review these costs and recommendations. If you agree please contact USDA to confirm proceeding with a supplemental loan amount of \$111,0000 and obtaining authorization to award the project.

If you have any questions, please contact our office.

Sincerely,

**Prein&Newhof**

Dana R. Burd, P.E.

Enclosures: Bid Tabulation Contracts 1 and 2, Total Project Cost Table 3 from PER, Total Project Cost Table 3 as Revised 5/20/20

c: VIA EMAIL  
Paul Bristol, USDA RD  
Andy Granskog, USDA RD  
Dan Martin, Thrun Law  
Michael Gresens, Thrun Law  
Andy Campbell, BakerTilly



## NOTICE OF AWARD

Date of Issuance:

Owner: City of Fennville Owner's Contract No.:  
Engineer: Prein & Newhof Engineer's Project No.: 2180424  
Project: Water System Improvements Contract Name: Contract No. 1 – Water Main  
Bidder: **B&L Excavating, LLC**  
Bidder's Address: 3312 12<sup>th</sup> Street, Wayland, MI 49348

### TO BIDDER:

You are notified that Owner has accepted your Bid dated May 7, 2020 for the above Contract, and that you are the Successful Bidder and are awarded a Contract for:

**Water main installation in North 58<sup>th</sup> Street, Reynolds Street, Center Street, and Sherman Street, and South Maple Street and road improvements in North 58<sup>th</sup> Street and Reynolds Street, and associated storm sewer and sanitary sewer and water service replacements including Alternates 1, 2, and 4.**

The award is contingent on successful loan closing with USDA Rural Development.

The Contract Price of the awarded Contract is: \$ 1,050,811.00

[ 6 ] unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award, or has been transmitted or made available to Bidder electronically.

a set of the Drawings will be delivered separately from the other Contract Documents.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

1. Deliver to Owner [ 6 ] counterparts of the Agreement, fully executed by Bidder.
2. Deliver with the executed Agreement(s) the Contract security [*e.g., performance and payment bonds*] and insurance documentation as specified in the Instructions to Bidders and General Conditions, and *Supplementary Conditions*, Articles 2 and 6..
3. Other conditions precedent (if any):

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

---

Owner: City of Fennville

Authorized Signature

By: \_\_\_\_\_

Title: \_\_\_\_\_

Copy: Prein&Newhof



[Intentionally left blank]

## NOTICE OF AWARD

Date of Issuance:

Owner: City of Fennville Owner's Contract No.:  
Engineer: Prein & Newhof Engineer's Project No.: 2180424  
Project: Water System Improvements Contract Name: Contract No. 2 – Water Meter Replacements  
Bidder: **Ferguson Enterprises, LLC dba Ferguson Waterworks**  
Bidder's Address: 799 E. Whitcomb Avenue, Madison Heights, MI 48071

### TO BIDDER:

You are notified that Owner has accepted your Bid dated May 7, 2020 for the above Contract, and that you are the Successful Bidder and are awarded a Contract for:

**Supply/installation of Automatic Meter Reading (AMR) System and replacement of 630 +/- water meters.**

The award is contingent on successful loan closing with USDA Rural Development.

The Contract Price of the awarded Contract is: \$ 297,125.18

[ 6 ] unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award, or has been transmitted or made available to Bidder electronically.

a set of the Drawings will be delivered separately from the other Contract Documents.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

1. Deliver to Owner [ 6 ] counterparts of the Agreement, fully executed by Bidder.
2. Deliver with the executed Agreement(s) the Contract security [*e.g., performance and payment bonds*] and insurance documentation as specified in the Instructions to Bidders and General Conditions, and *Supplementary Conditions*, Articles 2 and 6..
3. Other conditions precedent (if any):

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

---

Owner: City of Fennville

Authorized Signature

By: \_\_\_\_\_

Title: \_\_\_\_\_

Copy: Prein&Newhof

[Intentionally left blank]

# Memo

DATE: May 29, 2020

TO: City Commission

FROM: Amanda Morgan  
City Administrator

SUBJECT: Agenda Item 9: SRF Projects Supplemental Notice of Intent

---

The City Commission will be asked to approve Resolution 2020-06: A Resolution for the Supplemental Notice of Intent to Issues Bonds related to the SRF Projects.

## Background Information

The City is still actively working toward the requirements of the SRF loan process. However, as we have been working to finalize plans, they have project scope has grown from what was originally planned as well. As we were working to finalize some of the project plans, staff identified a few issues with the aerator. The engineer reviewed our current aerations levels and tested the levels in the sewer and have recommended upgrading our aeration system. Further, when we began planning efforts we removed a sewer line project on Main Street as we felt we could save some money by pairing it with the MDOT project. We have found now however that MDOT's project costs are more than we can fund with cash so we have included those back into the SRF projects. These add approximately \$400,000 to the project costs but don't have a significant impact on the loan. We are currently projecting a loan of \$3,660,000.

When we issued the original notice of intent, there was some padding added to the total cost in case some additional items were added. However, the overall project costs have increased over the \$3.3 million that was stated in the original notice. As a result, a supplemental notice of intent needs to be published. This notice will state the total at \$3.8 million and will again be published in the Allegan County News.

## Attachment(s)

- Resolution 2020-06

## Recommended Action

- Motion to approve Resolution 2020-06: A Resolution for the Supplemental Notice of Intent to Issue Bonds related to the SRF Projects.

City of Fennville  
Resolution 2020-06

**A RESOLUTION FOR THE SUPPLEMENTAL NOTICE OF INTENT TO ISSUE BONDS  
RELATED TO THE SRF SEWER PROJECTS**

At a regular meeting of the City Council for the City of Fennville, Fennville, Michigan, held at City Hall in Fennville, Michigan, on the 1<sup>st</sup> day of June, 2020 at 7:00 p.m.

PRESENT: \_\_\_\_\_

ABSENT: \_\_\_\_\_

The following Resolution was offered by Commissioner \_\_\_\_\_, and supported by Commissioner \_\_\_\_\_.

WHEREAS, the City Commission has determined that it will be necessary to issue bonds of the City pursuant to the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of paying all or a portion of the cost of the public wastewater/sewer system improvement project described in the Notice attached to this resolution as Exhibit A, as well as all other necessary and related improvements (the "Project"); and

WHEREAS, Section 33 of the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended (the "Act"), requires the publication of a notice of intent to issue the bonds necessary to produce the monies required to finance all or a portion of the cost of the Project; and

WHEREAS, the cost for the Project is estimated to not exceed Three Million Eight Hundred Thousand Dollars (\$3,800,000); and

WHEREAS, not to exceed Three Million Eight Hundred Thousand Dollars (\$3,800,000) of the aggregate Project costs, including the costs of issuance for the bonds, is proposed to be financed by the issuance of bonds of the City (the "Bonds"), in one or more series, to pay the Project costs; and

WHEREAS, the City Commission previously approved the publication of a Notice of Intent to Issue Bonds required by the Act with respect to bonds in an amount not to exceed Three Million Three Hundred Thousand Dollars (\$3,300,000); and

WHEREAS, the City Commission now desires to authorize and approve a supplemental Notice of Intent to Issue Bonds required by the Act, with a supplemental not to exceed bond amount of Five Hundred Thousand Dollars (\$500,000), to increase the aggregate not to exceed bond amount to Three Million Eight Hundred Thousand Dollars (\$3,800,000), in substantially the form of the notice attached to this resolution as Exhibit A; and

WHEREAS, in order to proceed with the issuance of the Bonds, it may be necessary for the City to obtain prior approval from the Michigan Department of Treasury to issue the Bonds; and

WHEREAS, the City may wish to reimburse certain expenditures to be made from the general fund or other fund(s) of the City for the Project in advance of the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk, or a designee thereof, shall cause a notice, in substantially the form as attached hereto as Exhibit A, to be published in the Allegan County News a newspaper of general circulation within the City of Fennville, as a display ad of at least 1/4 page in size.

2. Pursuant to Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended, and the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended, the foregoing notice and method of publication thereof are hereby determined to be adequate to notify the City's residents and electors of their referendum rights and of the nature of the debt obligations proposed to be issued.

3. Pursuant to the provisions of the Revised Municipal Finance Act, Public Act 34 of 2001, as amended, the City Commission hereby resolves to submit to the Michigan Department of Treasury, if necessary, an Application for State Treasurer's Approval to Issue Long-Term Securities, and the Supervisor, or a designee thereof, is hereby authorized to complete, sign and file with the Michigan Department of Treasury the same and to pay any fees associated therewith.

4. To the extent advances to pay Project costs are required to be made from the City's General Fund or other fund(s), the City shall reimburse the General Fund or such other fund(s) not earlier than the date on which the expenses are paid and not later than the latter of:

(a) the date that is eighteen (18) months after the expenses are paid, or

(b) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the expenses are paid.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be, and the same are, hereby rescinded.

RECORD OF VOTE:

Yes: \_\_\_\_\_

No: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED

\_\_\_\_\_  
Thomas Pantelleria, Mayor

**CERTIFICATE**

I, the undersigned, the duly qualified Clerk/Treasurer of the City of Fennville, Allegan County, State of Michigan, do hereby certify that the foregoing is a true and complete copy of proceedings taken at a regular meeting of the Council of the City of Fennville, held on the 1<sup>st</sup> day of June, 2020, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in full compliance with Act 267, Public Acts of 1976, as amended.



IN WITNESS WHEREOF, I have hereunto affixed my official signature this \_\_\_\_ day of June, 2020.

---

Deborah Perez, City Clerk/Treasurer

## EXHIBIT A

### NOTICE OF INTENT TO ISSUE REVENUE BONDS AND NOTICE OF RIGHT OF REFERENDUM

#### TO THE ELECTORS AND TAXPAYERS OF THE CITY OF FENNVILLE AND CUSTOMERS AND USERS OF THE CITY'S WASTEWATER/SEWER SYSTEM

**TAKE NOTICE THAT** the City Commission of the City of Fennville, Allegan County, Michigan (the "City"), intends to authorize the issuance of NOT TO EXCEED Five Hundred Thousand Dollars (\$500,000) City of Fennville Wastewater System Improvement Revenue Bonds (the "Bonds") pursuant to the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of defraying all or a portion of the cost of certain improvements to the City's public wastewater/sewer system, including, but not limited to (A) replacing certain pipes, gates, valves, and control structures, and related appurtenances, at the City's Wastewater Treatment Plant; (B) repairing and improving portions of the City's wastewater treatment lagoons; (C) replacing the City's Main Lift Station; (D) replacing certain sewer mains, including but not limited to sewer mains in portions of Walter, South Maple, and Wilson streets; (E) rehabilitating and improving portions of the City's Third Street lift station; (F) acquiring necessary easements and rights in land; and (G) making other necessary and related system improvements and acquiring related equipment, and paying engineering and financing costs (the "Project").

This Notice of Intent to Issue Revenue Bonds supplements the previous Notice of Intent to Issue Revenue Bonds that the City published in March 2020, which Notice referenced a not to exceed bond amount of Three Million Three Hundred Thousand Dollars (\$3,300,000). With the additional not to exceed Five Hundred Thousand Dollars (\$500,000) of Bonds that would be authorized through this Notice of Intent to Issue Revenue Bonds, the Bonds would be issued by the City in one or more series, the aggregate principal amount of which would not exceed Three Million Eight Hundred Thousand Dollars (\$3,800,000).

The Bonds will be payable primarily from revenues derived from rates and charges received from users and customers of the City's public wastewater/sewer system, and will be payable in not more than thirty (30) annual installments at a rate of interest to be determined upon sale of the Bonds not to exceed five percent (5.0%) per annum, payable on the unpaid principal balance from time to time remaining outstanding on the Bonds.

The total cost of the Project is estimated to not exceed \$3,800,000, all or a portion of which cost is to be paid from the proceeds of the Bonds.

#### SOURCE OF FUNDING

The State of Michigan, through its Department of Environment, Great Lakes, and Energy, makes funds available for municipal wastewater/sewer system improvement projects at a below-market interest rate through a Clean Water State Revolving Loan Fund administered through the

Michigan Finance Authority. The Township will seek to finance all or a portion of the entire project cost through bonds issued through said Clean Water State Revolving Loan Fund.

### **SOURCE OF PAYMENT OF BONDS**

THE PRINCIPAL OF AND INTEREST ON THE BONDS shall be payable primarily from the net revenues derived from the operation of the City's public wastewater/sewer system remaining after payment of operation and maintenance expenses. Said revenues consist of rates and charges for services, including connection fees, which rates and charges are required to be maintained and increased from time to time in order to provide sufficient revenues to meet expenses for operating and maintaining the wastewater/sewer system, anticipated principal of and interest on bonds, and to provide reserves for payment thereof. A schedule of the rates and charges is on file in the office of the City Administrator, City of Fennville, 125 S. Maple Street, Fennville, Michigan 49408.

### **ADDITIONAL SECURITY – FULL FAITH AND CREDIT PLEDGE**

In the event that (1) the Bonds are sold to the Michigan Finance Authority, and/or (2) certain state or federal financing is received for the project costs, the City would be authorized pursuant to the Revenue Bond Act to pledge, and may decide to pledge if necessary and/or advisable, its full faith and credit for the repayment of the Bonds. In this event, the City would be authorized within its constitutional, statutory and charter tax rate limitations to levy such taxes or advance such funds from the general funds of the City as may be necessary to prevent or cure any default in the repayment of the Bonds resulting from an insufficiency of revenues derived from the operation of the City's public wastewater/sewer system. Although it is not anticipated that the City will ever be required to advance funds, the City would, in the event of an advance, be entitled to be repaid from the next wastewater/sewer system revenues available after correction of any deficiency or default.

### **NOTICE OF RIGHT OF REFERENDUM**

THIS NOTICE is given pursuant to the requirements of Section 33 of the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended. If within forty-five (45) days from the publication of this NOTICE OF INTENT to issue Bonds a PETITION signed by not less than TEN PERCENT (10%) OF THE REGISTERED ELECTORS residing within the limits of the City of Fennville shall have been filed with the City Clerk requesting a REFERENDUM on the question of the issuance of the Bonds, then the same shall not be issued until approved by the vote of the majority of the electors of the City qualified to vote and voting thereon at a general or special election. The current number of registered electors in the City is 957.

Further information regarding the Project and the Bonds described herein is available at the office of the City Administrator of the City of Fennville, 125 S. Maple Street, Fennville, Michigan 49408 (phone 269-561-8321).

Dated: June \_\_\_\_\_, 2020

\_\_\_\_\_  
Deborah Perez, City Clerk, City of Fennville

# Memo

DATE: January 16, 2020  
TO: City Commission  
FROM: Amanda Morgan  
City Administrator  
SUBJECT: Agenda Item 10: Draft Budget

---

The City Commission will received a copy of the Draft FY2021 Budget and will be asked to set a budget public hearing date of Monday, June 15, 2020.

## Background Information

The City Administrator has been working since March to develop a draft budget. The Administrator Draft was presented to and reviewed the Finance/Personnel Committee on Thursday, May 14. There were a few changes to be made. During the meeting on Monday, the City Commission will be given a copy of the draft budget.

The Budget process requires the City Commission hold a public notice on the draft budget. The City Commission is being asked to schedule that public hearing for Monday, June 15, 2020 at 7:00 p.m.

## Attachment(s)

- None

## Recommended Action

Motion to set a budget public hearing date of Monday, June 15, 2020.

# Memo

DATE: May 29, 2020  
TO: City Commission  
FROM: Amanda Morgan  
City Administrator  
SUBJECT: Agenda Item 11: FY21 Utility Rates

---

The Commission will be asked to approve the following ordinances regarding utility rates for FY2020:

- Ordinance 2020-05: A Ordinance to set rates for City of Fennville water utilities.
- Ordinance 2020-06: A Ordinance to set rates for City of Fennville sewer utilities.

## Background Information

Since 2014, the City of Fennville has been working to develop a Capital Improvement Plan to address the needs of the City's aging water and sewer infrastructure. Now that the plan is in place the City is working to finalize funding and begin construction of highest priority projects through the USDA and SRF Programs. We have also begun planning for the MEDC Grant project recently, which also has an impact on our rates this year. Throughout the process the City has been working with a financial consultant to ensure that our revenues will cover the cost of the bond payments, grant match and maintain the fund balance.

This year, the financial advisor recommends the following rate increases. With these increases the typical homeowner's bill will go up \$16.21 per quarter.

WATER				SEWER			
	8% increase				12% increase		
	Current	Proposed	Difference		Current	Proposed	Difference
5/8"	\$18.44	\$19.91	\$1.47	5/8"	\$50.58	\$56.64	\$6.07
3/4"	\$25.50	\$27.54	\$2.04	3/4"	\$68.25	\$76.44	\$8.19
1"	\$31.17	\$33.66	\$2.49	1"	\$83.73	\$93.77	\$10.05
1 1/2"	\$66.59	\$71.92	\$5.33	1 1/2"	\$188.88	\$211.54	\$22.67
2"	\$124.67	\$134.64	\$9.97	2"	\$362.44	\$405.93	\$43.49
4"	\$470.30	\$507.92	\$37.62	4"	\$1,433.28	\$1,605.27	\$171.99
6"	\$1,141.98	\$1,233.34	\$91.36	6"	\$3,254.15	\$3,644.65	\$390.50
Usage	\$2.03	\$2.19	\$0.16	Usage	\$4.00	\$4.48	\$0.48

The approval of an ordinance is a two-step process. The Commission needs to introduce the ordinance then can consider its approval at a subsequent meeting. After adoption the full text must be published in the newspaper before the ordinances can be effective which is set for July 1, 2020.

## Attachment(s)

- Proposed Ordinances
- Billing Comparison

Recommended Action

- Motion to approve Ordinance 2020-05: A Ordinance to set rates for City of Fennville water utilities.
- Motion to approve Ordinance 2020-06: A Ordinance to set rates for City of Fennville sewer utilities.

CITY OF FENNVILLE  
ORDINANCE 2020-05

**AN ORDINANCE TO SET RATES FOR  
CITY OF FENNVILLE WATER UTILITIES**

WHEREAS, Section 7.3 of the City Charter of the City of Fennville states that “The Commission shall have the power to periodically fix by resolution or ordinance equitable rates it deems advisable for supplying City inhabitants and others with various City utility services. The Commission shall provide by ordinance for the collection of all public utility charges made by the City.”

WHEREAS, the City of Fennville feels it is necessary for the continued operation and improvement of the water system to increase the rates charged to all customers.

THEREFORE, the City of Fennville ordains:

**SECTION 1**

The utility rates for water are set as follows:

Water usage rate: \$2.19 per 1,000 gallons

In addition to the charge for water used, customers will be billed ready to serve fee based on the size of the water meter used or installed as follows:

<u>Meter Size</u>	<u>Water Rate</u>
5/8"	\$19.91
3/4"	\$27.54
1"	\$33.66
1 1/2"	\$71.92
2"	\$134.64
4"	\$507.92
6"	\$1,233.34

Accounts located outside of the Fennville City Limits will be charged a non-resident rate which is one and one-half (1 ½) times rates listed above.

**SECTION 2**

Severability: The provision of this ordinance shall be deemed severable and it is expressly declared that the City of Fennville City Commission would have passed the other provisions of this ordinance irrespective of whether or not one or more provisions may be declared invalid; and if any provisions of this ordinance or the application thereof to any person or circumstances is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

**SECTION 3**

Effective Date: This ordinance shall take effect on July 1, 2020 after its passage and publication as provided by City Charter.

INTRODUCED by the City Commission of the City of Fennville on the \_\_\_\_ day of June, 2020.

ADOPTED by the City Commission of the City of Fennville on the \_\_\_\_ day of June, 2020.

\_\_\_\_\_  
Thomas Pantelleria, Mayor

**CERTIFICATE**

I, the undersigned, the duly qualified Clerk/Treasurer of the City of Fennville, Allegan County, State of Michigan, do hereby certify that the foregoing Ordinance was adopted by the City of Fennville City Commission on the \_\_\_\_ day of June, 2020; and the same was published in a paper of general circulation in the City of the \_\_\_\_ day of June, 2020.

\_\_\_\_\_  
Deborah Perez, City Clerk/Treasurer



CITY OF FENNVILLE  
ORDINANCE 2020-06

**AN ORDINANCE TO SET RATES FOR  
CITY OF FENNVILLE SEWER UTILITIES**

WHEREAS, Section 7.3 of the City Charter of the City of Fennville states that “The Commission shall have the power to periodically fix by resolution or ordinance equitable rates it deems advisable for supplying City inhabitants and others with various City utility services. The Commission shall provide by ordinance for the collection of all public utility charges made by the City.”

WHEREAS, the City of Fennville feels it is necessary for the continued operation and improvement of the water and sewer system to increase the rates charged to all customers.

THEREFORE, the City of Fennville ordains:

**SECTION 1**

The utility rates for sewer are set as follows:

Sewer usage rate: \$4.48 per 1,000 gallons

In addition to the charge for sewer used, customers will be billed ready to serve fee based on the size of the water meter used or installed as follows:

<u>Meter Size</u>	<u>Sewer Rate</u>
5/8"	\$56.64
3/4"	\$76.44
1"	\$93.77
1 1/2"	\$211.54
2"	\$405.93
4"	\$1,605.27
6"	\$3,644.65

**SECTION 2**

Severability: The provision of this ordinance shall be deemed severable and it is expressly declared that the City of Fennville City Commission would have passed the other provisions of this ordinance irrespective of whether or not one or more provisions may be declared invalid; and if any provisions of this ordinance or the application thereof to any person or circumstances is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

**SECTION 3**

Effective Date: This ordinance shall take effect on July 1, 2020 after its passage and publication as provided by City Charter.

INTRODUCED by the City Commission of the City of Fennville on the \_\_\_\_\_ day of June, 2020.

ADOPTED by the City Commission of the City of Fennville on the \_\_\_\_ day of June, 2020.

\_\_\_\_\_  
Thomas Pantelleria, Mayor

**CERTIFICATE**

I, the undersigned, the duly qualified Clerk/Treasurer of the City of Fennville, Allegan County, State of Michigan, do hereby certify that the foregoing Ordinance was adopted by the City of Fennville City Commission on the \_\_\_\_\_ day of June, 2020; and the same was published in a paper of general circulation in the City of the \_\_\_\_\_ day of June, 2020.

\_\_\_\_\_  
Deborah Perez, City Clerk/Treasurer

Estimate billing with new rates based on last water/sewer billing.

**Suerth**

Meter Size	5/8"			
Usage	8000	<i>FY20 Rates</i>	<i>New Rates</i>	<i>Difference</i>
Water Commodity		\$ 16.24	\$ 17.54	\$ 1.30
Water RTS		\$18.44	\$19.91	\$ 1.47
Sewer Commodity		\$ 32.00	\$ 35.84	\$ 3.84
Sewer RTS		\$50.58	\$56.64	\$ 6.07
		<hr/>	<hr/>	<hr/>
		\$ 117.25	\$ 129.94	\$ 12.68

**Machan**

Meter Size	5/8"			
Usage	10000	<i>FY20 Rates</i>	<i>New Rates</i>	<i>Difference</i>
Water Commodity		\$ 20.30	\$ 21.92	\$ 1.62
Water RTS		\$18.44	\$19.91	\$ 1.47
Sewer Commodity		\$ 40.00	\$ 44.80	\$ 4.80
Sewer RTS		\$50.58	\$56.64	\$ 6.07
		<hr/>	<hr/>	<hr/>
		\$ 129.31	\$ 143.28	\$ 13.97

**Pantelleria**

Meter Size	5/8"			
Usage	12000	<i>FY20 Rates</i>	<i>New Rates</i>	<i>Difference</i>
Water Commodity		\$ 24.36	\$ 26.31	\$ 1.95
Water RTS		\$18.44	\$19.91	\$ 1.47
Sewer Commodity		\$ 48.00	\$ 53.76	\$ 5.76
Sewer RTS		\$50.58	\$56.64	\$ 6.07
		<hr/>	<hr/>	<hr/>
		\$ 141.37	\$ 156.62	\$ 15.25

**Almquist**

Meter Size	5/8"			
Usage	14000	<i>FY20 Rates</i>	<i>New Rates</i>	<i>Difference</i>
Water Commodity		\$ 28.42	\$ 30.69	\$ 2.27
Water RTS		\$18.44	\$19.91	\$ 1.47
Sewer Commodity		\$ 56.00	\$ 62.72	\$ 6.72
Sewer RTS		\$50.58	\$56.64	\$ 6.07
		<hr/>	<hr/>	<hr/>
		\$ 153.43	\$ 169.97	\$ 16.54

**Hayden**

Meter Size	5/8"			
Usage	19000	<i>FY20 Rates</i>	<i>New Rates</i>	<i>Difference</i>
Water Commodity		\$ 38.57	\$ 41.66	\$ 3.09
Water RTS		\$18.44	\$19.91	\$ 1.47
Sewer Commodity		\$ 76.00	\$ 85.12	\$ 9.12
Sewer RTS		\$50.58	\$56.64	\$ 6.07
		<hr/>	<hr/>	<hr/>
		\$ 183.58	\$ 203.33	\$ 19.75

Post Date	Journal	Description	GL Number	DR Amount	CR Amount
06/02/2020	AP	ACCURATE STRIPING CONTRACTED SERVICES Vnd: AC002 Invoice: 2565	Invoice: 2565 Ref#: 13409 (ROAD RESTRIPIING) 202-463-818.000 202-000-202.000	3,161.00	3,161.00
		Expected Check Run: 06/02/2020		<u>3,161.00</u>	<u>3,161.00</u>
06/02/2020	AP	ALLEGAN COUNTY CLERKS ASSN MEMBERSHIP DUES Vnd: AL004 Invoice: STATEMENT	Invoice: STATEMENT Ref#: 13410 (2020 CLERK ASSOC DUES) 101-215-958.000 101-000-202.000	20.00	20.00
		Expected Check Run: 06/02/2020		<u>20.00</u>	<u>20.00</u>
06/02/2020	AP	ALLEGAN COUNTY NEWS PRINTING AND PUBLISHING Vnd: AL009 Invoice: 3340	Invoice: 3340 Ref#: 13423 (PUBLISHING) 101-101-900.000 101-000-202.000	730.00	730.00
		Expected Check Run: 06/02/2020		<u>730.00</u>	<u>730.00</u>
06/02/2020	AP	AMERICAN MEDICAL RESPONSE CONTRACTED SERVICES Vnd: AM005 Invoice: 928019	Invoice: 928019 Ref#: 13411 (MONTHLY SUBSIDY FOR APRIL 2020) 101-428-818.000 101-000-202.000	1,240.39	1,240.39
		Expected Check Run: 06/02/2020		<u>1,240.39</u>	<u>1,240.39</u>
06/02/2020	AP	AMERICAN MEDICAL RESPONSE CONTRACTED SERVICES Vnd: AM005 Invoice: 928691	Invoice: 928691 Ref#: 13412 (MONTHLY SUBSIDY FOR MAY 2020) 101-428-818.000 101-000-202.000	1,240.39	1,240.39
		Expected Check Run: 06/02/2020		<u>1,240.39</u>	<u>1,240.39</u>
06/02/2020	AP	AMERICAN MEDICAL RESPONSE CONTRACTED SERVICES Vnd: AM005 Invoice: 928692	Invoice: 928692 Ref#: 13413 (MONTHLY SUBSIDY FOR JUNE 2020) 101-428-818.000 101-000-202.000	1,240.39	1,240.39
		Expected Check Run: 06/02/2020		<u>1,240.39</u>	<u>1,240.39</u>
06/02/2020	AP	APPRAISALS PLUS GROUP LLC CONTRACTED SERVICES Vnd: AP004 Invoice: 060120	Invoice: 060120 Ref#: 13414 (ASSESSING SERVICES FOR MAY 2020) 101-257-818.000 101-000-202.000	770.00	770.00
		Expected Check Run: 06/02/2020		<u>770.00</u>	<u>770.00</u>

Post Date	Journal	Description	GL Number	DR Amount	CR Amount
06/02/2020	AP	AUTO-WARES GROUP SUPPLIES Vnd: AU001 Invoice: 327504	Invoice: 327504 Ref#: 13415(SUPPLIES) 641-000-727.000 641-000-202.000	47.66	47.66
		Expected Check Run: 06/02/2020		<u>47.66</u>	<u>47.66</u>
06/02/2020	AP	CALICO CLEANING LLC CONTRACTED SERVICES CONTRACTED SERVICES Vnd: CA010 Invoice: 3947 Vnd: CA010 Invoice: 3947	Invoice: 3947 Ref#: 13421(CLEANING SERVICES) 101-265-818.000 248-000-818.220 101-000-202.000 248-000-202.000	360.00 280.00	360.00 280.00
		Expected Check Run: 06/02/2020		<u>640.00</u>	<u>640.00</u>
06/02/2020	AP	CARDMEMBER SERVICE SUPPLIES SUPPLIES SUPPLIES SUPPLIES SUPPLIES CONTRACTED SERVICES EQUIPMENT & UNIFORMS SUPPLIES SUPPLIES SUPPLIES SUPPLIES Vnd: CA003 Invoice: STATEMENT Vnd: CA003 Invoice: STATEMENT Vnd: CA003 Invoice: STATEMENT	Invoice: STATEMENT Ref#: 13416(CREDIT CARD STMT MAY 2020) 101-101-727.000 101-262-727.000 101-265-727.000 101-276-727.000 101-301-727.000 101-301-818.000 101-301-956.000 101-751-727.000 592-110-727.000 592-210-727.000 641-000-727.000 101-000-202.000 592-000-202.000 641-000-202.000	15.89 350.00 50.90 231.75 97.58 147.00 69.00 42.30 3.70 3.71 91.11	1,004.42 7.41 91.11
		Expected Check Run: 06/02/2020		<u>1,102.94</u>	<u>1,102.94</u>
06/02/2020	AP	DEBORAH PEREZ MILEAGE Vnd: PE003 Invoice: 060120	Invoice: 060120 Ref#: 13424(MILEAGE REIMBURSEMENT) 101-215-860.000 101-000-202.000	32.78	32.78
		Expected Check Run: 06/02/2020		<u>32.78</u>	<u>32.78</u>
06/02/2020	AP	ETNA SUPPLY CO SUPPLIES Vnd: ET001 Invoice: S103517077.001	Invoice: S103517077.001 Ref#: 13417(SUPPLIES) 592-110-727.000 592-000-202.000	156.00	156.00
		Expected Check Run: 06/02/2020		<u>156.00</u>	<u>156.00</u>

Post Date	Journal	Description	GL Number	DR Amount	CR Amount
06/02/2020	AP	JOHN'S AUTO SERVICE REPAIRS & MAINTENANCE Vnd: MISC Invoice: 35877	Invoice: 35877 Ref#: 13422 (OIL CHANGE / POLICE CAR) 101-301-930.000 101-000-202.000	55.00	55.00
		Expected Check Run: 06/02/2020		<u>55.00</u>	<u>55.00</u>
06/02/2020	AP	KUSTOM SIGNALS, INC EQUIPMENT & UNIFORMS Vnd: MISC Invoice: 572774	Invoice: 572774 Ref#: 13425 (RADAR) 101-301-956.000 101-000-202.000	1,742.00	1,742.00
		Expected Check Run: 06/02/2020		<u>1,742.00</u>	<u>1,742.00</u>
06/02/2020	AP	PREIN & NEWHOF PC CONTRACTED SERVICES Vnd: PR001 Invoice: 89161	Invoice: 89161 Ref#: 13418 (DISCHARGE MONITORING) 592-210-818.000 592-000-202.000	750.00	750.00
		Expected Check Run: 06/02/2020		<u>750.00</u>	<u>750.00</u>
06/02/2020	AP	RESOURCE SOLUTIONS ENVIRONMENTAL MISC EXPENSE Vnd: RE009 Invoice: 275-2020	Invoice: 275-2020 Ref#: 13419 (PHASE II ENVIRONMENTAL/222 S MAPLE) 101-265-956.000 101-000-202.000	2,675.00	2,675.00
		Expected Check Run: 06/02/2020		<u>2,675.00</u>	<u>2,675.00</u>
06/02/2020	AP	REVIZE LLC WEB SITE MARKETING Vnd: RE007 Invoice: 9971 Vnd: RE007 Invoice: 9971	Invoice: 9971 Ref#: 13426 (ANNUAL TECH SUPPORT) 101-265-955.000 248-000-818.030 101-000-202.000 248-000-202.000	1,500.00 500.00	1,500.00 500.00
		Expected Check Run: 06/02/2020		<u>2,000.00</u>	<u>2,000.00</u>
06/02/2020	AP	THRUN LAW FIRM PC LEGAL FEES LEGAL FEES / USDA Vnd: TH007 Invoice: 261952/261953 Vnd: TH007 Invoice: 261952/261953	Invoice: 261952/261953 Ref#: 13420 (ATTORNEY SERVICES) 101-101-826.000 592-120-826.000 101-000-202.000 592-000-202.000	525.20 193.60	525.20 193.60
		Expected Check Run: 06/02/2020		<u>718.80</u>	<u>718.80</u>
				<u>18,322.35</u>	<u>18,322.35</u>

Cash/Payable Account Totals:

ACCOUNTS PAYABLE	101-000-202.000	13,135.57
ACCOUNTS PAYABLE	202-000-202.000	3,161.00
ACCOUNTS PAYABLE	248-000-202.000	780.00
ACCOUNTS PAYABLE	592-000-202.000	1,107.01
ACCOUNTS PAYABLE	641-000-202.000	138.77

BANK CODE: GEN

PROOF ONLY - JOURNAL ENTRIES NOT CREATED

Post Date	Journal	Description	GL Number	DR Amount	CR Amount
			TOTAL INCREASE IN PAYABLE:		18,322.35