

# PRE-MEETING AGENDA

ADRIAN CITY COMMISSION  
AGENDA  
PRE-MEETING STUDY SESSION  
MARCH 15, 2010  
5:30 P.M.

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The City Commission will meet for a pre-meeting study session on Monday, March 15, 2010, at 5:30 p.m., at the City Chambers Building, 159 E. Maumee St., to discuss the following:

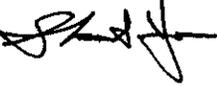
- I. 5:30 – 6:30 p.m. Preliminary Discussion on Income Tax  
– *Plante and Moran*
- II. 6:30 – 7:00 p.m. Waste Treatment Plant Energy Audit  
– *Shane Horn, Utilities Director*



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## MEMORANDUM – UTILITIES DEPARTMENT

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DATE: March 10, 2010  
TO: Dane C. Nelson, City Administrator  
FROM: Shane A. Horn, Utilities Director   
SUBJECT: Wastewater Treatment Plant Energy Audit

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An energy audit was completed by Tetra Tech of Ann Arbor in November 2009 for our Wastewater Treatment Plant. The purpose of the audit was to evaluate the treatment processes and facility buildings to identify opportunities where operational efficiencies may be implemented to produce cost savings through reductions in energy consumption, chemical usage, and maximizing the rate of return on investment.

The following summary table lists the projects that were identified in the audit:

	<b>Implementation Costs</b>	<b>Total Incentives</b>	<b>Projected Annual Savings</b>	<b>Simple Payback (Yrs)</b>
Biogas Micro Turbine	\$504,500	\$111,260	\$51,246	7.67
Enhanced Biological Phosphorus Removal	\$640,000	0	\$68,000	9.41
E&W Blower Modification	\$650,000	\$104,865	\$97,000	5.62
HVAC upgrades	\$78,800	\$5,692	\$10,709	6.83
Lighting Retrofit & Controls	\$77,343	\$23,186	\$13,600	3.98
	<b>\$1,950,643</b>	<b>\$245,003</b>	<b>\$240,555</b>	<b>7.09</b>

In October 2009, I submitted a grant proposal to the Department of Energy, Labor and Economic Growth (DELEG) under the Energy Efficiency & Conservation Multipurpose Block Grant. The grant proposal was for the installation of the Biogas Microturbines which essentially involves converting the Methane gas that is generated in our treatment process to energy that would be utilized within the treatment plant. In February 2010, we were notified that we were awarded a \$99,065 grant from DELEG for this Methane gas conversion project.

The sewer fund does not have the fund balance to finance these capital improvement projects. I have met with representatives from Honeywell and Eaton (parent company of Englewood Electric) to discuss this project and the services they may provide by financing under a performance contract scenario.

## Analysis of Alternatives

1. *No Action*

“No Action” is considered due to the present condition of the sewer fund. Funds are not set-aside for this project. No Action, however does not address our over \$400,000 we pay out annually in electrical expenses. We have projected annual savings of over \$240,000 by implementing the items within the energy audit. By choosing this alternative we will be forfeiting the \$99,065 grant for the Micro-turbine project.

2. *Complete the Project Using Performance-Based Contract*

Utilizing this alternative would complete all or selected items identified in the energy audit and give us the maximum amount of energy savings. The debt service would be based on actual annual savings with any short-fall picked up by the financing authority.

3. *Complete the Project Using Traditional Methods*

This option would entail utilizing the services of a local bank to provide financing and our actual annual savings we would realize would be used to pay back the debt service. In this method, we would realize the most savings but also assume the risk with any fluctuation in the performance of the energy improvements.

4. *Complete only the Micro-turbine Project*

This option would allow us to take advantage of the \$99,065 grant award and still complete one item identified in the audit. Completing this item would result in approximately \$51,000 in annual savings.

I have recently submitted a grant application from the Michigan Community Development Block Grant for \$750,000 for sewer work along our River Interceptor. This work would help us eliminate Sanitary Sewer Overflows (SSO's) within Riverside Park and along the Raisin River. The preliminary engineers estimate for this sewer improvement project totals \$1.6 million dollars. If we are successful in securing this grant award, we would need to come up with the remaining \$875,000. This project would take priority over the energy audit project. We recently had to submit a Corrective Action Plan (CAP) to MDNRE that required us to compile a list of activities with a schedule to eliminate future SSO's. The River Interceptor sewer work was #1 on our list and if we are successful in securing this grant it is my intention to move forward to complete this project. We are currently in the process of renewing our National Pollutant Discharge Elimination System (NPDES) permit which allows us to discharge into the Raisin River at our Wastewater Plant. We are told that MDNRE will be addressing the elimination of SSO's in this permit renewal. I should hear back on our grant application in April 2010.

Regarding the current grant award, I would recommend as a minimum to proceed with Alternative #4. If we are able to partner with a third-party under a performance-based contract we could further explore adding other components to this project to maximize our annual energy savings. Under this scenario we would pay back the third-party based on actual annual savings that are realized. This would position us favorably to address our River Interceptor Sewer Improvements if we are successful in securing this grant award.

**Energy and Process Optimization  
Prepared for the City of Adrian  
Wastewater Treatment Facility**

1001 Oakwood Avenue  
Adrian, MI 49221



**Prepared by Tetra Tech**

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## 1.0 EXECUTIVE SUMMARY

Tetra Tech has been contracted to conduct an Energy and Process Optimization assessment for the City of Adrian – Wastewater Treatment Facility. The purpose of the assessment is to evaluate the treatment processes and facility buildings to identify opportunities where operational efficiencies can be implemented to produce cost savings through reductions in energy consumption, chemical usage, and maximizing available incentive programs to reduce implementation costs while increasing the rate of return on investment.

The goals of the Energy and Process Optimization Assessment are:

- To minimize costs of chemical and electrical energy usage
- Leverage the current availability of incentives, grants, and other forms of financing
- To maximize the generation of power to replace those purchased from Consumers Energy for electricity and/or natural gas.

This report provides an overview of our findings and recommendations. It has been generated through collection, review of utility consumption data and trends, process monitoring data and trends, interviews with facility personnel, accepted engineering estimations, and benchmarking data.

This optimization assessment has been completed by a team of Tetra Tech experienced electrical, mechanical, and WWTP process engineers and scientists who made several site visits to the Adrian WWTP to review specific operations, conditions, conduct interviews with applicable site personnel, and collect and verify equipment data.

Through our analysis and discussions with City of Adrian personnel, we were able to initially identify target areas where the greatest amount of optimization opportunity was believed to exist. These opportunities included:

- Treatment Process Controls
- Treatment Process Mechanical equipment including aeration blowers and large pumps
- Enhanced Biological Phosphorous Removal (EBPR) to reduce chemical costs
- Alternative energy generation by use of Biogas, including on-site electricity production
- Facilities Mechanical equipment including HVAC and Lighting

The following table provides a summary of our optimization findings, based upon current utility consumption rates and tariffs, and based upon the current plant operating data and reasonable estimations of anticipated future wastewater flows to be received for treatment.

### Summary Table

	<b>Implementation Costs</b>	<b>Total Incentives</b>	<b>Projected Annual Savings</b>	<b>Simple Payback (Yrs)</b>
Biogas Micro Turbine	\$504,500	\$111,260	\$51,246	7.67
EBPR	\$640,000	0	\$68,000	9.41
E&W Blower Modification	\$650,000	\$104,865	\$97,000	5.62
HVAC upgrades	\$78,800	\$5,692	\$10,709	6.83
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	<b>\$1,950,643</b>	<b>\$245,003</b>	<b>\$240,555</b>	<b>7.09</b>

These projections are made on the basis of current rate of electricity, natural gas and chemical costs. Inflation of these costs would lower the calculated payback periods.

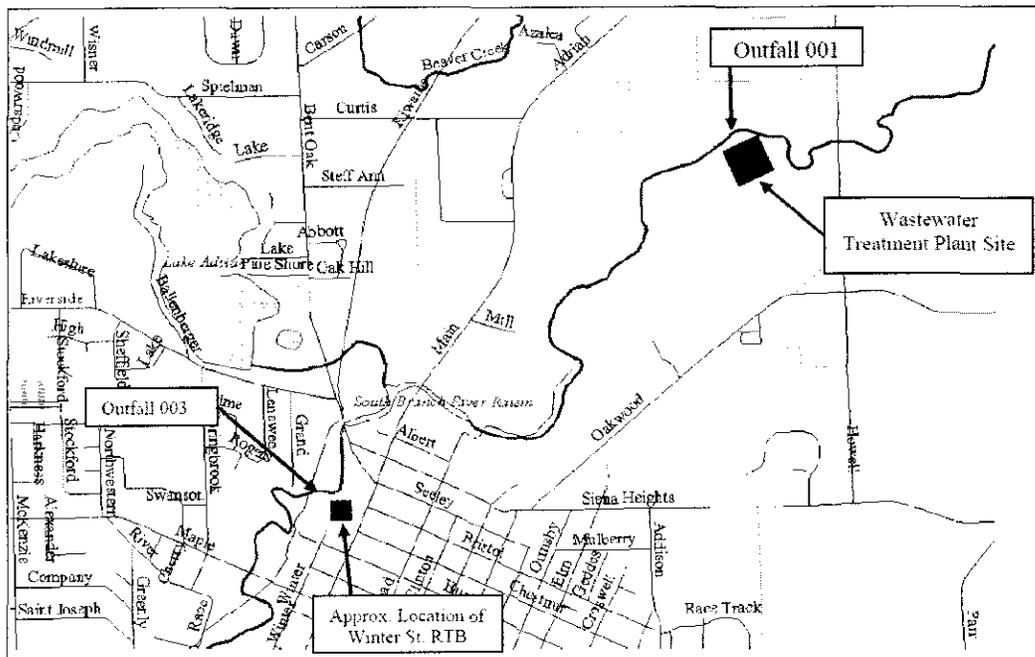
Many of the recommended actions can be immediately implemented. In the case of EBPR, we recommend that a full scale demonstration (one treatment train) be conducted over several seasons to demonstrate the effectiveness of the technology before implementation across the whole facility.

Recommendations are also provided to stabilize the facility's electrical switchgear, although no energy savings are associated with that action.

## 2.0 BACKGROUND

The City of Adrian wastewater treatment plant is located at 1001 Oakwood Avenue in Adrian, Michigan. The site contains over a dozen buildings that house mechanical and electrical equipment to operate and control the WWTP processes. Several small buildings on the East side of the site are no longer operational from a process perspective and are currently utilized to store miscellaneous valves, motors, and electrical equipment.

### Site Location



The plant is fundamentally divided into two sections, East and West, to which influent flow is split on an approximate basis of 60% and 40% respectively on a daily basis. Flow direction does have further capability to be split between East and West under operator control as needed. The plant design capacity is an average daily flow of 7 MGD, although the City has experienced decreasing flows over the last several years and from a period of June 2007 to May 2009 averages approximately 5.5 MGD.

Preliminary treatment processes at the facility include a mechanically-cleaned bar screen and an aerated grit chamber; primary treatment occurs via one of two parallel groups of primary sedimentation tanks, the west group, which includes three tanks, or the east group, which includes four tanks; flow is then directed to either the "west secondary treatment processes," which consists of two aeration tanks and two final settling tanks in series, or the "east secondary treatment processes," which includes six "two-pass" aeration tanks and three final settling tanks; tertiary treatment is accomplished via the four "dual cell high-rate" sand filters; disinfection is accomplished through ultraviolet light; biosolids handling is accomplished in two gravity thickeners and one of the facility's three primary and secondary (i.e., two-stage) anaerobic digesters prior to land application.

### 3.0 UTILITY RATE & INVOICE ANALYSIS

#### Electricity Utility Background

A review of City of Adrian utility invoices and current rate tariff for the WWTP was completed as part of the optimization study to determine current consumption trends, blended utility rates based on current operations, and to evaluate potential rate tariff modification.

#### Electricity Utility Analysis

Consumers Energy implemented across-the-board rate tariff modifications in 2008. The City WWTP facility began receiving monthly electricity invoices based upon a modified rate tariff in November of 2008. The new rate tariff is coded by Consumers Energy as Rate # 1220 – General Service Primary Demand Rate (GPD).

Based upon Tetra Tech's assessment, the current tariff has provided a slightly higher (\$0.003/KWh) blended cost per KWh than the previous tariff. This increase, when applied to the average monthly KWh consumption total (519,079 KWh) produces a net billing increase of \$1,557 per month. However, the net increase in electricity costs has been evaluated based upon a relatively small sample of data (7 months) from which the new tariff was applied.

To assess the impact of the change in rate tariff, blended costs per KWh were calculated. A blended cost is calculated by simply dividing all invoiced fees, surcharges, demand charges, and consumption charges by the total usage for the invoice period. The blended result value is the simplest way to identify a monetary unit per KWh. The results of this analysis for the Old rate tariff compared to the new rate tariff are provided in the table below:

Tariff	Period	Blended Rate
Old Tariff # 79	July 2006 – October 2008	\$0.062 / KWh
New Tariff # 1220	November 2008 – May 2009	\$0.065 / KWh

The current tariff also places significant importance on Peak Demand consumption. The Peak Demand period for Consumers Energy is defined as the period between 11:00 AM through 7:00 PM. During peak period, the City is consuming electricity at a rate 2.5x higher than off-peak during cooling season months (June-September), and 1.5x higher through the months of October-May.

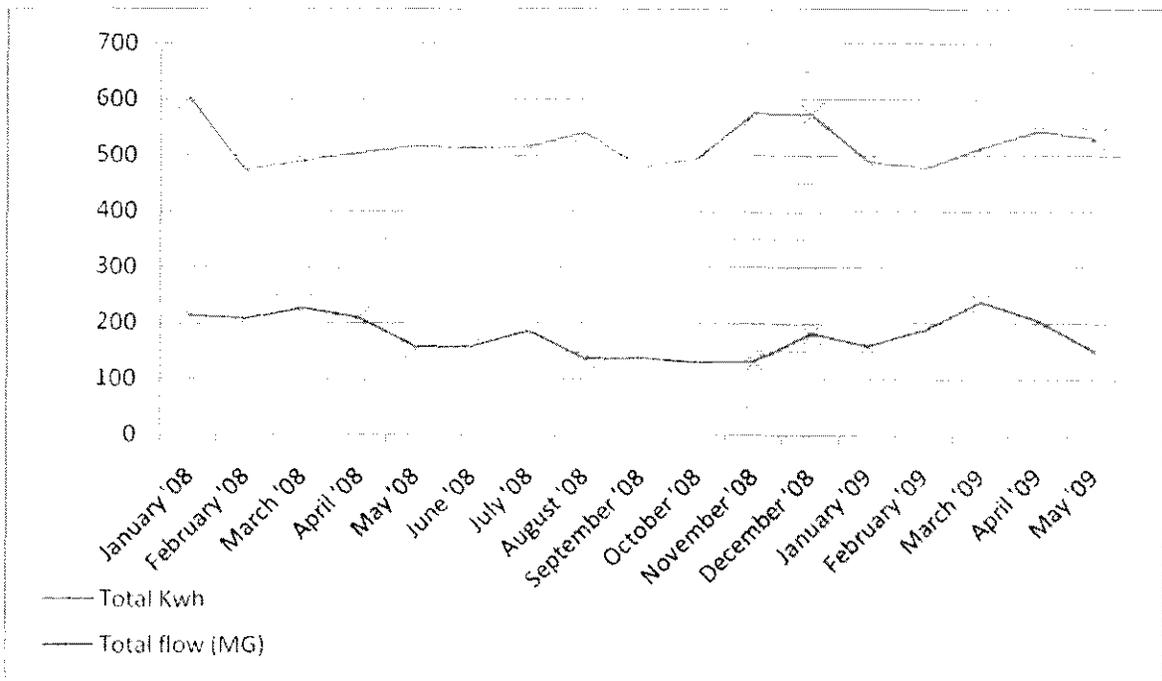
<u>Charges for Customer Voltage Level 3 (CTL 3)</u>		
Capacity Charge	\$14.30	per kW of On-Peak Billing Demand during the billing months of June-September
	\$11.19	per kW of On-Peak Billing Demand during the billing months of October-May
Energy Charge:	\$0.056850	per kWh for all On-Peak kWh during the billing months of June-September
	\$0.022561	per kWh for all Off-Peak kWh during the billing months of June-September
	\$0.031089	per kWh for all On-Peak kWh during the billing months of October-May
	\$0.020441	per kWh for all Off-Peak kWh during the billing months of October-May

Additional charges also apply to peak energy consumption that can significantly impact invoiced costs over a period of 12-months. Each invoice includes charges based upon the largest peak demand occurring over the previous 12-month period. This 'Maximum Demand Charge' is calculated by multiplying the Maximum Demand value by \$1.77/KWh, and can add several thousand dollars to each invoice.

Additionally, the actual peak demand of the current invoice month makes up the single largest cost of any invoice received. This 'Peak Demand Capacity' charge utilizes the greatest hourly on-peak demand value and is multiplied by \$14.30/KWh. To put this in perspective, the average monthly peak demand from invoices assessed is 898 KWh. This is equivalent to 0.17% of the City's average monthly electricity consumption, where this charge represents 33% of the monthly invoice dollar amount.

Additional key values, metrics, and electrical trending have been calculated and presented below that the City may find useful to track energy-related performance.

Period: 1/08 – 5/09	Value
Average Peak Demand	919 KWh
Average Monthly Consumption	520,528 KWh
Average Monthly Cost	\$28,445
Average Cost/KWh (blended)	\$0.065 / KWh
Electrical Cost/MGD	\$197.43 / MG



## **Electricity Utility Summary**

The current Consumers Electric rate tariff appears to be the best option when compared to other tariff structures. However, the City of Adrian can minimize electricity costs by actively managing the WWTP facility electrical demand through potential modification of current operating practices to minimize operation of pumps, blowers, lights, and HVAC systems.

## 4.0 FACILITY BUILDINGS – HVAC and Lighting

### Lighting Background

While facility lighting does not represent a significant share of a wastewater treatment plant's overall electrical load, the current availability of utility energy efficiency incentive programs that address energy efficiency lighting retrofits makes the issue one worthy of evaluation. The current incentive program offered by Consumers Energy includes Prescriptive Incentives for simple lighting retrofit from older, less efficient fixtures and high-wattage lamps to new generation, highly efficient lighting and low-wattage lamps. Consumers also offers Custom Incentives that are awarded based upon demonstrated KWh reductions from more complex lighting retrofit projects and the installation of lighting controls.

### Lighting Analysis

Tetra Tech completed a Lighting Survey of the City of Adrian WWTP with the assistance of facility Superintendent, Ken Wesley. The survey consisted of a site walkthrough observing and noting the type, number, and wattage of lighting systems along with existing means of control. Typical plant practices associated with lighting operation were observed and reviewed that were used to generate estimated hours of operation of facility lighting.

Multiple types of lighting fixtures and lamps are in use at the WWTP facility. The most efficient lighting on the site is on the majority of the main floor of the Admin building, where a recent T8 fixture with electronic ballast upgrade project replaced 78 T12 fixtures. T12 fixtures are still in use in several rooms on the main floor of the Admin building as well as the Admin building basement. Throughout the remaining buildings, High Pressure Sodium lighting, in both 100W and 150W fixtures, are the dominant lighting type amounting to approximately 242 fixtures. Incandescent fixtures and bulbs have for the most part been replaced by CFL lamps, although several dozen incandescent bulbs have were identified in miscellaneous locations. Exterior lighting fixtures consist of wall-mounted 70W and 100W HPS fixtures, and pole-mounted 150W HPS fixtures. Additional 400W Metal Halide wall-mounted fixtures were added to supplement exterior lighting and are currently in use as well. Special application lighting is required in both the Grit Building and Digester Building where Class 1, intrinsically safe lighting is required. Current intrinsically safe lighting in these buildings utilizes 150W HPS lamps.

Exterior lighting throughout the site is predominantly controlled via photocell sensors, with the exception of a small number of 70W HPS fixtures located outside of building entryways. Remaining fixtures throughout the site are not controlled, and are operated manually. Because HPS lamps require such a long warm-up period prior to producing effective lighting, the majority of interior site lighting is left on 24 hours-day. Operators performing routine rounds will occupy most buildings several times per shift, but unless performing maintenance activities will only be present in an area for a brief time – most likely measured in minutes, not hours.

Data collected from the lighting survey has been assembled in tabular format to document existing conditions. Based upon lighting data collected and operating assumptions applied, Tetra Tech calculated the total percentage of the facility lighting compared to the total 2008 electrical consumption to be 5.55%.

	<i>Annual KWh</i>	<i>Annual Spend</i>
Estimated Electrical Consumption from Lighting:	349,171	\$22,696
2008 WWTP Electrical Totals	6,291,971	\$398,798.29
% Attributed to Lighting	5.55%	5.69%

### **Lighting Recommendation Summary**

The results of the lighting retrofit analysis do not offer the rapid return on investment that can typically be achieved through lighting retrofit. Our initial analysis provides a simple return of 11 years ROI without incentives to replace all HPS lamps with efficient T8 fixtures with electronic ballasts. Several contributing factors play a role in this result:

- The large scale use of relatively low-wattage HPS (100W & 150W) bulbs throughout the facility do not create significant wattage reductions when replaced with T8 4-lamp (128W) fixtures.
- Colder temperatures (~50F) experienced in most process buildings limit the use of lower wattage T5 fixtures, which can experience operating problems in environments colder than 70F.
- Class 1 fixtures are required in a few areas, which are very expensive.
- LED replacement fixtures were identified as retrofit upgrades to most exterior fixtures. LED technology, while very efficient, is very expensive.

	<i>Cost</i>	<i>KWh</i>	<i>Spend</i>
Lighting Retrofit Totals	\$67,327	255,659	\$16,618
Estimated Retrofit Savings	-	93,512	\$6,078
Percent Savings	-	-26.78%	-26.78%
Retrofit Simple Payback (without Incentives)	11.08	-	-

After incentives, simple payback is reduced to an ROI of 8 years – still much higher than most lighting retrofit projects.

Lighting Retrofit Summary	Total Retrofit Cost	Total Available Incentive	Total Cost After Incentive
100 w Incandescent to 42 w CFL	\$345	\$35	\$311
4' T12 (2 lamp) to 4' T8 (2 lamp)	\$4,496	\$440	\$4,056
4' T12 (4 lamp) to 4' T8 (4 lamp)	\$572	\$96	\$476
8' T12 (2 lamp) to 4' T8 (2 lamp)	\$954	\$100	\$854
400w MH to 4' T8 (4x 32 w lamp)	\$954	\$477	\$477
100 w HPS to 4' T8 (2x 32 w lamp)	\$8,339	\$4,169	\$4,169
150 w HPS to 4' T8 (4x 32 w lamp)	\$6,296	\$3,148	\$3,148
150 w HPS to 29 w LED	\$19,720	\$3,145	\$16,575
150 w HPS to 50 w LED	\$1,850	\$306	\$1,544
400w MH to 29 w LED	\$11,850	\$5,672	\$6,178
150 w HPS to Class 1 - 4' T8 (4x 32 w lamp)	\$12,118	\$675	\$11,443
	<b>\$67,493</b>		<b>\$49,232</b>
<b>Simple Payback before incentive</b>	<b>11.10</b>	<b>After incentive</b>	<b>8.10</b>

The implementation of a controls upgrade, however, produces much more promising and effective results. Through the installation of occupancy sensors throughout the facility process buildings, our analysis indicates that a KWh savings of 45% of the overall lighting load could potentially be achieved. The estimated cost to implement such a strategy is \$9,850 and simple return before available incentives is 1.3 years. After incentives, the return drops to 0.65 years.

	Cost	KWh	Spend
Lighting Retrofit Totals	\$9,850	139,940	\$9,096
Estimated Retrofit Savings	-	115,718	\$7,522
Percent Savings	-	-45.26%	-45.26%
Retrofit Simple Payback (without Incentives)	1.31	-	-

Controls Summary	Total Retrofit Cost	Custom Incentive	Annual KWh saved	Total Available Incentive	Total Cost After Incentive
Occupancy Sensor Controls	\$9,850	\$0.35	115,718	\$4,925	\$4,925
	<b>\$9,850.00</b>				<b>\$4,925.00</b>
<b>Simple Payback (w/o incentive)</b>	<b>\$1.31</b>			<b>After incentive</b>	<b>0.65</b>

## **HVAC Background**

HVAC systems at Adrian WWTP primarily consist of roof top units and unit heaters. Heat is provided to each unit via a hot water system. Each unit is controlled individually. A majority of the HVAC units have been replaced since 2000 and have direct digital control. The Retention Building and Old Primary building have original HV units with pneumatic controls. These units are heated with hot water from digester gas boilers and natural gas boiler in the administration building. The administration building natural gas boiler is brought on-line when the outside air temperature is below 30°F. At temperatures below 30°F the digester boiler cannot maintain minimum temperature in distribution system at the far end near the Administration building.

## **HVAC Analysis**

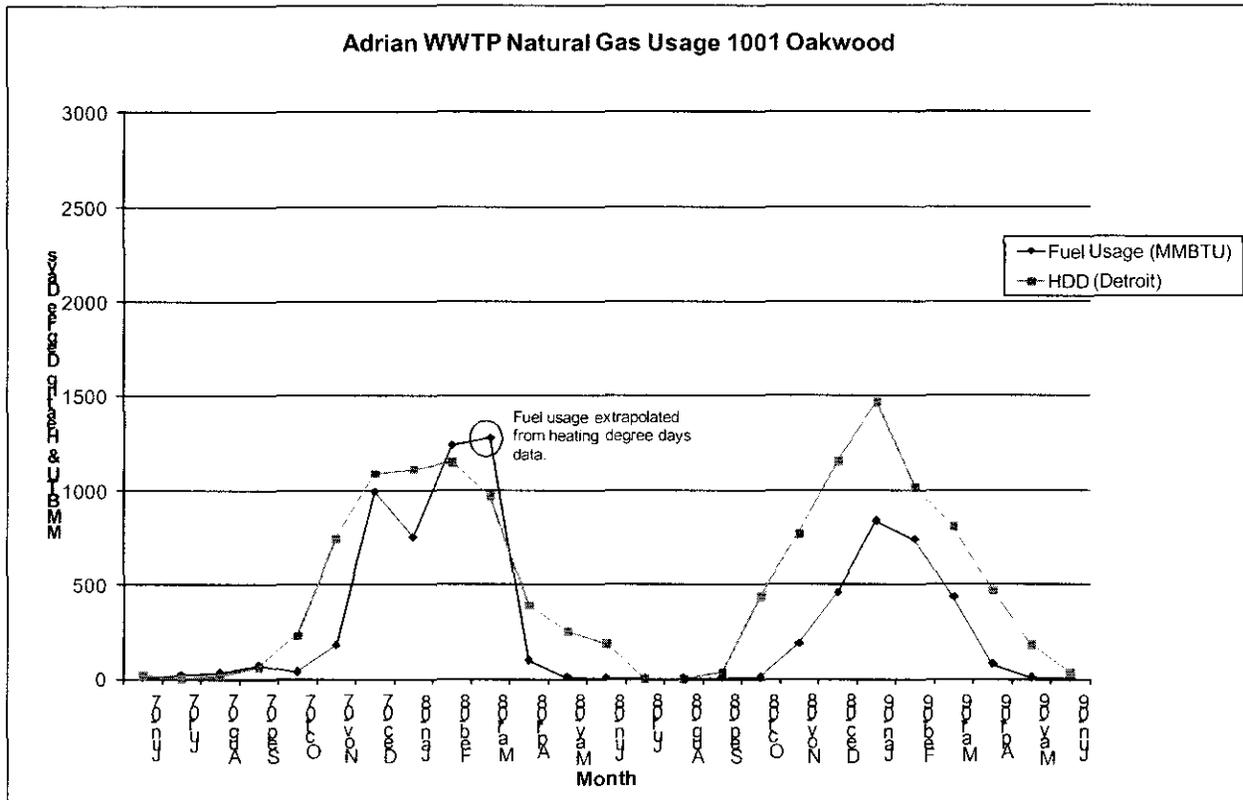
The HV units installed since 2000 are equipped with Direct Digital Controls (DDC) which allows programming of the unit to operate based on temperature and occupancy. The older units are pneumatically controlled and have limited control capabilities. Below is an analysis of the various areas:

- Grit & Screen, South Digester, and Tertiary Filter buildings:
  - Replaced between 2005 & 2007
  - Operate continuously for odor control and are equipped with energy recovery.
  - The Tertiary building has the ability for recirculation in the winter and energy recovery bypass in the winter.
- Administration building HVAC:
  - Replace around 2002
  - Operates continuously without setback temperatures because this building is continuously occupied.
  - Unit controlled by thermostat only, review opportunities for utilizing economizer.
- UV Building:
  - Supply fan operates continuously. 2000 CFM with 150 CFM OA.
  - Condenser and heat operate based on temperature demand.
  - The UV building requires constant temperature for the UV electrical system.
  - Review utilizing economizer mode when outdoor air is below 55°F.
  - Condenser is 60,000 BTU; assume 25% load in winter.
- Retention Building:
  - Original 1979 vintage HV unit with pneumatic controls with clock timer.
  - Unit has recirculation capability, however outside air damper not functioning. With existing conditions, max recirculation is 50% during winter.
  - Improvements to this unit would require unit replacement

- Not cost effective based on energy savings
- Old Primary Building:
  - Original 1979 vintage HV unit with pneumatic controls.
  - Unit operates continuous with 100% Outside Air for odor control.
  - Improvements to this unit would require unit replacement with energy recovery capabilities.
  - Not cost effective based on energy savings
- East and West Blower Buildings:
  - Units are 2007 & 2006 vintage units
  - Unit 100% outside air and run continuously
  - Opportunity to cycle these units based on timer. Not needed for odor control
  - This is achievable with existing controls.
  - The intake for the aeration blowers is from within the build during heating season; this should be insulated and taken from the outside.
- Board Street Pump Station:
  - Original 1979 vintage HV unit with pneumatic controls.
  - Unit operates continuous with 100% Outside Air for odor control.
  - Improvements to this unit would require unit replacement with energy recovery capabilities.
- Digester Boiler System Pumping Operation
  - Current operations require two pumps to operate during summer and winter months
  - Pipe revisions can be made to require only one pump to operate during the summer months (digester heating only).
  - The anticipated savings would come from reduced power to operate only the one pump.

## HVAC Potential Savings

Gas Cost		\$ 10.50	\$/MMBTU							
Eclectic Rate		\$ 0.0650	\$/KWH							
Area	Unit ID	Unit CFM	BTU/Hr Average	Current Heating Operating Hours	Proposed Operating Hrs	Projected Fuel Savings/yr	Projected Electrical Savings \$	Projected Annual Savings	Comments	Implementation Costs
East Blower Building	HH-AH-01	1,900	41,040	4100	2000	\$905	\$67	<b>\$972</b>	Optimize Start and Stop Time, Reprogram	\$600.00
West Blower Building	RTU-2	4,580	98,928	4100	2000	\$2,181	\$175	<b>\$2,356</b>	Optimize Start and Stop Time, Reprogram	\$600.00
Maintenance Shop	RTU-1	5,150	139,050	2688	1440	\$1,822	\$136	<b>\$1,958</b>	Optimize Start and Stop Time, Reprogram	\$600.00
Old Primary	II-AH-01	1,000	27,000	4100	2000	\$595	\$57	<b>\$653</b>	Replace Air handler and Controls	\$23,000.00
Retention Building	GG-AH-01	4,300	58,050	4100	2000	\$1,280	\$153	<b>\$1,433</b>	Replace Air handler and Controls	\$23,000.00
Broad St Pump Station	AA-AH-01	518	13,986	4100	960	\$461	\$171	<b>\$632</b>	Replace Air handler and Controls	\$23,000.00
Digester Hydronic Pump	N/A	300 GPM	20 HP	8760	5040		\$2,705	<b>\$2,705</b>	Modify Piping and valve configuration	\$8,000.00
					Total:	\$7,245	\$3,464	<b>\$10,709</b>		\$78,800.00



**HVAC Recommendation Summary**

It is recommended that East Blower Building, West Blower Building and Maintenance Shop be programmed for occupied and unoccupied modes. The blower buildings can be cycled between occupied and unoccupied modes throughout the day to reduce occupied to 50% or less. The existing units on the Old Primary Building, Retention Building and Broad Street Pump Station should be replaced with new units which have programmable controls. The Tertiary Filter Building controls are satisfactory and should be operated as follows: Summer Mode-No Heat and Recirculation off, Winter Mode – Heat and Recirculation. Also the hydronic piping at the digester boilers can be reconfigured to allow the 20 HP distribution pumps to shutdown during the non-heating season.

**HVAC Estimated Implementation Cost**

The estimated cost to implement the HVAC modification is \$600 per unit for controls programming, \$15,000 per unit for replacement and \$8,000 for piping modifications. The total cost is \$54,800 with an annual savings (both electrical and fuel) of \$10,700 which represents a simple pay back of 5.12 years, without incentives. This savings does not include maintenance savings that would be realized on the older vintage units and reduced operation of the pumps. After including available incentives, simple pay back is reduced to a value of 4.59 years.

	<b>Implementation Costs</b>	<b>Gas Incentive (\$4.00/MCF)</b>	<b>Elec Incentive (\$0.08/Kwh)</b>	<b>Projected Annual Savings</b>	<b>Simple Payback (Yrs)</b>
East Blower Building	\$600.00	\$337.98	\$82.68	\$972.11	0.18
West Blower Building	\$600.00	\$300.00	-	\$2,356.18	0.13
Maintenance Shop	\$600.00	\$300.00	-	\$1,958.22	0.15
Old Primary	\$23,000.00	\$222.35	\$70.47	\$652.61	34.79
Retention Building	\$23,000.00	\$478.06	\$187.92	\$1,432.68	15.59
Broad St Pump Station	\$23,000.00	\$172.22	\$210.73	\$632.34	35.77
Digester Hydronic Pump	\$8,000.00	-	\$3,329.23	\$2,705.00	1.73
	<b>\$78,800.00</b>	<b>\$1,810.61</b>	<b>\$3,881.03</b>	<b>\$10,709.14</b>	<b>6.83</b>

## 5.0 ENHANCED BIOLOGICAL PHOSPHORUS REMOVAL (EPBR)

### Feasibility for (EBPR)

This discussion was developed on the basis of a brief review of the historic data and a series of special test carried out by the plant personnel during the months of September and October, 2009.

#### 1. Wastewater Characteristics

The feasibility for EBPR is established based on the wastewater characteristics of the facility. Typical parameters include BOD to TP ratio and volatile fatty acid (VFA) to TP ratio, where data is available. Desired ratios are 20 or greater for BOD/TP and 4 or greater for VFA/TP.

At Adrian, these ratios are summarized below:

Item	Influent	Primary Eff. 5-7	Primary Eff. 1-4	Thickener 1	Thickener 2
BOD, mg/l	207	72			
TSS, mg/l		47			
VSS, mg/l		39			
TP, MG/l	4.6	1.6			
Ortho-P, MG/L		0.89			
VFA, mg/l		10-15	15-20	15-35	15-35
BOD/TP	45	45			
VFA/TP	2.1 – 3.2	5.2 – 7.8			

The current data shows favorable characteristics during this period of special testing in Adrian. Notable observations were:

- Primary effluent showed VFA in 10 to 15 mg/l on a regular basis during this study between September 11, 2009 and October 8, 2009.
- Recycle flows from two thickeners and two digesters are known sources for VFAs
- Neither of these unit processes is optimized to maximize production of these VFAs in the current mode of operation but such enhancements in VFA production are feasible for the future.
- Potential methodology for VFA generation include sludge blanket at primary sedimentation tank above the current level and the gravity thickeners
- After implementation of EBPR, the chemical feed to the primary influent will be stopped. The future BOD to TP and the VFA to TP ratios on the basis of the plant influent are in the acceptable range but not at all times. This is without the VFA addition from recycle flows through thickeners.

It should be noted, however, that the above data came from a short period of time and the year round data is not available. Further testing on a weekly basis is recommended in the future.

## 2. Feasible Alternatives for EBPR

Based on the favorable wastewater characteristics shown above, the following alternatives are developed for implementing EBPR in Adrian:

- A. Retrofit both East and West Aeration Systems. This alternative will require creating anaerobic zones in the head end of each aeration tank.
- 1) Aeration diffusers will be removed from the mixing chamber and a portion of the aeration channels 1 through 4 and small mixers will be installed. The size of anaerobic zone is preliminarily set at the retention time of 1.5 hours, or 20% of the total aeration volume, whichever is larger.
  - 2) Three (3) baffle walls will be installed across these aeration basins.
- B. Retrofit East Aeration System for EBPR and Continue chemical system in the West. This is for an interim period till the plant flow increases to something close to the design flow. East Aeration System should be maximized to treat the maximum, potentially 70 to 80 % of the flow during normal operation. The retrofit criteria are as described in Alternative A.
- C. Retrofit West Aeration System for EBPR and continue chemical system in the East. This is reverse of the Alternative B above, just in case the aeration system in the West is more efficient than that in the East. Due to additional pumping cost to lift the water, this Alternative may prove to be not competitive.

There are other considerations for retrofitting the plant for EBPR that may have merit. These are described below:

- A. Alternative piping for recycle flows. Currently, the recycle flows go to two different locations: the Recycle Well and primary influent line. New piping would enhance EBPR if we can introduce thickener overflows directly to the new anaerobic zones. This means re-piping of thickener #2 from the Recycle Wells and re-piping of thickener #1, which is going into the plant influent pump station.

The cost for re-piping these two lines needs to be estimated.

- B. Converting existing Stripper tank into Fermenters. Experience at other facilities has shown the following criteria to maximize VFA production:
- 1) Hydraulic detention time : 6 to 12 hours
  - 2) Solid retention time: 1 – 2 days

- 3) VFA production rate: 0.06 – 0.15 g VFA/g T.S.
- 4) To convert or not to convert the existing Stripper tank, which had been retired many years ago in Adrian will depend on the performance of the existing two thickeners, during wet weather periods and also in winter months. If the current monitoring data indicates continued production of VFAs or more, this conversion would not be necessary. During a day trial, the VFA concentration shot up to 50 to 60 mg/l, which was twice the amount before this trial. The operating parameters during this one day trial included reduction of elutriate flow rate at temperature of 60s in Fahrenheit.

C. Recycle Phosphorus from digesters. It is anticipated some increase in phosphorus in the digester supernatant after implementation of EBPR. This increase varies from location to location and an increase of 25 to 30% could happen in Adrian. As the incoming BOD is high enough in relation to TP in the influent, however, it is anticipated that EBPR will remain favorable in Adrian.

D. Probable costs for EBPR implementation. The following table contains a conceptual opinion of cost for the baffles, mixers and related appurtenances necessary to implement enhanced biological phosphorus removal in both the East and West Plants:

<u>Item</u>	<u>East Plant</u>	<u>West Plant</u>
Baffles (3/Tank)	\$50,000	\$40,000
Mixers (3/Tank)	\$220,000	\$130,000
Contractor General Conditions (10%)	\$30,000	\$20,000
Sub-Total	\$300,000	\$190,000
Planning & Contingencies (30%)	\$90,000	\$60,000
Total Opinion of Probable Cost	\$390,000	\$250,000

Based on this estimation, the city can make a determination of retrofitting both East and West plant for EBPR altogether, or the East plant, first

with the current flow and then the West, as the plant flow will increase in the future.

We recommend the City to convert one of the East Activated Sludge Trains and establish a track record of the technology at Adrian for a longer term so that the rest of the retrofit would be carried out with all necessary features for optimal biological removal.

## 6.0 PROCESS ELECTRICAL EQUIPMENT

### Switchgear Background

The existing concrete pad that supports the low voltage switchgear, pad-mount transformers and load interrupter switches is settling substantially. Adrian personnel have expressed concern about the long term condition of this pad. A catastrophic failure of this pad could render the plant without power for some time depending on what happens with the settling condition.

We understand that the pad is located partially over the old Imhoff tanks that were partially removed and abandoned in place. We also understand the settlement has been continuing in this area. It would be very disruptive to operations and expensive to remove the electrical equipment and construction a new pad. Ideally, a means must be found to raise and support the existing slab. The most typical solutions are mud jacking, soil stabilization, and micropiles.

### Switchgear Analysis

It is possible to relocate this equipment. The existing low voltage switchgear and generator located near this pad does not appear to be effected. This equipment was installed a few years ago on a separate pad away from the existing equipment pad. In addition, the concrete pads associated with the Consumers Energy metering cubicles need to be addressed. Consumers Energy has given the plant a price of approximately \$40,000 to relocate this equipment.

Our initial opinion is to develop some type of structural support to resolve this pad issue. We believe the cost associated with moving the switchgear could be as much as \$200K when taking into consideration the existing low voltage cables and duct banks.

### Switchgear Analysis

Due to the continued settlement, supporting the slab by mud jacking is not a long-term solution. However, it may be beneficial to mud jack the slab to temporarily raise it while a permanent means of support is constructed. Soil stabilization by grout injection is possible but, without knowing the soil profile, risky and potentially very expensive.

We believe the use of micropiles to be the most promising long-term solution provided that subsurface obstructions do not prevent their installation. There are several types of micropiles which may be feasible. Hydraulically driven steel piles or auger cast concrete piles may be installed through holes drilled in the slab. Helical piles may be augered in at the perimeter of the slab.

The design of any foundation system requires an understanding of the subsurface conditions. Therefore, we recommend that a soil boring be taken. This will allow the selection and specification of the most appropriate and cost-effective solution. Assuming that the soil borings show that micropiles are feasible, our opinion of cost for the design and construction of this solution is approximately \$35,000.

## 7.0 PROCESS MECHANICAL EQUIPMENT

### Background

There are opportunities to reduce the operating costs associated with the secondary treatment system at the WWTP. Plant staff has already laid the appropriate foundation by equipped both the East and West Plants with fine bubble air diffusers to improve oxygen transfer efficiency. However, additional savings can be achieved by more precisely controlling the air supply to this process.

### Aeration System Evaluation

There are air supply blowers for each plant and an interconnecting header to allow air to flow from west to east (and vice versa) if desired. The four West Plant blowers are nominally 4000 cfm, 250 HP units. The four East Plant blowers are nominally 2000 cfm and 125 HP.

There are two principal criteria for air requirements to properly operate an Activated Sludge treatment process like the Adrian WWTP; adequate “energy” to mix the tank contents and maintain the biomass in suspension; sufficient oxygen available to sustain the processes of BOD removal and Nitrification. A breakdown of these requirements is tabulated below:

- Based upon current average conditions as taken from monthly operating reports for June 2007 through May 2009, the air required to provide adequate mixing is approximately 1600 cfm in the East Plant and 1100 cfm in the West (based upon a minimum of 0.12 cfm per square foot of tank floor), or a total of 2700 cfm.
- The average air required to satisfy BOD loadings and convert the incoming ammonia nitrogen to nitrate (nitrification) is 2600 cfm.
- The air requirements for treatment can be further divided as approximately 1500 cfm for BOD removal and 1100 cfm for nitrification.

The typically target concentration for dissolved oxygen (DO) in the mixed liquor in Aeration Tanks is 2.0 mg/l as this value has proven to be sufficient to sustain a healthy population of the specific organisms that oxidize ammonia nitrogen to nitrite and then nitrate as required. Practically speaking, a large fraction of the tank can be operated at lower levels (as low as 0.5 mg/l) without any detrimental impacts to the treatment process.

Current standard practice at the WWTP is to run a single blower in the West Plant year round, with either two East Plant blowers operating in the summer or one East Plant blower in the winter. During winter operation, the interconnecting air header between the two plants is open. In the summer it is not. The dissolved oxygen concentrations in the aeration tanks are monitored but most of the time the air flow from individual blowers is not changed. It is common for the effluent DO to be 8 mg/l or more.

Reducing the actual air flow by throttling the inlet valves on the aeration blowers has the potential to reduce actual input horsepower to these devices significantly. Using the performance curves of the existing blowers, we estimate that the total input horsepower to the combined blowers in the East and West Plants could be reduced by an average of more than 200 HP (from approximately 400 to less than 200). The annual savings at \$0.074/KW-hr is approximately \$97,000

This effect can be achieved consistently and automatically by implementing the following modifications:

- Open the interconnection between the blower headers in the East and West Plants year round and operate only one blower in each plant.
- Install DO probes (2 per tank are recommended) in each Aeration Tank and provide motor operated positioners for the adjacent air valves into the tanks;
- Provide motor operated positioners for the inlet valves to the Aeration Blowers;
- Place a pressure indicating transmitters in the blower discharge headers to prevent the system from operating at excessive pressure;
- Control the positions of the automatic valves with PLC based control system.

The cost to provide the system described could be significant if all eight Aeration Tanks (6-East, 2-West) and all eight blowers (4 in each plant) were outfitted. Our conceptual opinion of probable cost for this is \$650,000 as shown in the following cost breakdown:

<u>Item</u>	<u>No. of Units</u>	<u>Unit Price</u>	<u>Sub-Total</u>
DO Probes	16	\$5000	\$80,000
Air Drop Valve Operators	16	\$15,000	\$240,000
Blower Inlet Valve Operators	8	\$10,000	\$80,000
PLC Based Controls	2	\$25,000	\$50,000
Materials and Installation	1	\$50,000	\$50,000
<b>Sub-Total</b>			<b>\$500,000</b>
Planning and Contingencies (30%)			\$150,000
<b>Opinion of Project Cost</b>			<b>\$650,000</b>

	<b>Implementation Costs</b>	<b>Electric Incentive (\$0.08/KWh)</b>	<b>Projected kWh Reduction</b>	<b>Projected Annual Savings</b>	<b>Simple Payback (Yrs)</b>
East & West Plant Blower Load Reduction	\$650,000.00	\$100,000	1,310,810	\$97,000.00	5.62

## Secondary Treatment Process Modifications

Following are brief discussions of some additional ways energy can be conserved at the WWTP. The results are difficult to quantify with precision because there are a number of variables that can impact the outcome. Each will definitely contribute to making the facility as energy efficient as possible and none should require any capital improvements to implement.

Avoid Nitrification to reduce aeration demand. One of the secrets to achieving the savings potential presented above is to operate the treatment process during the colder weather months to reduce or avoid nitrification. It takes 4.6 pounds of oxygen dissolved into the wastewater for the nitrifying bacteria to remove one pound of ammonia. Nitrification is not an NPDES Permit requirement from December through February each year, and only partial nitrification is required in November and March. By reducing the mixed liquor suspended solids concentration and thereby the "sludge age" or Solids Retention Time (SRT), the nitrification reaction with its corresponding heavy oxygen demand (approximately 45% of the total) can be curtailed significantly. The typical range is below the sludge age of 6 to 8 days, depending upon the temperature. The following graph illustrates this relationship.

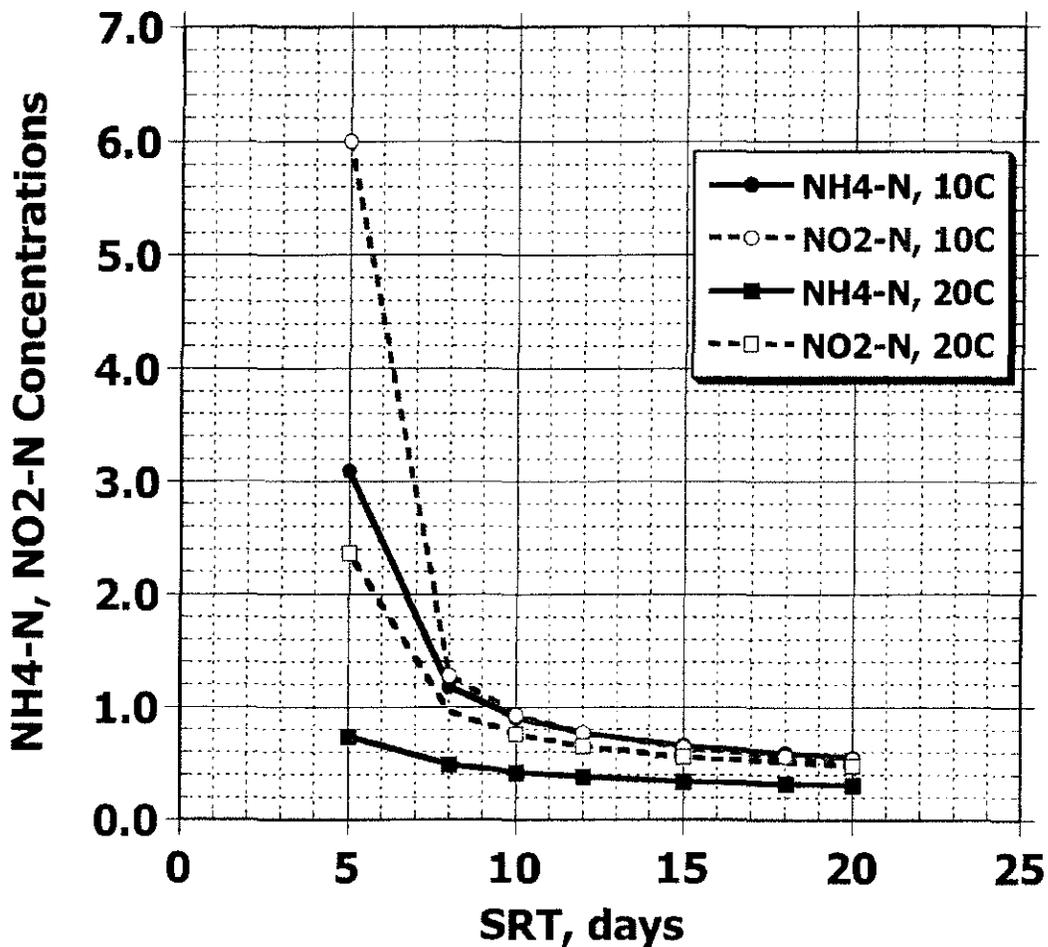


Figure 4-2. Effect of SRT and temperature on effluent  $\text{NH}_4^+$ -N and  $\text{NO}_2^-$ -N concentrations

Reduce Sludge Age to produce more biogas in digesters. Operating the system at reduced sludge age will have other beneficial impacts on overall plant energy use. It will reduce the amount of “endogenous respiration” taking place in the aeration tanks. This term is used to describe the destruction of microbes by other microbes within the system as a result of long retention times and resulting low “food to micro-organisms ratios. This activity also requires oxygen to take place, and minimizing it will save energy. The relatively younger population of microbes in the resulting activated sludge will also increase the production of waste activated sludge, which will then increase the amount of sludge going to the digesters and the quantity of digester gas produced. The net increase in WAS is estimated to be:

- 20% at 10 degrees C from an SRT of 20 days to 10 days (0.6 lb VSS/lb BOD removed compared to 0.5 lb VSS/lb BOD).
- At 20 degrees C, the relative percentage increase will be similar to that shown for 10 degrees C (0.52 vs. 0.44 lb VSS/lb BOD removed).
- In addition, an increase will be expected at a shorter SRTs than 10 days: 0.65 lb VSS/lb BOD removed at SRT of 8 days at 20 degrees C

The following figures from WEF Manual of Practice MOP-8 show this relationship:

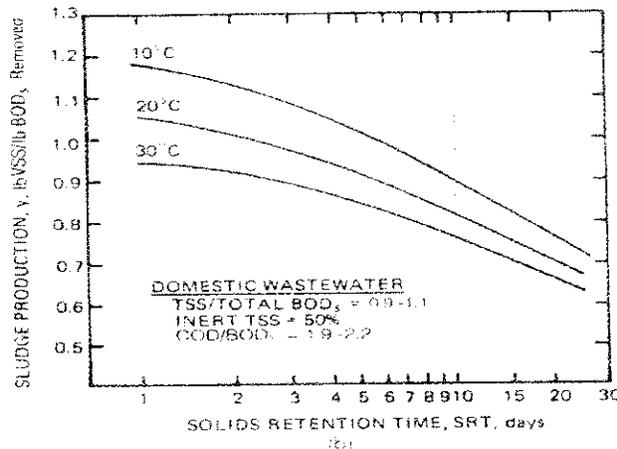
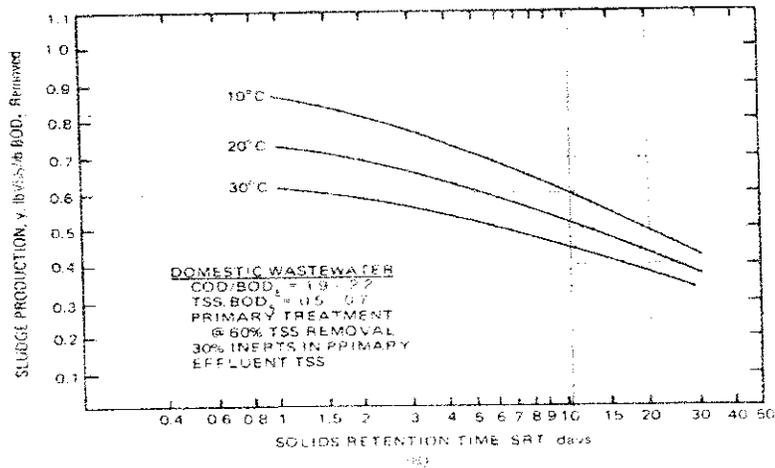


Figure 11.7 Net sludge production versus solids retention time and temperature (a) with primary treatment and (b) without primary treatment (lb/lb = kg/kg).

Operating the plant at reduced levels of DO and with a reduced sludge age (and resulting lower mixed liquor concentrations) is not without some risk. The plant may be somewhat more susceptible to large fluctuations in loading and peak high flow conditions. However, experience has shown healthy activated sludge systems to be quite resilient, so such risks are manageable.

Flow Equalization to take advantage of Off-Peak Rates. The cost per kilowatt hour for electricity varies from \$0.0567 during the On-Peak billing period from 11:00 a.m. to 7:00 p.m. to \$0.0223 during the remainder of the day. The plant has a 2.25 MG Retention and Equalization basin (1.72 MG and 0.53 MG respectively) that can be used to store a portion of the primary effluent during the on peak hours. The advantages to doing this are reducing the aeration tank loading (and thus the air flow and HP required to operate) during the peak billing period and treating this portion of the load at night when the

oxygen demand is typically much lower and the required air flow might actually be driven by mixing limitations rather than oxygen demand.

Using the basins will increase maintenance requirements. We recommend that only the smaller equalization basin compartment be used on a daily basis to mitigate this. We believe it may be possible to reduce the number of aeration units in operation if the flow is equalized.

### **Plant Effluent Water (PEW) Pumps**

The PEW Pumps provide pressurized effluent water for in plant uses like thickener dilution, flushing and wash down, etc. The existing pumps were designed to provide 2000 gpm at a discharge pressure of approximately 200 feet (~85 psig). Current PEW use is reported to be approximately 1 million gallons per day or 700 gpm. Although the existing pumps are very efficient at their design duty point, they are significantly less so at the point they are required to operate now.

These pumps could be equipped with variable frequency drives (VFDs) to improve their efficiency. However, due to the relatively flat shape of the performance curves and the constant discharge pressure requirements, the net reduction in cost would be very small. Replacing one of the existing pumps with a smaller unit designed to operate efficiently at the current required capacity could be expected to reduce input horsepower by 30 or more and save approximately \$14,500 per year. The opinion of probable cost to purchase and install a single replacement pump is \$50,000 assuming that it will fit onto the existing base and into the existing piping system without significant modification.

### **Broad Street Pump Station**

The Broad Street Pump Station is responsible for delivering the bulk of the sanitary sewage from the City of Adrian to the WWTP. The station has five operating pumps, two of which are equipped with VFDs. The standard operating mode is for the lead pump to be one of the variable capacity pumps, and for that pump to “match flow” by controlling the speed (and consequently the pumping rate) based upon maintaining a nearly constant level in the wet well.

The second, or lag pump comes on when the lead pump is unable to maintain the desired level even when operating at 100% full speed. The lag pump is a constant speed unit.

The performance curves for the existing pumps indicate that they are as efficient as comparable capacity new pumps would be, so there is no economic incentive to replace them unless they are approaching the end of their useful lives and as a result have become costly to maintain in reliable condition. The current configuration of variable and constant speed pumps and operating strategy is very efficient, and modifications are not recommended.

## **Recommendation Summary**

The most attractive energy conservation strategy for the secondary treatment process is to more aggressively control the operation of the blowers based on maintaining reasonable but significantly reduced levels of DO in the aeration tanks. We believe that this will make it possible to operate under most circumstances with either one blower in the West Plant or two blowers in the East Plant, with the other side fed through the existing interconnecting pipe. The ultimate selection should be based upon which combination is most flexible and efficient. We suspect it will be easier to control the air flow split between the plants using the east blowers.

Based upon a trial period of operation it may become apparent that on-line DO monitoring and possibly some degree of automatic control is desirable. We recommend proving the concept and the demonstrating the cost savings potential before making any such investment.

Reducing the SRT at all times to reduce air demands and increase biosolids available to the digesters is recommended. In particular, this action should be taken during the mid-winter months when nitrification is not necessary or the requirements are less stringent.

Replacing one of the existing PEW pumps with a smaller unit specifically sized to efficiently meet the current demands is recommended. The other existing pump can serve as mechanical backup, and serve during occasions where flow requirements exceeded the capacity of the new smaller unit.

## 8.0 BIOGAS

### Available Energy in Digester Gas

Methane generated from anaerobic digestion is typically considered a waste gas. It is a somewhat troublesome waste gas because methane is a greenhouse gas that contributes to global warming. As a result, most wastewater plants are required to collect the resulting digester gas and burn it in order to control and limit the release of greenhouse gases to the earth's atmosphere. Theoretical biogas/digester gas generation at the Adrian Wastewater Plant is calculated at 45,000 ft<sup>3</sup>/day; this number equates to a potential value of \$300/day (\$110,000 annually) as natural gas or \$154/day (\$56,000 annually) as electric power.

### Current Operation and Energy Savings

The Wastewater Treatment Plant personnel are to be commended for their current operation which burns a portion of the gas for heating the digesters. A review of the natural gas meter readings over the last two heating systems indicated the following:

- Actual savings, as a result of modifying operations to maximize the use of digester gas for heating, increased from \$16,800 in the winter of 2007/2008 to \$43,700 in the winter of 2008/2009.
- A review of the monthly operating reports, estimate digester gas consumption of about 8400 ft<sup>3</sup>/day in the summer months. This leaves 37,000 ft<sup>3</sup>/day of gas wasted to the atmosphere through the waste gas burner in the summer months.
- During winter operation, an estimated 36,000 ft<sup>3</sup>/day of digester gas is consumed for heating. The rest of the digester gas is discharged to the atmosphere through the waste gas burner.
- Based on these numbers, the plant is currently using 19% of the digester gas produced in the summer months for and 80% of the digester gas produced during the heating season for an annual savings of \$54,000.
- In response to your three items you asked us to evaluate we have reviewed the existing data and have the following comments:
  1. Can we heat the entire plant from the Digester Bldg Boilers/Pumps?
    - a) The existing pumps are inadequate. Existing pumps are rated at 300 gpm and the entire system design capacity is 465gpm.
    - b) The piping is undersized. Increasing the flow rate to 465 gpm would increase pipe velocities in the 4 inch pipe to 12 fps, this is too high a velocity. Larger pipe (6 inch) should be provided.
    - c) The boilers are rated for a max water flow of 350 gpm. Increasing the system flow to 465 gpm will require changing the piping system to a primary / secondary pumping scheme.

- d) In summary, major system changes would be required (pumps, piping) to get heat from the digester boilers to the entire facility at design conditions. Your current operation of shutting down the admin boiler during partial load conditions is the most efficient method to utilize the heat from the digester boiler.
2. You indicate the existing digester gas boiler operates 24/7 during the winter months and you are still venting excess digester gas. Can we turn all the gas we produce into heat?
- a) The records indicate the digester gas boiler has an input rating of 1700 mbh
  - b) The gas generation capacity we have used is 45,000 cfd or 1125 mbh (at 600 btuh/cf)
  - c) The above information suggests you have ample boiler capacity and should not be venting excessive digester gas in the winter. We discussed the situation with Adrian Mechanical, who services this boiler, and they were not aware of any issues that would prevent the boiler from using all the gas generated. Boiler or gas generation capacity should be verified to resolve this issue. We recommend the boiler control cycle be inspected during the next service work on the boiler.

### **Potential Methods to increase the use of Digester Gas**

Opportunities exist to further increase digester gas use. The use of microturbines has become popular in wastewater treatment plants as digester gas can be used as fuel to generate electricity. The waste heat from combustion can then be used to provide process heat to the anaerobic digesters. Enough gas is produced to fuel three 30 kW microturbines. Advantages of micro turbine use include:

- Small number of moving parts
- Good efficiency in cogeneration
- Low emissions
- No vibrations, less noise than reciprocating engines
- Long maintenance intervals

Weaknesses of micro turbines are:

- Low fuel to electricity efficiencies
- Loss of power output and efficiency with higher ambient temperatures and elevation

Another option is to use digester gas to fuel an internal combustion engine to drive the 125 horsepower blower. The blowers are required to run continuously for the aeration process and are a potential option for a gas engine drive.

Both options require the construction of a 400 ft<sup>2</sup> building adjacent to the digester building to house a gas treatment skid. Both systems would use the heat generated from the combustion process by supplementing the heating water from the boiler system. The

internal combustion engine option would require approximately 500' of gas piping and hot water supply and return lines between the digester building and the blower building.

### **Recommendation Summary**

Based on a review of the alternatives, using microturbines to generate electricity and supplement the heating water supply system provides the greatest use of available biogas and provides the greatest energy and cost savings.

The equipment to be upgraded for micro turbine installation includes the following:

- Gas Treatment Skid/Building
- Jacket water systems
- Microturbine power distribution, piping and foundation

### **Estimated Implementation Cost**

The estimated capital cost, annual operation and maintenance cost and annual savings for the two options are summarized below.

<b>Option</b>	<b>Capital</b>	<b>Annual O&amp;M</b>	<b>Annual Savings</b>
Microturbine	\$504,500	\$12,614	\$51,246
IC Engine to drive Blower	\$520,500	\$12,253	\$53,096

	<b>Implementation Costs</b>	<b>Multi-Purpose Grant</b>	<b>Estimated Annual REC revenue</b>	<b>Projected Annual Savings</b>	<b>Simple Payback (Yrs)</b>
Biogas Microturbine	\$504,500.00	\$99,000.00	12,260	\$51,246.00	7.67

## 9.0 RECOMMENDATION SUMMARY

By implementing the proposed Process and Energy Optimization recommendations the City of Adrian WWTP can significantly reduce long-term operating costs associated with energy and chemical consumption on an annual basis. The table below presents a summary of our recommended activities, implementation costs, potential savings, available incentives, and simple payback.

	<b>Implementation Costs</b>	<b>Total Incentives</b>	<b>Projected Annual Savings</b>	<b>Simple Payback (Yrs)</b>
Biogas Microturbine	\$504,500	\$111,260	\$51,246	7.67
EBPR	\$640,000	\$0	\$68,000	9.41
E&W Blower Modification	\$650,000	\$104,865	\$97,000	5.62
HVAC upgrades	\$78,800	\$5,692	\$10,709	6.83
Lighting Retrofit & Controls	\$77,343	\$23,186	\$13,600	3.98
	<b>\$1,950,643</b>	<b>\$245,003</b>	<b>\$240,555</b>	<b>7.09</b>

Next steps for Adrian to implement the above concepts are summarized below:

HVAC and Lighting - East Blower Building, West Blower Building and Maintenance Shop should be programmed for occupied and unoccupied modes. Consider hydronic pump installation.

Process Electrical – Obtain soil boring for design of support system for failing foundation. Our opinion of cost for the soil boring and analysis is \$5,000. If the boring shows the soil is free of debris, the design of the pile system could commence.

Process Mechanical – Consider a test period to operate one set of blowers for both halves of the facility and monitor treatment performance. Once the City is comfortable with this modified operation, more permanent alterations can be further discussed and designed.

Enhanced Biological Phosphorus Removal – The City of Adrian should continue to take samples of volatile acids through the winter and spring seasons. This data will provide the necessary background to confirm the feasibility of biological phosphorus removal as a permanent feature of the Adrian WWTP. If these tests prove sufficient acids are present, a full scale implementation test (one treatment train) would be the next step to before implementing across the entire facility.

Biogas – Wait to hear on the success of the state's energy grant program. The receipt of these funds will make this option more feasible.

The City should also initiate discussions with a funding provider who will allow the City to repay the capital costs for any of the above projects from energy savings. These discussions will allow the City to more quickly initiate a project at the appropriate time.

# COMMISSION AGENDA

**AGENDA  
ADRIAN CITY COMMISSION  
MARCH 15, 2010  
7:00 P.M.**

- I. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE TO THE FLAG
- II. ROLL CALL
- III. APPROVAL OF MINUTES OF THE MARCH 1, 2010 REGULAR MEETING OF THE ADRIAN CITY COMMISSION
- IV. PRESENTATION OF ACCOUNTS
- V. COMMUNICATIONS
  - 1. C-1. State Revenue Sharing Update
  - 2. C-2. MDOT Audit Results – Beecher St. Paving Grant
- VI. PUBLIC COMMENTS
- VII. REGULAR AGENDA
  - A. ORDINANCE
    - 1. Ord. 10-003. Introduction of an Ordinance to amend Article VIII, Section 8.2 (5-8) - RM-1 Low Rise Multiple Family Residential District; Article IX, Section 9.2, (5-8) – RM-2 High Rise Multiple Family Residential District; and Article XIIA, Section 12A.03 (10-12) – R-0 Residential Office District of the Zoning/Development Regulations.
  - B. RESOLUTIONS
    - 1. R10-030. Resolution to award bid for the demolition of 100 E. Church Street.
    - 2. R10-031. Resolution to approve Utilities Department grant award acceptance for Energy Efficiency and Conservation Multi-Purpose Block Grant in the amount of \$99,065 from Michigan State Dept. of Energy, Labor & Economic Development.
    - 3. R10-032. Resolution to approve TPOAM Union Agreement to accept high-deductible Health Reimbursement Account and the related budget amendments.
    - 4. R10-033. Resolution setting a Public Hearing date to hear and consider approval of Evergreen Grease Service Inc.'s application for an Industrial Facilities Exemption Certificate for a 12-year period.

V I I I. MISCELLANEOUS

1. Departmental Report
2. D.A.R.T. Passenger Ridership Report
3. Fire Department Report (01/01/10 to 01/31/10)
4. Fire Department Report (02/01/10 to 2/28/10)
5. Planning Commission Minutes (02/02/10)

I X. PUBLIC COMMENTS

X. COMMISSION COMMENTS

# MINUTES

**MINUTES  
ADRIAN CITY COMMISSION  
MARCH 1, 2010  
7:00 P.M.**

Prior to the opening of the regular session, Commissioner DuMars moved to go into closed session to discuss strategy for a Collective Bargaining Agreement, seconded by Commissioner Osborne, motion carried by a unanimous vote. The Commission came out of closed session and convened to the regular meeting a 7:00 p.m.

Official proceedings of the March 1, 2010 regular meeting of the City Commission, Adrian, Michigan.

The regular meeting was opened with a moment of silence and the Pledge of Allegiance to the Flag.

PRESENT: Mayor McDowell, Commissioners Osborne, Steele, Clegg, DuMars, Carrico and Warren

Mayor McDowell in the Chair.

Commissioner DuMars moved to approve the minutes of the February 15, 2010 regular meeting of the Adrian City Commission, seconded by Commissioner Osborne, motion carried by a unanimous vote.

**PRESENTATION OF ACCOUNTS**

Utility Department Receiving Fund Voucher #3205 through #3211	\$ 92,167.66
General Fund Vouchers #19712 through #19729	\$374,438.45
Clearing Account Vouchers amounting to	\$676,127.40 <u>-6,346.92</u>
TOTAL ADJUSTED CLEARING ACCT.	<u>\$669,780.48</u>
TOTAL EXPENDITURES	<u>\$1,136,386.59</u>

On motion by Commissioner Steele, seconded by Commissioner Osborne, motion, no action was taken.

Commissioner Osborne questioned payments to Adrian College Sports Center (#1- \$6,346.92), Morton International (#99 - \$14,145.70) and Wild Swan Theater (#132 - \$800.00). An explanation was available for all but #1 to Adrian College Sports Center in the amount of \$6,346.92, and it was removed from the voucher list until further explanation could be given.

On motion by Commissioner Steele, seconded by Commissioner DuMars, this resolution, as amended, was adopted by a unanimous vote.

## **COMMENDATION**

1. Mayor McDowell and Chief Collins presented a Command Recognition Award to Officer Watson for the apprehension of a suspect.

## **PUBLIC COMMENTS**

There were none.

## **REGULAR AGENDA**

### **ORDINANCES**

1. Ord. 10-001. Second reading and adoption of an Ordinance to amend Article IV, Section 4.71, Subsection 4.72; Article XXV, Section 25.01 dealing with zoning exceptions. Eff. Date: March 16, 2010

On motion by Commissioner Osborne, seconded by Commissioner DuMars, this Ordinance was adopted by a unanimous vote.

2. Ord. 10-002. Second reading of an Ordinance to amend Article XXX, Section 30.04 – Signs, of the Zoning/Development Regulations.

Commissioner Osborne expressed concern about this ordinance limiting the type of advertisement a business could use. Commissioner Clegg & Mike Jacobitz, Planning Commission Chair, indicated this merely changes the time that the message must remain static (5 minutes) and that this is for safety.

On motion by Commissioner DuMars, seconded by Commissioner Clegg, this Ordinance was adopted by a 6-1-0 vote.

AYES: Mayor McDowell and Commissioners Osborne, Steele, Carrico, Clegg and DuMars

NAYS: Commissioner Warren

ABSTAINED: None

## **SPECIAL ORDERS**

1. Public Hearing to hear and consider comments to Inteva's application for an Industrial Facilities Exemption Certificate.
2. Public Hearing to hear and consider creating an Industrial Development District (#39) for Evergreen Grease Service, Inc.

## RESOLUTIONS

### RESOLUTION R10-022

**RE: COMMUNITY DEVELOPMENT – Application for IFT from Inteva**

WHEREAS, pursuant to 1974 PA 198, MCLA Sec. 207.551 et. seq., after a duly notice Public Hearing held on the 15<sup>th</sup> day of March, 1993, this Commission, by resolution, established Adrian Industrial Development District No. 29; and

WHEREAS, an application has been filed by Inteva Products, LLC for an Industrial Facilities Exemption Certificate for the facility located in the Adrian Industrial Development District #29, and was received by the Adrian City Clerk on the 2<sup>nd</sup> day of February, 2010; and

WHEREAS, the Adrian City Clerk, pursuant to 1974 PA 198, Section 5 (2) did notify the Adrian City Assessor and the legislative body of each taxing unit which levies ad valorem taxes on the property located within said Adrian Industrial Development District #29 that the application for an Industrial Facilities Exemption Certificate by Inteva Products, LLC would be considered at a meeting of the Adrian City Commission on Tuesday, March 01, 2010 and that an opportunity to be heard would be provided to the Assessor and to a representative of each of the bodies so notified.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the Adrian City Commission finds:
  - (a) That the purchase and installation of the equipment had not occurred earlier than twelve (12) months before February 02, 2010 the date of acceptance of the application of the Industrial Facilities Exemption Certificate;
  - (b) That the application relates to a purchase and equipment installation program which, when completed, will be situated within Adrian Industrial Development District #29, established March 15, 1993 by resolution of the Adrian City Commission.
  - (c) That completion of the equipment installation is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to create and retain employment in the City of Adrian.
  - (d) That the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Adrian, after granting this certificate, will not exceed five (5) percent of an amount equal to the sum of SEV of the City plus the SEV of personal real property thus exempted. The Adrian City Commission specifically finds that the granting of the exemption applied for will not substantially impede the operation of or impair the financial soundness of any local government.

2. That the application of Inteva Products, LLC for an Industrial Facilities Exemption Certificate with regard to the facility located in Adrian Industrial Development District No. 29, be and is hereby approved for a period of twelve (12) years.

On motion by Commissioner DuMars, seconded by Commissioner Carrico, this resolution was adopted by a unanimous vote.

### **RESOLUTION R10-023**

**RE: COMMUNITY DEVELOPMENT - Create Industrial District #39 -  
Evergreen Grease Service – 1445 Enterprise Drive**

WHEREAS, a Public Hearing has been held to hear and consider objections to the establishment of an Industrial Development District within the City of Adrian pursuant to the provisions of Act 198 of the Public Acts of Michigan, 1974; and

WHEREAS, it appears that the establishment of such a district is consistent with the objective of encouraging industrial development and economic expansion leading to increased employment opportunities for the citizens of Adrian; and

WHEREAS, an application has been filed by Evergreen Grease, Inc for the establishment of an Industrial Development District for the facility located in the Adrian Industrial Park, and was received by the Adrian City Clerk on the 8<sup>th</sup> day of February, 2010; and

WHEREAS, the Adrian City Clerk, pursuant to 1974 PA 198, Section 4 (4) did notify the Adrian City Assessor and gave written notice by certified mail to the owners of all real property within the proposed Industrial Development District and held a public hearing on the establishment of the Industrial Development District at which those owners and other residents or taxpayers of the local governmental unit had the right to appear and be heard for the property located within the Adrian Industrial Park and that the application for an Industrial Development District #39 would be considered at a meeting of the Adrian City Commission on Monday, March 01, 2010; and,

WHEREAS, objections to the establishment of said District have been heard and duly considered.

NOW, THEREFORE, BE IT RESOLVED that the City Commission hereby declares established Industrial Development District #39 pursuant to said Act 198 of the Public Acts of Michigan, 1974, which District shall consist of that portion of the land hereinafter described which lies within the corporate limits of the City of Adrian:

Lot 7, Adrian Industrial Park, as recorded in Liber 19 of  
Plats, Pages 1 and 2, Lenawee County Records

Address: 1445 Enterprise Dr.

Subject to easements and restrictions of record, if any.

On motion by Commissioner DuMars, seconded by Commissioner Clegg, this resolution was adopted by a unanimous vote.

## **RESOLUTION R10-024**

### **RE: STRATEGIC ACTION PLAN UPDATE**

WHEREAS, the Strategic Plan was adopted by the Adrian City Commission on January 22, 2008 (Resolution R08-014); and

WHEREAS, said Plan included a requirement to update the plan every two years; and

WHEREAS, the City Commission, Planning Commission, department heads, and representatives of city unions and non-union employees were invited to participate in this process.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the attached Strategic Plan Update is hereby approved and accepted by the Adrian City Commission, with appreciation to all those who participated in this process.

On motion by Commissioner Steele, seconded by Commissioner DuMars, no action was taken.

Commissioner Warren cited Item #7 – Considerations for Personnel Savings – and felt these should be left to negotiations and not in the plan. Administrator Nelson explained that this was for all personnel, not just union personnel. Commissioner Steele, Carrico and Osborne also had concerns about Item #7. Administrator Nelson will amend the wording of #7 as requested by the Commission.

On motion by Commissioner Steele to adopt this resolution with the amendments to #7, seconded by Commissioner DuMars, this resolution was adopted by a unanimous vote.

## **RESOLUTION R10-025**

### **RE: POLICE DEPT. – Purchase and Installation of Telephones at Police Facility**

## **RESOLUTION R10-025**

WHEREAS, quotes were solicited and received for the purchase and installation of telephones for the new police facility; and

WHEREAS, Executone of Troy, MI, who provided the telephones at City Hall, submitted a quote in the amount of \$8,474.75; and

WHEREAS, the Fire Chief has recommended that the bid process be waived due to Executone's familiarity with our telephone network and compatibility with current equipment; and

WHEREAS, the Assistant Finance Director has confirmed that there are sufficient funds in the Police Department–Capital Facilities account (101-301.00-975.000).

NOW, THEREFORE, BE IT RESOLVED, that the Adrian City Commission does hereby authorize Executone of Troy, MI to furnish and install telephones at the new police facility at a cost of \$8,474.75; and

BE IT, FURTHER, RESOLVED that, in the best interest of the City, the competitive bid process be waived, in accordance with the City's Purchasing Policy as specified in Chapter 12 of the City Charter and Section 2-304 of the Codified City Ordinances.

On motion by Commissioner DuMars, seconded by Commissioner Osborne, this resolution was adopted by a unanimous vote.

### **RESOLUTION R10-026**

#### **RE: POLICE DEPARTMENT – Authorization to Award Bid for Uniforms**

WHEREAS, the FY2009-10 Budget provides \$25,000 for the purchase of uniforms for Police Department personnel; and

WHEREAS, the Purchasing Office solicited and received bids on Tuesday, February 16, 2010 from the following three (3) vendors:

- Superior Uniform, Toledo, OH
- Pro-Med Uniform, Adrian, MI
- Nye Uniform, Grand Rapids, MI
- Northeastern Uniform, Saline, MI; and

WHEREAS, the Police Chief and City Administrator recommend that Northeastern Uniform, Saline, MI be awarded the bid as the lowest qualified bidder, for the following reasons, and that the contract period extend over a two-year period, beginning March 1, 2010, with a two (2%) percent price increase in the second year:

- Lowest bidder for the items specified in the bid requests;
- The vendor provides uniforms from the preferred manufacturer (Blauer)- Pro-Med Uniform from the City of Adrian provides uniforms from "various" manufacturers;
- Other police agencies indicate the they have received good product and services from the recommended vendor; and

WHEREAS, sufficient funds are available in the FY2009-10 General Fund Police Department Operating Budget (101-301.00-943.000) for this purpose.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution hereby authorizes the selection of Northeastern Uniform, Saline, MI as the preferred vendor to supply the Adrian Police Department with uniforms for the two-year period, beginning March 1, 2010, including a two (2%) percent price increase in the second year.

On motion by Commissioner DuMars, seconded by Commissioner Clegg, this resolution was adopted by a unanimous vote.

**RESOLUTION R10-027**

**RE: DEPARTMENT OF PARKS & RECREATION – Baseball/Softball Uniforms**

WHEREAS, the Department of Parks & Recreation, in conjunction with the City of Adrian Purchasing Office, solicited and received bids on Tuesday, February 23, 2010 for baseball/softball uniforms; and

WHEREAS, thirteen (13) vendors were invited to bid and two (2) responded; and:

WHEREAS, the Parks & Recreation Director and City Administrator recommend acceptance of the low bid and purchase of baseball/softball uniforms from Pro-Med Uniforms of Adrian, MI at an estimated cost of \$12,000; and

WHEREAS, the Finance Director indicates that sufficient funds are available in the FY2009-10 Parks & Recreation Supply account for this purpose.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby accepts the low bid and authorizes the Parks & Recreation Department to purchase baseball/softball uniforms from Pro-Med Uniforms, Adrian, MI at an estimated cost (depending on volume purchased) of \$12,000.00.

On motion by Commissioner DuMars, seconded by Commissioner Carrico, this resolution was adopted by a unanimous vote.

**RESOLUTION R10-028**

**RE: PARKS & RECREATION – Bohn Pool Liner Replacement**

WHEREAS, sealed bids were received February 18, 2010, for the purchase and installation of a replacement PVC liner for Bohn Pool; and

WHEREAS, said bids have been tabulated and recommendations made by the Parks & Recreation Director and the City Administrator, with the following results:

B & B Pool Co. Livonia, MI	\$119,150.00
Natare Corporation Indianapolis, IN	\$74,334.00

WHEREAS, funds are available for the purchase in the Recreation Capital Improvement account; and

WHEREAS, the Parks & Recreation Director and the City Administrator recommend approval of this resolution for the engagement of Natare Corporation of Indianapolis, IN, in the City's Standard Professional Services Contract for an amount not to exceed \$74,334.00 and that, in the best interests of the city.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the engagement of Natare Corporation in the City's

Standard Professional Services Contract for an amount not to exceed \$74,334.00 for the purchase and installation of a pool liner for Bohn Pool.

On motion by Commissioner DuMars, seconded by Commissioner Warren, this resolution was adopted by a unanimous vote.

### **RESOLUTION R10-029**

#### **RE: DOWNTOWN DEVELOPMENT AUTHORITY – Appointment to Board**

WHEREAS, the resignation of Sandy Wedemeyer from the Downtown Development Authority has created a vacancy; and

WHEREAS, this vacancy must be filled in accordance with the Adrian City Charter; and

WHEREAS, Sister Peg Albert, President of Siena Heights University, has expressed a willingness to serve, if appointed; and

WHEREAS, the Adrian City Commission has given careful consideration to the appointment of Sister Albert.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does hereby approve the appointment of Sister Peg Albert to the Downtown Development Authority for a four year term that will expire in 2014.

On motion by Commissioner Steele, seconded by Commissioner Clegg, this resolution was adopted by a unanimous vote.

### **MISCELLANEOUS**

1. Planning Commission Minutes

### **PUBLIC COMMENTS**

1. Ben Howard, 445 Northwestern Dr., expressed frustration with the snowplowing. Thinks drivers are traveling too fast and throwing snow back on the sidewalks. Would like them to slow down.
2. Mike Springer, president of the firefighters' union, appealed to the Commission to recall the laid off firefighters, saying that the city was misleading the Commission about the bargaining.
3. K.Z. Bolton, County Commissioner, wanted to thank all Commission members who attended the Lenawee Legislative Dinner. Also to thank the Commission for approving the pool liner.

### **COMMISSION COMMENTS**

1. Commissioner Warren thanked Officer Watson. Also passed on thanks from Lori Suydam (158 S. McKenzie) to the firefighters for saving her house during a fire. Commissioner Warren went on to say he knows how the firefighters feel as he went through negotiations himself last

year. He said that both sides need to resolve the grievances if that is all that is keeping them from a contract.

Commissioner Steele motioned to go into closed session to discuss labor negotiations, seconded by Commissioner Carrico, motion carried by a unanimous vote.

At 9:00 p.m., Commissioner Osborne motioned to come out of closed session, seconded by Commissioner DuMars and approved by a unanimous vote.

Administrator Nelson addressed the audience, stating that an open Commission meeting is not the place to discuss labor negotiations; if the firefighters are willing to negotiate, then the city bargaining team will continue to negotiate in good faith.

Commissioner Steele motioned to adjourn the meeting, seconded by Commissioner Clegg, motion carried by a unanimous vote.

The next regular meeting of the Adrian City Commission will be held on Monday, March 15, 2010, at 7:00 p.m. in the Commission Chambers located at 159 E. Maumee Street, Adrian, MI 49221.

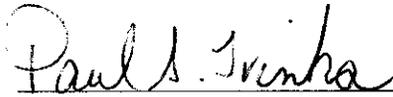
Gary E. McDowell  
Mayor

Pat Baker  
City Clerk

CHECK  
REGISTER

March 15, 2010

I have examined the attached vouchers and recommend approval of them for payment.

  
Paul G. Trink  
Acting City Administrator

DCN:bjw

RESOLVED, that disbursements be and they are hereby authorized for warrants directed to be drawn on the City Treasurer for the following:

Utility Department Vouchers	
Vouchers #3212 through #3219.....	\$ 125,090.35
General Fund	
Vouchers #19730 through #19752	\$ 277,980.12
Clearing Account Vouchers	
amounting to.....	\$ <u>847,584.26</u>
TOTAL EXPENDITURES .....	<u>\$1,250,654.73</u>

On motion by Commissioner \_\_\_\_\_, seconded by  
Commissioner \_\_\_\_\_, this resolution was  
\_\_\_\_\_ by a \_\_\_\_\_ vote.

March 15, 2010

UTILITY DEPARTMENT VOUCHERS

<u>Check Number</u>	<u>To</u>	<u>Description</u>	<u>Amount</u>
<b><u>Receiving</u></b>			
3212	City of Adrian: Payroll	Payroll for Feb 26	\$ 15,302.42
3213	Citizens Gas Fuel Co	Various Heat Bills	\$ 1,638.73
3214	City of Adrian: Clearing Acct	March 1 Check Register	\$ 63,218.31
3215	City of Adrian: Payroll	Payroll for March 5	\$ 50,572.65
3216	Consumers Energy	Electric Bill Water Plant	\$ 8,723.88
3217	City of Adrian: General Fund	February Charges	\$ 44,480.72
3218	City of Adrian:	February charges	\$ 4,330.40
3219	Verizon North	Wastewater Phone	\$ 41.55

**Total \$ 188,308.66**

Less: CK# 3214 \$ 63,218.31

**TOTAL \$ 125,090.35**

WW = \$ 71,244.67

WAT= \$ 117,063.99

15-Mar-10

GENERAL FUND  
CHECK REGISTER

CHECK#	AMOUNT	PAYEE	DESCRIPTION
19730	\$ 10.00	City of Adrian	Dog License Gift Certificate
19731	\$ 4,385.99	City of Adrian: Payroll	Payroll for Feb 26
19732	\$ 1,833.74	First Federal Bank	Soc Security for Feb 26
19733	\$ 80.00	Alfonso Ajanel	Recreation Refund
19734	\$ 80.00	Mary Jane Ormsby	Recreation Refund
19735	\$ 507.31	Citizens Gas Fuel Co	Cemetery Heat Bill
19736	\$ 19.60	Qwest Buisness Services	Attorney Phone
19737	\$ 322.36	Verizon North	Various Phone Bills
19738	\$ 10.00	City of Adrian	Dog License Gift Certificate
19739	\$ 427,474.47	City of Adrian: Clearing Acct	Mar 1 Check register
19740	\$ 4,805.84	Quick Service Transportation	Payroll W/E Feb 27
19741	\$ 2,191.60	US Postmaster	Mail Assessment Change notices
19742	\$ 185.00	US Postmaster	Mailing Permit
19743	\$ 11,003.58	Citizens Gas Fuel Co	Various Heat Bills
19744	\$ 239.88	Verizon North	Police Phone
19745	\$ 217,223.86	City of Adrian: Payroll	Payroll for Mar 5
19746	\$ 14,409.35	First Federal Bank	Soc Security for Mar 5
19747	\$ 15,114.19	Consumers Energy	Various Electric Bills
19748	\$ 93.22	City of Adrian: Utilities	Bohn Pool Water Bill
19749		City of Adrian: Utilities	Transfer State MI Funds
19750	\$ 4,223.25	Quick Service Transportation	Payroll W/E Mar 6
19751	\$ 279.75	City of Adrian: Utilities	Payment for Envelopes
19752	\$ 961.60	Verizon North	Various Phone Bills

\$ 705,454.59	
\$ (427,474.47)	Less: CK# 19739
<b>\$ 277,980.12</b>	

CLAIMANT	AMOUNT CLAIMED	AMOUNT ALLOWED	AMOUNT REJECTED
1. 4 IMPRINT, INC.	494.04		
2. CITY OF ADRIAN	6,966.01		
3. ADRIAN FABRICARE CENTER INC.	690.00		
4. ADRIAN LANDFILL	74.03		
5. ADRIAN LOCKSMITH & CYCLERY	112.58		
6. ADRIAN WATER CONDITIONING IN	19.50		
7. ADVANCE AUTO PARTS COMMERCIA	83.53		
8. AIRGAS GREAT LAKES	142.03		
9. ALLIED WASTE SERVICES	49,214.52		
10. ALLIED WASTE SERVICES #259	3,242.86		
11. AMERICAN OFFICE SOLUTIONS	67.36		
12. APPLIED BUSINESS SOFTWARE	399.60		
13. ARCOA INDUSTRIES LLC	144.84		
14. AREA AGENCIES ON AGING	24.00		
15. CHRIS ATKIN	78.00		
16. BAKER & TAYLOR BOOKS	757.17		
17. BANK OF NEW YORK	583,601.96		
18. BATTERY WHOLESALE	45.70		
19. KRISTIN BAUER	20.00		
20. BELL EQUIPMENT CO	712.74		
21. ROBERT BISHOP	233.15		
22. BLACK SWAMP EQUIPMENT	70.00		
23. BOOK OF THE MONTH CLUB	38.24		
24. BRAKES-N-MORE	262.15		
25. TODD BROWN	20.00		
26. BUCK & KNOBBY EQUIP CO INC	582.85		
27. CDW-G COMPUTER SUPPLIES	2,331.00		
28. CHAMBERS CONTROL COMPANY	2,992.50		
29. CHAMPION PRINTING AND MAILIN	558.33		
30. CLEAN CARE INC	3,956.00		
31. CLIFT BUICK-PONTIAC-GMC	57.65		
32. CMP DISTRIBUTORS, INC.	41.75		
33. COAST TO COAST DELI	52.10		
34. COMCAST	119.42		
35. CONSUMERS ENERGY	3,200.00		
36. CONTINENTAL CARBONIC PRODUCT	895.20		
37. CONTINENTAL SERVICE	556.17		
38. CROSWELL OPERA HOUSE	187.50		
39. CUSTOM TRUCK REPAIR, L.L.C.	39.00		
40. CUTLER DICKERSON CO	893.36		
41. D&P COMMUNICATIONS, INC.	1,945.22		
42. D-P EQUIPMENT CO	330.38		
43. THE DAILY TELEGRAM	2,015.84		
44. DAN'S FARM SUPPLY INC	36.16		
45. DARBY READY-MIX	244.00		
46. DETROIT INDUSTRIAL TOOL	644.97		
47. JACK DOHENY SUPPLIES	1,900.00		
48. DRISCOLL, VIRGINIA	4.48		
49. EAST JORDAN IRON WORKS INC	5,266.19		
50. STEVE EBERLE	20.00		
51. ENGLEWOOD ELECTRICAL SUPPLY	80.27		
52. EXECUTONE COMMUNICATIONS LLC	4,237.38		
53. FASTENAL COMPANY	148.70		
54. WALTER FRAZIER & ASSOCIATES	2,996.00		
55. FYR-FYTER SALES & SERVICE	615.45		
56. GALE	135.02		
57. GENCO BOOT SHOP	225.00		
58. GERKEN MATERIALS INC.	2,447.55		
59. GFS CHEMICALS INC.	624.45		
60. MARK GIGAX	20.00		
61. GOVERNING	24.95		
62. GRAPHICS UNLIMITED	139.25		
63. DENISE GRITZMAKER	20.00		
64. HADDEN TIRE COMPANY	351.00		
65. HARRIS INFOSOURCE	293.50		
66. REBECCA HARRIS	20.00		
67. HILLS AUTO & TRUCK REPAIR IN	16.95		
68. SHANE HORN	20.00		
69. HUBBARDS AUTO CENTER	997.17		
70. HUDSON BRICK YARD INC	658.00		
71. HURON LIME INC.	5,930.07		
72. I C M A VANTAGE POINT	6,199.47		
73. I.T. RIGHT	850.24		
74. IAEEI MICHIGAN CHAPTER	140.00		
75. ICTIAAO	400.00		

CLAIMANT	AMOUNT CLAIMED	AMOUNT ALLOWED	AMOUNT REJECTED
76. ICMA RETIREMENT CORPORATION	155.76		
77. IDEARC MEDIA CORP.	309.25		
78. INDUSTRIAL MILL SUPPLY CORP	37.06		
79. INGRAM LIBRARY SERVICES	138.19		
80. INTERNATIONAL ASSOC OF FIRE	204.00		
81. INTERNATIONAL CODE COUNCIL	50.00		
82. INTERNATIONAL MUNICIPAL	60.00		
83. ITT WATER & WASTEWATER	3,557.86		
84. J T OVERHEAD DOORS	470.00		
85. JAMES DELIVERY SERVICE	190.00		
86. JOHNSTON, JOHN	14.36		
87. KAPNICK INSURANCE GROUP	1,502.45		
88. KELLER THOMA, P.C.	1,709.67		
89. DAVE KNAPP FORD	30.91		
90. KONICA MINOLTA- ALBIN	1,079.05		
91. LEGACY PRINTING	192.10		
92. LENAWEE COUNTY COMMUNITY	260.00		
93. LENAWEE COUNTY EQUALIZATION	3,500.00		
94. LENAWEE COUNTY PRINTER	517.03		
95. LENAWEE COUNTY REGISTER OF D	17.00		
96. LENAWEE COUNTY TREASURER	598.00		
97. LENAWEE INTEMEDIMATE SCHOOLS	71.17		
98. LENAWEE TIRE & SUPPLY CO	1,717.88		
99. LOWE'S CREDIT SERVICES	2,794.63		
100. MANPOWER OF LANSING MI INC.	1,053.00		
101. MAPLE CITY SWINGERS	240.00		
102. GARY MCDOWELL	20.00		
103. MICHIGAN ASSOC OF MAYORS	100.00		
104. MICHIGAN CHAMBER SERVICES I	177.50		
105. MICHIGAN LIBRARY ASSOC	225.00		
106. MICHIGAN OFFICE SOLUTIONS	173.80		
107. MICHIGAN POLICE TRAINING	295.00		
108. MICHIGAN REC & PARK ASSOC	420.00		
109. STATE OF MICHIGAN	1,439.20		
110. MICHIGAN STATE POLICE	380.00		
111. MICHIGAN STATE UNIVERSITY	355.00		
112. MICROMARKETING LLC	424.09		
113. MIDWEST GAS INSTRUMENT SERVI	1,295.00		
114. MIDWEST TAPE	272.99		
115. MOORE MEDICAL LLC	126.90		
116. MORTON INTERNATIONAL	14,565.16		
117. MUGS N' MORE IMAGING	38.00		
118. MUNICIPAL EMPLOYEES' RETIRE	67,516.74		
119. OFFICEMAX CONTRACT INC.	67.78		
120. MIKE OSBORN	20.00		
121. PARAGON LABORATORIES INC	60.00		
122. LYNN PEAVEY CO	71.70		
123. PEERLESS SUPPLY INC	983.25		
124. PERFECTOR SCIENTIFIC	750.00		
125. PERMA-CAP	3,778.73		
126. PITNEY BOWES INC	101.97		
127. PLATINUM PLUS	5,003.53		
128. GLENN PRESTON	20.00		
129. PRINTCOMM	2,558.00		
130. CINDY L PRUE	73.00		
131. PURCHASE POWER	3,037.98		
132. QUICK SERVICE TRANSPORTATION	679.43		
133. QUILL CORPORATION	1,276.81		
134. RECORDED BOOKS LLC.	256.20		
135. RED PAINT PRINTING LLC	345.75		
136. RIO SUPPLY MICHIGAN METER, I	213.61		
137. TIM RITCHIE	20.00		
138. LAMAR W. RUFNER III	33.95		
139. S N S CLEANING SERVICE	525.00		
140. SANCHIN SYSTEMS INC	972.00		
141. SCHELDE NORTH AMERICA LLC	370.60		
142. SHERWIN-WILLIAMS CO	556.83		
143. SHIP TO SHORE COMPUTING INC	450.00		
144. SLUSARSKI EXCAVATING & PAVIN	1,419.00		
145. SNYDER WIRELESS & SATELLITE	14.99		
146. RANDY SPENCE	15.75		
147. SPRINT NEXTEL	183.73		
148. STAPLES CREDIT PLAN	43.94		
149. STATE CHEMICAL MFG CO.	214.67		
150. STEVENSON LUMBER, INC.	90.44		

CLAIMANT	AMOUNT CLAIMED	AMOUNT ALLOWED	AMOUNT REJECTED
151. JOSHUA M. STIVERSON	125.00	_____	_____
152. STRATOS MICROSYSTEMS LLC	247.99	_____	_____
153. SUPER LAUNDROMAT &	277.10	_____	_____
154. TDS SECURITY	378.00	_____	_____
155. THOMSON WEST	349.26	_____	_____
156. TIME EMERGENCY EQUIPMENT INC	421.82	_____	_____
157. TRACTOR SUPPLY COMPANY	126.18	_____	_____
158. PAUL TRINKA	20.00	_____	_____
159. TTB CLEANING LLC	140.00	_____	_____
160. TURFGRASS INC.	275.00	_____	_____
161. U.S. TOY CO, INC	160.87	_____	_____
162. UPSTART LIBRARY PROMOTIONS	534.10	_____	_____
163. UTILITIES INSTRUMENTATION SE	4,845.00	_____	_____
164. WOODLANDS LIBRARY COOPERATIV	20.00	_____	_____
165. WRIGHT TREE SERVICE	3,187.05	_____	_____
**TOTAL ALL CLAIMS**	847,584.26		

# COMMUNICATIONS

C-1

# MEMO

To: Hon. Gary McDowell, Mayor  
City Commission  
Dane Nelson, City Administrator

From: Jeffrey C. Pardee, Finance Director



Re: State Revenue Sharing - Update

Date: March 2, 2010

Actual Revenue Sharing payments for August, October, December and February have been received and recorded. A comparison between estimated and actual is provided as follows:

	State		Variance	
	Estimated	Actual	Amount	Percent
<b><u>August</u></b>				
Constitutional	\$225,718	\$225,718	\$ -0-	0.0 %
Statutory	<u>139,634</u>	<u>139,634</u>	<u>-0-</u>	0.0 %
Sub-Total	<u>\$365,362</u>	<u>\$365,352</u>	<u>\$ -0-</u>	0.0 %
<b><u>October</u></b>				
Constitutional	\$239,158	\$239,158	\$ -0-	0.0 %
%Statutory	<u>116,860</u>	<u>116,860</u>	<u>-0-</u>	0.0 %
Sub-Total	<u>\$356,018</u>	<u>\$356,018</u>	<u>\$ -0-</u>	0.0 %
<b><u>December</u></b>				
Constitutional	\$236,013	\$227,111	\$( 8,902)	(3.8) %
Statutory	<u>121,619</u>	<u>135,535</u>	<u>13,916</u>	11.4 %
Sub-Total	<u>\$357,632</u>	<u>\$362,646</u>	<u>\$ 5,014</u>	1.4 %
<b><u>February</u></b>				
Constitutional	\$250,339	\$247,680	\$( 2,659)	(1.1) %
Statutory	<u>111,034</u>	<u>84,141</u>	<u>(26,893)</u>	(24.2) %
Sub-Total	<u>\$361,373</u>	<u>\$331,821</u>	<u>\$(29,552)</u>	(8.2) %
<b><u>August thru February</u></b>				
Constitutional	\$951,228	\$939,667	\$(11,561)	(1.2) %
Statutory	<u>489,147</u>	<u>476,170</u>	<u>(12,977)</u>	(2.7) %
YTD Total	<u>\$1,440,375</u>	<u>\$1,415,837</u>	<u>\$(24,538)</u>	(1.7) %

With the adoption of the State FY2009-10 Budget, albeit one month late, the year-to-year overall reduction amounted to \$209,643, from \$2,341,174 to \$2,131,531. The City Administration, in anticipation of these reductions, submitted a revised FY2009-10 Budget Recommendation reflecting actions that would result in a savings of \$233,814, which was adopted by the City Commission by Resolution #R09-099 dated June 1, 2009 (copy attached).

In addition, further actions were taken due to the union-represented employees failure to adopt the proposed health care changes. The City Administration implemented FY2009-10 Revised Budget Recommendation - Phase II reflecting additional budget reductions approved by the City Commission June 15, 2009 (Resolution #R09-109-copy attached), moving \$121,615 to the General Fund Contingency Account.

If you have any questions or need for further information, please contact my office.

**RE: CITY ADMINISTRATOR – FY2009-10 Revised Budget Recommendation**

**RESOLUTION #R09-099**

WHEREAS the City Commission, by Resolution #R09-081 dated May 4, 2009, adopted the FY2009-10 Budget and General Appropriations Act, balancing Estimated Revenues and Appropriations for the General Fund and all Funds at \$19,812,299 and \$38,618,238, respectively; and

WHEREAS, on the very next day, May 5, 2009, Governor Jennifer Granholm issued Executive Order 2009-22 reducing the total State budget by \$349,337,200, including \$41,400,000 if State Revenue Sharing to local units of government; and

WHEREAS the adverse impact on the City of Adrian General Fund, as estimated by the Finance Director, amounts to \$209,643 for the period May, 2009 through June, 2010; and

WHEREAS three pertinent paragraphs of the General Appropriations Act apply in situations like this:

§24) Whenever it appears to the Chief Administrative Officer (CAO) that actual and probable revenues in any fund will be less than the estimated revenues upon which appropriations from such funds are based, the CAO shall present to the City Commission recommendations which, if adopted, will prevent expenditures from exceeding available resources for the current fiscal year.

§11) The City Commission may revise, alter or substitute for the proposed general appropriations measure in any way, except that it may not change it in a way that would cause total appropriations, including an accrued deficit, to exceed total estimated revenues, including an un-appropriated surplus.

§19) No obligation shall be incurred against, and no payment shall be made from, any appropriations account unless there is sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligation; and

WHEREAS, in response to the foregoing requirements, the City Administrator has formulated the following recommendations to revise the FY2009-10 Budget to balance appropriations with anticipated revenues:

First, revise the City's Health Care Plan for Non-Represented Employees (effective July 1, 2009), reducing the annual employer cost from \$611,811 to \$545,443, resulting in a Citywide net savings of \$66,368 (\$39,920 in the General Fund) due to the following changes:

- Increase Office Visit Co-Pay from \$10 to \$30;
- Increase Chiropractic Office Visit Co-Pay for \$0 to \$30;
- Increase Emergency Room Visit Co-Pay from \$25 to \$50;
- Remove routine mammography services from deductible portion of contract, thereby providing full coverage (100%), with no co-pay;
- Increase \$10 Generic/\$40 Brand Name Co-Pay for Mail Order and Retail 90-day Prescriptions from one to two times; and

Second, institute a high-deductible Health Reimbursement Arrangement (HRA) for Non-Represented Employees (effective January 1, 2010), increasing the Current In-Network Deductible (One-Person/Family) of \$250 to New Plan In-Network Deductible Community Blue Plan 12-A One-Person \$1,000 and Family \$2,000, reducing the annual premium from \$836,408 to \$710,752, resulting in a Citywide gross savings of \$125,656, which is significantly offset by the City's obligation to reimburse employees for the increased deductibles (\$102,310) and Administrative Expenses (\$4,772) associated with the new program, leaving a net annual savings of \$18,574, assuming 100% utilization. At 60% utilization the annual savings for Non-Represented Employees would amount to \$59,498; half the annual savings on a Citywide basis – assuming a January start date – amounts to \$29,749 (General Fund Savings - \$17,894); and

Third, incorporate the following miscellaneous budget adjustments to make-up the balance of the estimated reductions in State Revenue Sharing:

- Eliminate publication of the Maple City Focus, using the City's upgraded website to provide public communication (General Fund Savings - \$26,000);
- Eliminate DPW Building – Siding & Window Replacement, in favor of painting current brick fascia (General Fund Savings - \$100,000);
- Transfer \$10,000 of the Malone Library Trust to the Library Book Budget, rather than reduce the Library Book Budget (General Fund Savings - \$10,000);
- Initiate aggressive collection of outstanding Delinquent Personal Property Taxes (General Fund Revenue \$40,000); and

WHEREAS implementation of the foregoing recommendations would result in an estimated favorable impact on the City General Fund amounting to \$233,814, more than offsetting the projected loss of State Revenue Sharing Funds and increasing the Contingency Account by \$24,171.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, adopts the foregoing recommended action plan and budget adjustments (see attached schedule) to the FY2009-10 Budget and General Appropriations Act in order to address the imbalanced condition resulting from the Governor's Executive Order reducing State Revenue Sharing.

On motion by Commissioner \_\_\_\_\_, seconded

by Commissioner \_\_\_\_\_, this resolution was \_\_\_\_\_

by a \_\_\_\_\_ vote.

**CITY OF ADRIAN**  
**FY2009-10 REVISED BUDGET RECOMMENDATION**  
Phase I - June 1, 2009

	<b>CURRENT BUDGET</b>	<b>PROPOSED BUDGET</b>	<b>BUDGET AMENDMENT</b>
<b>1) Revised Health Care Plan for Non-Represented Employees:</b>			
<b>General Fund</b>			
101-172.00-716.000	City Administration	\$21,350	\$17,996 (\$3,354)
101-201.00-716.000	Finance	35,239	29,703 (5,536)
101-209.00-716.000	Assessing	4,323	3,644 (679)
101-210.00-716.000	City Attorney	3,626	3,056 (570)
101-215.00-716.000	City Clerk	1,686	1,421 (265)
101-226.00-716.000	Human Resources	4,323	3,644 (679)
101-276.00-716.000	Cemetery	26,960	22,724 (4,236)
101-301.00-716.000	Police Department	36,599	30,849 (5,750)
101-336.00-716.000	Fire Department	10,675	8,998 (1,677)
101-371.00-716.000	Code Inspection	27,447	23,135 (4,312)
101-441.00-716.000	Public Works	35,582	29,992 (5,590)
101-449.00-716.000	Engineering	25,924	21,851 (4,073)
101-691.00-716.000	Parks & Recreation	68,183	57,471 (10,712)
101-697.00-716.000	Forestry Division	12,962	10,926 (2,036)
101-698.00-716.000	Heritage Park	13,216	11,140 (2,076)
101-738.00-716.000	Library	39,905	33,636 (6,269)
101-990.00-990.000	Contingency	27,556	85,370 57,814
<b>Total General Fund</b>		<b>\$395,556</b>	<b>\$395,556</b> <b>\$0</b>
<b>Other Funds</b>			
205-699.00-716.000	<b>Fee Estate</b>	\$24,906	\$20,993 (\$3,913)
205-990.00-990.000	Contingency	0	3,913 3,913
<b>Total Fee Estate</b>		<b>\$24,906</b>	<b>\$24,906</b> <b>\$0</b>
275-826.00-716.000	<b>Community Development</b>	\$4,323	\$3,644 (\$679)
275-990.00-990.000	Contingency	18,985	19,664 679
<b>Total Community Development</b>		<b>\$23,308</b>	<b>\$23,308</b> <b>\$0</b>
276-834.00-716.000	<b>Economic Development</b>	\$5,759	\$4,854 (\$905)
276-990.00-990.000	Contingency	0	905 905
<b>Total Economic Development</b>		<b>\$5,759</b>	<b>\$5,759</b> <b>\$0</b>
281-290.00-716.000	<b>DDA-TIF Fund</b>	\$2,896	\$2,441 (\$455)
281-990.00-990.000	Contingency	10,000	10,455 455
<b>Total DDA_TIF</b>		<b>\$12,896</b>	<b>\$12,896</b> <b>\$0</b>
590-541.00-716.000	<b>Wastewater Plant</b>	\$54,930	\$46,300 (\$8,630)
590-990.00-990.000	Contingency	0	8,630 8,630
<b>Total Wastewater Fund</b>		<b>\$54,930</b>	<b>\$54,930</b> <b>\$0</b>
591-535.00-716.000	<b>Water Plant</b>	\$25,924	\$21,851 (\$4,073)
591-537.00-716.000	Operations & Maintenance	49,561	41,775 (7,786)
591-538.00-716.000	Utility Administration	48,077	40,524 (7,553)
91-990.00-990.000	Contingency	175,282	194,694 19,412
<b>Total Water Fund</b>		<b>\$298,844</b>	<b>\$298,844</b> <b>\$0</b>

Prepared by Finance Dept.

**CITY OF ADRIAN**  
**FY2009-10 REVISED BUDGET RECOMMENDATION**  
**Phase I - June 1, 2009**

	<b>CURRENT BUDGET</b>	<b>PROPOSED BUDGET</b>	<b>BUDGET AMENDMENT</b>
661-290.00-716.000 <b>Information Technology</b>	\$12,962	\$10,927	(\$2,035)
661-990.00-990.000 Contingency	0	2,035	2,035
<b>Total Information Technology Fund</b>	<b>\$12,962</b>	<b>\$12,962</b>	<b>\$0</b>
662-290.00-716.000 <b>Motor Vehicle Pool</b>	\$14,473	\$12,199	(\$2,274)
662-990.00-990.000 Contingency	60,933	63,207	2,274
<b>Total Motor Vehicle Pool</b>	<b>\$75,406</b>	<b>\$75,406</b>	<b>\$0</b>
<b>2) Eliminate publication of Maple City Focus:</b>			
101-101.00-881.000 Public Communication	\$26,000	\$0	(\$26,000)
101-990.00-990.000 Contingency	85,370	111,370	26,000
	<b>\$111,370</b>	<b>\$111,370</b>	<b>\$0</b>
<b>3) Eliminate PW Building - Siding &amp; Window Replacement:</b>			
101-441.00-975.000 DPW-Capital Facilities	\$110,000	\$10,000	(\$100,000)
101-990.00-990.000 Contingency	111,370	211,370	100,000
	<b>\$221,370</b>	<b>\$221,370</b>	<b>\$0</b>
<b>4) Transfer \$10,000 Malone Library Trust for Library Book Budget:</b>			
101-990.00675.073 Donations-Private-Library	\$8,000	\$18,000	\$10,000
101-990.00-990.000 Contingency	211,370	221,370	10,000
<b>5) Initiate aggressive collection of outstanding Delinquent Personal Property Taxes:</b>			
101-990.00-???000 Del. Pers. Prop. Taxes	\$0	\$40,000	\$40,000
101-990.00-990.000 Contingency	221,370	261,370	40,000
<b>6) Governor's Executive Order (2009-22) reducing Revenue Sharing:</b>			
101-990.00-575.000 Sales & Use Tax	\$2,341,174	\$2,131,531	(\$209,643)
101-990.00-990.000 Contingency	261,370	51,727	(209,643)

**RE: CITY ADMINISTRATOR–FY2009-10 Revised Budget Recommendation – PHASE II**

**RESOLUTION #R09-109**

WHEREAS the City Commission, by Resolution #R09-099 dated June 1, 2009, amended the FY2009-10 Budget and General Appropriations Act to compensate for the anticipated reduction in State Revenue Sharing due to Governor Jennifer Granholm's Executive Order 2009-22 reducing the total State budget by \$349,337,200, including \$41,400,000 of State Revenue Sharing to local units of government; and

WHEREAS a portion of the savings reflected in the aforementioned budget amendment was attributable to a change in the City's Health Care Program for all non-represented employees, which took the form of increased co-pays (effective July 1, 2009) and anticipated conversion to a Health Reimbursement Arrangement (HRA), effective January 1, 2010; and

WHEREAS, since the June 1 Commission meeting, the City's four (4) union employee groups, i.e., Patrol Officers, Sergeants, Firefighters and General Laborers (T-POAM), have been requested to voluntarily accept the same changes to the City's Health Care Program; all four (4) unions have rejected the proposal; and

WHEREAS due to the fact that the negative financial picture is expected to continue for at least two (2) more years in the best of circumstances and given the reductions in revenue due to the Governor's Executive Order, as well as the actuarial estimated increase in Employer's Retirement Contribution of \$160,000 beginning July 1, 2010, the City Administrator recommends the following steps to maintain a balanced budget:

- 1) Police Department – Eliminate one (1) Detective Sergeant position (No. 301-004), effective July 1, 2009 (Estimated Annual Savings – \$88,615);
- 2) Fire Department – Misc. Operating Budget Reductions, including In-Service Training, Overtime and Firefighters' Turnout Gear (Estimated Annual Savings – \$16,000);
- 3) Water Fund-Maintenance & Operations – Eliminate one (1) PSE II position (No. 537-009), effective July 1, 2009 (Estimated Annual Savings – \$38,397);
- 4) Fee Estate Fund-Parks & Forestry Division – Eliminate two (2) Seasonal Positions (Effective July 1, 2009) and two (2) positions from Tree Trimming Crew (Effective January 1, 2010), in favor of Contracted Service: PSE IV No. 699-003 and PSE III No. 699-004 (Estimated Annual Savings – \$51,302);
- 5) Motor Pool Fund-Parks & Forestry Division – Eliminate Acquisition of Aerial Truck (Estimated Annual Savings – \$145,000);
- 6) Department of Public Works – Reduce Seasonal Employees working hours from 40 hrs/wk to 24 hrs/wk; don't fill current seasonal vacancy; don't fill anticipated August seasonal vacancy; if Engineering Aide position is filled with candidate from seasonal pool, don't fill resultant vacancy (Estimated Annual Savings – \$17,000); and

WHEREAS the resultant estimated annual savings associated with the foregoing recommendations total \$356,314 (\$121,615 for the General Fund and \$234,600 for all Other Funds); and

WHEREAS THE Finance Director indicates that implementation of the recommended budget amendments would increase the Contingency Account in each of the following funds:

• (101) General Fund	\$121,705
• (591) Water Fund	38,397
• (205) Fee Estate Fund	32,650
• (662) Motor Pool Fund	<u>145,000</u>
Total	<u>\$337,752</u>

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, adopts the foregoing recommended action plan and budget adjustments (see attached schedule) to the FY2009-10 Budget and General Appropriations Act in order to address the negative financial picture, which is expected to continue for at least two (2) more years in the best of circumstances and given the reductions in revenue due to the Governor's Executive Order, as well as the actuarial estimated increase in Employer's Retirement Contribution of \$160,000 beginning July 1, 2010.

On motion by Commissioner \_\_\_\_\_, seconded

by Commissioner \_\_\_\_\_, this resolution was \_\_\_\_\_

by a \_\_\_\_\_ vote.

**CITY OF ADRIAN**  
**FY2009-10 REVISED BUDGET RECOMMENDATION**  
**Phase II - June 15, 2009**

	<b>CURRENT BUDGET</b>	<b>PROPOSED BUDGET</b>	<b>BUDGET AMENDMENT</b>	<b>ANNUAL SAVINGS</b>
<b>1) POLICE DEPARTMENT - Eliminate one (1) Detective Sergeant Position (No. 301-004): (Effective July 1, 2009)</b>				
<b>General Fund</b>				
101-301.00-702.000 Salaries & Wages	\$53,003	\$0	(\$53,003)	\$53,003
101-301.00-715.000 Soc Sec (Med-Care only)	769	0	(769)	769
101-301.00-716.000 Hospitalization	14,881	0	(14,881)	14,881
101-301.00-717.000 Life Insurance;AD&D	161	0	(161)	161
101-301.00-718.000 Retirement Contrib.	17,804	0	(17,804)	17,804
101-301.00-719.000 Unemployment Comp.	248	0	(248)	248
101-301.00-914.000 Workers' Comp.	1,749	0	(1,749)	1,749
101-990.00-990.000 Contingency	51,727	140,342	88,615	0
<b>Total General Fund</b>	<b>\$140,342</b>	<b>\$140,342</b>	<b>\$0</b>	<b>\$88,615</b>
<b>2) Fire Department - Misc. Operating Budget Reductions, including In-Service Training, Overtime and Firefighters' Turnout Gear:</b>				
<b>General Fund</b>				
101-336.00-704.000 Overtime	\$36,724	\$34,724	(\$2,000)	\$2,000
101-336.00-957.000 In-Service Training	8,000	0	(8,000)	8,000
101-336.00-977.000 Capital Equipment	6,000	0	(6,000)	6,000
101-990.00-990.000 Contingency	140,342	156,342	16,000	0
<b>Total General Fund</b>	<b>\$191,066</b>	<b>\$191,066</b>	<b>\$0</b>	<b>\$16,000</b>
<b>3) Water Fund - Operations &amp; Maintenance: Eliminate one (1) Public Service Employee (PSE II) (Position No. 537-009 effective July 1, 2009)</b>				
<b>Water Fund</b>				
591-537.00-702.000 Salaries & Wages	\$26,959	\$0	(\$26,959)	\$26,959
591-537.00-715.000 Social Security	2,062	0	(2,062)	2,062
591-537.00-716.000 Hospitalization	5,114	0	(5,114)	5,114
591-537.00-717.000 Life Insurance;AD&D	99	0	(99)	99
591-537.00-718.000 Retirement Contrib.	2,709	0	(2,709)	2,709
591-537.00-719.000 Unemployment Comp.	126	0	(126)	126
591-537.00-723.000 Sick & Accident Ins.	255	0	(255)	255
591-537.00-914.000 Workers' Comp.	1,073	0	(1,073)	1,073
591-990.00-990.000 Contingency	194,694	233,091	38,397	0
<b>Total Water Fund</b>	<b>\$233,091</b>	<b>\$233,091</b>	<b>\$0</b>	<b>\$38,397</b>

CITY OF ADRIAN  
 FY2009-10 REVISED BUDGET RECOMMENDATION  
 Phase II - June 15, 2009

		CURRENT BUDGET	PROPOSED BUDGET	BUDGET AMENDMENT	ANNUAL SAVINGS
<b>4) Fee Estate Fund - Parks &amp; Forestry Division - Eliminate two (2) Seasonal Positions (Effective July 1, 2009) and two (2) positions from Tree Trimming Crew (Effective January 1, 2010), in favor of Contracted Service: (P.S.E.IV No. 699-003 and P.S.E.III-A No. 699-004):</b>					
<b>Fee Estate Fund</b>					
205-699.00-702.000	Salaries & Wages	\$238,779	\$200,389	(\$38,391)	\$76,782
205-699.00-703.000	Salaries & Wages - PTNE	48,844	34,844	(14,000)	14,000
205-699.00-715.000	Social Security	22,462	19,525	(2,937)	5,874
205-699.00-716.000	Hospitalization	54,322	45,562	(8,760)	17,521
205-699.00-717.000	Life Insurance;AD&D	717	601	(117)	233
205-699.00-718.000	Retirement Contrb.	24,892	21,034	(3,859)	7,717
205-699.00-719.000	Unemployment Comp.	1,371	1,192	(179)	358
205-699.00-723.000	Sick & Accident Ins.	788	522	(267)	533
205-699.00-914.000	Workers' Comp.	23,960	20,318	(3,642)	7,284
205-699.00-801.000	Contract Services	55,100	94,600	39,500	(79,000)
205-990.00-990.000	Contingency	3,913	36,563	32,650	0
<b>Total Fee Estate Fund</b>		<b>\$475,148</b>	<b>\$475,148</b>	<b>\$0</b>	<b>\$51,302</b>

<b>5) Motor Pool Fund-Parks &amp; Forestry Division - Eliminate acquisition of Aerial Truck:</b>					
<b>Motor Pool Fund</b>					
662-697.62-977.000	Capital Equipment	\$145,000	\$0	(\$145,000)	\$145,000
662-990.00-990.000	Contingency	60,933	205,933	145,000	0
<b>Total Motor Pool Fund</b>		<b>\$205,933</b>	<b>\$205,933</b>	<b>\$0</b>	<b>\$145,000</b>

<b>6) Department of Public Works - Reduce Seasonal Employees working hours from 40 hrs/wk to 24 hrs/wk; don't fill curent seasonal vacancy; don't fill anticipated August seasonal vacancy; if Engineering Aide position is filled with candidate from seasonal pool, don't fill resultant vacancy.</b>					
<b>General Fund</b>					
101-441.00-702.000	Salaries & Wages	\$75,254	\$64,690	(\$10,564)	\$10,564
101-441.00-703.000	Salaries & Wages (PTNE)	9,793	5,876	(3,917)	3,917
101-301.00-715.000	Social Security	28,151	27,402	(749)	749
101-301.00-719.000	Unemployment Comp.	1,719	1,673	(46)	46
101-301.00-914.000	Workers' Comp.	29,768	28,044	(1,724)	1,724
101-990.00-990.000	Contingency	156,432	173,432	17,000	0
<b>Total General Fund</b>		<b>\$301,117</b>	<b>\$301,117</b>	<b>\$0</b>	<b>\$17,000</b>

<b>Total General Fund Annual Savings</b>	<b>\$121,615</b>
<b>Total Other Fund Annual Savings</b>	<b>234,699</b>
<b>Grand Total Annual Savings</b>	<b><u>\$356,314</u></b>

C-2



**MEMO**

Date: March 4, 2010

To: Dane C. Nelson, City Administrator  
Hon. Gary McDowell, Mayor  
City Commission

cc: Kristin Bauer, City Engineer

From: Jeffrey C. Pardee, Finance Director

A handwritten signature in black ink, appearing to read 'Jeffrey C. Pardee'.

Re: **Notice of Audit Results – Beecher Street Paving Grant**

The Adrian City Commission, by Resolution #R06-191 dated December 18, 2006, authorized acceptance of a grant award (contract #2006-5590) in the amount of \$375,000 for the purpose of reconstructing Beecher Street from Main Street to Treat Street. The Project was completed in FY2007-08 at a total cost of \$1,086,569, with the balance of funding derived from the Major Street Fund - Act 51 monies.

Please find attached the Michigan Department of Transportation (MDOT) Audit Results (Report No. 2010-97) regarding the financial reporting of the aforementioned grant. I am pleased to report that there were no adverse audit findings and that the project books have been satisfactorily closed. If you have any questions or need for further information, please contact my office.

**RE: DEPARTMENT OF PUBLIC WORKS –Grant Contract for  
Beecher Street Paving Project**

**RESOLUTION #R06-191**

WHEREAS the City Engineer has engaged the grant writing services of Associated Engineers and Surveyors, (AES) Inc, Adrian, MI, at a cost of \$1,500 to prepare a grant application to the Michigan Department of Transportation (MDOT) to fund the Beecher Street Pavement Rehabilitation Project – from M-52 east to Treat Street; and

WHEREAS the MDOT has awarded the City of Adrian Category F grant funding in the amount of \$375,000 for the aforementioned project scheduled for the 2007 construction season; City costs will include pre-construction design, administrative staff support and fifty (50%) matching funds for direct construction expense; and

WHEREAS the City Engineer and City Administrator recommend that the grant award of \$375,000 be accepted, that the Mayor and City Clerk be authorized to execute the grant contract (Contract No. 06-5590; Job Number 88914) with MDOT, and appropriate budget amendment be made.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission by this resolution hereby accepts of the MDOT Grant Award in the amount of \$375,000 for the Beecher Street Paving Project and authorizes the Mayor and City Clerk to execute the grant contract (Contract No. 06-5590; Job Number 88914) with MDOT.

BE IT FURTHER RESOLVED that the FY2006-07 Budget be amended as follows:

**Major Street Fund (202)**

Revenue:

(202-000.00-516.202) Beecher Street Paving Grant \$375,000

Expenditures:

(202-451.03-801.000) Street Construction – Contract Services 375,000

Total \$ -0-

On motion by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, this resolution was adopted by a \_\_\_\_\_ vote.

STATE OF MICHIGAN

FORM DMB-287  
REV 11/94)

PURCHASE ORDER

PURCHASE ORDER  
NUMBER | 591N7203485

REQUESTING DEPARTMENT OR AGENCY : MDOT-OFFICE OF ECONOMIC DEVELOPMENT  
MICHIGAN DEPT OF TRANSPORTATION  
OFFICE OF ECONOMIC DEVELOPMENT

425 W. OTTAWA  
LANSING MI 48933

CONTACT: MARALOY THOMAS | DELIVERY REQUIRED | AGENCY REF # | REQ NO. | ORDER DATE  
517 241-2514 EXT: | 04/02/07 | 59110800 | 591N7203485 | 03/28/07

CITY OF ADRIAN  
CITY TREASURER  
100 E CHURCH STREET  
ADRIAN MI 49221

CASH DISCOUNT : NET 30 DAYS  
DELIVERY REQUIRED :  
FREIGHT CARRIER :  
F.O.B. : DELIVERED

VENDOR ID : 2386004654/001

VENDOR PHONE : -

SHIP TO:

BILL TO:

ITEM	COMMODITY ID	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE
COMMODITY NAME/SPECIFICATIONS					
1	946-62	1.00	EA	375,000.0000	375,000.00

GRANT AWARD

CATEGORY A GRANT NO. 408 - CITY OF ADRIAN, BEECHER STREET, CONTRACT #0  
6-5590

GRAND TOTAL

375,000.00

ADDITIONAL REQUIREMENTS :

ACCOUNTING INFORMATION :

SX	AGY	Y	INDEX	PCA	COBJ	AOBJ	GRANT	PH	PROJ	PH	AG1	AG2	AG3	TOTAL
01	591	7	11005	69900		6119			88914A00					375000.00

PENALTY: FAILURE TO DELIVER MAY RESULT IN CANCELLATION OF ORDER OR CONTRACT

--- END OF DOCUMENT ---



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

KIRK T. STEUDLE  
DIRECTOR

March 2, 2010

Mr. Jeffery Pardee  
City of Adrian  
100 E. Church Street  
Adrian, Michigan 49221-2773

Dear Mr. Pardee:

**NOTICE OF AUDIT RESULTS**  
Audit Report No. 2010-97

Enclosed is a copy of the subject auditor's report, prepared by the Office of Commission Audits. We ask that you review the audit findings. No action on your part is required, if you concur, due to all reported costs being determined to be in substantial compliance.

If you have any questions, please contact me, at (517) 373-2756.

Sincerely,

A handwritten signature in cursive script that reads "Rose M. Grinage".

Rose M. Grinage  
Enhancement Technician  
Local Agency Programs

Enclosure



STATE OF MICHIGAN  
STATE TRANSPORTATION COMMISSION  
LANSING



JENNIFER M. GRANHOLM  
GOVERNOR

OFFICE OF COMMISSION AUDITS

AUDITOR'S REPORT 2010-97

City of Adrian  
Contract 2006-5590

We have reviewed the special-purpose Request for Payment Form and Project Cost Reporting & Certification Form (Requests) applicable to the above-referenced contract submitted by the City of Adrian for the period of March 21, 2007 through July 10, 2007. Our review was made in accordance with standards established by the American Institute of Certified Public Accountants. All information included in the Requests is the representation of the management of the city.

A review consists principally of inquiries of local agency personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted government auditing standards, the objective of which is to form an opinion regarding the costs reported under the contract. Accordingly, we do not express such an opinion.

The Requests were prepared for the purpose of reporting costs incurred, as provided for under the terms of Contract 2006-5590, between the city and the Michigan Department of Transportation, dated February 12, 2007, and are not intended to be a presentation in conformity with generally accepted accounting principles.

Based on our review, we are not aware of any material modifications that should be made to the amounts included in the Requests referred to above, and as shown in the attached Summary of Review, in order for them to be in conformity with the terms and conditions of the contract.

This report is intended solely for the information and use of the Michigan Department of Transportation.

Date: January 27, 2010

*Office of Commission Audits*  
Office of Commission Audits  
Jerry J. Jones, C.P.A.  
Commission Auditor

City of Adrian  
Summary of Review  
Contract 2006-5590  
Department Job Numbers 88914A

Total Reported Costs

\$ 1,086,569

REGULAR

AGENDA

0-1



135 East Maumee Street.  
Community Development Department  
Adrian, MI 49221

March 8, 2010

Honorable Mayor  
and City Commission:

On March 2, 2010, the Adrian City Planning Commission moved unanimously to recommend to the City Commission the approval of amending Articles VIII – RM-1 Low Rise Multiple Family Residential District, IX – RM-2 High Rise Multiple Family Residential District and XIIA R-O Residential Office District of the Zoning/Development Regulations.

These text amendments pertain to housing shelters, temporary housing facilities and emergency shelters in the RM-1, RM-2 and R-O districts. The language that was adopted 2008 addresses the distances shelters can be from each other, off-street parking, number of residents in a facility, storage of refuse, visitation hours and screening. After reviewing several requests for this type of use, the Planning Commission felt that the closeness to single family residential districts should be mentioned in the requirements.

Discussion on these changes started at the December 1, 2009 meeting, with a public hearing being held on February 2, 2010. The Commission tabled a decision at the February meeting in order to obtain maps from the Community Development that would show existing shelters, the number of parcels in zoning districts allowing such a use and single family residential districts (R-1, R-2, R-3 and R-4). Discussion dealt with the distances existing shelters should be from one another and from single family districts. Initially the proposed language stated that existing shelters should be 1,500 feet from each other and 300 feet from any single family residential district. After considerable discussion, the Planning Commission felt that 1,500 feet would be too restrictive, but shelters 300 feet from existing shelters would not be too restrictive. In reviewing the maps, it was felt that such shelters should not abut a single-family residential district.

Respectfully submitted,

Denise Cook, Secretary

## ORDINANCE NO. 10-003

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF ADRIAN BY AMENDING ARTICLE VIII – RM-1 LOW RISE MULTIPLE-FAMILY RESIDENTIAL DISTRICT, ARTICLE IX – RM-2 HIGH RISE MULTIPLE-FAMILY RESIDENTIAL DISTRICT AND ARTICLE XI A – R-O RESIDENTIAL OFFICE DISTRICT, OF THE CITY OF ADRIAN ZONING/DEVELOPMENT REGULATIONS

The City of Adrian Ordains:

1. That Subsections 5, 6, 7 and 8 of Section 8.2 of Article VIII of the City of Adrian Zoning/Development Regulations, shall amended to read as follows: (bold print indicates new text and "strikethrough" indicates text to be deleted)

### ARTICLE VIII

#### RM-1 LOW RISE MULTIPLE-FAMILY RESIDENTIAL DISTRICT

SECTION 8.0 INTENT: The RM-1 Low Rise Multiple-Family Residential Districts are designed to provide sites for multiple-family dwelling structures and related uses, which will generally serve as zones of transition between the non-residential districts and the lower density Single-Family Districts. The Multiple-Family district is further provided to serve the limited needs for the apartment type of unit in an otherwise medium density, single-family community.

SECTION 8.1 PRINCIPAL USES PERMITTED: In a RM-1 Multiple-Family Residential District, no building or land shall be used and no building shall be erected except for one or more of the following specified uses unless otherwise provided in this ordinance:

1. All uses permitted in the RT Two-Family Residential District.
2. Garden apartments
3. Townhouses
4. Three and four family dwellings
5. Adult Foster Care Facilities (medium 7-12 residents and large 13-24 residents).

SECTION 8.2 USES SUBJECT TO ZONING EXCEPTION PERMIT:

1. Congregate living facilities, subject to Section 25.13

2. Single-room occupancy facilities, subject to Section 25.12
3. Housing for the elderly, subject to Section 24.02
4. Group family homes, subject to Section 2.52 (C) and Section 25.15
5. Housing Shelters subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
  - (b) Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.
6. Transitional Housing Facilities subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
  - (b) Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.
7. Temporary Shelters subject to the following conditions:

- ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
  - (b) Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**
8. Student Group Homes subject to Section 2.41.01 (C) and Section ~~25.15~~ **25.15 A**

SECTION 8.3 SITE PLAN APPROVAL: For all principal uses and uses subject to a zoning exception permit, a site plan shall be submitted in accordance with Section 4.6.

SECTION 8.4 AREA, HEIGHT, BULK AND PLACEMENT REQUIREMENTS: All uses permitted in the RM-2 High Rise Multiple-Family Residential Districts shall be in accordance with Article XXIV, Schedule of Regulations.

2. That Subsections 5, 6, 7 and 8 of Section 9.2 of Article IX of the City of Adrian Zoning/Development Regulations, shall amended to read as follows: (bold print indicates new text and "strikethrough" indicates text to be deleted)

## **ARTICLE IX RM-2 HIGH RISE MULTIPLE-FAMILY RESIDENTIAL DISTRICT**

SECTION 9.0 INTENT: The RM-2 Multiple-Family Residential Districts (High Rise) are designed to provide sites for high density multiple dwelling structures adjacent to high traffic generators commonly found in the proximity of Central Business Districts and areas abutting major thoroughfares. This district is further provided to serve the residential needs of persons desiring the apartment type of accommodation with central services as opposed to the residential patterns found in the Single-

Family and RM-1 Multiple-Family Residential Districts. This district is further designed to provide lower coverage which, in turn, will result in more open space.

SECTION 9.1 PRINCIPAL USES PERMITTED: In the RM-2 High Rise Multiple Family District, no building or use shall be erected or used except for one or more of the following specified uses.

1. Multiple family dwellings of any height.
2. Accessory buildings and uses customarily incidental to any of the above permitted uses.

SECTION 9.2 USES SUBJECT TO SPECIAL EXCEPTION PERMIT:

1. Housing for the elderly, subject to Section 24.02.
2. Congregate living facilities, subject to Section 25.13.
3. Convalescent and nursing homes subject to Section 25.09.
4. Private clubs and lodges, subject to Section 25.05.
5. Housing Shelters subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
  - (b) Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**
6. Transitional Housing Facilities subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~

- (a) **The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
  - (b) **Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
  - (c) **Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.
7. Temporary Shelters subject to the following conditions:
- ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) **The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
  - (b) **Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
  - (c) **Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.
8. Student Group Homes subject to Section 2.41.01 (C) and Section ~~25.15~~ **25.15A**

SECTION 9.3 SITE PLAN APPROVAL: For all principal uses and uses subject to a zoning exception permit, a site plan shall be submitted in accordance with Section 4.6.

SECTION 9.4 AREA, HEIGHT, BULK AND PLACEMENT REQUIREMENTS: For all uses permitted in the RM-2 High Rise Multiple-Family District shall be in accordance with Article XXIV, Schedule of Regulations.

3. That Subsections 10, 11 and 12 of Section 12A.03 of Article XIIA of the City of Adrian Zoning/Development Regulations, shall amended to read as follows: (bold print indicates new text and "strikethrough" indicates text to be deleted)

**ARTICLE XIIA  
R-0, RESIDENTIAL OFFICE DISTRICT**

SECTION 12A.01: The R-O district is designed to provide viable uses for large old structures near the Central Business District, recognizing that market forces change the demand for such space. The structures are typically old, potentially historic buildings that began as residences. The district provides a transition between the Central Business District and single-family residences. Access is via Major Streets and Thoroughfares. The intent of this district is to provide residential dwellings on the upper floors, and provide an option for first floor use either office space or residential space. The goal of this district is to encourage the maintenance and upkeep of historically significant structures by enhancing their economic viability. The types of office uses allowed are intended to minimize the demand for parking, specifically high volume, high turnover demand.

SECTION 12A.02 PRINCIPAL USES PERMITTED:

1. One- and two-family residential dwelling units.
2. Executive, administrative and professional offices.
3. Insurance, real estate and similar uses with a low volume of customer contacts.
4. Establishments which perform personal services, such as barber shops, alterations and tattoo parlors. Uses that generate a high parking demand, such as exercise or dance studios, are prohibited.
5. Accessory buildings or uses customarily incidental to any of the above uses.

SECTION 12A.03 USES SUBJECT TO A ZONING EXCEPTION PERMIT:

1. Mortuaries, subject to Section 14.03 (9).
2. Standard restaurants as defined in Section 2.99.15 (D), subject to Section 4.37 (H) (3) (g).
3. Bed and breakfast facilities subject to Section 25.04.

4. Group family homes, subject to Section 2.52 (C) and Section 25.15.
5. Churches, subject to Section 25.07.
6. Medical offices, including clinics and medical laboratories.
7. Child care centers as defined in Section 2.46 (A).
8. Veterinary clinics and veterinary hospitals provided that all activities are conducted within a permanently enclosed building.
9. Three- and four-family dwelling units, provided that:
  1. Two parking spaces are provided for each unit.
  2. Minimum floor area of 400 square feet for a one bedroom, or efficiency shall be provided. For each additional bedroom, an additional 100 square feet shall be provided.
10. Housing Shelters subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
  - (b) Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**
11. Transitional Housing Facilities subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~

- (a) **The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
- (b) **Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
- (c) **Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
- (d) Subject to Section 2.52 (C) and Section 25.15.

12. Temporary Shelters subject to the following conditions:

- ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
- (a) **The parcel upon which such a facility is located shall not be less than 300 feet from a parcel upon which another such facility is sited.**
- (b) **Such facility shall not be located on a parcel which abuts another parcels that is zoned single-family residential (e.g. R-1, R-2, R-3 and R-4).**
- (c) **Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
- (d) Subject to Section 2.52 (C) and Section 25.15.

SECTION 12A.04 SITE PLAN REVIEW: For all principal uses and uses subject to a zoning exception permit, a site plan shall be submitted in accordance with Section 4.6. For any change in use for the first floor of a structure, from a residential use to office, or office to residential, a parking plan shall be provided demonstrating conformance to parking requirements for the proposed use.

SECTION 12A.05 REQUIRED CONDITIONS:

1. No front porch may be reduced in size or enclosed.
2. No parking in the front yard will be allowed.

3. When deemed appropriate by the Planning Commission, a fence, wall or landscaped buffer strip may be required between uses in the R-O district and adjacent residential zoning districts or uses.

SECTION 12A.06 AREA, HEIGHT, BULK AND PLACEMENT

REQUIREMENTS: Area, height, bulk, and placement requirements shall be in accordance with Article XXIV, Schedule of Regulations.

INTRODUCTION..... March 15, 2010  
SUMMARY PUBLISHED.....  
ADOPTION.....  
COMPLETE PUBLICATION.....  
EFFECTIVE DATE .....

On motion by Commissioner \_\_\_\_\_, seconded by  
Commissioner \_\_\_\_\_ this Ordinance was \_\_\_\_\_  
by a \_\_\_\_\_ vote.



Melching Demolition Nunica, MI	\$ 110,000.00
Bierlein Midland, MI	\$ 113,100.00
Beal Inc Toledo OH	\$ 133,900.00

I recommend the project be awarded to Slusarski Excavating. Slusarski Excavating is a local company we have used many times and have been satisfied with their job performance. I believe there was \$100,000 budgeted in the bond proposal for this phase of the City Hall Complex project.

Respectfully,

Cindy L Prue  
Asst Finance Director

CITY OF ADRIAN, MICHIGAN  
 DEMOLITION – CITY HALL, 100 E. CHURCH ST  
 DUE DATE: MARCH 2, 2010

BIDDER	AMOUNT	
Slusarski Excavating Adrian MI	\$ 69,550.00	
K & B Asphalt Clayton, MI	\$ 72,000.00	
Homrich Inc Carleton MI	\$ 73,400.00	
JMB Demolition Zeeland MI	\$ 79,800.00	
Dore & Associates Bay City MI	\$ 82,700.00	
E.T. MacKenzie Grand Ledge, MI	\$ 84,816.00	
Pitsch Companies Grand Rapids MI	\$ 96,000.00	
Wilson Backhoe Inc Britton MI	\$ 97,776.00	
Melching Demolition Nunica, MI	\$ 110,000.00	
Bierlein Midland MI	\$ 113,100.00	
Beal Inc Toledo OH	\$ 133,900.00	

**R10-030**

March 15, 2010

**RE: CITY ADMINISTRATION – Bid Recommendation for Demolition of Old City Hall  
Located at 100 E. Church Street**

**RESOLUTION**

WHEREAS, the Adrian City Commission, by Resolution R08-170 dated December 15, 2008, issued Notice of Intent for the Issuance of Capital Improvement Bonds up to \$10,000,000 to fund the Downtown Government Complex, including acquisition and renovation of the old Lenawee Bank Building from First Federal Bank to house the new City Hall, construction of a new police facility and acquisition and renovation of the Adult Education Building from Adrian Public Schools for the new City Chambers building (all previously housed in the old City Hall located at 100 E. Church Street); and

WHEREAS, under the authority of the "American Recovery and Reinvestment Act of 2009" (the "Recovery Act") signed by the President on February 17, 2009, the City of Adrian issued \$7,040,000 Recovery Zone Economic Development Bonds on October 14, 2009 to carry out the intent of the aforementioned resolution; and

WHEREAS, approaching completion of the final component of the Downtown Government Complex and relocation of the Police Department, the City of Adrian's Purchasing Office solicited and received eleven (11) sealed bids for the demolition of the old City Hall located at 100 E. Church Street; and

WHEREAS, the City Administrator and Purchasing Officer recommend selection of the lowest qualified bidder, Slusarski Excavating, Adrian, MI to be engaged in the City's Standard Professional Services Contract for purposes of performing demolition services on old City Hall located at 100 E. Church Street at a cost not to exceed \$69,550; and

WHEREAS, it should be noted that this process represents a re-bid of an earlier proposal resulting in the lowest qualified bidder, D & R Demolition, Archbold, OH at a cost of \$20,400.00, however, the bid specifications have been revised to include compaction of the soil and backfill to ensure that the property will be marketable as a buildable lot; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2009-10 Amended Budget under "Other Projects – Contract Services" (101-836.00-801.000) account as a result of the City Commission's appropriation of the local financial commitment to the Project, by resolution R10-005 dated January 4, 2010, appropriating \$2,250,000 to compliment the aforementioned bond proceeds; and

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby approves the selection of the lowest qualified bidder and engagement of Slusarski Excavating, Adrian, MI in the City's Standard Professional Services Contract to perform demolition services of the old City Hall building located at 100 E. Church Street at a cost not to exceed \$69,550.00.

On motion by Commissioner \_\_\_\_\_,  
seconded by Commissioner \_\_\_\_\_, this  
Resolution was \_\_\_\_\_ by a \_\_\_\_\_ vote.

R-2



**MEMO**

Date: March 10, 2010

To: Dane C. Nelson, City Administrator  
Hon. Gary McDowell, Mayor  
City Commission

From: Jeffrey C. Pardee, Finance Director

**Re: UTILITIES DEPARTMENT –Grant Award Acceptance - Energy Efficiency & Conservation Multipurpose Block Grant in the Amount of \$99,065 from the Michigan Department of Energy, Labor and Economic Growth (DELEG)**

The City of Adrian has been awarded an Energy Efficiency & Conservation Multipurpose Block Grant in the Amount of \$99,065 from the Michigan Department of Energy, Labor and Economic Growth (DELEG). The grant funds will be utilized to partially offset the cost of acquisition and installation of Biogas Microturbines at the Wastewater Treatment Plant, which essentially involves converting the Methane gas that is generated in the treatment process to energy that would be utilized within the treatment plant, resulting in a projected annual savings amounting to \$51,246.

The total cost of the project is estimated to be \$504,500, with \$405,435 to be derived from local resources. Due to normal operating costs and anticipated costs associated with other upcoming projects, the Finance Director indicates that there are insufficient funds available in the FY2009-10 Sewer Fund Budget to cover the aforementioned local resource requirement.

Therefore, the City Administrator and Utilities Director recommend that the subject grant award be accepted and that the Administration be authorized to pursue a third-party financial arrangement whereby a private firm would enter into a performance contract that would provide the initial capital investment in return for sharing a portion of the savings over a specified time-period to defray the resultant financial obligation and bring back the proposal for future City Commission consideration.

The attached resolution has been prepared for your consideration at the regularly scheduled City Commission meeting on March 15, 2010. If you have any questions or need for further information, please contact my office.



STATE OF MICHIGAN  
DEPARTMENT OF ENERGY LABOR & ECONOMIC GROWTH  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

STANLEY "SKIP" PRUSS  
DIRECTOR

February 26, 2010

Shane Horn  
City of Adrian  
135 East Maumee Street  
Adrian, MI 49221-2703

Dear Mr. Horn:

The Department of Energy, Labor and Economic Growth (DELEG) Bureau of Energy Systems (BES) is pleased to inform the City of Adrian that \$99,065.00 has been awarded under the Energy Efficiency & Conservation Multi-purpose Block Grant.

To indicate acceptance of the enclosed grant agreement, please sign the three signature pages, return two to the Grant Administrator, and retain the other *and* the grant agreement for your records. Additionally, please complete and return with the two signature pages, the attached Single Audit Memorandum for the current fiscal year.

Please reference the grant number BES-10-069 for all communication with DELEG/BES and send a hard copy of grant related correspondence to the following Grant Administrator:

Sarena Fritch, Grant Administrator  
Bureau of Energy Systems  
Department of Energy, Labor, and Economic Growth  
PO Box 30221  
Lansing, MI 48909-7721

If you have any questions, please contact the Grant Administrator at (517) 241-4271, fax (517) 241-6229, or email [fritchs@michigan.gov](mailto:fritchs@michigan.gov). Congratulations on your award! We look forward to working with you to advance energy efficiency.

Sincerely,

A handwritten signature in cursive script that reads "Jan Patrick".

Jan Patrick,  
EECBG Program Manager

Enclosures

c: Sarena Fritch

Bureau of Energy Systems  
611 W. OTTAWA • PO BOX 30221 • LANSING, MICHIGAN 48909  
[www.michigan.gov/deleg](http://www.michigan.gov/deleg) • (517) 241-6228

DELEG is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.



STATE OF MICHIGAN

DEPARTMENT OF ENERGY LABOR & ECONOMIC GROWTH  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

STANLEY "SKIP" PRUSS  
DIRECTOR

# MEMORANDUM

Date: February 26, 2010

To Grantee: City of Adrian

Grant No: BES-10-069 Grant Period: 03/02/2010 to 03/01/2011

From: Sarena Fritch, Grant Administrator

Subject: Single Audit Act/Office of Management and Budget Circular A-133 Requirements

The federal Office of Management and Budget (OMB) Circular A-133 requires governmental and non-profit entities/grantees that spend \$500,000 or more from all federal funding sources during the entity's/grantee's fiscal year to have a Single Audit conducted. The entity/grantee is required to submit a Single Audit report to all agencies that provided federal funds to the entity during the fiscal year being audited. Section .320(a) of OMB Circular A-133 states the Single Audit report must be submitted to the grantor agencies within 30 days after the completion of the audit, but not later than nine months after the end of the entity's/grantee's fiscal year.

Grantee: Please complete the following section and return this memorandum to the address indicated below.

- Type of entity (check one):  Governmental or Public School District  
 Public Community College, Public College/University, or Non-Profit  
 Commercial or Private For-Profit
- What is your entity's fiscal year ending date? \_\_\_\_\_

IF ENTITY IS COMMERCIAL OR PRIVATE FOR-PROFIT, **DO NOT** COMPLETE 3 AND 4.

- Has your entity previously had a Single Audit/OMB Circular A-133 conducted?  Yes  No  
 If yes, identify the fiscal period of the last Single Audit conducted. \_\_\_\_\_  
 If the Single Audit report is posted to a website, identify the website: \_\_\_\_\_
- Will your entity spend \$500,000 or more in total federal funds during your entity's fiscal year?  
 Yes  No

- \_\_\_\_\_  
Signature Date
- \_\_\_\_\_  
Please Print Name and Title of Entity's Financial Officer Telephone Number

GRANT BETWEEN  
THE STATE OF MICHIGAN  
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH  
AND  
CITY OF ADRIAN

GRANTEE/ADDRESS:

Dane Nelson, City Administrator  
City of Adrian  
135 East Maumee Street  
Adrian, MI 49221  
Phone: (517) 264-4881  
Fax: (517) 266-4693  
Email: dnelson@ci.adrian.mi.us

GRANT ADMINISTRATOR/ADDRESS:

Sarena Fritch  
Bureau of Energy Systems  
Department of Energy, Labor & Economic Growth  
PO Box 30221  
Lansing, MI 48909-7721  
Phone: (517) 241-4271  
Fax: (517) 241-6229  
Email: fritch@s@michigan.gov

GRANT PERIOD:

From 03/02/2010 to 03/01/2011

TOTAL AUTHORIZED BUDGET: \$99,065

Federal Contribution: \$ 99,065  
State Contribution:  
Local Contribution:  
Other Contributions:

ACCOUNTING DETAIL:

Index/PCA No.: 89310  
Fed I.D. No.: 38-6004654  
CFDA #: 81.128

## GRANT

This is Grant # BES-10-069 between the Department of Energy, Labor & Economic Growth (Grantor), and City of Adrian (Grantee), subject to terms and conditions of this grant agreement (Agreement).

### 1.0 Statement of Purpose

Multi-Purpose: The purpose of the Energy Efficiency & Conservation Block Grant Program (EECBG) Multi-Purpose Grants is to assist eligible cities, townships and counties in implementing energy efficiency and conservation strategies that reduce fossil fuel emissions and total energy use, and that improve energy efficiency in the transportation, building and other sectors.

### 1.1 Statement of Work

The Grantee agrees to undertake, perform, and complete the following project:

Multi-Purpose: The Grantee will implement energy efficiency and conservation strategies to reduce fossil fuel emissions and total energy use and to improve energy efficiency in the transportation, and/or building, and/or other sectors. The Grantee should be able to document improved energy efficiency, a reduction of greenhouse gas emissions, a reduction of total energy use, and/or the creation or retention of jobs.

Specifically, Grantee will install microturbines to convert existing methane gas released by anaerobic digestion to electrical energy.

These services are more specifically described in the Grantee's Accepted Proposal, Attachment A.

### 1.2 Detailed Budget

- (a) This Agreement does not commit the State of Michigan (State) or the Department of Energy, Labor & Economic Growth (DELEG) to approve requests for additional funds at any time.
- (b) If applicable, travel expenses will not be reimbursed at rates greater than the State Travel Rates, Attachment C, without the prior written consent of the Grant Administrator.
- (c) Attachment B is the Budget. The Grantee agrees that all funds shown in the Budget are to be spent as detailed in the Budget.

Changes in the Budget of less than 5% of the total line item amount do not require prior written approval, but Grantee must provide notice to the Grant Administrator.

Changes in the Budget equal to or greater than 5% of the total line item amount will be allowed only upon prior review and written approval by the Grant Administrator. A formal grant amendment must be signed by both the Grantor and Grantee.

### **1.3 Payment Schedule**

The maximum amount of grant assistance offered is \$99,065. Progress payments up to a total of 85% of the Total Authorized Budget may be made upon submission of a Grantee request indicating grant funds received to date, project expenditures to date (supported with computer printouts of accounts, general ledger sheets, balance sheets, etc.), and objectives completed to date. Backup documentation such as computer printouts of accounts, ledger sheets, check copies, etc. shall be maintained for audit purposes in order to comply with this Agreement. The payment of the final 15% of the grant amount shall be made after completion of the project and after the Grant Administrator has received and approved a final report, if applicable. The final payment is also contingent upon the submission of a final invoice that includes expenditures of grant funds reported by line item and compared to the approved Budget.

Public Act 279 of 1984 states that the state shall take all steps necessary to assure that payment for goods or services, is mailed within 45 days after receipt of the goods or services, a complete invoice for goods or services, or a complete contract for goods or services, whichever is later.

### **1.4 Monitoring and Reporting Program Performance**

A. Monitoring. The Grantee shall monitor performance to assure that time schedules are being met and projected work by time period is being accomplished.

B. Quarterly Reports. The Grantee shall submit to the Grant Administrator **quarterly** performance reports that briefly present the following information:

1. Percent of completion of the project objectives. This should include a brief outline of the work accomplished during the reporting period and the work to be completed during the subsequent reporting period.
2. Brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.
3. Statement concerning any significant deviation from previously agreed-upon Statement of Work.

C. Quarterly Reports. The Grantee shall submit ARRA Fiscal Reporting **quarterly** in accordance with Attachments D-1 and D-2.

D. A Final Report is required. The Grantee will do the following:

1. Submit 1 draft electronic copy of the final report no later than April 1, 2011 for review by the Grant Administrator.

2. After the Grant Administrator has determined the completeness and factual accuracy of the report, the Grantee shall submit 1 final electronic copy of the report to the Grant Administrator.
3. The final report will include the following information:
  - a. A summary of the project implementation plan and any deviations from the original project as proposed.
  - b. Accomplishments and problems experienced while carrying out the project activities.
  - c. Coordinated efforts with other organizations to complete the project.
  - d. Impacts, anticipated and unanticipated, experienced as a result of the project implementation.
  - e. Financial expenditures of grant money and other contributions to the project, in-kind and/or direct funding.
  - f. Any experience in applying the project products and anticipated “next steps”.
  - g. Actual Budget expenditures compared to the Budget in this Agreement. Include the basis or reason for any discrepancies.

## **PART II - GENERAL PROVISIONS**

### **2.1 Project Changes**

Grantee must obtain prior written approval for major project changes from the Grant Administrator

### **2.2 Record Retention**

The Grantee shall retain all financial records, supporting documents, statistical records, and all other pertinent records for a period of seven (7) years or greater as provided by law following the creation of the records or documents.

### **2.3 Project Income**

To the extent that it can be determined that interest was earned on advances of funds, such interest shall be remitted to the Grantor. All other program income shall either be added to the project budget and used to further eligible program objectives or deducted from the total program budget for the purpose of determining the amount of reimbursable costs. The final determination shall be made by the Grant Administrator.

### **2.4 Share-in-savings**

The Grantor expects to share in any cost savings realized by the Grantee. Therefore, final Grantee reimbursement will be based on actual expenditures. Exceptions to this requirement must be approved in writing by the Grant Administrator.

### **2.5 Order of Spending**

Unless otherwise required, Grantee shall expend funds in the following order: (1) private or local funds, (2) federal funds, and (3) state funds. Grantee is responsible for securing any required matching funds from sources other than the State.

### **2.6 Purchase of Equipment**

The purchase of equipment not specifically listed in the Budget, Attachment B, must have prior written approval of the Grant Administrator. Equipment is defined as non-expendable personal property having a useful life of more than one year. Such equipment shall be retained by the Grantee unless otherwise specified at the time of approval.

### **2.7 Accounting**

The Grantee shall adhere to the Generally Accepted Accounting Principles and shall maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The Grantee's overall financial management system must ensure effective control over and accountability for all funds received. Accounting records must be supported by source documentation including, but not limited to, balance sheets, general ledgers, time sheets and invoices. The expenditure of state funds shall be reported by line item and compared to the Budget.

### **2.8 Audit**

The Grantee agrees that the State may, upon 24-hour notice, perform an audit and/or monitoring review at Grantee's location(s) to determine if the Grantee is complying with the requirements of the Agreement. The Grantee agrees to cooperate with the State during the audit and/or monitoring review and produce all records and documentation that verifies compliance with the Agreement requirements. The Grantor may require the completion of an audit before final payment.

If the Grantee is a governmental or non-profit organization and expends the minimum level specified in OMB Circular A-133 (\$500,000 as of June 27, 2003) or more in total federal funds in its fiscal year, then Grantee is required to submit a Single Audit report to all agencies that provided federal funds to the entity during the fiscal year being audited.

If the Grantee is a commercial or for profit organization which is a recipient of Workforce Investment Act Title I funds and expends more than the minimum level specified in Office of Management and Budget (OMB) Circular A-133 (\$500,000 as of June 27, 2003), then the Grantee must have either an organization-wide audit conducted in accordance with A-133 or a program specific financial and compliance audit conducted. Section .320(a) of OMB Circular A-133 states the Single Audit report must be submitted to the Grantor within thirty (30) days after the completion of the audit, but no later than nine (9) months after the end of the Grantee's fiscal year.

## **2.9 Competitive Bidding**

The Grantee agrees that all procurement transactions involving the use of state funds shall be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the Grantee agrees to obtain the written approval of the Grant Administrator before making a sole source selection. Sole source contracts should be negotiated to the extent that such negotiation is possible.

## **3.0 Liability**

The State is not liable for any costs incurred by the Grantee before the start date or after the end date of this Agreement. Liability of the State is limited to the terms and conditions of this Agreement and the grant amount.

## **3.1 Intellectual Property**

Grantee grants to the Grantor a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Deliverables and related documentation according to the terms and conditions of this Agreement. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

The Grantor may modify the Deliverable and may combine the Deliverable with other programs or materials to form a derivative work. The Grantor will own and hold all copyright, trademarks, patent and other intellectual property rights in any derivative work, excluding any rights or interest in Deliverable other than those granted in this Agreement.

The Grantor may copy each Deliverable to multiple hard drives or networks unless otherwise agreed by the parties.

The Grantor will make and maintain no more than one archival copy of each Deliverable, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The Grantor may also make copies of the Deliverable in the course of routine backups for the purpose of recovery of contents.

In the event that the Grantee shall, for any reason, cease to conduct business, or cease to support the Deliverable, the Grantor shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.

### **3.2 Safety**

The Grantee, all contractors, and subcontractors are responsible for insuring that all precautions are exercised at all times for the protection of persons and property. Safety provisions of all Applicable Laws and building and construction codes shall be observed. The Grantee, contractors, and every subcontractor are responsible for compliance with all federal, state and local laws and regulations in any manner affecting the work or performance of this Agreement and shall at all times carefully observe and comply with all rules, ordinances, and regulations. The Grantee, all contractors and subcontractors shall secure all necessary certificates and permits from municipal or other public authorities as may be required in connection with the performance of this Agreement.

### **3.3 Indemnification**

Inasmuch as each party to this grant is a governmental entity of the State of Michigan, each party to this grant must seek its own legal representation and bear its own costs; including judgments, in any litigation which may arise from the performance of this grant. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.

### **3.4 Cancellation**

The State may terminate this Agreement without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

(a) **Termination for Cause**

In the event that Grantee breaches any of its material duties or obligations under this Agreement or poses a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may terminate this Agreement immediately in whole or in part, for cause, as of the date specified in the notice of termination. In the event that this Agreement is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Grantee shall be responsible for all costs incurred by the State in terminating this Agreement, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur.

(b) Termination for Convenience

The State may terminate this Agreement for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Agreement, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the services no longer practical or feasible. The State may terminate this Agreement for its convenience, in whole or in part, by giving Grantee written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Agreement in part, the Budget shall be equitably adjusted to reflect those reductions.

(c) Non-Appropriation

Grantee acknowledges that continuation of this Agreement is subject to appropriation or availability of funds for this Agreement. If funds to enable the State to effect continued payment under this Agreement are not appropriated or otherwise made available (including the federal government suspending or halting the program or issuing directives preventing the State from continuing the program), the State shall have the right to terminate this Agreement, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Grantee. The State shall give Grantee at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff). In the event of a termination under this section, the Grantee shall, unless otherwise directed by the State in writing, immediately take all reasonable steps to terminate its operations and to avoid and/or minimize further expenditures under the Agreement.

(d) Criminal Conviction

The State may terminate this Agreement immediately and without further liability or penalty in the event Grantee, an officer of Grantee, or an owner of a 25% or greater share of Grantee is convicted of a criminal offense incident to the application for, or performance of, a State, public or private contract or subcontract or grant; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Grantee's business integrity.

(e) Approvals Rescinded

The State may terminate this Agreement without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to Grantee or may be effective as of the date stated in such written notice.

### **3.5 No State Employees or Legislators**

No member of the Legislature or Judiciary of the State of Michigan or any individual employed by the State shall be permitted to share in this Agreement, or any benefit that arises from this Agreement.

### **3.6 Non-Discrimination**

In the performance of the Agreement, Grantee agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Grantee further agrees that every subcontract entered into for the performance of this Agreement will contain a provision requiring non-discrimination in employment, as here specified, binding upon each subcontractor. This covenant is required pursuant to the Elliott Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.* and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Agreement.

### **3.7 Unfair Labor Practices**

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a grant or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Grantee, in relation to the Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Agreement if, subsequent to award of the Agreement, the name of Grantor as an employer or the name of the subcontractor, manufacturer or supplier of Grantor appears in the register.

### **3.8 Certification Regarding Debarment**

The Grantee certifies, by signature to this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal or State department or agency. If the Grantee is unable to certify to any portion of this statement, the Grantee shall attach an explanation to this Agreement.

### **3.9 Illegal Influence**

(a) The Grantee certifies, to the best of his or her knowledge and belief that:

(1) No federal appropriated funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this grant, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The Grantee shall require that the language of this certification be included in the award documents for all grants or subcontracts and that all subrecipients shall certify and disclose accordingly.

The State has relied upon this certification as a material representation. Submission of this certification is a prerequisite for entering into this Agreement imposed by 31 USC § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(b) The Grantee certifies, to the best of his or her knowledge and belief that no state funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any State agency, a member of the Legislature, or an employee of a member of the Legislature in connection with the awarding of any state contract, the making of any state grant, the making of any state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state contract, grant, loan or cooperative agreement.

#### **4.0 Governing Law**

The Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

#### **4.1 Compliance with Laws**

Grantee shall comply with all applicable state, federal, and local laws and ordinances (“Applicable Laws”) in performing this Agreement. Also, see the State of Michigan Bureau of Energy Systems website: <http://www.michigan.gov/dleg/0,1607,7-154-25676-227498--,00.html> for the Final Davis Bacon Act (DBA) Clauses and National Policy Assurances.

#### **4.2 Jurisdiction**

Any dispute arising from the Agreement shall be resolved in the State of Michigan. With respect to any claim between the parties, Grantee consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

#### **4.3 Assignment**

Grantee shall not have the right to assign the Agreement, or to assign or delegate any of its duties or obligations under the Agreement, to any other party (whether by operation of law or otherwise), without the prior written consent of the Grantor. Any purported assignment in violation of this section shall be null and void.

#### **4.4 Entire Agreement**

The Agreement, including any Attachments, constitutes the entire agreement between the parties with respect to the grant and supersedes all prior agreements, whether written or oral, with respect to such subject matter.

#### **4.5 Independent Contractor Relationship**

The relationship between the State and Grantee is that of client and independent Contractor. No agent, employee, or servant of Grantee or any of its Subcontractors shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Grantee will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of the Agreement.

#### **4.6 Conflicts**

In the event of a conflict between the terms of this Agreement and any federal or state laws or regulations, the federal or state laws or regulations will supersede any contrary term contained in this Agreement.

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## Addendum to Part II – General Provisions

### SOLICITATION & AWARD TERMS FOR GRANT AGREEMENTS THAT INCLUDE FUNDS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009, PUBLIC LAW 111-5

**Grant Agreements must require recipients and sub-recipients to:**

- 1. Maintain current registrations in the Central Contractor Registration (CCR) database.**  
<http://www.ccr.gov/>
- 2. Report quarterly on project activity status in addition to any reporting requirements that currently apply to recipients of federal funds**
- 3. Follow Buy American guidelines (Sec. 1605 of ARRA Act and Sec. 5.020 of this document)**
- 4. Implement wage rate requirements (Sec. 1606 of ARRA Act and Sec. 5.030 of this document)**
- 5. Ensure proper accounting and reporting of Recovery Act expenditures in Single Audits.**

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## **Terms and Conditions for American Recovery and Reinvestment (ARRA) of 2009 Funded Grants**

### **5.000 Sub-Recipients Requirements**

Grantee shall include these terms, including this requirement, in any of its subcontracts or subgrants in connection with projects funded in whole or in part with funds available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

### **5.010 Reporting & Registration Requirements (Section 1512)**

Division A, Title XV, Section 1512 of the ARRA outlines reporting requirements. Not later than ten calendar days after the end of each calendar quarter, the State must submit a report that, at a minimum, contains the information specified in Section 1512 of the ARRA. It is imperative all grants involving the use of ARRA funds include requirements that the Grantee supply the State with the necessary information to provide these reports (see RFP Section 1.042 Reports) in a timely manner. More detail will follow regarding the timing and submission of reports.

The Grantee's failure to provide complete, accurate, and timely reports shall constitute an "Event of Default". Upon the occurrence of an Event of Default, the state department or agency may terminate this grant upon 30 days prior written notice if the default remains uncured within five calendar days following the last day of the calendar quarter, in addition to any other remedy available to the state department or agency in law or equity.

### **5.020 Buy American Requirement (Section 1605)**

#### **5.022 REQUIRED Use of American Iron, Steel, and Other Manufactured Goods**

(a) **Definitions.** As used in this Section 5.020 —

"Designated Country" means Aruba, Australia, Austria, Belgium, Bulgaria, Chile, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom.

"Designated country iron, steel, and/or manufactured goods" mean iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of a Designated Country; or
- (2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in a Designated County into a new and different manufactured good distinct from the materials from which it was transformed.

"Domestic iron, steel and/or manufactured good" is iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of the United States; or
- (2) In the case of a manufactured good that consists in whole or in part of materials from another county, has been substantially transformed in the United States into a new and different manufactured good distinct from the materials from which it was transformed. There is no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of goods occurs in the United States.

"Federal Agency" means the department or agency of the federal government that awarded funds to the State of Michigan from the ARRA that finance the project described in this RFP.

"Foreign iron, steel and/or manufactured good" means iron, steel and/or manufactured good that is not domestic or Designated country iron, steel and/or manufactured goods.

"Manufactured good" means a good brought to the construction site for incorporation into the building or work that has been--

- (1) Processed into a specific form and shape; or
- (2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

"Public building" and "public work" means a public building of, and a public work of, a governmental entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands

of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

"Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Domestic preference.*

(1) This term and condition implements:

(i) Section 1605(a) of Division A, Title XVI of the ARRA by requiring that all iron, steel, and manufactured goods used in the public building or public work are produced in the United States; and

(ii) Section 1605(d) of Division A, Title XVI of the ARRA, which requires the application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of Section 1605 of the ARRA do not apply to Designated country iron, steel, and/or manufactured goods procured for projects with an estimated value of \$7,433,000 or more.

(2) The Grantee shall use only domestic or Designated country iron, steel and/or manufactured goods in performing work funded in whole or in part with funds available under the ARRA, except as provided in subparagraphs (3) and (4) of this paragraph (b).

(3) The requirement in paragraph (2) of this Section 5.022(b) does not apply to the material listed by the Federal Agency as follows: none

(4) The Federal Agency may add other iron, steel, and/or manufactured goods to the list in paragraph (b) (3) of this Section if the Federal government determines that—

(i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) The application of section 1605 of the ARRA would be inconsistent with the public interest.

(c) *Request for determination of inapplicability of Section 1605 of the ARRA.*

(1)(i) Any Bidder's request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b) (4) of this Section shall include adequate information for Federal Agency evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this term and condition.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this Section.

(iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.

(iv) Any Grantee's request for a determination submitted after ARRA funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the Grantee could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the Grantee does not submit a satisfactory explanation, the Federal Agency need not make a determination.

(2) If the Federal Agency determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the ARRA applies, the State will amend the grant to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended grant shall reflect adjustment of

the grant amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the State shall adjust the award amount or redistribute budgeted funds by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Agency determines that an exception to section 1605 of the ARRA applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

(d) Data. To permit evaluation of requests under subparagraph (b)(4) of this Section based on unreasonable cost, the Bidder shall include the following information and any applicable supporting data based on the survey of suppliers:

FOREIGN AND DOMESTIC ITEMS COST COMPARISON			
Description	Unit of Measure	Quantity	Cost (Dollars)*
<b>Item 1:</b>			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good	_____	_____	_____
<b>Item 2:</b>			
Foreign steel, iron, or manufactured good	_____	_____	_____
Domestic steel, iron, or manufactured good			
<p>[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.]            [Include other applicable supporting information.]            [* Include all delivery costs to the construction site.]</p>			

**5.024 Notice of Required Use of American Iron, Steel, and Other Manufactured Goods**

**REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS—SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

(a) Definitions. "Designated country iron, steel and/or manufactured goods," "domestic iron, steel and/or manufactured goods", "Federal Agency", "Foreign iron, steel and/or manufactured good", "Manufactured good," "public building and public work," and "steel," as used in this Section, are defined in Section 5.022(a).

(b) **Requests for determinations of inapplicability.** A prospective Bidder requesting a determination regarding the inapplicability of section 1605 of the ARRA should submit the request to the Federal Agency in time to allow a determination before submission of applications or proposals. Bidders should provide a copy of this request to DELEG. The prospective applicant shall include the information and applicable supporting data required by paragraphs (c) and (d) of Section 5.022 of this RFP in the request. If Bidder has not requested a determination regarding the inapplicability of Section 1605 of the ARRA before submitting its application or proposal, or has not received a response to a previous request, the applicant shall include the information and supporting data in the application or proposal. The Federal Agency is sole entity authorized to make determinations regarding the inapplicability of Section 1605 of the ARRA.

(c) *Evaluation of project proposals.*

If the Federal Agency determines that an exception based on unreasonable cost of domestic iron, steel, and/or manufactured goods applies, the State will evaluate a project requesting an exception to the requirements of section 1605 of the ARRA by adding to the estimated total cost of the project 25 percent of the project cost, if foreign iron, steel, or manufactured goods are used in the project based on unreasonable cost of comparable manufactured domestic iron, steel, and/or manufactured goods.

(d) *Alternate project proposals.*

(1) When a project proposal includes foreign iron, steel, and/or manufactured goods, other than Designated country iron, steel and/or manufactured goods, not listed in paragraph (b)(3) of the Section 6.022, the Bidder also may submit an alternate proposal based on use of equivalent domestic iron, steel, and/or manufactured goods.

(2) If an alternate proposal is submitted, the Bidder shall submit a separate cost comparison table prepared in accordance with paragraphs (c) and (d) of Section 5.022 of this RFP for the proposal that is based on the use of any foreign iron, steel, and/or manufactured goods for which the Federal Agency has not yet determined an exception applies.

(3) If the Federal Agency determines that a particular exception requested in accordance with paragraph (b) of Section 5.022 of this RFP does not apply, the State will evaluate only those proposals based on use of the equivalent domestic or designated country iron, steel, and/or manufactured goods, and the Grantee shall be required to furnish such domestic or designated country items.

**5.030 Wage Rate Requirements (Section 1606)**

All laborers and mechanics employed by grantees, subgrantees, contractors and subcontractors on projects funded in whole or in part with funds available under the ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality, as determined by the United States Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40 of the United States Code. (See ARRA Sec. 1606 & RFP Section 2.204 Prevailing Wage). The Secretary of Labor's determination regarding the prevailing wages applicable in Michigan is available at <http://www.gpo.gov/davisbacon/mi.html>.

**5.040 Inspection & Audit of Records**

The Grantee shall permit the United States Comptroller General or his representative or the appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1998 or his representative (1) to examine any records that directly pertain to, and involve transactions relating to, this grant; and (2) to interview any officer or employee of the Grantee or any of its subcontractors/subgrantees regarding the activities funded with funds appropriated or otherwise made available by the ARRA.

**5.050 Whistle Blower Protection for Recipients of Funds**

Grantee shall not discharge, demote or otherwise discriminate against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract or grant relating to Covered Funds; (2) a gross waste of Covered Funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of Covered Funds; an abuse of authority related to implementation or use of Covered Funds; or (5) a violation of law, rule, or regulation related to an agency grant (including the competition for or negotiation of a grant) or grant, awarded or issued relating to Covered Funds. In this Subsection, "Covered Funds" shall have the same meaning as set forth in Section 1553(g)(2) of Division A, Title XV of the ARRA.

(a) Recipient must post notice of the rights and remedies available to employees under Section 1553 of Division A, Title XV of the ARRA. (For the Michigan Civil Service Whistle Blowers Rule 2-10 link to: [http://www.michigan.gov/mdcs/0,1607,7-147-6877\\_8155-72500--,00.html](http://www.michigan.gov/mdcs/0,1607,7-147-6877_8155-72500--,00.html))

(b) The Grantee shall include the substance of this clause including this paragraph (b) in all subcontracts and subgrants.

#### **5.060 Funding of Programs**

The Grantee acknowledges that the programs supported with temporary federal funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, will not be continued with state financed appropriations once the temporary federal funds are expended.

#### **5.070 Fixed Price- Competitively Bid**

Grantee, to the maximum extent possible, shall award any subgrants or subcontracts funded, in whole or in part, with ARRA funds as fixed-price contracts through the use of competitive procedures.

#### **5.080 Segregation of Costs**

Grantee shall segregate obligations and expenditures of ARRA funds from other funding. No part of funds made available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may be comingled with any other funds or used for a purpose other than that of making payments for costs allowable under the ARRA.

#### **5.090 Publication**

All grant solicitations funded in whole or in part with ARRA funds will be posted on the respective DELEG bureau website. All grants resulting from the ARRA will be published on the State of Michigan's Recovery Web site, [www.michigan.gov/recovery](http://www.michigan.gov/recovery).

Grantee shall include the Michigan Recovery logo on all signage or other publications in connection with the activities funded by the State of Michigan through funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

#### **5.100 Buy Michigan Preference**

A preference is given to products manufactured or services offered by Michigan-based firms if all other things are equal and if not inconsistent with federal statute (see MCL 18.1261).

#### **5.110 Non- Discrimination**

The Grantee shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and other civil rights laws applicable to recipients of Federal financial assistance (see RFP Section 2.201 Non-Discrimination).

#### **5.120 Prohibition on Use of Funds**

None of the funds made available under this grant may be used for any casino or other gambling establishment, aquarium, zoo, golf course, swimming pools, or similar projects.

#### **5.130 False Claims Act**

The Grantee shall promptly refer to an appropriate federal inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

#### **5.140 Conflicting Requirements**

Where ARRÁ requirements conflict with existing state requirements, ARRA requirements control.

#### **5.150 Job Opportunity Posting Requirements**

Grantee shall post notice of job opportunities created in connection with activities funded in whole or in part with ARRA funds in the Michigan Talent Bank, [www.michworks.org/mtb](http://www.michworks.org/mtb).

## ADDENDUM II TO PART II – GENERAL PROVISIONS

### **5.020.1 Buy American Requirement (Section 1605)**

*-Designated country means:*

- (1) A World Trade Organization Government Procurement Agreement country,
- (2) A Free Trade Agreement (FTA) country, or
- (3) A United States-European Communities Exchange of Letters country

Countries not in the Addendum to Part II include Bahrain, Canada, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Morocco, Nicaragua, Oman and Peru.

### **5.090.1 Publication**

- a. You are encouraged to publish or otherwise make publicly available the results of the work conducted under the award.
- b. An acknowledgement of Federal support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project as follows:

Acknowledgement: "This material is based upon work supported by the Department of Energy under Award Number(s) *DE-EE0000753*."

Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, make any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

**R10-031**

March 15, 2010

**RE: UTILITIES DEPARTMENT –Grant Award Acceptance - Energy Efficiency & Conservation Multi-Purpose Block Grant in the Amount of \$99,065 from the Michigan Department of Energy, Labor and Economic Growth (DELEG)**

**RESOLUTION**

WHEREAS, the City of Adrian has been awarded an Energy Efficiency & Conservation Multi-Purpose Block Grant in the Amount of \$99,065 from the Michigan Department of Energy, Labor and Economic Growth (DELEG); and

WHEREAS, the grant funds will be utilized to partially offset the cost of acquisition and installation of Biogas Microturbines at the Wastewater Treatment Plant, which essentially involves converting the methane gas that is generated in the treatment process to energy that would be utilized within the treatment plant, resulting in a projected annual savings amounting to \$51,246; and

WHEREAS, the total cost of the project is estimated to be \$504,500, with \$405,435 to be derived from local resources; and

WHEREAS, due to normal operating costs and anticipated costs associated with other upcoming projects, the Finance Director indicates that there are insufficient funds available in the FY2009-10 Sewer Fund Budget to cover the aforementioned local resource requirement; and

WHEREAS, the City Administrator and Utilities Director recommend that the subject grant award be accepted and that the Administration be authorized to pursue a third-party financial arrangement whereby a private firm would enter into a performance contract that would provide the initial capital investment in return for sharing a portion of the savings over a specified time-period to defray the resultant financial obligation and bring back the proposal for future City Commission consideration.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes acceptance of the Energy Efficiency & Conservation Multi-Purpose Block Grant in the amount of \$99,065 from the Michigan Department of Energy, Labor and Economic Growth (DELEG) and that the FY2009-10 Utilities' Department Budget be amended as follows:

**Sewer Fund (590)**

**Revenue:**

(590-000.00-584.000)	DELEG Grant	\$99,065
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**Expenses:**

(590-965.000-969.497)	Contrib.- Capital Projects Sewer Fund	<u>99,065</u>
	Total	<u>\$ -0-</u>

**Capital Projects Fund – Sewer (497)**

**Revenue:**

(497-000.00-676.590)	Contribution – Sewer Fund	\$99,065
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**Expenses:**

(497-554.00-977.564)	Energy Audit Improvements	<u>99,065</u>
	Total	<u>\$ -0-</u>

BE IT, FURTHER, RESOLVED that the City Administration be authorized to pursue a third-party financial arrangement, whereby a private firm would enter into a performance contract that would provide the initial capital investment in return for sharing a portion of the savings over a specified time-period to defray the resultant financial obligation and bring back the proposal for future City Commission consideration.

On motion by Commissioner \_\_\_\_\_,  
seconded by Commissioner \_\_\_\_\_, this  
Resolution was \_\_\_\_\_ by a \_\_\_\_\_ vote.

R-3



**MEMO**

Date: March 9, 2010

To: Dane C. Nelson, City Administrator  
Hon. Gary McDowell, Mayor  
City Commission

From: Heather Lasky, Human Resources Director

**Re: HUMAN RESOURCES DEPARTMENT – TPOAM Union Agreement to accept High Deductible Health Reimbursement Account & Related Budget Amendments**

The Adrian City Commission, by resolution No, R09-081, dated June 1, 2009, revised the City's Health Care Plan for Non-Represented Employees, reducing the annual employer cost and resulting in a citywide net savings. The same plan revisions were presented to each of the four bargaining units in order to realize additional savings in order to offset reductions in State Revenue Sharing.

The Technical, Professional, Office Workers Association of Michigan (TPOAM) has agreed to accept the same revised healthcare plan as non-represented employees, effective February 1, 2010 in order to reduce costs to the City. The changes to the plan as follows:

- Increase Office Visit Co-Pay from \$10 to \$30;
- Increase Chiropractic Office Visit Co-Pay from \$0 to \$30;
- Increase Emergency Room Visit Co-Pay from \$25 to \$50;
- Remove routine mammography services from deductible portion of contract, thereby providing full coverage (100%), with no co-pay;
- Increase \$10 Generic/\$40 Brand Name Co-Pay for Mail Order and Retail 90-day Prescriptions from one to two times; and
- Institute a high-deductible Health Reimbursement Arrangement (HRA), increasing the current in-network deductible (one person/family) of \$250/\$500 to new plan in-network deductible (one person/family) of \$1000/\$2000 under a Community Blue Plan 12.

Such changes will result in a citywide gross savings of \$37,508.87, for the remainder of the fiscal year 2009-2010 (2/10 – 6/10), which is offset by the City's obligation to reimburse employees for increased deductibles (\$19,656) associated with the new program, leaving a net annual savings of \$17,852.87, assuming 100% utilization.

In accordance with the provisions of the Collective Bargaining Agreement between the City of Adrian and the Technical, Professional and Office Workers Association of Michigan (TPOAM), the Human Resources Director and City Administrator recommend approval by the City Commission of the above indicated healthcare plan change effective February 1, 2010.

The attached resolution has been prepared for City Commission consideration at the regularly scheduled meeting on March 15, 2010. If you have any questions or further information, please contact my office.

**HUMAN RESOURCES DEPARTMENT – TPOAM Union Agreement to Accept High Deductible Health Reimbursement Arrangement**

**RESOLUTION**

WHEREAS, the Adrian City Commission, by Resolution #R09-081, dated June 1, 2009, revised the City’s Health Care Plan for non-represented employees, reducing the annual employer cost and resulting in a citywide net savings; and

WHEREAS, the same plan revisions were presented to each of the four bargaining units in order to realize additional savings to offset reductions in State Revenue Sharing; and

WHEREAS, the Technical, Professional, Office Workers Association of Michigan (TPOAM) has agreed to accept the same revised healthcare plan as non-represented employees, effective February 1, 2010, in order to reduce costs to the City; and

WHEREAS, the changes to the plan are as follows:

- Increase Office Visit Co-Pay from \$10 to \$30;
- Increase Chiropractic Office Visit Co-Pay from \$0 to \$30;
- Increase Emergency Room Visit Co-Pay from \$25 to \$50;
- Remove routine mammography services from deductible portion of contract, thereby providing full coverage (100%), with no co-pay;
- Increase \$10 Generic/\$40 Brand Name Co-Pay for Mail Order and Retail 90-Day Prescriptions from one to two times;
- Institute a high-deductible Health Reimbursement Arrangement (HRA), increasing the current in-network deductible (one person/family) of \$250/\$500 to new plan in-network deductible (one person/family) of \$1000/\$2000 under a Community Blue Plan 12.; and

WHEREAS, such changes will result in a citywide gross savings of \$37,509 for the remainder of FY2009-10 (February thru June), which is offset by the City’s obligation to reimburse employees for increased deductibles (\$19,656) associated with the new program, leaving a net savings of \$17,853, based on 100% utilization; and

WHEREAS, the Human Resources Director and City Administrator recommend approval of this resolution, implementing the agreed upon changes effective February 1, 2010.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, authorizes implementation of the above itemized changes to the health care plan for the Technical, Professional, Office Workers Association of Michigan (TPOAM) local union group, effective February 1, 2010.

On motion by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, this resolution was adopted by a \_\_\_\_\_ vote.



## MEMO

135 E. Church St. Adrian, Michigan 49221-2773

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**DATE:** March 11, 2010

**TO:** Hon. Gary McDowell, Mayor  
City Commission  
Dane Nelson, City Administrator

**FROM:** Chris Atkin  
Director of Community Development

**SUBJECT:** Set Public Hearing for IFT Exemption Certificate for Evergreen Grease Service, Inc.

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Evergreen Grease, Inc has submitted an application for an Industrial Facilities Tax Exemption Certificate for the installation of a new machinery and equipment, valued at \$1,529,040.00, required for processing used cooking grease and oil into feed stock for animal food producers and Bio-Diesel plants. The requested exemption is for a period of twelve (12) years.

With the installation of the machinery and equipment, eight (8) jobs will be retained and it is expected to create two (2) new positions at the Adrian facility.

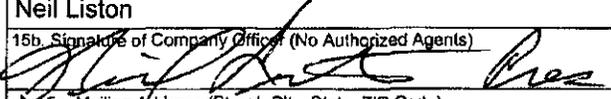
Community Development staff respectfully request a public hearing be set for the April 5, 2010 Adrian City Commission meeting.

Chris Atkin  
Community Development Director

**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name Timothy Robinson, CEcD	13b. Telephone Number (517) 265-5141	13c. Fax Number (517) 263-6065	13d. E-mail Address timothy@onelenawee.org
14a. Name of Contact Person Neil Liston	14b. Telephone Number (517) 605-1454	14c. Fax Number (517) 264-0800	14d. E-mail Address evergreen@evergreengrease.
▶ 15a. Name of Company Officer (No Authorized Agents) Neil Liston			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (517) 264-0800	15d. Date 2-24-10
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 4283 Third St. Adrian, MI 49221		15f. Telephone Number (517) 264-9913	15g. E-mail Address evergreen@evergreengrease.

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original and one copy of the application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

State Tax Commission  
Michigan Department of Treasury  
P.O. Box 30471  
Lansing, MI 48909-7971

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

# Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-3272.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Pat Baker</i>	Date received by Local Unit 3/3/2010
STC Use Only	
Application Number	Date Received by STC

**APPLICANT INFORMATION**  
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Evergreen Grease Service, Inc		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 2076	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 1445 Enterprise Dr. Adrian, MI		1d. City/Township/Village (indicate which) City of Adrian	1e. County Lenawee
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located Adrian	3b. School Code 46010
4. Amount of years requested for exemption (1-12 Years) 12			

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Company processes used cooking grease/oil into feed stock for animal food producers and Bio-diesel plants. The company is moving into an 11,000 sqft facility with approximately \$1,529,040 in new equipment.

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	\$1,529,040.00 Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	\$1,529,040.00 Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)		
Real Property Improvements	3/30/10	3/30/12	<input type="checkbox"/> Owned	<input type="checkbox"/> Leased
Personal Property Improvements	3/30/10	3/30/12	<input checked="" type="checkbox"/> Owned	<input type="checkbox"/> Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.  Yes  No

9. No. of existing jobs at this facility that will be retained as a result of this project. 8	10. No. of new jobs at this facility expected to create within 2 years of completion. 2
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11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)	
b. TV of Personal Property (excluding inventory)	
c. Total TV	

12a. Check the type of District the facility is located in:  
 Industrial Development District       Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) 3/1/10	12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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INFORMATION FOR TAX ABATEMENT AMENDMENT FOR

Evergreen Grease Service

Cost of New Machinery and Equipment

<u>Equipment</u>	<u>Cost</u>	<u>Aquisition Date</u>
Anco 1018 Receiving Bin	\$166,000	May-10
Redox Waste Water System	\$234,600	May-10
(2) three-phase separators	\$288,750	May-10
Re-melt & Surge System	\$93,000	May-10
CIP System	\$77,830	May-10
Valvles & Pipefitting	\$44,300	May-10
Vacuum Drying System	\$41,560	May-10
(3) Fat Load out tanks	\$196,000	May-10
Anco Operator control panel	\$128,000	May-10
High Pressure steam boiler	\$63,250	May-10
Anco 1320 Room air scrubber	\$120,250	May-10
Engineering service package	\$56,000	May-10
Office Furniture	\$3,000	May-10
Computers	\$4,000	May-10
Compressor	\$3,000	May-10
Forklift	\$8,000	May-10
Hand tools	\$1,500	May-10
<b>Total for New Machinery &amp; Equipment</b>	<b>\$1,529,040</b>	

**R10-033**

March 11, 2010

**RE: EVERGREEN GREASE, Inc. - ACT 198 INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE APPLICATION ESTABLISHMENT OF PUBLIC HEARING**

**RESOLUTION**

WHEREAS, the State of Michigan has adopted the Plant Rehabilitation and Industrial Facilities Development Districts Act, Public Act 198 of 1974, as amended (Act 198); and

WHEREAS, Act 198 provides for creation of Industrial Development and Rehabilitation Districts, and for review and approval of exemption request certificates; and

WHEREAS, the City of Adrian has received an Industrial Facilities Exemption Certificate request from Evergreen Grease Service, Inc. for an investment of personal property within Adrian Industrial Development District #39; and

WHEREAS, Act 198 requires notification of the City Assessor and the legislative body of each taxing unit which levies ad valorem taxes on property within said Adrian Industrial Development District #39, and provision of an opportunity to be heard on this matter prior to consideration of action of the Industrial Facilities Exemption Certificate request.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission hereby acknowledges receipt of said Industrial Facilities Exemption Certificate from Evergreen Grease Service, Inc., authorizes the scheduling of a public hearing for Monday, April 5, 2010, 7:00 p.m. in the City Chambers Building to receive comments on this matter, and directs the City Clerk to provide notice to the appropriate taxing units and the public as required by Act 198.

On motion by Commissioner \_\_\_\_\_, seconded by  
Commissioner \_\_\_\_\_, this resolution was  
\_\_\_\_\_ by a \_\_\_\_\_ vote.

# MISCELLANEOUS

*m-1*

**DEPARTMENTAL REPORT**

**MARCH 15, 2010**

	<b>FEBRUARY 2010</b>	<b>JANUARY 2010</b>	<b>FEBRUARY 2009</b>	<b>YEAR-TO-DATE 2010</b>	<b>YEAR TO DATE 2009</b>
<b>POLICE DEPARTMENT</b>					
Complaints Answered	668	668	705	1,336	1,416
<b>VIOLATIONS</b>					
Moving Citations	122	93	78	215	183
3-6 am Parking Tickets	88	278	172	366	501
Non-Moving Citations	26	62	38	88	79
Downtown Parking Tickets	0	0	0	0	0
<b>TOTAL VIOLATIONS</b>	<b>236</b>	<b>433</b>	<b>288</b>	<b>669</b>	<b>763</b>
<b>ARRESTS</b>	<b>104</b>	<b>106</b>	<b>105</b>	<b>210</b>	<b>228</b>
<b>FIRE DEPARTMENT (See M-4)</b>					
<b>INSPECTION DEPARTMENT</b>					
Building Permits	7	10	9	17	24
Electrical Permits	12	11	17	23	33
Mechanical Permits	20	10	18	30	35
Plumbing Permits	7	2	7	9	12
Sidewalk Permits	0	0	0	0	0
Sign Permits	2	17	3	19	4
<b>TOTAL PERMITS</b>	<b>48</b>	<b>50</b>	<b>54</b>	<b>98</b>	<b>108</b>
Estimated Bldg.Costs	\$1,291,100	\$73,127	\$53,060	\$1,364,227	\$264,060
<b>PARKING SYSTEM</b>					
Meters in Operation					
Parking Assessment	\$15,404	\$3,387	\$9,469	\$18,791	\$12,697
Lot Revenue	\$75	\$187	\$289	\$262	\$663
Street Revenue	\$0	\$0	\$0	\$0	\$0
Misc. Revenue	\$13	\$29	\$13	\$42	\$29
Permits	\$13	\$225	\$38	\$238	\$113
Fines	\$75	\$25	\$0	\$100	\$50
Collection Fees	\$75	\$0	\$0	\$75	\$0
Token Sales	\$0	\$0	\$0	\$0	\$0
Contribut-GenFund	\$0	\$0	\$0	\$0	\$0
<b>TOTAL REVENUE</b>	<b>\$15,655</b>	<b>\$3,853</b>	<b>\$9,809</b>	<b>\$19,508</b>	<b>\$13,552</b>
<b>WASTE WATER DEPARTMENT</b>					
M. G. Pumped	118,998	132,23	187,394	251,228	345,215
Cost of Plant Operation *		\$219,339	\$312,923	\$219,339	\$656,161
<b>WATER DEPARTMENT</b>					
M. G. Pumped	72	79	83	151	173
Number of Customers	6,211	6,278	6,260		
	<b>Industrial</b>	<b>Commercial</b>	<b>Residential</b>	<b>Other</b>	<b>TOTAL</b>
M. G. Sold Revenue	\$27,000	\$77,764	\$107,125	\$57,542	61,930 \$269,431

\*Figure not available

M-2

TO: DANE C NELSON, CITY ADMINISTRATOR  
 FROM: MARCIA M. BOHANNON, TRANSPORTATION COORDINATOR

ADRIAN D.A.R.T. PASSENGER RIDERSHIP REPORT FOR FEBRUARY 2010

WEEK END:	FEB 5	FEB 12	FEB 19	FEB 26	TOTAL	
MONDAY	361	336	269	226	1192	
TUESDAY	335	318	354	343	1350	
WEDNESDAY	347	225	301	267	1140	
THURSDAY	370	333	282	295	1280	
FRIDAY	345	338	294	328	1305	
		1550	1500	1459	0	6267

SERVICE DAYS	FEB 2010 (20)	FEB 2009 (20)	+/-	JAN 2010 (20)
SENIORS	566	872	-306	611
HDCP SENIORS	749	957	-208	921
HANDICAPPED	2872	3238	-366	2894
WHEELCHAIRS **	303	291	12	324
GENERAL	2080	2350	-270	2106
	6267	7417	-1150	6532

MARCH	2008	7027	2009	7540	7%
APRIL	2008	7136	2009	6915	-3%
MAY	2008	6957	2009	6119	-12%
JUNE	2008	6707	2009	6453	-4%
JULY	2008	6717	2009	6098	-9%
AUGUST	2008	6213	2009	5711	-8%
SEPTEMBER	2008	6640	2009	5788	-13%
OCTOBER	2008	7278	2009	6440	-12%
NOVEMBER	2008	6050	2009	5594	-8%
DECEMBER	2008	6734	2009	6419	-5%
JANUARY	2009	7368	2010	6532	-11%
FEBRUARY	2009	7417	2010	6267	-16%
		82244		75876	-8%

\*\* WHEELCHAIR TOTALS ARE INCLUDED IN HANDICAPPED PASSENGER TOTALS

Adrian Fire Dept.

Incident Type Report (Summary)

Alarm Date Between {01/01/2010} And {01/31/2010}

Incident Type	Count	Pct of Incidents	Total Est Loss	Pct of Losses
<b>1 Fire</b>				
111 Building fire	3	1.74%	\$31,000	100.00%
	<u>3</u>	<u>1.74%</u>	<u>\$31,000</u>	<u>100.00%</u>
<b>3 Rescue &amp; Emergency Medical Service Incident</b>				
300 Rescue, EMS incident, other	37	21.51%	\$0	0.00%
311 Medical assist, assist EMS crew	1	0.58%	\$0	0.00%
321 EMS call, excluding vehicle accident with	91	52.90%	\$0	0.00%
321A EMS call, PDA	1	0.58%	\$0	0.00%
321B EMS call, refused treatment/transport	7	4.06%	\$0	0.00%
322 Motor vehicle accident with injuries	3	1.74%	\$0	0.00%
324 Motor Vehicle Accident with no injuries	1	0.58%	\$0	0.00%
381 Rescue or EMS standby	1	0.58%	\$0	0.00%
	<u>142</u>	<u>82.55%</u>	<u>\$0</u>	<u>0.00%</u>
<b>4 Hazardous Condition (No Fire)</b>				
400 Hazardous condition, Other	2	1.16%	\$0	0.00%
412 Gas leak (natural gas or LPG)	1	0.58%	\$0	0.00%
421 Chemical hazard (no spill or leak)	1	0.58%	\$0	0.00%
444 Power line down	3	1.74%	\$0	0.00%
445 Arcing, shorted electrical equipment	1	0.58%	\$0	0.00%
460 Accident, potential accident, Other	1	0.58%	\$0	0.00%
	<u>9</u>	<u>5.23%</u>	<u>\$0</u>	<u>0.00%</u>
<b>5 Service Call</b>				
500 Service Call, other	2	1.16%	\$0	0.00%
510 Person in distress, Other	2	1.16%	\$0	0.00%
531A Smoke Investigation, No action taken	1	0.58%	\$0	0.00%
550 Public service assistance, Other	1	0.58%	\$0	0.00%
554 Assist invalid	4	2.32%	\$0	0.00%
	<u>10</u>	<u>5.81%</u>	<u>\$0</u>	<u>0.00%</u>
<b>6 Good Intent Call</b>				
611 Dispatched & cancelled en route	2	1.16%	\$0	0.00%
	<u>2</u>	<u>1.16%</u>	<u>\$0</u>	<u>0.00%</u>
<b>7 False Alarm &amp; False Call</b>				
700 False alarm or false call, Other	3	1.74%	\$0	0.00%
713 Telephone, malicious false alarm	1	0.58%	\$0	0.00%

Adrian Fire Dept.

Incident Type Report (Summary)

Alarm Date Between {01/01/2010} And {01/31/2010}

Incident Type	Count	Pct of Incidents	Total Est Loss	Pct of Losses
<b>7 False Alarm &amp; False Call</b>				
733 Smoke detector activation due to	1	0.58%	\$0	0.00%
745 Alarm system activation, no fire -	1	0.58%	\$0	0.00%
	<u>6</u>	<u>3.48%</u>	<u>\$0</u>	<u>0.00%</u>

Total Incident Count: 172

Total Est Loss:

\$31,000

m-4

Adrian Fire Dept.

Incident Type Report (Summary)

Alarm Date Between {02/01/2010} And {02/28/2010}

Incident Type	Count	Pct of Incidents	Total Est Loss	Pct of Losses
<b>1 Fire</b>				
100 Fire, Other	1	0.58%	\$0	0.00%
111 Building fire	7	4.09%	\$66,500	79.45%
131 Passenger vehicle fire	3	1.75%	\$17,200	20.54%
	<b>11</b>	<b>6.43%</b>	<b>\$83,700</b>	<b>100.00%</b>
<b>3 Rescue &amp; Emergency Medical Service Incident</b>				
300 Rescue, EMS incident, other	39	22.80%	\$0	0.00%
311 Medical assist, assist EMS crew	7	4.09%	\$0	0.00%
321 EMS call, excluding vehicle accident with	84	49.12%	\$0	0.00%
321A EMS call, PDA	5	2.92%	\$0	0.00%
321B EMS call, refused treatment/transport	5	2.92%	\$0	0.00%
322 Motor vehicle accident with injuries	3	1.75%	\$0	0.00%
	<b>143</b>	<b>83.62%</b>	<b>\$0</b>	<b>0.00%</b>
<b>4 Hazardous Condition (No Fire)</b>				
412 Gas leak (natural gas or LPG)	1	0.58%	\$0	0.00%
445 Arcing, shorted electrical equipment	1	0.58%	\$0	0.00%
	<b>2</b>	<b>1.16%</b>	<b>\$0</b>	<b>0.00%</b>
<b>5 Service Call</b>				
500 Service Call, other	1	0.58%	\$0	0.00%
551 Assist police or other governmental agency	1	0.58%	\$0	0.00%
554 Assist invalid	3	1.75%	\$0	0.00%
	<b>5</b>	<b>2.92%</b>	<b>\$0</b>	<b>0.00%</b>
<b>6 Good Intent Call</b>				
671 HazMat release investigation w/no HazMat	1	0.58%	\$0	0.00%
	<b>1</b>	<b>0.58%</b>	<b>\$0</b>	<b>0.00%</b>
<b>7 False Alarm &amp; False Call</b>				
700 False alarm or false call, Other	1	0.58%	\$0	0.00%
710 Malicious, mischievous false call, Other	1	0.58%	\$0	0.00%
730 System malfunction, Other	1	0.58%	\$0	0.00%
735 Alarm system sounded due to malfunction	1	0.58%	\$0	0.00%
743 Smoke detector activation, no fire -	3	1.75%	\$0	0.00%
745 Alarm system activation, no fire -	2	1.16%	\$0	0.00%

Adrian Fire Dept.

Incident Type Report (Summary)

Alarm Date Between {02/01/2010} And {02/28/2010}

Incident Type	Count	Pct of Incidents	Total Est Loss	Pct of Losses
	9	5.26%	\$0	0.00%

Total Incident Count: 171

Total Est Loss:

\$83,700

m-5

**ADRIAN CITY PLANNING COMMISSION  
FEBRUARY 2, 2010  
REGULAR MEETING  
MINUTES**

The regular meeting of the Adrian City Planning Commission was called to order by Chair Jacobitz at 7:00 p.m. in the City Chambers at 159 East Maumee Street.

Present: Mike Jacobitz Chair  
Khamis Al-Omari Vice Chair  
Mel Dye  
Chad Johnson  
Carl Phipps  
Marilyn Schebil

Also Present: Chris Atkin Community Development Director

Absent: Mike Clegg City Commissioner  
Ken Tokarz  
Brian Watson

**APPROVAL OF MINUTES OF THE  
FEBRUARY 2, 2010, REGULAR MEETING**

There was one correction to the minutes. There was a typographical error on page 4, the work "we" should be deleted. Commissioner Al-Omari moved that the Minutes of the February 2, 2010, regular meeting be corrected. Commissioner Johnson supported. Motion carried unanimously.

**CASE NO. 10-002A  
COMMISSION DISCUSSION AND CONSIDERATION  
OF TEXT AMENDMENTS RELATIVE TO REQUIREMENTS FOR  
HOUSING SHELTERS, TRANSITIONAL HOUSING FACILITIES  
AND EMERGENCY SHELTERS**

Commissioner Phipps moved that this item be removed from table. Commissioner Dye supported. Motion carried unanimously. The public hearing was held at the February 2 meeting and after discussion, the Commission tabled for further review. The Commission was in receipt of four maps showing the alternatives as discussed at the February meeting. These maps were based on zoning designations not land use. For the record the Commission will inform the audience of the alternatives and also mentioned them in the minutes. The Commission explained the alternatives to the audience. They are as follows:

1. Available Parcels 300 Feet From Current Shelter Locations and 300 Feet from R-Districts. This map shows the existing shelters (4 locations). Also, it shows parcels that are 300 feet from these shelters and from single family residential districts. There is 1 parcel in the R-O District, 5 parcels in the RM-1 District and 1 parcel in the RM-2 District, for a total of 7 parcels. It was noted that the parcel in the RM-2 District is a church and that a few of the parcels in the RM-1 District would most likely not be available due to their existing uses.
2. Available Parcels that are Greater Than 300 Feet from R-District. This map shows 7 parcels in the R-O District, 9 parcels in the RM-1 District and 1 parcel in the RM-2 District, for a total of 17 parcels. It is assumed that from a practical standpoint only 15 would be available.
3. Available Parcels without Shared Boundary. This map shows a total of 183 parcels available throughout the City, including 52 parcels in the R-O District, 28 in the RM-1 District and 3 in the RM-2 District. It is assumed that 180 parcels would be available. This does include all existing ones.
4. Available Parcels 300 Feet from Current Shelter Locations and Not Sharing an R-District Boundary Line. There are 30 parcels in the R-O District, 122 parcels in the RM-1 District and 1 parcel in the RM-2 District that could be available for a shelter use, for a total of 153 parcels. Some of these parcels may never be available or suitable for a shelter but this gives an idea of the number of parcels that might be.

The Commission discussed the alternatives. There was general consensus from the Commission that 300 feet between shelters would be the least restrictive. Originally it was 1,500 feet, which would have excluded any new shelters. The Commission discussed requiring 300 feet between shelters and one-family districts (R-1 through R-4 Districts), but it was felt this would be restrictive. There was support for restricting facilities from sharing a boundary line. This would permit them across the street but not sharing a lot line. There was discussion on not making the requirements too restrictive that may cause problems in the future. At the public hearing last February the Commission heard from individuals speaking about generosity of people in this county and it is evident with the number of charitable organization coming together, which is very impressive. Commissioner Al-Omari's main concern is the individuals that come from out of town and try to establish organizations within the City, other communities need to step up to the plate, the City has become the hub for these shelters, seems a lot of the shelters are clustered in the City and not throughout the county. Commissioner Al-Omari moved that the Planning Commission recommend to the City Commission the approval of modifying language in Articles XIIA, VIII and IX as suggested. Commissioner Phipps supported. *(The text amendments are as follows. **Bold** text indicates new language and ~~Strikethrough~~ indicates language to be deleted.)*

**ARTICLE XIIA  
R-0, RESIDENTIAL OFFICE DISTRICT**

SECTION 12A.01: The R-O district is designed to provide viable uses for large old structures near the Central Business District, recognizing that market forces change the demand for such space. The structures are typically old, potentially historic buildings that began as residences. The district provides a transition between the Central Business District and single-family residences. Access is via Major Streets and Thoroughfares. The intent of this district is to provide residential dwellings on the upper floors, and provide an option for first floor use either office space or residential space. The goal of this district is to encourage the maintenance and upkeep of historically significant structures by enhancing their economic viability. The types of office uses allowed are intended to minimize the demand for parking, specifically high volume, high turnover demand.

SECTION 12A.02 PRINCIPAL USES PERMITTED:

1. One- and two-family residential dwelling units.
2. Executive, administrative and professional offices.
3. Insurance, real estate and similar uses with a low volume of customer contacts.
4. Establishments which perform personal services, such as barber shops, alterations and tattoo parlors. Uses that generate a high parking demand, such as exercise or dance studios, are prohibited.
5. Accessory buildings or uses customarily incidental to any of the above uses.

SECTION 12A.03 USES SUBJECT TO A ZONING EXCEPTION PERMIT:

1. Mortuaries, subject to Section 14.03 (9).
2. Standard restaurants as defined in Section 2.99.15 (D), subject to Section 4.37 (H) (3) (g).
3. Bed and breakfast facilities subject to Section 25.04.
4. Group family homes, subject to Section 2.52 (C) and Section 25.15.
5. Churches, subject to Section 25.07.
6. Medical offices, including clinics and medical laboratories.
7. Child care centers as defined in Section 2.46 (A).
8. Veterinary clinics and veterinary hospitals provided that all activities are conducted within a permanently enclosed building.

9. Three- and four-family dwelling units, provided that:
  1. Two parking spaces are provided for each unit.
  2. Minimum floor area of 400 square feet for a one bedroom, or efficiency shall be provided. For each additional bedroom, an additional 100 square feet shall be provided.
  
10. Housing Shelters subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**
  - (b) Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**
  
11. Transitional Housing Facilities subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**
  - (b) Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**
  
12. Temporary Shelters subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**

- (b) **Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
- (c) **Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
- (d) Subject to Section 2.52 (C) and Section 25.15.

SECTION 12A.04 SITE PLAN REVIEW: For all principal uses and uses subject to a zoning exception permit, a site plan shall be submitted in accordance with Section 4.6. For any change in use for the first floor of a structure, from a residential use to office, or office to residential, a parking plan shall be provided demonstrating conformance to parking requirements for the proposed use.

SECTION 12A.05 REQUIRED CONDITIONS:

1. No front porch may be reduced in size or enclosed.
2. No parking in the front yard will be allowed.
3. When deemed appropriate by the Planning Commission, a fence, wall or landscaped buffer strip may be required between uses in the R-O district and adjacent residential zoning districts or uses.

SECTION 12A.06 AREA, HEIGHT, BULK AND PLACEMENT REQUIREMENTS: Area, height, bulk, and placement requirements shall be in accordance with Article XXIV, Schedule of Regulations.

**ARTICLE VIII  
RM-1 LOW RISE MULTIPLE-FAMILY RESIDENTIAL DISTRICT**

SECTION 8.0 INTENT: The RM-1 Low Rise Multiple-Family Residential Districts are designed to provide sites for multiple-family dwelling structures and related uses, which will generally serve as zones of transition between the non-residential districts and the lower density Single-Family Districts. The Multiple-Family district is further provided to serve the limited needs for the apartment type of unit in an otherwise medium density, single-family community.

SECTION 8.1 PRINCIPAL USES PERMITTED: In a RM-1 Multiple-Family Residential District, no building or land shall be used and no building shall be erected except for one or more of the following specified uses unless otherwise provided in this ordinance:

1. All uses permitted in the RT Two-Family Residential District.
2. Garden apartments

3. Townhouses
4. Three and four family dwellings
5. Adult Foster Care Facilities (medium 7-12 residents and large 13-24 residents).

SECTION 8.2 USES SUBJECT TO ZONING EXCEPTION PERMIT:

1. Congregate living facilities, subject to Section 25.13
2. Single-room occupancy facilities, subject to Section 25.12
3. Housing for the elderly, subject to Section 24.02
4. Group family homes, subject to Section 2.52 (C) and Section 25.15
5. Housing Shelters subject to the following conditions:
  - ~~(a) — Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**
  - (b) Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**
6. Transitional Housing Facilities subject to the following conditions:
  - ~~(a) — Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**
  - (b) Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**

7. Temporary Shelters subject to the following conditions:
- ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**
  - (b) Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.**
8. Student Group Homes subject to Section 2.41.01 (C) and Section ~~25.15~~ **25.15 A**

SECTION 8.3 SITE PLAN APPROVAL: For all principal uses and uses subject to a zoning exception permit, a site plan shall be submitted in accordance with Section 4.6.

SECTION 8.4 AREA, HEIGHT, BULK AND PLACEMENT REQUIREMENTS: All uses permitted in the RM-2 High Rise Multiple-Family Residential Districts shall be in accordance with Article XXIV, Schedule of Regulations.

## **ARTICLE IX RM-2 HIGH RISE MULTIPLE-FAMILY RESIDENTIAL DISTRICT**

SECTION 9.0 INTENT: The RM-2 Multiple-Family Residential Districts (High Rise) are designed to provide sites for high density multiple dwelling structures adjacent to high traffic generators commonly found in the proximity of Central Business Districts and areas abutting major thoroughfares. This district is further provided to serve the residential needs of persons desiring the apartment type of accommodation with central services as opposed to the residential patterns found in the Single-Family and RM-1 Multiple-Family Residential Districts. This district is further designed to provide lower coverage which, in turn, will result in more open space.

SECTION 9.1 PRINCIPAL USES PERMITTED: In the RM-2 High Rise Multiple Family District, no building or use shall be erected or used except for one or more of the following specified uses.

1. Multiple family dwellings of any height.
2. Accessory buildings and uses customarily incidental to any of the above permitted uses.

SECTION 9.2 USES SUBJECT TO SPECIAL EXCEPTION PERMIT:

1. Housing for the elderly, subject to Section 24.02.
2. Congregate living facilities, subject to Section 25.13.
3. Convalescent and nursing homes subject to Section 25.09.
4. Private clubs and lodges, subject to Section 25.05.
5. Housing Shelters subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**
  - (b) Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.
6. Transitional Housing Facilities subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**
  - (b) Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
  - (c) Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
  - (d) Subject to Section 2.52 (C) and Section 25.15.
7. Temporary Shelters subject to the following conditions:
  - ~~(a) Each facility shall not be less than 300 feet from another such facility.~~
  - (a) Each facility shall not be less than three-hundred (300) feet from another such facility.**

- (b) **Such facility shall not abut a single family residential district (R-1, R-2, R-3 and R-4).**
- (c) **Signage shall be limited to one identification sign affixed flat against the front wall of the facility of size not to exceed eight (8) square feet.**
- (d) Subject to Section 2.52 (C) and Section 25.15.

8. Student Group Homes subject to Section 2.41.01 (C) and Section ~~25.15~~**25.15A**

SECTION 9.3 SITE PLAN APPROVAL: For all principal uses and uses subject to a zoning exception permit, a site plan shall be submitted in accordance with Section 4.6.

SECTION 9.4 AREA, HEIGHT, BULK AND PLACEMENT REQUIREMENTS: For all uses permitted in the RM-2 High Rise Multiple-Family District shall be in accordance with Article XXIV, Schedule of Regulations.

In Favor of Motion: Schebil, Dye, Phipps, Jacobitz, Al-Omari, Johnson

Against Motion: none

Motion carried unanimously.

PUBLIC HEARING TO HEAR AND CONSIDER COMMENTS  
TO A REQUEST FOR ZONING EXCEPTION PERMIT  
FOR 214 EAST CHURCH STREET

Mr. Tim Robinson and Ms. Brenda Rigdon, the applicant and owners were present for this meeting. The applicant requests approval to convert this property into a single family residence. They have already purchased the property and plan to reside there. They are presently upgrading the interior of the structure. The last known use of this structure was a Bed and Breakfast establishment. This property was originally constructed as a residence. For the last 30 years the property has been utilized as a residential establishment on a variety of levels. The OS-1 District allows single family per Section 12.03 (8). The public hearing was opened. There were no comments or questions from the audience and no written communications were received. The public hearing closed. The Commission discussed the criteria as mentioned in Section 12.03 (8) as follows:

- a. Building construction shall have been in its original design a single-family dwelling.

Old photographs confirm this building was originally a single-family home.

- b. New construction shall be designed as a single family dwelling and architectural character shall be compatible with the neighborhood.

All remodeling and renovations are being done to the interior only.

- c. The lot upon which the single-family dwelling is proposed shall be of a size that makes impossible, or extremely unlikely, the use of the lot for an office due to limited space for vehicular parking. Newly created lots will be reviewed by the planning commission for neighborhood compatibility for single family dwelling use.

This is not applicable.

- d. Screening requirements for parking in the OS-1 district, as contained in Section 4.37.E, shall not be required for single-family dwellings established or constructed under this subsection.

This is not required.

The criteria have been met. Commissioner Schebil moved that the Planning Commission adopt the following resolution to approve this request for a Zoning Exception Permit for 214 East Church Street as requested. Commissioner Dye supported.

### **RESOLUTION**

WHEREAS, Mr. Timothy Robinson has submitted a Zoning Exception Permit request to convert the former bed and breakfast located at 214 East Church Street (Parcel XA0-400-1002-00) to a single family residential home; and

WHEREAS, the proposed uses shall have less intense activity than the previous use of the parcel as a bed and breakfast; and

WHEREAS, the subject parcel's Zoning District designation is OS-1 Office Service District; which permits single family dwellings via a Zoning Exception Permit; and

WHEREAS, the City of Adrian Comprehensive Plan recommends future land use to generally include the uses proposed by the applicant; and

WHEREAS, the Community Development Department has conducted a review of the applicant's request in accordance with the standards found in the City of Adrian Zoning/Development Regulations that pertain to process and approval requirements; and

WHEREAS, review of the proposed use finds that it meets requirements, is generally compatible with and will be complimentary to adjacent uses on adjacent parcels and within the OS-1 District.

NOW THEREFORE BE IT RESOLVED that the Adrian City Planning Commission accepts the review and analysis conducted by the Community Development Department; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission finds that the application is in compliance with the standards for a Zoning Exception Permit as found in the City Code of Ordinances; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission hereby approves the request for a Zoning Exception Permit for 214 East Church Street, Parcel XA0-400-1002-00.

In Favor of Motion: Dye, Phipps, Jacobitz, Al-Omari, Johnson, Schebil

Against Motion: none

Motion carried unanimously.

#### ELECTIONS FOR CHAIR AND VICE CHAIR

Nominations were opened. Commissioner Al-Omari moved that Commissioner Jacobitz be nominated for Chair and Commissioner Schebil be nominated for Vice Chair. Commissioner Phipps supported. There were no further nominations. Nominations were closed.

In Favor of Motion: Johnson, Al-Omari, Jacobitz, Phipps, Dye, Schebil

Against Motion: none

Motion carried unanimously.

#### COMMUNICATION ITEMS

Pastor Steven Palmer addressed the Commission concerning using 216 Division Street for a housing shelter. This property is zoned OS-1 Office Service, which does not allow congregate living facilities. This property was formerly used as a group home by the Lighthouse Inn and its last occupant was Recovery Lifestyles, which is an office use. Pastor Palmer asked if there were any way to utilize this structure for a women's and children's facility. Their present facility has outlived its purpose and they could utilize this property for a temporary means facility and then in 2 to 3 years we would set up the Women's and Children's facility. The definition of Group Family, as permitted per exception in the OS-1 District, excludes congregate living facilities. The Commission understands Pastor Palmer's dilemma, but felt they had just recommended a very generous ordinance change. The Commission was not in support of this request and rezoning the property would create spot zoning. The consensus of the Commission was not in favor of rezoning this property for congregate living. No action taken by the Commission.

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Mr. Atkin stated that MDOT has postponed indefinitely the South Main Street reconstruction due to budget constraints.

There being no further business the meeting adjourned at 7:53 p.m.

Respectfully submitted,

Denise Cook, Secretary